

PD-ABI-974
8/10/92

**Twenty-month evaluation of A.I.D.'S
Forest Resources Management II (FRM II) Project**

im

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Submitted to:

**United States Agency for International Development
RD/ENH**

October 29, 1992

**Contracted through
Environment and Natural Resource Management
IQC PDC-6617-1-00-0105-00**

Acknowledgments

On behalf of Tropical Research and Development, Inc. (TR&D), the evaluation team would like to express its appreciation to A.I.D.'s Office of Environment and Natural Resources for contracting with TR&D to undertake the Twenty-Month Evaluation of the Forest Resource Management II (FRM II) Project.

The evaluation team also would like to express its appreciation to the following:

- Dr. Carl Gallegos, FRM II project manager, for his cooperation, logistical support and constant availability to team members;
- Other Agency for International Development (A.I.D.) personnel (both in the Washington office and in the Nepal, Philippines, Bolivia and Guatemala Missions) who provided information and insight on various aspects of FRM II project design, contractor and FRM project management as useful guidance on A.I.D. procedures, policies and programs;
- Personnel from the U.S. Department of Agriculture Forest Service, Forestry Support Program and Office of International Cooperation and Development; the Peace Corps; and the InterAmerican Management Consulting Corporation (in Washington and in the field) who made themselves readily available for the team's many questions and responded quickly to requests for additional information;
- Representatives of host country public and private sector, such as industry and conservation groups, who provided team members with increased understanding of some challenges and opportunities that might exist for FRM II as it moves forward; and
- TR&D staff for their support and back stopping in facilitating efforts in the field.

The evaluation team is responsible for opinions expressed herein and expressly notes that these opinions are not necessarily those of A.I.D. or TR&D.

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List of abbreviations

AA	Assistant Administrator
AEP	Asia Environmental Partnership
A.I.D.	Agency for International Development
APCD	Associate Peace Corps Director
CDIE	Center for Development Information and Evaluation
CGIAR	Consultative Group for International Agricultural Research
CIFOR	Center for International Forestry Research
CIS	Commonwealth of Independent States
DBMS	Database Management System
DFA	Development Fund for Africa
EE	Eastern Europe
ENR	Office of Environment and Natural Resources
EPA	Environmental Protection Agency
FAA	Foreign Assistance Act
FPEI	Forest Private Enterprise Initiative
FPP	Forestry Protection and Production
FRM	Forest Resources Management Project
FRM II	Forest Resources Management II Project
FS	Forest Service
FSP	Forestry Support Program
FSU	Former Soviet Union
FTE	Full Time Equivalents
FVA	Bureau for Food and Voluntary Assistance
FY	Fiscal Year
GIS	Geographic Information System
HCNs	Host Country Nationals
ICRAF	International Council for Research on Agroforestry
ICT	International Computers and Telecommunications, Inc.
IF	International Forestry Deputy Area
IMCC	Interamerican Management and Consulting Corporation
IQC	Indefinite Quantity Contract
ITTO	International Tropical Timber Organization
LAC	Latin America and Caribbean
LDC	Lesser Developed Country
LOP	Life of Project
MOU	Memorandum of Understanding
MTAP	Marketing and Technology Access Project
NGO	Non-Governmental Organization
NIS	Newly Independent States
OICD	Office of International Cooperation and Development
PASA	Participating Agency Service Agreement
PC	Peace Corps
PCV	Peace Corps Volunteer
PID	Project Identification Document

PL	Public Law
PO	Program Office
PP	Project Paper
PVO	Private Voluntary Organization
R&D	A.I.D. Bureau for Research and Development
RSSA	Resource Support Services Agreement
SCFER	Southeast Center for Forest Economics Research
S&T	Science and Technology
SOAP	State-of-Art-Paper
SOW	Scope of Work
TA	Technical Assistance
TR&D	Tropical Research and Development, Inc.
UNCED	United Nations Conference on Environment and Development
U.S.	United States
US-AEP	U.S.-Asia Environmental Partnership
USAID	United States Agency for International Development (Field Mission)
USDA	United States Department of Agriculture
USG	United States Government
WEC	World Environment Center
WID	Women in Development

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Executive summary

Purpose of the activities/project evaluated

The Agency for International Development (A.I.D.) approved the Forest Resources Management II (FRM II) Project in 1990. The goal of the project was to "ensure a sustainable forest and natural resource base in developing countries." The purposes were to mobilize the public sector and the private sector, in order to promote contribution of trees to sustainable development and to strengthen host country institutions for natural resources management.

Purpose of the 20-month evaluation

The primary purpose of this evaluation was to produce information to assess the extent to which project implementors -- the Forestry Support Program, the Peace Corps and the Interamerican Management Consulting Corporation are accomplishing project goals and purposes. The evaluation scope of work stated that the evaluation team would assess "management, accomplishments, impacts of the project within and outside A.I.D., and make recommendations for modification and possible new areas of emphasis during the remaining eight plus years Life of Project (LOP)."

Major highlights of the evaluation

A number of themes cut across all major components of FRM II.

1. **Success to date:** In general, FRM II has had many successful elements over its first 20-month history. The Forestry Support Program's technical assistance and roster activities remain in demand. Peace Corps' work under FRM II provides A.I.D. a good return on its investment. The initiative for private enterprise, to date, has had mixed results.
2. **Continuity and change:** The issues of continuity and change will be a great part of the challenge of any potential FRM II redesign and future implementation efforts. The Office of Environment and Natural Resources will have to determine how best to maintain continuity of service at the same time that A.I.D. and its implementing institutions confront major changes.
3. **New commitments among partners:** This context of change requires that all actors make new commitments to partnership and trust. This will require a process of negotiation and renegotiation which focuses on ensuring a high degree of mutual "ownership" of decision-making relative to FRM II.
4. **Time for adjustment:** Maintaining continuity, responding to or leading change, and creating new commitments to partnership and trust require time. The various actors must be prepared for the time required to adjust as they establish and reach agreement on new structures, mechanisms for accountability and protocols for interaction and action.
5. **Opportunities for project expansion:** Many opportunities exist for expansion of FRM II. Support for Peace Corps should be increased to help ensure its continued success. Opportunities to expand FRM II support to other parts of the world such as Eastern Europe and the Commonwealth of Independent States require exploration by FRM II staff and project redesigners. FRM II should also explore expansion of the Private Enterprise Initiative through a proposed action forum for forest protection and production.

Major recommendations from the evaluation

The evaluation report presents 160 recommendations. For the purposes of the executive summary, the evaluation team focused on five major areas of concern.

1. **Project redesign:** FRM II project management should undertake a redesign effort to update the project paper, make it more relevant to agency-wide, regional bureau and USAID priorities and address a wide range of concerns raised in the evaluation report. These concerns include but are not limited to the following: the need for changing some of the assumptions, anticipated outputs, and activities; providing an opening for support to Eastern Europe and the Commonwealth of Independent States; undertaking a variety of assessments of project management work load and travel needs and of Forestry Support Program (FSP) roster management; and developing mechanisms to ensure higher project recognition both within and outside A.I.D.
2. **Project financing:** Two critical project financing issues must be addressed in the near future. First is the issue of buy-ins to Participating Agency Service Agreements (PASAs), which the A.I.D. contracts office approved at the time of project approval but which has now been determined to be an unacceptable arrangement for buy-ins. (See section 6.2.1). Second is the need to modify the project budget, in part to reflect changes relative to buy-ins but also to reflect proposed expansion of project activities, such as increased support to Peace Corps, increased support for work in Eastern Europe and the Commonwealth of Independent States and development of a major private enterprise activity. The evaluation team projects that an expanded budget would increase FRM II from \$45 million to \$57-\$67 million over the LOP. (See Table 1)
3. **Development of mechanisms to ensure partnership and trust:** FRM II and A.I.D., at all levels, should work with implementing institutions, especially the USDA Forest Service, to develop new commitments to partnership and trust. The evaluation team recommends a wide range of mechanisms, such as memorandum of understanding, new systems of accountability, dissemination of information agency-wide about the nature of the new relationship that is evolving. (See section 4.2.1.8 for additional details.)
4. **Expansion of FRM II's private sector initiative:** FRM II has an opportunity to build on some of the work developed by the project manager regarding the strengthening of the project's private sector initiative. The evaluation team proposes development of an action forum for forest protection and production. Through dialogue and action, this forum will mobilize the private and public sectors in the U.S. and in host countries. (See section 4.2.4. below.) The evaluation team recommends immediate follow-up on development of a concept paper and for building this initiative into the project redesign effort.
5. **New efforts in monitoring project impacts:** FRM II's implementors need to develop stronger monitoring activities to track their activities and, more importantly, to determine their impacts. All project implementors should particularly pay attention to the development of direct and indirect, quantitative and qualitative indicators that will help the agency to determine whether it is meeting the goals and purposes of this project.

1. Purpose of activities/project evaluated

1.1. Project goal and purpose

The Agency for International Development (A.I.D.) approved the Forest Resources Management II (FRM II) Project Paper (936-5556) in October 1990. The project description section of the project paper (PP) stated FRM II's goal and purpose.

The goal of FRM II is to ensure a sustainable forest and natural resource base in developing countries. The purpose of the project is to promote the contribution of trees to sustainable development and to strengthen the forestry and natural resources management capacity of institutions in tropical and subtropical developing countries. These institutions would be strengthened through mobilization of the Peace Corps and the public and private community of professionals in forestry and natural resources management.

1.2. Major activities and implementors

1.2.1. Major activities

Major activities to be undertaken during the 10-year LOP of FRM II included:

- Technical assistance through short-term consultancies, training and workshops;
- Service and support through use of a computerized roster, referral service and technical reference;
- Support for private enterprise development with a focus on harvesting, utilization and marketing of forest products; and
- Facilitation of donor collaboration intended to strengthen U.S. participation in host country and multi-donor (e.g., Consultative Group for International Agricultural Research (CGIAR), International Tropical Timber Organization (ITTO)) initiatives in the sectors for forestry and natural resource management.

The FRM II PP also identified more specific activities for each of the major cooperators/contractors.

1.2.2. Major implementors

1.2.2.1. Forestry Support Program

FRM II developed a Resource Support Services Agreement (RSSA) with the U.S. Department of Agriculture (USDA) Forest Service (FS) for the long-term services of the Forestry Support Program (FSP) through the USDA's Office of International Cooperation and Development (OICD) for long-term technical assistance services. FRM II also developed a "ribbon" Participating Agency Service Agreement (PASA) to provide a mechanism for Bureau and Mission buy-ins for short-term technical support.

Using the RSSA and PASA mechanisms, the PP (p. 9) stated that the Forestry Support Program would "have primary and proactive responsibility for four major components: 1) technical assistance and

training, 2) service and support, 3) support for private enterprise development, and 4) facilitation of donor collaboration."

1.2.2.2. Peace Corps

FRM II also developed a Participating Agency Service Agreement (PASA) with the Peace Corps (PC) to provide a mechanism for field implementation of activities related to forestry and natural resource management. The project paper (p. 17) acknowledged that many of the activities carried out under the Peace Corps PASA would be "demand-driven, designed and delivered in response to requests from participating countries." Among the activities listed were program development (e.g., field assessments, consultations), technical assistance (e.g., evaluations of specific activities or programs), material support (e.g., tools, manuals) to Peace Corps Volunteers and their counterparts to enhance the probability of project success, and training and workshops (e.g., pre-service technical training for volunteers, in-service training for volunteers and their counterparts).

1.2.2.3. Other contractors

FRM II has used other mechanisms to obtain a variety of services in support of the project's goal and purpose. FRM II did a buy-in into the Marketing and Technology Access Project (MTAP) to contract with the InterAmerican Management Consulting Corporation (IMCC) for some limited private enterprise-related work.

1.3. Budget considerations

In 1990, A.I.D. approved the FRM II budget of \$45 million, comprised of three major components. First, A.I.D.'s Research and Development Bureau (R&D) (formerly the Science and Technology (S&T) Bureau), Office for Environment and Natural Resources projected that its contribution over the LOP would be \$25 million. Second, project designers used information provided by Regional Bureau and Mission to estimate buy-ins at a level up to \$15 million. And third, project designers estimated that the major institutions through which the project would be implemented, the USDA Forest Service and the Peace Corps, would, during the LOP, provide a total of \$5 million of in-kind contributions of personnel and services.

1.4. Countries where project activities were to be emphasized

Based on guidance provided by the R&D (formerly S&T) Program Office (PO), the project paper specifically stated that FRM II would focus on 15 priority countries: Niger, Madagascar, Botswana, Zaire, Haiti, Guatemala, Ecuador, Brazil, India, Indonesia, Philippines and South Pacific. The PP (p. 8), however, stated that while these countries were to be the point of emphasis, project activities would not be limited to these countries.

1.5. Anticipated project outputs

The project paper outlined six major anticipated project outputs by the end of the project:

- strengthened institutions;
- transfer and application of existing and emerging technologies;

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- improved developmental impact of food-aid activities related to forestry and natural resource management;
- mobilization of and enhanced communication with public and private sector forestry and natural resource management communities;
- development of forestry private enterprise; and
- facilitation of technical input to donor collaboration.

2. Evaluation purpose and methodology

2.1. Purpose of the evaluation

The 20-month evaluation of FRM II had one primary purpose: to produce information to assess the extent to which project implementors (i.e., Forestry Support Program, Peace Corps, and InterAmerican Management Corporation) were accomplishing project goals and objectives. In order to accomplish this objective, the 20-Month Evaluation Scope of Work (SOW, p. 3) stated that the evaluation team would assess "management, accomplishments, impacts of the project within and outside A.I.D., and make recommendations for modification and possible new areas of emphasis during the remaining eight plus years LOP."

As stated in the evaluation SOW, team members focused on a number of specific areas of interest:

- Adequacy of project design and progress toward achieving project goals and purposes;
- Contractor performance;
- Adequacy of project management;
- Major project accomplishment and implementation limitations;
- Relationships of FRM II to other projects within and outside A.I.D.; and
- Background documentation and recommendations for future FRM II project activities.

In addition to the above, the SOW identified several additional areas of special note. These areas included:

- Country assessments (based on visits by team members to Nepal, the Philippines, Bolivia, and Guatemala) and implications for the overall project;
- Special consideration of future development of the private enterprise component of the project;
- Kinds and potential levels of effort for working in A.I.D.'s new country areas, including the Commonwealth of Independent States (CIS) of the Former Soviet Union (FSU) and Eastern Europe; and
- R&D Bureau cross-cutting themes, including cost-sharing, buy-ins, sustainability, women in development, research peer review and information collection and dissemination.

2.2. Evaluation methodology

The evaluation team used the following methods to obtain information:

- Interviews with A.I.D. personnel (Washington office and Mission), project contractors and others with experience or information relevant to the 10 points of concern listed above (See Annex 3 for a list of contacts);
- Review of documentation about the agency, the project, project implementors, project accomplishments and related materials (See Bibliography);
- In-country site visits (Nepal, the Philippines, Bolivia and Guatemala) to discuss FRM II with USAID and Peace Corps personnel and host country nationals (HCNs) in the public and private sectors (see Annex 4 for brief trip reports); and
- Assessment of project progress to date based on the following criteria (as defined explicitly and/or implicitly in the evaluation SOW): relevance, effectiveness, efficiency, impact, sustainability and quality.

3. Major highlights of the evaluation

3.1. Introduction

In this chapter, the evaluation team outlined some major highlights of the 20-Month Evaluation of the Forest Resources Management II Project. Here, the team focuses on some of the general themes that cut across the major components of the project. This chapter serves as both a retrospective on accomplishments to date and provides a prospective on the challenges that RD/ENR will face as it determines what directions to pursue relative to FRM II over the remaining eight years of the life of the project. In the next chapter, the evaluation team elaborates findings and recommendations. The interested reader can refer to this chapter for more details on each of these topics.

3.2. Success to date

In general, the evaluation team found that FRM II had many successful elements. The team highly evaluated the work done by Peace Corps under FRM II. The team also observed that, from the view of many regional Bureau and Mission staff, many aspects of the Forest Service Forestry Support Program have been successful and remain in high demand. The team found that the private enterprise initiative has had mixed results to date. But this project component provides an important opportunity for A.I.D. through a proposed expansion of FRM II.

3.3. Continuity and change

This section captures some of what may be perceived as a set of contradictions. However, the evaluation team raises the issues of continuity and change together because these issues will be a great part of the challenge of any potential FRM II redesign and of any future implementation efforts. At the same that A.I.D. and its implementing institutions confront major institutional changes, ENR will have to address the challenge of how to maintain continuity of the services that FRM II and its predecessor provided.

On the one hand, the first 20 months of FRM II have provided A.I.D. with an opportunity to continue the relationships that evolved during the course of Forest Resources Management (FRM) Project. Continuity is an important resource in terms of providing A.I.D. with consistent, quality support and an "institutional memory" (through the Forestry Support Program and Peace Corps Washington Office staff). Without such continuity, A.I.D. might not otherwise retain this "institutional memory."

On the other hand, while continuity is a desired commodity in an ever-changing world, great change is ongoing in the ever-maturing structures and systems of relationships that have existed between A.I.D. and its primary implementing institutions over the past 12 years. A.I.D. recently restructured, and, to reflect changes of U.S. policy as well as political, economic, environmental changes in various parts of the world, A.I.D. constantly shifts its priorities, including its emphases on forestry and the environment and private sector development. As a result of new mandates from Congress, the International Forestry (IF) Deputy Area of the USDA Forest Service is undergoing rapid and radical changes. The Forest Service is developing new organizational structures and systems to meet these mandates. Peace Corps has made great changes in the past few years as it has responded to increasing host country demand for volunteers in areas related to forestry and natural resource management.

3.4. New commitments to partnership and trust

This context of change requires all sides to make new commitments to partnership and trust. Part of this process requires negotiation or renegotiation through a process or set of mechanisms and interactions that promote open discussion and resolution of conflict. The process should focus on ensuring a high degree of mutual "ownership" of decision making relative to FRM II. The Forest Service will have to develop new systems of accountability, decision making, monitoring, and related actions that are acceptable to both the Forest Service and to A.I.D. and are most specifically relative to the Forest Service activities funded by A.I.D. Agreements reached and mechanisms set in place between the two agencies should:

- be effective, efficient and flexible;
- work toward achieving the common goal of reducing environmental degradation and ensuring more environmentally sound development; and
- use the wide range of forestry and related natural resources management knowledge and skills that the two institutions bring separately and collectively to the partnership both in tropical and subtropical regions where A.I.D. has the primary mandate and in temperate and boreal regions where the Forest Service has long-standing relationships.

FRM II's long-standing relationship with the Peace Corps will require less adjustment because it will remain largely the same. However, the existing commitments to partnership and trust should be reaffirmed and each agency should continue to search for opportunities to work collaboratively.

FRM II's private enterprise initiative provides an important opportunity to promote new partnerships between private industry, government, environmental groups and others interested in sustainable forest protection and production. Development of this new initiative should focus a great deal of attention on improving interactions between groups that often are at odds with each other yet which have some common goals that must be articulated and acted on as the initiative evolves.

3.5. Time for adjustment

Issues of maintaining continuity, responding to or leading change and creating new commitments to partnership and trust require time. The various agencies must be prepared for the time required to adjust as they establish and reach agreement on new structures, mechanisms for accountability and protocols for interaction and action.

The team is confident that this is likely to be a stressful time during which problems will arise that may be:

- resolved to each other's satisfaction;
- determined to be points where mutual levels of tolerance for difference will merely have to be accepted; or
- accepted as unresolvable to such a degree that other options or mechanisms will have to be taken to achieve FRM II's objectives.

With regard to the evolution of the International Forestry Deputy Area of the Forest Service, FSP and A.I.D. will have to invest time and energy to work closely together to ensure that the positions that A.I.D. funds are clearly defined in terms of roles, responsibilities, activities, systems of accountability, performance standards and so forth.

With regard to the expansion and implementation of the private enterprise initiative, A.I.D. and its cooperators will have to make a great investment in creative thought, energetic leadership and commitment to common goals. The structures, activities and results will only evolve and mature over time.

3.6. Opportunities for project expansion

This is a time for A.I.D. to take advantage of many opportunities that present themselves. Certainly, an opportunity exists to expand support for Peace Corps and help ensure its continued success.

Opportunities to expand FRM II support to other parts of the world, such as Eastern Europe and the Commonwealth of Independent States, require exploration by FRM II staff and project redesigners.

Finally, expansion of the private enterprise initiative through a proposed action forum is the focus of one of the evaluation's major findings and recommendations. Among the opportunities that the team discussed in great detail in the findings and conclusions section is the opportunity to increase forest biomass through a range of activities in sustainable forestry protection, production and enrichment. This effort would be a preferable alternative to only attempting to protect existing natural forests. The proposed private sector approach is one additional means for A.I.D. to reduce pressures on existing natural forests, to provide jobs and to ensure an adequate supply of alternative sources of timber and non-timber products so desperately needed in many countries.

4. Findings and conclusions

4.1. Adequacy of project design

4.1.1. Relation of goal to project design

Finding: The project's logical framework assumed four conditions that would have to prevail in order for FRM II to achieve success. These assumptions were the following:

- (a) host country governments' would recognize and commit to the importance of natural resources;
- (b) forest resources would be priced at their true value to create incentives for management;
- (c) Private Voluntary Organizations (PVOs) and Non-Governmental Organizations (NGOs) would become involved at the host country national level; and
- (d) A.I.D. and other donors would give higher priority to natural resources management.

The degree to which FRM II can affect assumptions (a) and (b) will vary from country to country. Nevertheless, these assumptions remain valid, and the evaluation team found progress had occurred in these areas in all countries visited. Additionally, during field visits, the team found that assumptions (c) and (d) were closer to being realities than mere assumptions.

Recommendation: FRM II's assumptions relative to the goal statement in the PP remain valid and should be maintained.

4.1.2. Relation of verifiable indicators to goal

Correct indicators?

Finding: The team noted that the project's goal is only theoretically measurable by indicators, such as a 5 percent increase in forest productivity and 5 percent decrease in soil erosion by the end of the LOP. Nonetheless, it is fair to attempt to measure the potential impact of A.I.D.'s \$40 million + project during the LOP, and, indeed a project of this magnitude should show some positive impact.

In many field implementation projects, it is somewhat easier to count things and measure more direct impacts. For instance, one might go to the field to look at the number of trees planted or the number of trees that survive over a certain period of time or to use photo imaging to monitor changes in forest cover resulting over time from either protection activities or, conversely, from, of harvesting of timber.

Impacts

Because of the nature of many FRM II activities, such as short-term technical assistance, training, service and support, facilitation of donor coordination, and private enterprise, the team recognizes that it is more difficult to directly quantify many of FRM II's impacts. Additionally, even if data were available, evaluators would find it difficult to allocate impacts directly related to FRM II's activities on a specific project as compared to other activities undertaken by others and that might have a more direct impact. The team found that all of its implementing institutions were only quantifying such things as the number of trips overseas that FSP staff made, how many Missions sent cables with positive reports on the work of an FSP staff member or other individual identified through the FSP roster and sent on an overseas assignment, the number of workshops that Peace Corps conducted, or the number of studies that a

contractor conducts for USAIDs. These numbers by no means are meaningless. However, they reflect only one level of concern -- activities undertaken and/or completed.

Other levels of measurement, however, are essential for A.I.D. to monitor the impact of its investments. As noted above, a list of activities does not necessarily indicate what the results of those activities were (e.g., x number of people were given information about forest management planning). And such a list does not begin to address the issue of what the impacts of those activities have been (e.g., x number of people use the planning tools learned during the training activity to develop their local forest management plans and perhaps they even have adapted the planning tools to define and solve other problems that the community must address). These last examples indicate a level of impact and indicate a trend toward sustainability that development assistance activities must continue to address in a more creative and systematic manner.

The evaluation team recognized the difficulty in measuring, for instance, the impact that one FSP staff member has on the design of a project that may eventually contribute to a significant decrease in erosion or a significant increase in the production of biomass. It also is hard to measure the impact that purchasing a subscription to a technical journal for use by a Peace Corps volunteer might have on improving the design of a forest management plan that a local user group will then implement. It is hard to measure the impact of one conference, gathering private industry and environmental groups together, on addressing the complementary issues of forest protection and production.

However, all contractors under FRM II have a responsibility to develop direct or indirect (proxy), quantitative and/or qualitative indicators. These measures should not reflect only the number and kind of activities that the implementors complete, but should reflect the results and impacts or trends of change that result from those activities.

Examples of the more indirect indicators might include identification of how the information presented in a training session has been used directly or indirectly a year after the training occurred. Or, if FRM II provides support to a PCV for buying a subscription to a professional journal, a proxy to indicate the trend or potential for impact perhaps is whether the article has been translated into a local language or whether a photo from the journal is used on a poster developed by local children and placed on display. Other indicators that might be more indirect are Mission requests for an individual to return to do follow-up work. Such a request may reflect the Mission's perception of the quality and contribution that the individual has made previously in meeting the Mission's forestry objectives and related objectives of its natural resources management portfolio.

Recommendation: Institutions with implementation responsibility for FRM II should begin to develop more direct and indirect measures of their progress toward achieving project goals. The project should be guided by the verifiable indicators outlined in the logical framework. These indicators must meet appropriate criteria of validity, reliability, precision and context.

CDK/S **Recommendation:** FRM-II implementing institutions should undertake any number of activities to develop this system of impact indicators. One option is to conduct a staff working session and bring in an outside consultant with experience in facilitating development of direct and indirect indicators.

Finding: The evaluation team found that, associated with the lack of measurable impact indicators, none of the project's implementing institutions have adequate monitoring systems on line. Peace Corps is

working on the development of an agency-wide system. FSP has no monitoring or tracking system, other than what exists to serve as the basis for developing its annual report.

Recommendation: Following the development of direct and indirect, quantitative and qualitative indicators, each of FRM II's implementing institutions should develop and/or improve its monitoring function and subsequent reporting to A.I.D.

Recommendation: FRM II implementing institutions should tap the experience that exists in A.I.D.'s Center for Development Information and Evaluation (CDIE). This effort will help implementors develop a set of indicators that is more compatible with A.I.D.'s.

4.1.3. Relation of purpose to goal

Finding: The PP stated that FRM II's purpose was to enhance, through mobilization of the public and private sectors, the capacity of lesser developed country (LDC) institutions for natural resource management. The PP assumed sufficient funds from donors and policies conducive to sustainable resource management. And the PP assumed that natural resource management activities would be integrated into agricultural systems, that the private sector and the university community would develop natural resource programs that would be integrated into A.I.D. activities for forestry and natural resource management.

The evaluation team found that these assumptions remain valid.

Recommendation: The underlying assumptions to the PP's purpose statement should remain the same.

Finding: The PP's purpose statement indicated that FRM II would focus only on tropical and subtropical areas.

Recommendation: In light of changes in Eastern Europe and the Commonwealth of Independent States (CIS), FRM II's purpose statement should be changed. If determined appropriate following redesign process input from regional Bureaus and Missions, FRM II should address issues primarily in tropical and subtropical regions. Through existing contractual arrangements, it may be able to provide services for boreal and temperate forest issues, as well. Additionally, the new private enterprise component of FRM II should be marketed in all regions, as determined appropriate during the redesign process.

4.1.4. Relation of outputs to purpose

Finding: Outputs planned for in the PP were the following: strengthened institutions; application and transfer of existing and emerging technologies; improved developmental impact of food-aid-related activities in forestry and natural resources; mobilization of enhanced communication with the public and private forestry and natural resource management community to meet project goal and purposes; forestry private-enterprise development; and facilitation of assistance for donor collaboration. All but one of the anticipated project outputs remain valid as written. The anticipated output that suggests that FRM II will contribute to the "improved development impact of food-aid-related forestry and natural resource management issues" has become problematic because of A.I.D.'s shifted emphasis from food aid to voluntary assistance.

Recommendation: The team found that A.I.D. is placing less emphasis on food-aid-related forestry activities. Therefore, the list of outputs should be modified to show that the project will, as deemed appropriate per A.I.D. policy, contribute to the improved development impact of voluntary assistance and food-aid-related forestry and natural resource management activities. Mention of food aid should not be removed entirely because it still remains an option in, for example, countries willing to have food aid as part of a Peace Corps activity. While Peace Corps no longer promote food aid as it did in the past, it will respond if a country expresses interest.

Finding: The PP's anticipated outputs assumed that multiple mechanisms would be available to access the talents of both the public and private sectors and that contracting mechanisms to facilitate Mission and Bureau buy-ins to PASAs would be available and legal.

Finding: The first assumption above is flexible and being fulfilled in part.

Recommendation: The PP's assumption that multiple mechanisms exist to access the talents of both public and private sectors should remain in the PP.

Finding: The evaluation team found that the second assumption underlying the PP's anticipated outputs is a major issue in the agency. At the time of PP approval, A.I.D.'s contracts office approved the "ribbon PASA" mechanism for buy-ins to obtain the services of the Forestry Support Program and for buy-ins to the PC PASA. Now, A.I.D.'s contracts office has reinterpreted the legality of these buy-ins to PASAs and declared them illegal. ENR designed FRM II to serve as a catalyst and to extend technical assistance and support to the Bureaus and Missions.

Recommendation: FRM II should develop mechanisms for cost sharing with Missions and Bureaus. These mechanisms must meet their need to access services and support, and they must not be cumbersome bureaucratically. The issue of buy-ins to PASAs must be resolved as soon as possible.

4.1.5. Relation of activities to outputs

Finding: The PP outlined 11 activities that FRM II would support, including institution building, research, training, natural forest management and interaction between private enterprise and universities. The relation of these activities to the project outputs rested on three assumptions: agreement on the thematic approach and incorporation of new topics into the project, agreement on sources of funding (i.e., R&D/ENR, Regional Bureau and Mission buy-ins, and in-kind contributions) and coordination of U.S. Government (USG) (e.g., A.I.D., F.S., Environmental Protection Agency (EPA)).

Recommendation: The evaluation team recommends that once A.I.D. resolves the issue of buy-ins to PASAs, the redesign effort should reflect changes in the logical framework and in the text of the PP as appropriate.

4.1.6. Inputs

Finding: The PP face sheet is no longer accurate due to the contract office's interpretation on the illegality of buy-ins. Additionally, many A.I.D. personnel, including the assistant administrator (AA) for R&D, noted that they anticipate an increase in funding for forestry activities over the next few years.

This anticipated increase in funding suggests that an excellent opportunity exists to increase FRM II's budget -- given adequate background and justification for such an increase.

Recommendation: The PP budget and face sheet should be changed to reflect removal of the buy-in mechanism, as appropriate, as well as to reflect expanded levels of core funding. Below, the evaluation team provides estimates of increases in budget needs over the project's next eight years. Also included are supporting background and justification details.

Table 1
Proposed Budget Increases
Over Remaining Eight Years LOP

<u>Amount</u>	<u>Recipient</u>
+ \$5-10 million	Forestry Support Program*
+ \$12 million	Peace Corps**
+ \$16 million	Private Enterprise Initiative***
+ ?	In-kind contributions from FS & PC

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* The team bases this estimate on the assumption that the existing PASAs will not be able to accept buy-ins. The increase suggests an addition both of core and OYB funds. The evaluation team bases the estimate on indications from high-level A.I.D. personnel that funding within the agency for forestry activities will be increasing over the next few years, including funding for expansions into Eastern Europe and the Commonwealth of Independent States. The level of OYBs is obviously one that can be questioned. However, the team is hopeful that new tracking mechanisms being developed by the R&D Program Office will help relieve a few of the concerns of Missions and Bureaus about how R&D projects spend funds once they are turned over to the Central Bureau.

** This amount would entail approximately a core level of \$1.5 million per year over eight years. The evaluation team bases this estimate on figures provided by the Peace Corps project manager. His estimates reflect experience over the past 12 months with core and OYB transfer funds. The estimate also reflects concern about Peace Corps funding already being very near its 10-year LOP ceiling and concerns that buy-ins may no longer be possible. Since other ENR projects use this PASA to obtain services, this figure might be reduced if only FRM II uses it. The team, however, recommends that the figure be increased in whatever case in order to support the Peace Corps' continuing efforts in tropical and subtropical areas, as well as its new efforts in the Baltics, Eastern Europe and the countries of the Former Soviet Union.

*** The team recommends that a relatively small level of funding be used to start up the proposed expansion of the private enterprise initiative. The level should be revised based on the findings of the team hired by A.I.D. to develop a concept paper based on the concepts proposed in this evaluation report. The buy-in potential from regional Bureaus and USAID can be determined after they have been apprised of the objectives and activities of the proposed expanded private enterprise initiative under FRM II. FRM II project management should work with the contracts office to establish appropriate contractual mechanisms that ensure a relatively easy way for Bureaus and Missions to obtain services and to participate at levels they deem appropriate in an expanded initiative.

Finding: FRM II project management made an assumption about the budget. Based on discussions and tacit agreement with representatives of the regional Bureaus, FRM II project management assumed that the regional Bureaus would pay for the positions of the FSP regional coordinators. Representatives of the regional bureaus now say that FSP regional coordinators are doing work directly for the Forest Service and are not doing all they should for the Bureaus. The Bureaus, therefore, believe that they have no need to keep the commitment to FRM II reflected in the PP budget (See p. 27).

Recommendation: The commitment by regional Bureaus to fund the FSP regional coordinator positions should be renegotiated or removed from the set of FRM II assumptions in the logical framework and project budget. Whatever the outcome, ENR should host a new round of discussions with the regional Bureaus and the Forest Service to talk about the kinds of support and back stopping that are needed by the Bureaus and what commitments and systems of accountability the Forest Service will provide under their new organizational arrangements. The results of these discussions should be reflected in the redesign of FRM II.

Finding: A question raised by USAIDs and PC offices during field visits led the evaluation team to be concerned about the adequacy of the project design. The question was: How much assistance can the USAID Missions and PC get from FRM II without paying for it from their own limited budgets? The PP provides no firm guidance on this issue. The FRM II project manager explained that, in the case of FSP, the FRM II project manager, the FSP program manager and the OICD representative jointly decide on what and how much to fund on a case-by-case basis.

Recommendation: FRM II project management should maintain flexibility in decision making about the kind and level of support it will give to regional bureaus. However, it should have clear lines of communication to ensure that problems do not arise over expectations that Bureaus and Missions might hold about more than the catalytic funding that FRM II is designed to provide.

Finding: Missions often have tight budgets. Even when some Missions decide to fund additional technical assistance, they prefer other mechanisms, such as hiring qualified host country professionals or using indefinite quantity contracts (IQCs). While Missions and regional Bureaus have OYB transfers as a funding option, they often find it unattractive because when they make such a transfer of funds, it reduces the amount shown in their own budget and shows up as an increment to core funding in a Central Bureau, where they have no control or ability to track how it is used.

Recommendation: None

Finding: The team found that the chief of the Forest Service has made a commitment from the Forest Service to pay for the first six weeks of salary for its employees on overseas assignments. This F.S. commitment requires that A.I.D., through FRM II, regional Bureau of Mission funding pay for travel and in-country expenses. Additionally, the cost of salary for personnel working for more than six weeks has to be covered by A.I.D.

Recommendation: FRM II, specifically, and A.I.D., more generally, should work with the Forest Service to continue to search for opportunities to expand their partnership much in the spirit of the Forest Service's commendable contribution of personnel and coverage of six weeks of salary costs on overseas assignments.

4.1.7. Schedule for project implementation

Finding: The project paper schedule (pp. 37-38) is not correct.

Recommendation: The team recommends that the schedule be updated to reflect more exact dates of past actions and revised to more accurately show expected time frames for performance in view of changing conditions. The following provides as accurate a schedule as possible at the time of the writing of the evaluation report.

Table 2
Proposed Revision of Schedule for Project Paper

<u>Date of action</u>	<u>Action</u>
August 1990	1. DBMS contract renewed
October 1990	2. A-76 waivers approved
October 1990	3. Contracting mechanism established
November 1990	4. Collaboration modes established
June 15, 1990	5. Project implementing agencies
November 1990	6. FPEI agreement renewed
Until FY 92	SCFER maintained at \$40,000
FY 92	SCFER increased to \$60,000
November 1990	7. Forest industry study initiated
August 1991	8. Concept approved, donor collaboration formalized
January 1991	9. Donor collaboration research begun
January 1991	10. Forest-based industry initiatives begin; TA has been on-going
September 1991	11. ICT contract ends
January 1991	12. Communications/DBMS initiative begins
January 1991	13. Agroforestry support/Sustainable Agriculture Initiative begins
June 1992	14. OYB Transfer from PARTS project
August 1992	15. Asia Regional Coordinator worked on ITTO
August 1992	16. Donor Collaboration Initiative
September-	
October 1992	17. 20-month evaluation of FRM II
November 1992	18. Forest industry component incorporated in FRM II

4.1.8. Other project-design issues

Finding: Some regional-bureau personnel find redundancy in the ENR office portfolio and expressed their impression that ENR project managers did not seem to be coordinating with each other or with the regional Bureaus.

Recommendation: FRM II should assess its intra- and inter-office-coordination procedures to ascertain whether they are adequate and should then take action to increase its own coordination efforts.

Finding: Part of the ENR office strategy is to expand existing projects to incorporate new activities. The redesign of FRM provides opportunities for expansion.

Recommendation: The evaluation team recommends that the ENR office strategy to incorporate new activities into existing projects be analyzed before doing a redesign of FRM II to provide opportunities for considerable expansion. The team recommends that any expansion should not do a disservice to the PP's goal and purpose statements and should not overextend the capabilities of the project manager, considering the magnitude of his existing workload.

Finding: The structure and components of FRM II do not recognize the relationship between actions for the protection of natural forests and their associated biodiversity and actions to ensure the sustainable production of biomass to meet human needs for timber and non-timber products. Except for any tree-planting in the agroforestry initiative, the PP does not discuss sustainable forestry-plantation activities. The evaluation team believes that remaining natural forests and their biodiversity are less likely to be preserved in the absence of a full range of alternative actions, including enrichment of degraded forests and development of wood supply, other than that found in natural forests. This issue is particularly important to address in areas where high population pressure exists and where natural forests have been seriously depleted. The Philippine situation is a stark example of these processes; people are encroaching rapidly on the uplands, which remain in forest to ensure protection of the watersheds.

Recommendation: In the redesign of the PP, serious consideration should be given to adding a sustainable plantation-forestry initiative.

Recommendation: Implementation of a sustainable plantation-forestry initiative, if A.I.D. deems it appropriate, should be initiated within the first year after the PP redesign.

Finding: A.I.D. should do more direct hiring to get some of its work done, rather than expecting to depend on its contractors.

Recommendation: While the evaluation team recognizes that direct-hiring capability of the ENR office is pretty much out of its hands, the agency as a whole should reevaluate its human-resource needs in the areas of forestry and natural-resources management and should investigate the feasibility of hiring more personnel to handle the ever-increasing workload of project personnel.

Finding: Some regional bureaus have expressed concern that the list of priority countries (p. 8 of the PP) should be revised to be consistent with regional priorities. This revision should not be problematic. The PP outlined a set of priority countries but expressly did not limit the countries nor limit the possibility of changing them if regional priorities changed. Perhaps more important is the question of whether FRM II should limit its activities to a relatively small set of countries in order to give the project more focus. This concern reflects guidance from the R&D program office during the design of FRM II in 1990.

Recommendation: FRM II project management should work with regional Bureaus to account for regional priorities in the redesign of the project.

Recommendation: Additionally, FRM II project management should periodically check with regional Bureaus to identify appropriate changes that should be made, specifically, those changes that will have

an impact on the activities of FRM II's implementors. The evaluation team recommends that some sense of priority be maintained at the same time that flexibility is allowed to ensure that changing priorities and needs around the world can be addressed.

Finding: Pursuit of U.S.-government policies toward the contracting of women and minorities can be strengthened in the project.

Recommendation: In the redesign of FRM II, consideration should be given to expanded roles for Gray Amendment firms.

4.2. Assessment of contractor performance

4.2.1. Forestry Support Program

4.2.1.1. Background

The FRM project provided funds for the creation of the Forest Service's Forestry Support Program (FSP) in 1980. From its inception, FSP has provided technical assistance and back stopping to A.I.D.'s R&D Bureau, regional Bureaus and Missions and to the Peace Corps and various Private Voluntary Organizations (PVOs) and Non-Governmental Organizations (NGOs).

In 1990, FRM II obtained A-76 waivers and developed with A.I.D. contract office approval a Resources Support Services Agreement (RSSA) and a "ribbon" Participating Agency Service Agreement (PASA) with the Forest Service (FS) through the USDA's Office of International Cooperation and Development (OICD).

The Forestry Support Program consists of the program manager, three regional coordinators -- one each for Latin America and Caribbean, Asia, and Africa, a training coordinator, an agroforestry coordinator, a coordinator for food aid and voluntary assistance, a special projects coordinator and assistant, and clerical and support staff. Additionally, the FRM II PP provided for FSP to add and fill positions for social forestry coordinator, natural forest management coordinator, research coordinator, land use planning technologies coordinator, a donor collaboration coordinator -- a position which has been filled and co-funded with the Forest Service, an agroforestry assistant -- also filled, and training assistant -- filled.

4.2.1.2. Technical assistance

Finding: The regional coordinators for Africa, Asia, and Latin America and the Caribbean serve as the principal contact between FSP and the regional Bureaus and USAIDs. The evaluation team spoke with individuals in each of the regional Bureaus and in the four USAID Missions visited during the evaluation. In general, all A.I.D. personnel gave the FSP regional coordinators high marks for their work.

Recommendation: The evaluation team commends the work of the regional coordinators and hopes that FSP will be able to maintain this quality of personnel throughout the remaining years of the project.

Finding: The FSP regional-coordinator annual work plans are key instruments for personnel management within FSP. FRM II and FSP circulate draft, annual work plans widely within A.I.D. and the Forest

Service. Unfortunately, few of those to whom the work plans are circulated provide substantive and timely input.

Recommendation: FRM II project management should work more closely with regional-bureau personnel to raise awareness of the importance of their input in the development of FSP regional-coordinator work plans. The evaluation team recognizes that these plans are just one more document that come across the desks of regional-bureau personnel for review and comment. However, in order to ensure greater communication, coordination and, consequently, better service and support, the regional bureaus should make every effort feasible to provide input into the development of these work plans.

Finding: The Asia regional coordinator, in addition to his other assignments, has the task of following events in the Commonwealth of Independent States. FSP expects him to look at the implications of activities in the CIS for FRM II's possible expansion into that region. Inevitably, this extra task detracts from his work in the Asia region. The evaluation team believes that this assignment must be assessed in the light of whether another regional coordinator can be added to FSP. However, a decision of this kind will have to await decisions about the commitment of resources to the region, the expansion of FRM II's mandate to work in that region and the addition of funds to FSP's RSSA to cover the hiring of another regional coordinator.

Recommendation: FRM II should conduct a needs assessment before determining the kind and level of need that exists, the responsibilities that a new coordinator for Eastern Europe and the CIS might have and the budgetary implications of adding an additional regional coordinator to the FSP staff. In the redesign of FRM II, project management should investigate the opportunities for flexibility in adding an additional regional coordinator.

Finding: The present training and education coordinator views his work primarily as that of a connector and communicator between the demand side (i.e., training needs identified and developed as a result of FSP work with Missions and others) and the supply side (e.g., universities, industry, and others who provide training). In these roles, the training and education coordinator uses a catalog of educational and training opportunities that R&D Policy and Training Officer Dr. John Swallow developed and advertises, as well as FSP's quarterly reports to publicize training activities. By searching out available resources, he also provides services in response to specific requests for training. As a result of strengthened training sponsored by the Missions in the past, requests for training are increasingly specific. The training and education coordinator also serves as the A.I.D. contact for the highly successful University of Michigan seminar in forest management, which has been training foreign nationals for the past nine years. The coordinator indicated that the training needs of the Missions are well provided for within the existing budget. And the evaluation team has confirmed that the training and education activities within the project are going well.

Recommendation: The training and education coordinator should become more proactive insofar as possible and appropriate in working regional bureaus and USAIDs to respond to their needs.

Finding: The project paper (p. 20) provided for the hiring of a temporary staff person to fulfill the position of training assistant. The person hired is on a term appointment, not to exceed two years, but it is extendable.

Recommendation: The evaluation team recommends that the title of the training assistant be changed to assistant or associate training and education coordinator. On the surface, the title may appear to be a trivial issue, however, the proposed title better reflects the level of professionalism that the position holder brings to the job. Additionally, the proposed title change will project a more appropriate image to regional Bureaus, Missions and host-country nationals concerning the roles and responsibilities of the person hired to the position. The team recognizes that a change of this kind likely will require a bureaucratic reclassification or renaming of the position on the part of the Forest Service. The implications of the new title, however, are apt to have a far reaching and deep impact, warranting attention to this detail as soon as possible in spite of potential inconveniences to administrators.

Finding: Most FSP staff members have had no training in gender awareness and analysis. Many, however, are sensitive to the issues and some have expressed interest in having more formal training in this area. Others believe that they need no formal training because they consider the problems and issues to be clear.

Recommendation: The FSP women-in-development coordinator and the training and education coordinator should work together to develop and/or contract for a training course for FSP personnel. This training should be open to others in international forestry, as well to ensure that those who will be acting as backstops for the A.I.D.-fund FSP staff understand the issues and the ways to address them in international-development activities. The evaluation team further recommends that the course be conducted at a time when all staff will have sufficient notice and so that as many as possible can commit to attending.

Finding: The name "Food Aid and Voluntary Assistance Coordinator" survives from a period when A.I.D. used food aid (i.e., food for work as defined under Public Law 480 or PL 480) as a major development-assistance mechanism. A.I.D. is decreasing its use of food aid. A.I.D. now is focusing much more emphasis on voluntary-assistance programs, and the coordinator's role is primarily that of acting as a liaison between A.I.D. forestry programs and voluntary-assistance institutions. The coordinator is developing an annotated bibliography of PVOs in order to facilitate FSP work with them. The coordinator, however, sees an opportunity for more work directly with PVOs and NGOs.

Recommendation: FRM II project management should determine whether the name of the food aid and voluntary assistance coordinator should be changed to reflect that agency's move away from food aid. Consultation with the appropriate Food and Voluntary Assistance (FVA) Bureau personnel should help clarify this issue.

Recommendation: FSP's food aid and voluntary assistance coordinator should present a plan to the FSP program manager and FRM II project manager that outlines a plan of more proactive work with PVOs and NGOs. Guidance from FSP and FRM II management should help guide decisions about the potentially expanded roles and responsibilities of the Coordinator. These roles can be outlined in the redesign of FRM II.

Finding: The agroforestry coordinator responds to Mission requests for technical assistance and, more proactively, has identified a set of priorities for work in the socioeconomics of agroforestry and on gender issues in forestry and agroforestry. The coordinator also has proposed as a potential topic for more attention, an activity focusing on the translation of research on agroforestry into extension materials.

The PP describes the role of the agroforestry coordinator position as being global in nature, which makes many of the regional-bureau staff feel that the coordinator is not accessible and is doing things of relatively little interest to the individual bureaus. The PP also described the coordinator position as being the focal point for the development of the agroforestry for sustainable agricultural development initiative. Pages 11 and 12 of the PP outline the nature of the initiative. The coordinator only develops annual work plans and has developed no systematic and longer-term plan for implementation of the initiative.

Recommendation: The evaluation team believes that the role of the agroforestry coordinator can be more proactive. However, it is essential for the coordinator to be able to market the kinds of work that are being done and/or could be done.

Recommendation: The evaluation team recommends that the agroforestry coordinator work closely with the FSP regional coordinators and A.I.D. personnel in the various regional bureaus to develop a longer term, perhaps a five-year plan of action that gives shape to the PP-described initiative. The team believes that this kind of interaction with the regional Bureaus will give them a sense of greater "ownership" of the results of the work that the agroforestry coordinator does on behalf of A.I.D. and will provide them with an opportunity to give more input into her annual work plans. The longer-term action plan should have built into it appropriate clearance and notification procedures. The work under the agroforestry initiative provides an excellent opportunity for FSP staff to comply with the requirement of the PP to be both more proactive in their approach as well as to provide the agency with state-of-art-papers (SOAPs) and other lessons-learned materials.

Recommendation: Before undertaking the activity to "translate" agroforestry research into extension materials, the agroforestry coordinator should do a needs assessment through discussions with regional Bureaus and selected Missions.

Recommendation: Implementation of the longer-term work plan may require that some or much of the work be contracted out, such as FSP-provided support to the Southeast Center for Forest Economics Research (SCFER) to do the economics of the agroforestry activity. The agroforestry coordinator should discuss, as part of the initiative's action plan, a set of mechanisms that might most effectively be used to implement the efforts that the coordinator would coordinate.

Finding: The PP (p. 20) provided for the hiring of a temporary staff person to fulfill the position of agroforestry assistant.

Recommendation: The evaluation team recommends that the title of the agroforestry assistant be changed to assistant or associate agroforestry coordinator. On the surface, this change may appear to be a trivial issue, however, the proposed title better reflects the level of professionalism that the position holder brings to the job. Additionally, the proposed title change will project a more appropriate image to regional Bureaus, Missions and host-country nationals regarding the roles and responsibilities of the person hired to fill the position. The team recognizes that a change of this kind likely will require a bureaucratic reclassification or renaming of the position on the part of the Forest Service. The implications of the new title are apt to have a far-reaching and deep impact, warranting attention to this detail as soon as possible in spite of potential inconveniences to administrators.

Finding: The PP proposes a number of other positions and includes funding for them in the budget. These positions are social forestry coordinator, land-use- planning technology coordinator and research coordinator. The evaluation team found no demand in the Missions visited for the research coordinator and only mixed comment on the value of a land-use-planning coordinator. While team members found little interest in the Missions for a research coordinator, they did find some interest at the Bureau level for tapping into existing research expertise. FSP is filling the position of social-forestry coordinator and has plans to fill the other two positions in Fiscal Year (FY) 1993.

The LAC Bureau is very interested in the area of policy analysis, and this level of interest suggests the need to have a policy coordinator.

Recommendation: FRM II may want to assess the feasibility of modifying its position requests and substituting a policy-analyst coordinator to replace the requested research coordinator. One major concern with doing policy analysis revolves around the issue of providing the guidance of what policy reforms may be needed but not providing the needed long-term support for instituting the changes that the policy analysis might recommend. FRM II obviously is not in the position of providing long-term support, however, it may want to work to identify opportunities and sources of support for direct long-term relationships, as appropriate, between the USDA Forest Service and host-country institutions for forestry and natural-resources management.

Recommendation: FRM II should work with regional Bureaus and Missions to identify potential areas of research interest and determine what kinds of research support might be made available through FSP without needing to bring on a research coordinator full time. FSP could use its roster to tap Forest Service and other experts to address issues already identified during the course of this evaluation, including the following: research on environmental law and forestry law and review of what is known about sustainable forest management, such as alternatives to cattle raising and development of new sources of income based on timber and non-timber products. FSP should ensure that its roster includes a full complement of researchers in a wide range of fields. FSP regional coordinators should work with Bureaus and Missions to delineate specific research needs and to develop draft SOWs for research activities. The researcher selected should be involved in the development of the final SOW, problem definition and research design. This procedure should provide the necessary assistance without requiring a research coordinator, per se.

Recommendation: In view of the major changes in worldwide issues of forestry and natural-resources management, any new positions should be requested and filled only after careful assessment of needs and priorities. A.I.D. should ask the next evaluation team to investigate this issue in detail once again.

Finding: The PP plans for technical assistance in the development of low-impact forest management and maintenance of biological diversity, primarily based on utilization of forest products, such as resins, nuts, fruits and medicinal plants in natural-forest areas. The philosophy behind this initiative for forest-based development suggests that income-generating activities for a few people who can earn a living from low-impact forestry are more likely to preserve the remaining natural forests than efforts to exclude people from the forest.

Recommendation: The natural-forest-management coordinator, when hired, should work with other FSP regional coordinators and get input and guidance from R&D and the regional bureaus in order to undertake a careful assessment of the locations where the proposed, low-impact natural-forest

management strategy would be applicable. The coordinator also should work with appropriate FSP and A.I.D. personnel to determine priorities for work.

Recommendation: The evaluation team recommends that, the natural-forest-management coordinator, much along the lines of the agroforestry coordinator, develop a longer-term plan of action that would be refined through annual work plans. A.I.D. Bureau input, clearance and notification procedures should be worked out early in the process to ensure that the action plan meets A.I.D.'s needs. Insofar as possible, the coordinator should work to be proactive in identifying important areas for attention and action.

Finding: The Foreign Assistance Act requires an environmental-impact statement on every A.I.D. project that could have a significant positive or negative impact on the environment. Staff of some of the Missions visited and Bureau representatives interviewed expressed a need for assistance in perhaps developing a generic environment-impact assessment that could apply to any A.I.D. forestry project. The intent would be to provide general background information, considering measures to mitigate adverse impacts and which could be adapted for application to a specific project.

Recommendation: FSP should assist in meeting this need by assessing the feasibility of developing a generic environment-impact assessment that can be useful with adaptations to project designers while at the same complying with both the letter and spirit of the law.

4.2.1.3. Service and support

Finding: The roster is the most widely known service provided by FRM II under FSP. The roster is a "database of names of people available to work on FRM II activities. The FSP maintains the database. Qualified individuals are enlisted in various ways, including notices in the Commerce Business Daily and publicity at booths at forestry conferences." The team found that the composition of registrants was not well known. Table 4 shows the composition of the roster by employment/type and relative numbers:

Table 4
FSP roster composition

<u>Employment/type</u>	<u>Number of persons listed</u>
A.I.D.	102
Consultants	878
Education	68
Industry	160
State Organizations	133
Private Voluntary Organizations	115
USDA Forest Service	683
Other U.S. Government	238
Other Bilateral	41
Students	60
University	666

Source: Lind, 1992 (Linda Lind, 1992, personal communication).

Finding: The evaluation team found that the annual cost of operation and maintenance of the roster is, at a minimum, \$115,000. A.I.D. contributes \$70,000 and USDA/FS contributes \$45,000.

Finding: The roster contains biodata on more than 3000 experts. Between 1990 and 1991, A.I.D. and A.I.D.-funded contractors made 343 requests for names from the roster. The combined information from this finding and the preceding one suggests that each roster search costs at least \$300.

Recommendation: A.I.D. should bring in an outside consultant to: (a) assess the effectiveness of the roster and its management as a way of providing information to A.I.D.; (b) review its recruitment, data collection and marketing methods; and (c) recommend mechanisms for improving it, possibly through screening the quality of people listed. The evaluation team expressed mixed opinions about whether the roster and its management should be assessed for the potential for handing it over to the private sector. The team raises this option for A.I.D.'s consideration.

Finding: Sometimes in roster searches, a very large number of candidates results. Some of the requesters complain that FSP does not do adequate screening of the list of candidates that they find on the roster for a specific assignment.

Recommendation: Consideration should be given to refining the roster-screening criteria. The roster manager should work with each requesting individual, office and/or institution to determine the specific criteria for screening. Some requesters may want to do their own screening at all times. Others may prefer for FSP to do a pre-screening before sending a short list of three - five or 10 names as appropriate to the requester. The roster manager should obtain as much information from the requester as possible concerning the kind and level of screening required. This issue is fundamentally a communications issue for the roster manager. It should be taken seriously and dealt with professionally, rather than merely handing a request off to an assistant to do a search and come up with a list of potential candidates.

Finding: The evaluation team found a wide range of opinions from the Missions concerning the value of FRM II and FSP. However, recognition of the value of the roster was unanimous. Mission personnel made some recommendations for improvement of the roster, expanding it to include experts with institutional-building skills in the fields of economics, sociology and political science. These are added to the list of areas of expertise for planned expansion of the roster to include coastal resources, environmental assessment, geographic information systems (GIS), nature tourism, non-timber forest products, wetlands, minority candidates and the physically challenged.

Recommendation: FSP should modify the roster to broaden the disciplines available and to expand its recruitment to include many new areas of expertise and particularly to recruit more individuals from the private sector so that FRM II can better pursue its objective of mobilizing and involving the private sector.

Finding: Eighty percent of the people mobilized from the roster for overseas assignments were Forest Service personnel, either FSP staff or other FS staff. (See Table 5 below.)

Table 5
OICD DATA on Program Activity
(6/15/91-9/30/92)

<u>Mobilization of public and private sectors</u>		<u>No. of overseas trips</u>	<u>Percent</u>
(a)	FSP	22	47.8
(b)	Other Forest Service	15	32.6
(c)	Other government agencies	--	--
(d)	Private-sector consultants	9	19.6
Total overseas activity		46	100.0

<u>In-kind contributions from FS</u>		<u>No. of detailers</u>	<u>Percent</u>	<u>Weeks</u>
(a)	Professionals	11	91.7	34
(b)	Clerical	1	8.3	2
Total FS in-kind contributions		12	100.0	36

(Source: OICD. 1992. Cufflinks Records Management System)

Recommendation: The FRM II project manager and FSP manager jointly should assess -- through use of the roster -- the issue of mobilization of the public and private sector and should determine what levels are appropriate and acceptable to A.I.D.

Finding The team found that the majority of technical assistance provided through the roster was satisfactory. In some instances, experts were sent out through FSP and did not have the technical quality, sensitivity to foreign cultures or professional demeanor necessary to perform satisfactorily.

Recommendation: In order to ensure high-quality technical assistance, sensitivity to foreign cultures and professional demeanor, FSP should undertake the following actions to improve the quality of the roster.

- FSP should develop better screening of candidates as per guidance of the requesting offices, individuals, and/or institutions;
- FSP should develop more clearly defined scopes of work for those selected from the roster to provide technical assistance;
- FSP should provide guidelines to candidate technical assistance providers about the nature of development assistance, cultural issues, gender considerations and related concerns;
- in so far as practicable, FSP should conduct team-building activities prior to departure for overseas assignments; and

- FSP should have a mechanism to remove names from the roster if the individuals do not meet A.I.D. standards; conversely, FSP should establish a consistent rating system to help the screening process by providing information on prior performance for A.I.D.-related work.

Finding The Forestry Support Program produces three publication series: annual reports, quarterly reports and periodic reports. Some of the Missions know FSP primarily for its quarterly and periodic reports, which contain information about activities of FSP staff, training and educational opportunities, brief notes on technological topics and environmental issues. The FSP program manager has considered the possibility of dropping publication of the annual report because of its high production costs. But all three publication series are important elements of FSP's function as an "institutional memory" for A.I.D. Additionally, it is important to note that A.I.D. requires all project implementors to provide the agency with an annual report.

Recommendation: FSP should continue to produce and disseminate the annual report, the quarterly reports and periodic reports. The annual report should serve the purpose of "institutional memory" for A.I.D. on many of its forestry-related activities and should not be dropped.

Finding: The FSP program manager sees a need for employing a writer/editor to facilitate the production of publications.

Recommendation: The evaluation team understands FSP's need for employing a writer/editor. Several alternatives exist to secure such assistance. FSP recommended that someone be hired in-house. Another alternative available (as per section 4.04 on p. 20 of the PP) is to hire temporary editorial staff to provide assistance to core staff. Still another option is to contract to a private sector, perhaps Gray Amendment firm. While the evaluation team understands that problems in sub-contracting exist, team members recommend that these services would more efficiently be obtained by contracting with a private-sector firm.

Finding: The PP places strong emphasis for FSP to develop a system whereby staff members would synthesize the substantive and operational lessons learned in forestry and in natural-resources-management-related development assistance. Missions gave varying assessments of the need for these syntheses. FSP management placed this set of activities as a lower priority, in part, because of the need to staff up and the disruptions caused by moving twice since FRM II began. Additionally, because of the workload of FSP staff, it may not be reasonable for A.I.D. to expect FSP to undertake this type of activity directly. The agroforestry coordinator proposed a lessons-learned activity on the economics of agroforestry, but FSP eventually subcontracted this effort to the Southeast Center for Forest Economics Research (SCFER). This decision may set the precedent for future lessons-learned activities requested in the PP, depending on the subject.

Recommendation: FRM II project management and FSP should do a needs assessment by communicating with regional Bureaus and Missions about the need and utility for state-of-the-art papers (SOAPs) and lessons-learned synthesis papers.

Recommendation: FRM II project management also should work with other Bureaus and FSP to assess coordinator workloads and high-priority activities for annual work plans. This effort will ensure that a consensus of the level of priority to be placed on this lessons-learned synthesis kind of activity will be

included in the work plans if jointly agree upon. With this kind of consensus, staff time and attention would be approved and made a necessary part of their annual performance evaluation.

Recommendation: Whatever the decision is relative to the role that FSP coordinators will play in producing lessons learned, at the end of each year, each member of FSP should present a brief (not more than five pages) paper on the substantive and operational lessons they have learned during the year.

Recommendation: At other points in time, FSP staff members should provide memos through appropriate FSP channels to notify A.I.D. project management of cutting-edge technologies, emerging problems, new solutions to problems that are being experimented with by other donors or host country personnel and other items that might be of particular value to improve the forestry activities of A.I.D. This memo-writing activity should be separate from merely incorporating the information in trip reports. Or, if it is in the trip reports, the information should be "flagged" in such a way that it is brought more directly to A.I.D. project-management attention. FRM II and FSP management should establish the most appropriate mechanisms for ensuring that this cutting-edge and new information gets back to A.I.D. in timely fashion.

Recommendation: If the above actions do not result in satisfactory compliance with the requirements listed in the FRM II PP (e.g., because of other priorities), FRM II and FSP management should work together to develop a scope of work for the services of a contractor or contractor(s). It is advisable to determine the potential of existing Gray Amendment firms to do this work. The evaluation team strongly recommends, however, that the best way of getting the job done will depend very much on what it is that needs to be done. Close interaction with the Regional Bureaus and Missions will be necessary to identify priority topics. Additionally, the contracted group should be expected to identify emerging areas of concern that may be important in the future but which may not yet seem urgent or in need of immediate attention.

Finding FSP's program manager has asked to have more clerical/support personnel built into the FRM II project budget because the Forest Service share of the project overhead is not high enough to fund adequate numbers of support staff. According to OICD, most A.I.D. projects do have more support built into their budgets for clerical and support staff.

Recommendation: FSP and FRM II project management should analyze the level of the in-kind contribution being made by the Forest Service in providing support to FSP. Additional OICD and the Forest Service should determine whether the percent of overhead that it gets through the USDA's administrative arrangement is appropriate. Whatever the outcome, the evaluation team recommends that if A.I.D. adds support for clerical staff, it must be clear that the support is for A.I.D.-funded FSP staff not for International Forestry staff. This arrangement may be possible to change as International Forestry develops its new systems of accounting for the use of personnel. But until that time, clear lines of division should be established for the use of any clerical or support staff that A.I.D. may decide to fund.

Finding: At one time, FSP had a significant reference collection in a small library/conference room. However, when FSP moved to the auditor's building, management, out of necessity, had to limit the materials that could be moved into the limited space that was made available in the new offices. It appears that whatever remains is spread among individual staff members in their office bookshelves.

Recommendation: While some A.I.D. officials, contractors and visitors might wish to have a central place for information, much as that which was in the old reference library, it is not reasonable for FSP to be expected to maintain such a facility unless A.I.D. is willing to pay for space, the services of a librarian to accession the documents as they come in and keep track of those materials that are loaned out. The evaluation team does not believe that this is an essential function for FSP at the current time.

Recommendation: FSP has a policy of referring interested individuals to existing library and documentation centers in the Washington, D.C. area that have relevant information. These facilities include the Library of Congress, the National Agricultural Library and the World Bank Library. The evaluation team recommends that this policy be maintained.

4.2.1.4. Support for private enterprise

Finding: The Southeast Center for Forest Economics Research (SCFER) is a collaborative research entity established by North Carolina State University and the USDA Forest Service. SCFER provides academic research on economic issues related to forest resources and to forest-based enterprises. In 1992, SCFER published an important paper entitled "Private Enterprise, Economic Development, and Forest Resources: Lessons Learned and Challenges Ahead." SCFER plans to develop other studies on the economics of ecotourism, extractive reserves and agroforestry activities.

FRM II funds SCFER through FSP at a relatively low level, \$40,000 in 1991 and \$60,000 in the 1992 FY. SCFER has an excellent and well-respected team of academic researchers. Its economics research is helpful in understanding issues such as forestry private enterprise. In a recent SCFER paper, the author wrote: A.I.D. " has the opportunity to educate an intelligent but frequently misinformed public that forest based enterprises must be integrated into conservation strategies... otherwise the developing countries will simply repeat the costly misunderstandings prevalent in the industrialized countries." This is an important observation, but SCFER is not the entity to effect the integration of private enterprises into conservation strategies even though it can provide support for FRM II's proposed expansion of the private-enterprise initiative.

Recommendation: FRM II should continue to support SCFER but should ensure that its focus is on: (a) mechanisms to educate the intelligent but misinformed public about the need for integration of private enterprise with conservation strategies and (b) research that identifies specific ways in which the private sector can support forestry private-enterprise development in LDCs.

4.2.1.5. Facilitation of donor collaboration

Finding: The primary purpose of the donor-collaboration coordinator is for FSP to provide A.I.D. with technical assistance and input for strengthening U.S.-government participation in various multi-donor and host-country initiatives at the country level. A.I.D. and the Forest Service co-fund this position and have been working out protocols for communication, clearance and related concerns.

Recommendation: FRM II project management should monitor the problems, protocols and processes of decision-making that surround the development of this new position. The experience may be useful in working out details related to future co-funded positions. All parties involved should maintain open lines of communication to ensure that the coordinator can perform work efficiently and effectively for both A.I.D. and the Forest Service.

4.2.1.6. Quality considerations

Finding: The evaluation team heard only good things about the FSP regional coordinators.

Recommendation: The evaluation team commends the FSP regional coordinators for their good work and recommends that they keep up the good work.

Finding: The PP requested that FSP operate, insofar as possible, in a more proactive mode. The intent was to have a more integrated program that would respond to Bureau and Mission needs but also identify emerging areas of concern and bring them to the attention of A.I.D. and actively help address them. The evaluation team noted that many difficulties arise for FSP staff when they try to operate in a more proactive mode. From the FSP point of view, it requires time and a level of communication with appropriate A.I.D. offices that, while necessary, at times serve as an obstacle to any action. Additionally, it is entirely possible for a more proactive coordinator to be too successful in marketing her/his activities and, potentially, to become over-committed. From the A.I.D. point of view, concern and criticism exist about how to access some of the coordinators who have global responsibility and are trying to work more proactively.

Recommendation: The evaluation team believes that the FSP regional coordinators should continue to act primarily in a response mode to provide services and support to the regional Bureaus and Missions. Even these regional coordinators, however, have the responsibility to provide A.I.D. with information about emerging problems or cutting-edge issues via trip reports and/or memos, as discussed above. The coordinators with more global responsibilities should work with regional Bureaus as per guidance from those Bureaus (e.g., one Bureau only wants the agroforestry coordinator to work with the Bureau through the regional coordinator). These coordinators, however, should work to develop longer-term action plans that provide the Bureaus with a better sense of the kinds of activities that are planned and that the Bureaus and Missions in those regions might want to access through FSP.

Finding: The evaluation team found that the general quality of professionals obtained through roster searches has been good with only a few exceptions.

Recommendation: The quality of professionals obtained through roster searches could be improved. The evaluation team recommends FSP develop a series of training sessions for Forest Service employees interested in working on A.I.D.-funded activities. Some of the training topics should include: cross-cultural issues, understanding of the A.I.D. development-assistance processes, preparation for the rigors of some overseas assignments and sensitivity to and understanding of gender issues. Forest Service employees with this training and having the required technical skills might be given greater consideration in the screening of applicants from the roster.

4.2.1.7. Communications issues

Finding: Regional Bureau staff often asked: "Are FSP personnel serving A.I.D. or the Forest Service?" The question reflects: (a) a perception held by representatives of the regional Bureaus; (b) lack of understanding of the work that the FSP personnel under question is doing for A.I.D. (even though job descriptions and annual work plans of all FSP staff are widely circulated for input from Bureau staff.) The confusion could be in part due to the work being done for other Bureaus or on issues that cut across

various regions; and (c) lack of awareness of the maturing partnership between A.I.D. and the Forest Service.

Recommendation: FSP uses its newsletter to circulate the annual work plans with a request for input. FRM II project management should ascertain from each of the regional Bureaus what kind of information they want and what mechanisms would be most appropriate to obtain timely input into job descriptions and work plans of FSP staff.

Recommendation: FRM II should host a meeting or series of meetings to provide regional Bureau personnel with more information about the evolving relationship between A.I.D. and the Forest Service and the new systems of accountability and mechanisms for back stopping and service that the Forest Service is developing.

Finding: Regional Bureau staff expressed some concern that the FSP process for obtaining clearance of cables and other communications with field was too informal.

Recommendation: The underlying concern was one of communications between FSP, FRM II project management and the rest of A.I.D. FRM II and FSP management should work with regional Bureaus to establish a more formal system of clearance. Regional Bureaus should provide guidance, specifically outlining the kinds of documents that require clearance as well as the numbers, kinds and levels of clearance that are needed. The evaluation team does not advocate excessive bureaucratic handling of any kind but does recognize that A.I.D. guidelines must be followed in order for FSP to be efficient and effective in its own operations.

Finding: Most FSP staff have no input into the program's budgeting process and are typically unaware of the level of funding potentially that will be available to them during any given FY. This lack of awareness makes their planning efforts more difficult.

Recommendation: A more participatory process for FSP budget development, based on guidance provided in the PP budget, would be desirable.

4.2.1.8. A.I.D./FS partnership issues

Finding: The latest reorganization of the Forest Service's International Forestry Deputy Area presents both a need and an opportunity to reaffirm and build on the partnership that has proven relevant, effective and efficient over the past 12 years of the FRM and FRM II projects. The partnership melds the unique capabilities of A.I.D. and the USDA Forest Service. A.I.D. has the in-country organizational infrastructural in many countries for providing development assistance. And it has a long history of using diplomatic skills to work with foreign governments, as well as possessing the technical skills to work with host-country bureaucracies. The Forest Service, during its century-long leadership in resource conservation and management in the U.S., has developed a breadth and depth of expertise in forestry and natural-resources management.

Out of the organizational restructuring of both A.I.D. and the Forest Service, the two agencies need to make a new commitment to partnership and trust. Each institution recognizes the large amount of work to be done but each has concerns about who will take the lead where, who will set the technical and policy agenda, who will report to whom about what and who will get funding for what activities.

Congress provides the answer to some of these questions in its mandates through various pieces of legislation. Yet a free-for-all seems to be occurring as A.I.D., the Forest Service and other U.S.-government agencies, such as the Environmental Protection Agency (EPA), Department of the Interior and the State Department vie for money and power in the international forestry and natural-resources-management arena.

Each should focus, first, on the common issues of environmental degradation and social and economic development. Then, all (separately and/or collectively) should take up the challenge of promoting social and economic development that is more environmentally sound. From that point of departure, everyone can begin to talk collegially and constructively about how best to proceed in the work ahead.

Recommendation: In reaffirming the partnership, A.I.D. and the Forest Service will have to negotiate and renegotiate on a number of issues. For example, both institutions will need to agree on a system of accountability that will resolve the question of accountability by measurement of Full Time Equivalent (FTEs) versus performance of a specific individual on a specific task. In the renegotiation process, the Forest Service should recognize that, from A.I.D.'s point of view, sometimes it really does make a difference in who does a specific job at a certain point in time, even though the Forest Service might believe that the task would be performed equally well by another individual on staff. At issue here is continuity from one task to another, understanding of A.I.D. processes in a specific Mission that an FSP staff member might have that another technically qualified staff member in International Forestry (IF) might not have, and continuation of the institutional memory that the FSP staff person may have developed that would not be available to the backstop in IF.

Recommendation: A variety of mechanisms to achieve the commitment to partnership and trust that the evaluation team advocates include, but is not limited to the following:

- Congress has mandated that the Forest Service must communicate with A.I.D. about any of its activities in a country where A.I.D. has an in-country presence. In this case, Congress has provided legislation to guide the roles and responsibilities of each of the agencies relative to each other.
- A.I.D. and the Forest Service should develop administrative agreement at the agency level to ensure communication and input, as appropriate, in countries where A.I.D. does not have a field presence. In this case, IF may want to tap the expertise of FSP personnel whose positions are paid for by A.I.D. and would be obliged to notify FRM II management of the use of the FSP employee. In other cases, as IF works in areas where A.I.D. may eventually get involved, the Forest Service may want to show a commitment to partnership by merely communicating with A.I.D. about its activities.
- To proclaim the commitment to partnership and to present a statement of common vision and action, A.I.D. and the Forest Service should develop a variety of memoranda of understanding (MOU) at a variety of levels, such as chief and administrator, deputy chief for International Forestry and assistant administrator for R&D.
- RD/ENR should develop internal MOUs, as it is currently investigating, with regional Bureaus to clarify their understandings of priorities, relationships, common problems and procedural

issues relative to forestry activities and particularly relative to activities in any given region that might have a Forest Service role, either through FSP or IF directly.

- A.I.D. and the Forest Service should find opportunities to promote mutual visibility. This visibility includes having logos on cost-shared documents be prominently displayed, having A.I.D. personnel participate in FS meetings (as appropriate) and vice versa.
- R&D/ENR needs to work closely with A.I.D.'s regional Bureaus and Missions to ensure that all are more knowledgeable about the new relationship that is evolving between A.I.D. and the Forest Service. Most specifically, ENR should host a meeting to brief all relevant Bureau personnel as soon as adequate information is available about the new organization of International Forestry, changes in the Forestry Support Program, new systems of accountability being established by the Forest Service, accessibility to FSP and IF staff, roles and responsibilities of co-funded positions and alternative contracting mechanisms. Agreements at the highest levels must precede this kind of meeting in order for ENR to convey the level of support that the new arrangements have within A.I.D.
- Both agencies should work to develop clear protocols and to follow them regarding such issues as:
 - co-funded positions and
 - systems of accountability for performance to comply with the existing RSSA requirements for FSP.
- On the level of protocols, within A.I.D. itself, FRM II project management needs to develop a system whereby oral agreements, arrived at in meetings within A.I.D., are formalized in written and signed notes at the operational level with Regional Bureaus and USAIDs. The intent here is to ensure that all participants clarify any assumptions that are being made, outline clear sets of priorities, define objectives jointly and elaborate a specific set of actions to follow.
- At the personnel level, the Forest Service might consider a commitment to provide training to potential FS employees who may work on FRM II-funded activities. Of high priority are issues such as how to deal within a development-assistance context, how A.I.D. functions and cross cultures and gender sensitivity. The intent is to ensure that FS personnel that are already technically qualified become aware of and able to deal with issues in the development-oriented activities supported by A.I.D.
- Assuming that from time to time problems between the agencies might arise that seem unresolvable, both agencies may want to be open to the possibility to bring in a co-funded conflict-resolution specialist. This support would show a commitment to working out problems and a level of trust that each is willing to take whatever measures are necessary to increase the level of partnership as the relationship evolves between A.I.D. and Forest Service.

Finding: A constant tension exists between A.I.D. and the Forest Service about what RSSA personnel can and cannot do for A.I.D. Certainly, legal restrictions exist, and the Forest Service tends to take the more rigid interpretation than A.I.D. However, some opportunities for looser interpretations exist as well. In fact, the evaluation team found that the Forest Service has been taking some less-rigid interpreta-

tions in the case of using FSP staff to do work for IF. In fact, as some FSP staff pointed out, benefits can result from crossing the lines of work. One regional coordinator, for example, noted that even spending a small portion of time on purely Forest Service work can yield a better understanding of FS programs and thereby enhance the individual's ability to tap FS resources for work in the region.

Recommendation: A.I.D. and the Forest Service, in their efforts to renegotiate existing arrangements, should address issues such as the interpretations of use of RSSA personnel. Flexibility in interpretation must be engendered on both sides.

Finding: Positions in FSP that are co-funded have indistinct boundaries of responsibility and supervision. The position of donor-collaboration coordinator is the first of these newly co-funded positions. This staff member resides primarily in the International Forestry Office and currently does not attend daily FSP meetings.

Recommendation: The fuzzy lines of authority, responsibility and supervision may be clear to those who negotiated the arrangements, but these negotiated arrangements should be followed in order to explain how these positions function to the A.I.D. regional Bureaus and Missions who are sensitive to the loss of access to some FSP staff. The fuzzy lines should be made much clearer and should appear in the annual work plans of each co-funded position.

Recommendation: The evaluation team also recommends that FRM II project management monitor the experience and results of the processes for developing protocols for the new FSP donor-collaboration coordinator in order to ensure more focused and efficient negotiations for other co-funded positions that will be coming on line in the near future. This monitoring task will be made easier with frequent reporting by the Forest Service to A.I.D. on the substantive issues that the coordinator is addressing and on the operational procedures being followed. This will provide A.I.D. with a clearer understanding of who is doing what for whom.

Recommendation: FSP and FRM II should provide input into performance evaluations of co-funded positions and input and concurrence on their position descriptions and annual work plans. The evaluation team is concerned about the numbers of people to whom each co-funded coordinator is supposed to report. The simplest line of supervision should be followed with input and/or concurrence being provided by others, as appropriate.

Recommendation: The next FRM II evaluation team should evaluate the status of these jointly funded positions.

4.2.1.8.4. Finding: If buy-ins by regional Bureaus and USAID missions are not permissible under new contract-office guidelines, one likely result of the work of FSP regional coordinators may be to help develop direct PASAs between USAID Missions, for example, and the Forest Service. Under such a scenario, FRM II may be left out of the communications loop except insofar as a FSP staff member reports on the potential development of a direct PASA in her/his trip report. Since the new PASA would be a direct result of FSP work, it should be reported to FSP and then be reflected in FSP's list of accomplishments to A.I.D.

Recommendation: The evaluation team expressed mixed views on the need for keeping FRM II project management in the communications loop in a case where an FSP staff member provides to a USAID

Mission service that results in a direct PASA with the Forest Service. In the redesign of FRM II, A.I.D. and the Forest Service should consider the real or perceived value of reporting on the development of direct Mission/FS PASAs and should analyze whether the costs of such communications can be justified.

Finding: Under the organizational chart proposed for International Forestry reorganization and presented to chief and staff on October 5, 1992, a position for an A.I.D./FSP liaison appears. The position, by virtue of its location on the organizational chart, does not have line responsibility for management and supervision of FSP staff, nor does it have direct decision-making authority relative to FSP.

Recommendation: While the evaluation team did not have a mandate to evaluate the reorganization of the International Deputy Forestry Area, the team did have a mandate to analyze and discuss the potential implications of the reorganization of IF on FSP and its relationship with A.I.D. In other places in this report, the team has addressed issues related to such things as the development of new protocols and new systems of accountability to A.I.D. for the work of A.I.D.-funded personnel as they are integrated into the staff of International Forestry. The evaluation team recommends that A.I.D. and the Forest Service discuss in greater deal and perhaps at the highest levels the implications of the current organizational chart. At least, until the new systems of decision-making and accountability are fully in place and agreed to by A.I.D., the FSP coordinator/liason position should have line responsibility over FSP staff. This would help retain the identity and functions of FSP in the reorganized International Forestry until A.I.D., including R&D, the regional Bureaus and Missions, is fully satisfied with the new set of arrangements that are developed to ensure compliance with the existing RSSA.

4.2.2. Office of International Cooperation and Development

4.2.2.1. Background information

The Office of International Cooperation and Development (OICD) operates within the U.S. Department of Agriculture and manages the department's overseas programs. These departmental programs in the Agricultural Research Service, the Forest Service and other agencies work to build global capability for food production, ensure a sound natural-resource base and overcome the malnutrition and hunger that still afflict over 500 million people in the world today.

OICD manages programs in research, scientific exchanges, technical assistance and training. OICD-managed research focuses on improving food production and distribution and halting crop and livestock diseases. It manages scientific exchanges between scientists in agencies throughout the USDA with those from other countries. It manages technical-assistance activities, mostly in the Third World but increasingly in Eastern Europe and the Former Soviet Union. And, OICD provides training courses for students from nearly 100 countries.

4.2.2.2. Activities/accomplishments

Finding: Under FRM II, OICD is the administrative unit within the USDA that provides the Forestry Support Program with regular financial reports and provides the A.I.D. project manager with periodic reports. The evaluation team identified several instances where OICD information was not up-to-date for FSP staff needs or was not in a form that was usable to the staff.

Recommendation: OICD should be able to provide up-to-date budget information upon request and in usable form. The evaluation team assumes that the adding of a staff position within OICD to provide

additional support will resolve this problem. If not, further analysis should be made of the information needs of FSP and A.I.D. project management to determine if new budgeting mechanisms need to be established or whether other administrative actions will be required to ensure proper, timely and useful information for the Forestry Support Program. OICD should continue to work with FSP to provide the raw data for FSP's financial reporting. This data should conform more to and be more compatible with A.I.D.'s FRM II budget. [NOTE: This guidance is consistent for all project implementors, including Peace Corps, IMCC and other, future contractors.] The data that OICD has meets the requirements of the National Finance Center. It is essential that this information be made more user friendly for FSP and A.I.D. project management. Collaboration should continue between OICD and FSP for the design of a tracking system.

Finding: A.I.D., OICD and FSP work closely together to achieve project goals and purposes. Decision-making is defined by all to be participatory and interactive, with each participant bringing its own perspective from a mutually defined division of labor. For example, the A.I.D. project manager looks at requests for new activities from the perspective of A.I.D. priorities and politics as well as by project limits; the FSP Program Manager looks at who is available, what the timing of the activity might be, what technical capabilities are required and what broader Forest Service interests and capabilities might be tapped; to ensure efficiency and effectiveness of the response, OICD looks at new requests from an administrative point of view, considering how the activity would be structured, logistical considerations, and funding availability.

Recommendation: The team commends the interactive nature of the various actors and suggests that it continue to work in a manner that best meets the project's goal and objectives.

Finding: Continuity of some of the key actors from FRM and FRM II has been relatively high. Carl Gallegos, Gary Wetterberg and Bruce Crossan all worked on FRM and have continued into FRM II. It is unlikely that continuity of this sort can be maintained, but it seems to have contributed to a mutual level of understanding of the problems and potentials of meeting the project's goals and purposes.

Recommendation: None

Finding: The evaluation team noted that OICD has recently added staff to handle the many administrative and logistical details required to support the staff and activities of FSP.

Recommendation: OICD should continue to monitor the effectiveness of its level of effort -- one full-time person, Mark Smith, and one part-time (50-60 percent) person, Bruce Crossan -- to determine whether they are able to meet the needs of the RSSA/PASA arrangement that they manage through the U.S. Department of Agriculture. Staffing requirements may vary with changes in project activities. Periodic review of these requirements with the A.I.D. project manager will help ensure more effective and efficient project management.

Finding: OICD may merge with the Foreign Agricultural Service (FAS). This potentially major change in institutional structure is one that A.I.D. may have to deal with in future amendments of the project.

Recommendation: It is not clear what the implications might be with regard to administrative processes, but A.I.D. will need to look at this issue should such a merger occur.

Finding: If FSP staff become more proactive in marketing the project and if buy-in mechanisms are no longer a workable option for passing monies from A.I.D. through OICD to the Forest Service, it will become ever more critical for FSP staff members to know more about potential contracting and reporting mechanisms.

Recommendation: OICD should use A.I.D. contract-office information and materials to develop a short training course and simple manual to provide to FSP staff details on potential contracting mechanisms so that they can provide the Missions with options for efficient methods of obtaining public and/or private-sector services.

Finding: If new contracting mechanisms have to be developed more directly between the Missions and FSP, OICD will very likely need to go out to the Missions to negotiate new, separate PASAs. This finding is based on findings about limitations to project accomplishment and implementation, described in another section of this evaluation report.

Recommendation: The issue of a source of money to support this kind of activity becomes particularly complicated. A.I.D. project management should address this issue in the near future. For example, if a FSP staff person goes out to a specific Mission, and the Mission decides to do a separate direct PASA for work that would not come under FRM II but directly with the Forest Service, how would the OICD negotiation effort be paid for? Would it be covered through overhead from FRM II? By the Forest Service? By OICD, which actually has very limited funding directly allocated to it by the Congress? Rather than try to remedy such problems after they arise, A.I.D., OICD and the Forest Service need to address these issues and develop protocols for decision-making and action that are clear to all parties and that prevent problems.

Finding: The evaluation team found that OICD has had some problems in working out their system of obtaining clearances from A.I.D. regional Bureaus and Missions. OICD has evidently worked out some of these problems, such as removing wording from some of its outgoing cables to the effect that "if we do not hear from you within seven days, we will assume that you approve of this request. Nonetheless, some problems in the system remain, including the problem of formatting cables and ensuring that clearances are obtained directly from the appropriate offices in A.I.D.

Recommendation: OICD should continue to work to identify problem areas, such as those noted above. A.I.D. project management should be the main conduit of information to OICD about these kinds of problems, as well as the main conduit regarding FSP activities in A.I.D. countries since the RSSA for FSP's services is between A.I.D. and OICD. OICD should then determine whether it has the capability, the mandate and the staff to comply with A.I.D. regulations and requests. If not, alternative means will have to be identified and implemented in order to have an effective and efficient system of working within the regulations of USDA and A.I.D.

4.2.3. Peace Corps

4.2.3.1. Background information

Congress established the U.S. Peace Corps in 1961. The agency's original goals remain unchanged since its inception: promote world peace and friendship; help developing countries meet their need for skilled men and women; and help promote mutual understanding between the people of the U.S. and those of other countries.

Peace Corps and A.I.D. collaborate in the field through a variety of mechanisms. Volunteers may be assigned directly to an A.I.D. project. A.I.D. may fund a project that a volunteer has designed and that is being implemented by Peace Corps. PVOs and NGOs often collaborate with Peace Corps and A.I.D. in the implementation of their own projects. A.I.D. funds support the training of host-country nationals participating in Peace Corps programs. And staff from both agencies collaborate to provide technical assistance and training to volunteers and host-country nationals.

More specifically, Peace Corps has an environmental initiative that includes three major programs. The Forestry Program specifically includes agroforestry, forest management and forestry extension. Its National Parks/Biodiversity Program includes national-parks planning and management and wildlife management. It also has an Environmental Awareness/Education Program that includes curriculum development, national media campaigns and related activities.

The Forest Resource Management (FRM) Project began its support of Peace Corps forestry, environment and related natural-resource-management programs in 1980. During the first 10 years, FRM spent more than \$5.5 million in the Peace Corps PASA, supporting volunteers working in a variety of projects, ranging from tree nurseries, preparation of forest management plans and organizing community groups to develop plans for operating protected areas. FRM was kept open by Peace Corps until all funds were expended in December 1990.

FRM II officially began for Peace Corps on January 1, 1991. Since that date, FRM II and ENR Office, through core funds, buy-ins and OYB Transfers have transferred \$1.582 million to Peace Corp. This support has covered 45 activities costing anywhere from \$69,000 for a Man and the Biosphere Activity to \$20 for a subscription purchase for an environmental-education activity. Peace Corps only charges 15 percent overhead on its PASA arrangements. With A.I.D. funds processed through FRM II, the Peace Corps and environment programs have grown 30 percent annually.

4.2.3.2. Activities/performance

4.2.3.2.1. General

Finding: The Peace Corps is doing an excellent job as it uses FRM II support to meet both its own programmatic objectives as well as those of FRM II.

Recommendation: The evaluation team applauds the work that Peace Corps has done and recommends that support be expanded to ensure that the contributions of FRM II through PC continue to make positive contributions to improving forestry and environmental conditions in other countries of the world.

Finding: Peace Corps has developed mechanisms under FRM II by which it can quickly and flexibly get funds to a post within 24 hours. During the early part of FRM, it had taken months to get funds out to the field.

Recommendation: None

Finding: Peace Corps typically spends smaller amounts of money. Evaluations of their activities indicate that they are efficient in the expenditure of their funds.

Recommendation: Peace Corps should continue these expenditures as well as continue to monitor the efficiency of the expenditure of these funds. This kind of information is very important for the development community to understand. This systematic effort to monitor and present findings should be developed and presented to A.I.D. annually. FRM II should provide funds for this activity. Peace Corps should also report quarterly to the FRM II project manager concerning its activities and budget status. For consistency, Peace Corps should use the FRM II project budget as its reporting format.

Finding: If FRM II support was cut off, the 730 volunteers working in the forestry fields and in related fields of natural-resource management would either have to be cut back or would be less well supported through training, material support and supplies, as well as in commitments to host-country governments.

Recommendation: FRM II support should continue at least at its present level. However, because of the current problems over buy-in and OYB transfer mechanisms (see details in section on limitations to project accomplishment and implementation), FRM II should consider increasing its core support -- both from FRM II plus an allowance for OYB Transfers -- to up to \$1.5 million per year.

Finding: Because of the problems with buy-in and OYB transfer mechanisms and because other A.I.D. funds are put directly into the FRM II PASA, sometimes without notifying the FRM II project manager, PC is almost at the upper authorized spending level of the 10-year LOP.

Recommendation: Core support from FRM II will be increased as per the recommendation above.

Recommendation: Alternatively, the ENR Office may want to develop a separate PASA with the Peace Corps to fund non-FRM II-related activities. At any rate, internal A.I.D. communication lines should be improved to ensure that the FRM II project manager is advised of the processing of funds through the FRM II PASA with the Peace Corps.

Finding: Much of the coordination exists because of the relationships of trust between the key actors in Peace Corps and A.I.D./ENR.

Recommendation: All of the institutions involved must continue to work toward accomplishment of mutual goals whether the individual actors change. If at some point mechanisms and protocols of coordination need to become more institutionalized, both institutions should work to institute these mechanisms and protocols as quickly as possible while maintaining existing levels of flexibility and efficiency.

Finding: A.I.D. funding may be authorized but not obligated. To avoid having PC run up against a cash-flow crunch just prior to receiving the sometimes unpredictable tranches of A.I.D. funds, development of an adequate pipeline of funds is an important issue for A.I.D. and Peace Corps contracting officials to address.

Recommendation: The team is sympathetic with this kind of problem but limited in what it can realistically recommend. For instance, it is not always possible to predict the amount and timing of OYB transfers from regional Bureaus and/or USAID Missions. This limitation is a broader issue that many A.I.D. implementors face.

Finding: Peace Corps has been documenting but not reporting all of the activities sponsored with PASA funds from FRM II.

Recommendation: Peace Corps should provide periodic reporting of expenditures to FRM II project management as mutually agreed upon. And, as part of Peace Corps overall monitoring and evaluation program, the Environmental Program should systematically monitor and report to A.I.D. on the results and impacts of the work receives funding under the PASA. Peace Corps should talk with CDIE about its activities to evaluate A.I.D.'s forestry and natural-resource-management portfolio and to determine ways in which its own monitoring system can be made more compatible with A.I.D. monitoring of impacts.

Finding: FRM II remains virtually unknown to PC field staff and volunteers.

Recommendation: Peace Corps should ensure that all of its literature for staff and volunteers related to FRM II-related activities identifies the source of funding as being A.I.D.

4.2.3.2.2. Program development

Finding: Through some FRM II support, Peace Corps has been able to provide quality programming capabilities and is now better able to assess program and recruitment needs.

Recommendation: The low cost of this kind of support should be maintained by Peace Corps. FRM II should continue to provide funds for this kind of support.

Finding: FRM II has provided funding so that some Washington staff could go to the CIS to do assessments of program needs, such as NGO development, forestry programs, environmental education in program for English-language teaching, GIS and risk.

Recommendation: FRM II should continue its support to Peace Corps as it expands its Initiative for the Environment in Central and Eastern Europe, the Baltics and in the New Independent States. This recommendation assumes that FRM II support will be expanded to these regions.

Finding: Peace Corps, for many years, used PL 480 as a major means of promoting effective environmental-education programs. At present, however, Peace Corps is not proactive in promoting PL 480. It will, however, respond if a country expresses eagerness and willingness to use PL 480.

Recommendation: This approach should continue to be followed.

4.2.3.2.3. Technical assistance

Finding: FSP technical specialists provide technical assistance to PCVs.

Recommendation: Peace Corps should continue to identify technical assistance needs through the Forest Service or the private sector for forestry and related natural-resource-management activities. FRM II should work closely with Peace Corps to provide quality technical assistance in a timely manner. It should also ensure that FSP staff assistance is available as appropriate. It should also ensure that quality

technical assistance being developed within the Peace Corps is available to A.I.D.-funded projects as appropriate.

4.2.3.2.4. Material support to projects

Finding: Material support can substantially increase the ability of a Peace Corps Volunteer to achieve her/his project objectives.

Recommendation: FRM II should continue its support for the purchase of the following: nursery supplies; publications, such as technical books and journal subscriptions; audio-visual materials, fertilizers and equipment. As was the recommendation of the benchmarks evaluation of the PASA under FRM with A.I.D., Peace Corps should more extensively and aggressively provide material support to volunteers. It should also continue to use its rapid and effective mechanisms for providing this support to the field.

4.2.3.2.5. Training and workshops

Finding: Peace Corps and the Forestry Support Program worked collaboratively on a number of activities. Recently, Peace Corps even helped FSP by obtaining money that it could flexibly and quickly get to pay for some of the costs of the Afromontane Workshop in Africa. FSP/OICD then reimbursed Peace Corps.

Recommendation: Peace Corps and the Forestry Support Program should continue these collaborative activities both in substantive and in operational/logistical terms. FRM II project management should be apprised of these activities. And, Peace Corps and FSP both have responsibility for separately or jointly monitoring and reporting on the impact of their collaborative efforts.

Finding: Peace Corps appropriated funds cannot fund host-country national training. FRM II money, however, can be used. This arrangement has tremendous impact because it allows Peace Corps to use its money to train Volunteers and FRM II money to train their counterparts, farmers, ministry officials. The impact reported is not solely one of providing new knowledge and skills, but is a broader one of helping to improve in-country relationships.

Recommendation: FRM II support for these kinds of activities should continue. Peace Corps should develop and report on the impacts of these activities to A.I.D.

Finding: FRM II funds have supported a number of Peace Corps participation in international conferences. While this is a potentially important opportunity for a volunteer to learn about what is going on in other countries, it is not clear what is the impact for the volunteer in accomplishing her/his project objectives.

Recommendation: PC should carefully monitor this kind of activity, including providing support for a volunteer to participate in an international conference, and should report to FRM II project management so that a determination can be made as to the value of expenditures relative to use of those funds for other activities. Such reporting should occur even in terms of apparently small and limited expenditures, such as those which were made in the 20 months prior to this evaluation.

Finding: All small-business volunteers are receiving three days of environmental training to ensure improved understanding of environmental problems and environmentally sound practices associated with small-business development and sustainability.

Recommendation: This activity should be continued and expanded as appropriate. Technical assistance from other parts of FRM II's private-enterprise initiative might be tapped. FRM II and Peace Corps should explore opportunities for collaboration in this area.

4.2.4. Private-enterprise development

4.2.4.1. Background information

4.2.4.1.1. Forest private-enterprise initiative

FRM II's private-enterprise component builds and expands upon the Forestry Private Enterprise Initiative (FPEI) of FRM. The purpose of this component is to mobilize the private, professional and industry community, as well as the public sector to develop and maintain sustainable forestry enterprises. To implement this component, FRM II planned to use three mechanisms: (a) an existing contract through FSP with the Southeastern Center for Forestry Economics Research (SCFER); (b) a yet-to-be negotiated agreement with an organization that can provide A.I.D. with expertise in U.S. forest industry and can help foster development and management of viable forest enterprises; and (c) buy-ins to the Marketing Technology Access Project (MTAP) to provide Missions with assistance from the Interamerican Management Consulting Corporation in wood and non-wood-product development, technology and marketing.

Finding: In budgetary terms, support for forestry private-enterprise development is, to date, a relatively small component of FRM II.

Recommendation: This component, if modified and focused on private and commercial-sector involvement and support, has the potential for significant expansion. Expansion of forestry private-enterprise-development activities can occur in LDCs as well as in Eastern Europe and the CIS. And such expansion can have an important and long-lasting impact on achieving FRM II's goal and purpose.

4.2.4.1.2. Southeastern Center for Forestry Economics Research (SCFER)

Finding: SCFER has an excellent and well-respected team of researchers. FRM II provides SCFER with only limited funding. In the broader context of FRM II, SCFER's role is passive; it is not a proactive entity that promotes private-enterprise development. However, it contributes in a significant way to understanding background issues revolving around development of private enterprises in the forestry sector.

Recommendation: SCFER should continue to have FRM II support. In future efforts, researchers should focus on specific ways in which the private sector can support forest enterprise development in LDCs, Eastern Europe and the CIS.

4.2.4.1.3. Interamerican Management Consulting Corporation

The InterAmerican Management Consulting Corporation (IMCC) is a private consulting company with corporate headquarters in Key Biscayne, Florida and a branch office in Arlington, Virginia. IMCC is

a Gray Amendment contractor. Through MTAP, IMCC has a FRM II-supported contract to provide technical assistance and marketing services to USAID Missions.

Missions desiring IMCC's services can acquire them either through FRM II or MTAP directly. FRM II's 1992 buy-in to MTAP requires IMCC to provide services to three countries -- Bolivia, Mexico and Cameroon. FRM II has approved support for activities in an additional four or five countries in FY 93. IMCC has completed the work in Bolivia, is beginning the work in Mexico and will soon begin work in Cameroon. IMCC's work is an extremely important set of activities because it focuses on the private-sector component and is a response to both presidential and congressional mandates for private-sector involvement in development assistance.

Through FRM II, USAID/Bolivia acquired the services of IMCC to report on private-sector initiatives in the forestry sector. On June 11, 1992, IMCC presented to USAID/Bolivia the report, "Increasing the Value of Forest Resources through Private Sector Initiatives." The report's authors were a Mexican forester and a Peruvian wood-products specialist who visited Bolivia but did not see all that had been planned on their itinerary. By mutual consent between IMCC and USAID/Bolivia, the authors did not address non-timber products. Based on meetings in Washington, D.C., IMCC believed/expected that this study would be the first phase of a longer-term activity.

The IMCC team members met with USAID officials at the outset of their in-country effort and jointly reviewed the SOW. They began their work with a verbal understanding about what was to be done. IMCC proceeded with the development of the first-phase report without written agreement and commitment by the USAID to fund a second phase. It appears that IMCC and USAID/Bolivia did not have a clear understanding about the nature and content of the report and the potential for future complementary activities.

Other complications arose during the course of the first phase. The authors undertook only a preliminary survey of opportunities. A limited time frame, bad weather conditions in the Santa Cruz area and disagreements with some of the team's Bolivian informants about the best way to proceed in carrying out the field work added to the apparent misunderstanding about the nature of the work, especially in the area of identifying specific products for value-added manufacture and export. Discrepancies over field work had included dissention over the role of the CARANA Corporation, which was supposed to do the assessment of non-timber forest products. When the team submitted its report, USAID/Bolivia staff did not formally reject it; they simply expressed verbal dissatisfaction. USAID/Bolivia decided not to go into a second phase of the activity with IMCC.

Finding: The IMCC report provides an adequate preliminary survey given the limited time and financial support for the IMCC team. The expectations of proposed accomplishments outlined in the draft SOW were such that they would be difficult if not impossible to accomplish in the two-week period that the IMCC team members were in Bolivia.

Recommendation: The FRM II project manager and Mission personnel should ensure that contractors receive sufficient time and funds to do the field work and final preparation of any contracted reports. Additionally, the FRM II and Mission personnel should develop a clear, written understanding about the nature and content of any report that a contractor is to present. The Bolivia example points to the crucial importance of communication about issues which must be addressed in order to facilitate effective and efficient outcomes by contracted personnel.

Finding: IMCC performed adequately as a contractor under MTAP, but understanding was obviously lacking concerning the expected outcome of the initial report.

Recommendation: IMCC should ensure that they have clearly articulated and written guidance on Mission expectations prior to commencing any future activity under FRM II.

Finding: FRM II has allocated \$100,000 to IMCC for the three case studies to be done in 1992. FRM II has added another \$150,000 to MTAP for the four - five country studies anticipated in 1993. The evaluation team notes that this represents about \$20,000 - \$25,000 per case study, an amount that is adequate for nothing more than a preliminary survey and report. This amount of money would not provide a detailed study of the type expected by the Bolivia Mission, which would address, for example, value-added products.

Recommendation: The level of funding for future IMCC studies will need to be higher than that which is being allocated under the FRM II buy-in to MTAP. The level of funding should be from \$50,000-\$100,000 per study. With this level of funding, IMCC can involve persons of unique capabilities. The services of such professionals are not easy to obtain at a very low price. IMCC has the ability to mobilize experienced personnel with expertise in the areas being sought under the FRM II buy-in. These persons work in the private sector and are involved in specialty manufacturing and marketing. The team recommends that FRM II investigate the option of doing fewer but more detailed studies.

Finding: The evaluation team has reviewed some of the written communications between USAID/-Mexico and FRM II regarding IMCC's work in Mexico. These communications indicate a good initial start of clear communications for the contractor's work. However, the evaluation did note that USAID/Mexico seemed to have a lack of understanding about the funding process through MTAP. The evaluation team assumes that FRM II has provided information to resolve this problem.

Recommendation: The evaluation team recommends that IMCC complete its work in Mexico and Cameroon in 1992. The team also recommends that IMCC undertake work under FRM II in additional countries in 1993. FRM II project management, Mission personnel, appropriate LAC Bureau staff and IMCC representatives should, prior to the start up of field work, attend to details such as the exact nature of the SOW and the expected contents of the report. Given clearer guidance, IMCC's work in other countries will provide a better basis on which to assess the company's performance in future evaluations rather than basing it solely on the Bolivia experience.

4.2.4.2. Future opportunities to support forest private-enterprise development

Background

The following outlines a set of observations about FRM II's Forest Private Enterprise Activities to date:

- The private-enterprise component of FRM II has been extremely small.
- The private-enterprise initiative through SCFER has addressed only a few of the economic research aspects of private-enterprise involvement in carrying out FRM II objectives. Forest private-sector involvement in this useful academic research appears to have been minimal.

- The private-enterprise component of FRM II, through a buy-in to MTAP, provides technical and marketing assistance. This is an important contribution, but it has not yet directly brought the private sector in to respond to FRM II's goal to mobilize the public and private professional community to develop and maintain sustainable forestry enterprises.
- FRM II never negotiated an agreement with the World Environment Center (WEC) as outlined in the PP. However, the PP proposes a concept for such an agreement that may help set the stage for the recommendations outlined below for a major expansion of the FPEI.
- Significantly, the FRM II project manager has taken the lead in a pioneering effort to investigate opportunities to expand forest private-sector involvement to meet one of the agency's highest priorities. The project manager prepared a working paper, "Strengthening Forest Based Private Enterprise in the Developing Countries" (April 1992). The project manager subsequently has demonstrated deep commitment to developing the concept further through FRM II. ENR sponsored a workshop on May 28, 1992 to obtain input on the project manager's report. It set the stage for further action and demonstrated widespread interest in strengthening the role of forest-based private-sector enterprises.

Finding: The private-sector portion of FRM II fundamentally has been private sector in name only and, in essence, almost non-existent to date.

Finding: An important opportunity exists for A.I.D. to enhance and expand the forest-based private-enterprise component of FRM II.

Recommendation: FRM II should expand the project to provide a new direction and increased support in the form of a private-enterprise initiative for forest protection and production for sustainable forest management. (See Annex 1, which outlines a preliminary concept for development of this initiative.)

5. Assessment of project management

Background

In carrying out its purpose to promote the contribution of trees to sustainable development and to strengthen the capacity of institutions charged with forestry and natural-resources management in tropical and subtropical countries, FRM II provides technical assistance, service and support, support for private-enterprise development and facilitation of donor collaboration. With this broad mandate, the project manager maintains a myriad of individual and institutional contacts. The work load is immense, and the need to track innumerable contacts, both within the U.S. and in countries where A.I.D. operates Missions, is almost an impossible task for one individual without staff support. The needs for coordination and cooperation with multiple approvals for action compounds the project-management process. Fortunately, the project manager has 10 years of experience in the agency and is well known by individuals throughout the agency, as well as in the research and business community outside the agency.

Finding: The project manager has a heavy workload. He estimates that, with other responsibilities, he only can spend about 50 percent of his time on FRM II management. As a result, the project manager may not have enough time to keep up with daily management responsibilities as well as to meet personally with counterparts both within and outside of A.I.D. The evaluation team found that the project manager has an excellent working relationship with many persons with whom he has had direct personal contact -- both within and outside A.I.D. These relationships facilitate effective project management. However, constraints on management time, as noted, serve as obstacles to maintaining the very contacts that are necessary for the project.

Recommendation: To the extent the project manager can be freed from other administrative responsibilities, he should have more time for management and project marketing in the Washington office and in the Missions. He should make special efforts to meet personally with counterparts, especially in the regional Bureaus and Missions.

Finding: The Bolivian Mission use of the MTAP for IMCC contract work may be a specific case in point where greater personal involvement and time from the project manager might have eliminated some the problems that arose during that activity.

Recommendation: The project manager should consciously and deliberately play an active coordinating role, especially in those FRM II-supported activities that involve outside contractors or consultants who will be working on project-supported activities, such as those activities supported through the MTAP and FPEI. An expanded FPEI component may require staff assistance to track FSP and PC, as the project manager will have to devote a considerable amount of time and energy to the project's expanded private-sector component in order to ensure the component's ultimate success.

Finding: Funds for travel by project managers in ENR are limited. Given the nature of FRM II, it is difficult to only manage project activities in the field by cable, fax and phone. Even though many of his counterparts know the project manager and have knowledge of FRM II, these communications cannot substitute for face-to-face meetings to discuss project activities, especially activities being planned in the field.

Recommendation: Additional funds from the ENR office should be allocated for project manager travel.

Recommendation: The project manager, at least annually, should develop a systematic travel plan consistent with anticipated major FRM II-supported activities in the field.

Finding: The nature of FRM II requires advertising and marketing of what the project brings to A.I.D. However, work-load levels often do not allow such an effort. Through FRM II, A.I.D. provides major support for the USDA Forest Service's Forestry Support Program. In fact, the International Deputy Area of the Forest Service, would not, without A.I.D. support, be where it is today! FRM II also provides valuable assistance to Peace Corps. Yet FRM II, as a project title per se, is almost unknown, even among persons who know the project manager and his support for A.I.D. programs. Clearly, more management time or effort could be spent on making sure that A.I.D./FRM II receives the project recognition and appreciation.

Finding: The project manager has a strong personal and professional commitment to FRM II. This is uniquely emphasized in his research efforts on strengthening the forestry private sector in developing countries during his recent leave from A.I.D..

Recommendation: None -- other than to give recognition to his efforts.

6. Limitations to project accomplishment and implementation

6.1. Introduction

The evaluation team identified three major limitations to project accomplishment and implementation. The findings and recommendations below address these three issue areas:

- Project financing
- Project recognition
- Interaction with other agency offices' projects

6.2. Project financing

A number of project issues relate to financing. Two are of particular note are buy-ins to PASAs and OYB transfers.

6.2.1. Buy-ins to PASAs

Finding: Agency and contractor personnel report great concern over the limitations that the contracts office is placing on the option to buy-in to existing PASAs. The primary concern is the inability of the federal agency project implementors of FRM II to accept buy-ins for short-term activities that are regional-Bureau or Mission specific. Project management is concerned with the potential implications of this kind of limitation. Some of the most obvious implications are the following:

- Additional paperwork would be required for bureaus or Missions to develop new, direct PASAs, including an A-76 determination, which would go directly to the Forest Service or Peace Corps. Bureaus and Missions can and indeed do set up separate PASAs. However, problems exist. For example, the sums of money that potentially might be put into these direct PASAs may be so small that the a Mission may decide that it is not worth the time and energy to develop the paperwork to get the activity contracted and implemented. Or, if a separate PASA is done, it may only add to the paperwork and confusion of multiple contracting mechanisms that must be tracked by technical and contracting personnel.
- Lack of coordination through FRM II for the work that their contractors might be asked to do through these separate PASAs may appear to be or actually be a problem to regional Bureaus and to USAID missions. While this limitation may appear to reflect territorial issues within an institution, a more focused point of coordination has some merit. If the system functions properly, this coordination can ensure greater integration of the separate activity within the umbrella provided by FRM II; it can be a focal point for accountability and monitoring that is taken off the work load of regional Bureau and Mission personnel; and it can be more efficiently managed by contractors so that the return on the investment may be higher than it would be if it was being performed under a separate contractual arrangement.

Recommendation: The evaluation team cannot resolve the buy-in issue, it can only emphasize the importance of its resolution. It was clear that even though many people in the agency are concerned, few have any information from the contract's office nor any understanding of the exact implications of the termination of buy-ins to PASAs. And some question exists at all levels in R&D and other A.I.D. offices

concerning the interpretations made by the contracts office about the legality of buy-ins to existing PASAs and "ribbon" PASAs.

Both in terms of the buy-in issue as well as the communications within A.I.D. on this particular issue, it seems to be broader than just FRM II.

Recommendation: Once project management has a clear understanding of the alternative contractual mechanisms -- direct PASAs with Peace Corps and USDA Forest Service, indefinite quantity contracts, competed core contracts with contract companion, which permits buy-ins (a particularly important option to look into relative to the Forestry Private Enterprise Initiative) -- the FRM II project manager should make this information available to all implementing institution and to PC and FS personnel. As they continue to work toward the more proactive mode mandated in the PP, this information will allow these personnel to be aware of the ways that their services can be tapped. More importantly, FRM II project management should make a strong and clear effort to advise the Bureaus and USAID Missions of alternative mechanisms to tap project implementors directly or through FRM II. These mechanisms could include OYB transfer, described in the next sub-section.

Recommendation: The highest levels of the R&D Bureau and other concerned A.I.D. Bureaus and offices should work closely with the contract's office to come to some resolution or at least a clear understanding of the buy-in issue. Several points are of critical concern at this point:

- Ways must be found to minimize paperwork and time expenditures on regional Bureaus and Missions in obtaining greatly demanded technical assistance and other services related to forestry and related problems of natural-resource management -- a major A.I.D. priority.
- The evaluation team is sympathetic to the reasoning behind the contract office's interpretation about the legality of buy-ins into PASAs. However, from the perspective of technical experts, team members agree with an underlying issue behind ENR's design of both FRM and FRM II. FRM II was/is, to some degree, a way to provide the agency with a form of institutional memory and an enhanced learning curve concerning how to address many of the world's critical forestry problems. If existing PASAs, such as the "ribbon PASA" developed under FRM II, are not available for buy-ins, the agency should work to ensure that ad-hoc contractual mechanisms do not add to the diffuse learning that is inherent in ad-hoc approaches in which, for example, one consultant comes in for the project design and another consultant comes in for another activity. FRM II's ribbon PASA with the OICD to obtain services of the Forest Service's Forestry Support Program provided an important opportunity to reduce this kind of ad-hoc approach to technical assistance by providing continuity, generally in terms of personnel, mechanisms for tapping human resources and knowledge of both technical issues and A.I.D. bureaucratic procedures and by providing generally high-quality assistance.

6.2.2. OYB transfers

Finding OYB transfers, even though they require some paperwork, may be one of the cleanest ways for regional Bureaus and Missions to access the institutional resources of the Peace Corps and the Forestry Support Program available under FRM II since buy-ins through PASAs are no longer available. However, A.I.D. staff generally acknowledge the tensions that arise over OYB transfers to the R&D

Bureau for some of the regional Bureaus and Missions. Some of the major concerns surrounding OYB transfers relate to:

- Loss of money from regional Bureau or Mission budget as it is transferred and becomes part of the budget of the R&D Bureau.
- Lack of an accounting system in R&D that will track how OYB funds are used by an R&D recipient project. [NOTE: This system is being developed by the R&D Program Office.]
- When OYB funds come into FRM II through, for example, the Peace Corps or PASA, they count against the LOP core funding. A number of legal actions must be taken if, for example, the level of OYB funds raises the R&D project budget over the amount that was submitted in the congressional presentation for that year. In a case such as this, A.I.D. must send a technical notification to Congress. Another example, is that if the LOP funding authorization, the actual legal limit for a contractor, is reached because of OYB transfers to core funding, the project must be amended, and a new level of core funding must be authorized.

Recommendation: The R&D Program Office's development of a tracking and monitoring system of OYB transfers may help to resolve some of the issues of concern, particularly to regional Bureaus and USAID Missions. FRM II project management should cooperate in any way required to ensure that it makes a positive contribution to this effort.

Recommendation: Because OYB Transfers count against core-level funding in any A.I.D. project, the PP should be amended to reflect a change in the core level of funding from \$25 million LOP to perhaps \$57-\$62 million. (See the inputs section for a detailed budget and discussion of assumptions and estimates upon which the budget is based). This additional flexibility will allow FRM II to continue to provide technical assistance and associated services through its contractual agreements with both the USDA Forest Service and the Peace Corps.

Recommendation: The following is redundant, with a recommendation found in the section on Peace Corps-contractor performance, however, it is of high priority and is therefore repeated here.

Of immediate concern is the ceiling of \$2 million LOP for the Peace Corps. Because of core-funding levels, plus some buy-ins, plus some OYB Transfers, the Peace Corps is within approximately \$400,000 of reaching its 10-year, LOP level of funding. The PP should be amended to reflect a potential core-level funding of approximately \$1.5 million -- R&D funding, plus estimates of potential OYB transfers based on experience to date.

6.3. Project recognition

Finding: One potential limitation of FRM II relates to project recognition. From discussions in Washington and in the field, it is clear that few people know what FRM II is. They may, however, know the Forestry Support Program. (One Africa Bureau document names the Forest Resource Management Project and then parenthetically adds Forestry Support Program). Some Bureaus and USAID missions also do not know the extent to which FRM II, as a centrally funded project, has already made major contributions in providing support to the regional Bureaus, Missions and host countries through the

Forestry Support Program and the Peace Corps. This support addresses the problems of deforestation and degradation of natural resources.

Recommendation: ENR should consider changing the name of FRM II to something like Forest Protection and Production, especially to reflect the thrust of the Forests for the Future Initiative and since an expanded component for a private-enterprise initiative can incorporate the obvious need to stimulate sustainable-production forestry along with activities designed to protect natural forests in developing countries.

Recommendation: In great part, this is a marketing issue that can and should be addressed through remedial measures during the future of the project. ENR should provide more funds from its operations budget for travel for the project manager and/or deputy project manager or others from ENR who will have a specific task of marketing FRM II and thereby increasing its name recognition especially with Missions who might be interested in tapping into technical assistance, training and associated activities.

Finding: Based on the small sample of Missions visited by members of the evaluation team, FRM II is not known as a project. However, and it is an important point, the project manager is known and appreciated for his efforts to provide Mission support. The technical supported facilitated by the FRM II project manager may, however, be perceived to be coming through the USDA Forest Service Forestry Support Program rather than through R&D/ENR.

Recommendation: None

Finding: FRM II provides valuable support to the Peace Corps. At the Washington, D.C.-based administrative level, this support is fully understood and appreciated. However, few PC field staff contacted during evaluation-team-member field visits knew FRM II except for the fact that A.I.D. has a number of agreements that provide PC with field support.

Recommendation: Even though Peace Corps Washington office staff are very clear in the development of training materials for field staff and country directors as well as in their communications with APCDs, a gap remains in terms of recognition. Just knowing FRM II is not the issue; the key here is being able to identify a specific mechanism, such as FRM II, from which support and services can be obtained.

Finding: Forestry Support Program documents do not consistently provide recognition that funding comes from A.I.D. For example, the FSP logo is often present along with the USDA Forest Service logo but without the A.I.D. logo -- the most obvious case-in-point is the application form for the FSP Roster.

Recommendation: All FSP documents supported with A.I.D. funding should include the A.I.D. logo and ensure that it provides proper recognition for the support it receives from A.I.D. This kind of acknowledgement may not only be responsive to a general requirement by A.I.D. that it receive adequate recognition, but it may also be considered to be one of many measures to ensure that A.I.D. and the USDA Forest Service have a fully cooperative and collegial relationship and that all get appropriate recognition for the actions they take on behalf of their common goals.

6.4. Interaction with other A.I.D. projects

Finding: Related to the issue of project recognition, mentioned above, is the issue of interaction between FRM II and other A.I.D. projects. It is not at all clear how much interaction actually goes on directly. It is obvious that the ENR office, to maintain a project-inventory database, tracks, through its contract with DATEX, environmental and natural-resource-management projects funded through its office and throughout the agency.

Recommendation: However, it is essential for the FRM II project manager to interact more with other projects across the agency and to have a specific mission of identifying and tracking FRM II-related activities and opportunities in the field. This interaction will lead to more increased awareness and anticipation of regional Bureau field Mission needs so that more proactive planning and interaction can occur rather than being primarily demand driven. Also, if FRM II attempts to expand its support to Eastern Europe and NIS, more interaction will be required with the relevant offices in those Bureaus.

The evaluation team recognizes that, if ENR implements this recommendation, it will require an increased work load on FRM II for the project manager. It may additionally or alternatively require more work for the deputy project manager as well. ENR office management undoubtedly will have to concur and/or mandate that an increased level of effort be expended relative to other activities that are also part of the project manager's and deputy project manager's responsibilities.

The evaluation team also recognizes that with the development of the private-enterprise initiative, a still greater level of effort will be required by someone on the ENR staff to ensure that activity is well-designed and efficiently and effectively managed.

These are important but not easy administrative decisions to make when staff is limited in size and only a certain number of hours are available during the course of any given day to do all that needs to be done. However, decisions about level of effort and level of interaction with other parts of the agency are clearly key to successful project implementation and achievement of FRM II's goal and purpose. Without greater attention on the part of project management, FRM II may lose out on some opportunities to provide the assistance for which it was designed.

7. Assessment of relationship of FRM II and other projects

7.1. Introduction

The evaluation team has gathered in this section its findings from a wide range of interviews that team members conducted in A.I.D.'s Washington offices and in the four field Missions visited: Nepal, the Philippines, Bolivia and Guatemala. The information provided herein is by no means a complete assessment of all of A.I.D.'s forestry and natural-resource projects and activities with which FRM II does or might interact. More time would have been necessary to develop and conduct a more systematic survey and in-depth analysis of all relevant projects. However, the information provided identifies some areas of concern and areas of opportunity that FRM II project management should address as follow-up to this 20-Month Evaluation.

7.2. Projects in R&D/ENR

7.2.1. Background

The agency's environmental strategy identifies R&D as having primary responsibility providing science and technology in the area of natural-resource management to address developing-country rural and urban environmental problems. A.I.D.'s Research and Development (R&D) Bureau provides the agency with: 1) a focal point for research activities; 2) a range of research and technical support directly to national and regional programs; and 3) coverage of transregional issues, such as global climate change and biodiversity.

The R&D Bureau addresses all the key problem issues identified in the agency's environmental strategy. These issues include the following:

- Loss of tropical forests and other habitats for biological diversity;
- Unsustainable agricultural practices;
- Inefficient energy production and use;
- Urban and industrial pollution; and
- Degradation and depletion of water and coastal resources.

R&D's Office of Environment and Natural Resources (ENR) has a portfolio of projects that cover all geographic regions. Among these projects are the following: The Conservation of Biological Diversity (CSD) Project, the Environmental and Natural Resources Training (EPAT) Project, the Environmental Planning and Management II (EPM II) Project, the Forestry/Fuelwood Research and Development (F/FRED) Project and the Forest Resources Management II (FRM) Project.

7.2.2. Findings and recommendations

Finding: Except for the umbrella provided by the ENR, little formal structure exists for greater collaboration among projects that deal with biodiversity or forestry, such as FRM II). Some efforts to

integrate around issues such as global climate change are apparent, but the linkages seem somewhat tenuous with regard to where FRM II stands in relationship to other projects.

Recommendation: The FRM II project manager should go through a systematic process to identify specific points of convergence and divergence between FRM II and other projects in ENR. The PP provides some guidance, and some of the findings of this evaluation provide additional information. The FRM II project manager could perhaps develop a matrix to help guide the systematic process of identifying opportunities for interaction, points of overlap, points for more proactive marketing of FRM II within the ENR office and outside, points where knowledge about certain issues, such as NIS/Eastern Europe, is lacking and might be addressed through a short-term consultancy funded by FRM II. The intent is to provide FRM II with more information, to make it more visible in ENR and with ENR's implementing agencies, identify opportunities where its comparative advantages as a project can be tapped to provide a broader service to the R&D Bureau and consequently to the regional Bureaus and Missions.

Finding: Typical to most institutions, A.I.D. exhibits many territorial habits that drive actions. Finding mutually agreed upon goals and objectives that might more effectively and efficiently drive actions would be preferable. FRM II, like other projects, competes for funds in an institutional environment that is controlled to some degree or another by congressional earmarks and shifting agency priorities.

Recommendation: FRM II provides an excellent opportunity to focus all forestry related activities -- whether natural-forest management, agroforestry or plantation forestry -- into a more coherent, proactive forestry/tree-focused program that can interact constructively and complementarily with other agency projects and that has direct measurable impacts. (Please see section [?] for reflections and recommendations more specifically addressing sustainable protection and production forestry activities under the private-enterprise initiative.)

Recommendation: In order to work more complementarily with other projects, FRM II should be developing closer relationships with A.I.D. and other donor-funded forestry research and implementation projects so that knowledge gained through those research and implementation-focused efforts can be more quickly transferred by all project implementors to the field in the technical-assistance and related service activities of FRM II.

Recommendation: As discussed in the section on assessment of contractor performance, most specifically the FSP component, FRM II implementors should be more actively moving toward development of systematizing the (substantive and operational) lessons that they learn in the field. The issue raised here is not whether it should be done, but the need for FRM II to develop formal mechanisms to extend these "lessons learned" in an effort to increase the Agency's overall learning curve in the forestry field and to provide information in "user friendly" ways to USAIDs and field project implementors.

7.3. Other offices, bureaus and Mission projects

7.3.1. Other offices

Finding: One of the concerns raised about the work of the Forestry Support Program is that it can effectively list activities and begin to touch on some of the accomplishments of those activities. However,

it falls far short of being able to develop, implement and monitor an evaluation framework that can identify and track direct and indirect impacts of their work.

Recommendation: A.I.D.'s Center for Development Information and Evaluation as well as DATEX, which has developed ENR's computerized tracking system, should be asked to provide some guidance to FSP as part of its on-going impact evaluation of the agency's natural-resource-management portfolio. FRM II should ensure that all its implementors tap existing A.I.D. resources to ensure that some degree of compatibility exists between FRM II implementors' and the agency's other monitoring systems. FRM II project management should encourage project implementors to develop mechanisms to efficiently feed back information into an on-going agency activity.

7.3.2. Latin America and the Caribbean

7.3.2.1. Background

The Latin America and Caribbean bureau addresses issues in a region generally rich in natural resources. Uneven distribution of resources and rapidly increasing populations placing ever-increasing demands on these resources, however, create extreme resource scarcity in most countries. The Bureau recognizes that economic decline, political and social instability and environmental degradation are today part of the tightly woven fabric of LAC.

In the agency's Environmental Strategy, LAC outlined its "Principles for Strategic Action":

- "Attack root causes underlying environmental degradation, stressing prevention of problems."
- "Integrate environmental considerations broadly into USAID-supported sectors and programs."
- "Promote economic and environmental policies for sustainable development."
- "Strengthen institutions, including non-government organizations and government agencies for resource management."
- "Strengthen education and training in all areas of environmental management."
- "Build participation and empowerment of the public in environmental initiatives."
- "Strengthen the role of the private sector in environmental management and prevention of resource degradation."
- "Promote research, information exchange, and appropriate technology transfer for sustainable development and environmental management."
- "Strengthen implementation of agency environmental procedures."
- "Promote donor collaboration and coordination for sustainable development and environmental management."

Most LAC Bureau activities are primarily in the area of conservation of natural forests. USAIDs and the Bureau have been working more with conservation agencies through its projects than with forest-production activities.

7.3.2.2. Findings and recommendations

Finding: In general, LAC is supportive of the Forestry Support Program and especially the work of the LAC regional coordinator. However, the relationship between LAC Bureau and FRM II, specifically regarding the role of the FSP regional coordinator, continues to be problematic. For quite some time, the Bureau has wanted FSP to place the regional coordinator in the Bureau's offices. Some conflict also exists between the Forest Service and the Bureau over supervision of the work of the regional coordinator.

Recommendation: The Forest Service must observe governmental regulations regarding the conduct of a Resource Services Support Agreement (RSSA). The Forest Service may interpret those regulations more strictly than other entities that have RSSAs. The problem here is actually a much deeper one than just how strictly, the Forest Service interprets the regulations.

The issue lies more on the side of A.I.D. than on the Forest Service, and it is fundamentally outside of the scope of this 20-month evaluation of FRM II. Many A.I.D. offices are overworked and in need of more human-resource support than the agency can permit. A.I.D. expectations that RSSAs can provide personnel to take off some of the load might be hopeful, but it is unrealistic. A.I.D. should investigate increasing the number of direct-hire personnel and develop new systems of prioritization.

Finding: One area of major concern in many Latin America countries relates to policy analysis and policy reform.

Recommendation: See Section 4.2.1.

Finding: The LAC Bureau feels strongly that FSP technical specialists (aside from the regional coordinator) do not serve the Missions well. Bureau personnel are not really sure what it is that these specialists do and do not do.

Recommendation: FRM II project management should work jointly with FSP to ensure that regional Bureaus and Missions have information about the activities of the technical specialists who have more global responsibilities. FSP should develop mechanisms for each technical specialist to develop stronger ties and to develop more programmatic approaches to their activities, which include opportunities for systematic and continuous input from Bureaus and Missions. FRM II project management should work closely with staff to host meetings with appropriate Bureau personnel to discuss five-year work plans for the various initiatives and annual work plans, as is already done. After the meetings, FSP personnel should develop a memo noting places in these plans where Bureau input has been obtained, outlining the areas of agreement on specific activities, and areas where further meetings may be required to reach consensus. FRM II management should ensure that these memos receive clearance from Bureau personnel so that will have a greater sense of input and "ownership". At the same time, FSP must be willing to show some reasonable flexibility to modify some portions of these work plans as priorities shift. The evaluation team recognizes that the lines between what is reasonable and what is unreasonable may be differently defined, but extreme rigidity may produce irrelevant and ineffective results just as

much as extreme flexibility may produce inefficient and unfocused results. As a growing partnership matures, the ability to negotiate and openness to renegotiate should become a more acceptable practice. The team, however, does want to stress that the criteria, such as reasonableness, relevance, effectiveness and efficiency should be operationalized and agreed to by the various input givers and decision-makers. The ultimate guidelines are the requirements found within the RSSA and, more specifically, the goal and purpose of the project.

Finding: As far as the LAC region is concerned, the Peace Corps components of FRM II are fine. In fact, FRM II serves the needs well in providing support to Peace Corps' typically limited activities.

Recommendation: None

7.3.3. Asia

7.3.3.1. Background

The Asian region comprises vast areas of forests and their biological diversity, which needs to be managed on a sustained-yield basis. The region also has vast areas of degraded forest and wasteland that present major challenges for rehabilitation efforts. The challenges of both are made more difficult because of the size and density of population in many parts of the region.

The national economies in the region are finding great difficulty achieving sufficient growth in urban industries and services to reduce the numbers of migrants seeking jobs in urban areas. And rural economies based on agricultural and natural-resource management rarely provide more than subsistence incomes for much of the population.

So long as this situation exists, the natural forests are in danger of encroachment regardless of the ownership and management. While vast areas of degraded forests, much of which has become grassland, provide some opportunity for reducing pressures on remaining natural forests, efforts must be focused on rehabilitating these areas through forest plantations and/or agroforestry.

A great part of the challenge is to devise cropping technologies that are suitable to the various ecotypes; to develop and enforce land and tree tenure systems that create incentives for sustainable management; and to provide people with access to credit, information and technologies that encourage them to build capital in the form of trees while also allowing them to survive from year to year.

The Asia Bureau provides two regional environmental projects. One is the US-Asia Environmental Partnership (AEP) -- a coalition of U.S. and Asian businesses, governments and community groups -- with the goal of promoting economic progress while enhancing the Asian environment. The other is the Environmental Support Project (ESP) that provides assistance to the Bureau and USAIDs in their efforts to implement the Bureau's Environment and Natural Resources Strategy. The Asia Bureau's strategic approaches include: policy reform, institution building and public awareness and participation of the private sector.

7.3.3.2. Findings and recommendations

Finding: A number of the USAID Missions are asking about how much assistance they can expect from FRM II before they have to pay for services.

Recommendation: The answer to this question is obviously variable. Ostensibly, FRM II provides catalytic assistance to Bureaus and USAIDs. From that point, the Bureaus and/or Missions are to determine the kinds and levels of support that they themselves are willing to purchase through OYB transfers, direct PASAs or other contractual mechanisms, such as IQCs, for the services of individual consultants and other services. FRM II should not be expected to set any arbitrary limit on the level of catalytic support it will provide. However, A.I.D. project management should work with Bureaus and Missions to determine when FRM II direct funding ends and when Bureau and Mission funding begins. The A.I.D. should be fully aware of all potential contractual mechanisms that are available to obtain services under the project or from other ENR projects as appropriate.

Finding: USAID/Nepal is working to develop a program of support for geographic information systems and for other land-use-planning technologies. Mission personnel suggested that having early assistance on the development of this activity would be helpful.

Recommendation: The FRM II project manager should contact the USAID Mission and work to identify whether the services of FRM II, through the Forestry Support Program, can provide some technical assistance in assessing country needs and existing GIS and related technology capabilities that might be available and appropriate for Nepal.

7.3.4. Africa

7.3.4.1. Background

Issues of famine, desertification, deforestation, degraded water quality and destruction of Africa's biodiversity are the focus of the Africa Bureau's programs for agriculture and natural-resource management. There is general agreement that the links between wise use of natural resources and agricultural and rural development need to be enhanced and then sustained. The primary guidance for focusing Bureau attention and action on natural-resource issues is "The Plan for Supporting Natural Resources Management in Sub-Saharan Africa."

The Bureau developed the plan based on a series of technical analyses by A.I.D. and outside experts. It responds to the following: the Foreign Assistance Act (FAA) amendments to sections 118 and 119, which require A.I.D. to focus more attention on addressing the problems of deforestation and loss of biological diversity; congressional guidance under the Development Fund for Africa (DFA); and to other concerns, such as climate change and elephant conservation.

The plan outlines seven major themes that guide A.I.D. assistance in the Africa region. These themes are as follows:

- integration of natural-resource-management concerns within the Bureau and USAIDs' overall programs, especially policy dialogue and agricultural development;

- development of African capacity at all levels -- national to community -- to manage natural resources;
- promotion of participatory approaches especially focused on enhancing the participation of women and other disadvantaged groups;
- long-term commitment to addressing natural-resources issues;
- definition of and concentration on priority problems where the U.S. has a comparative advantage, prioritizing issues which offer a good fit between problem and the U.S.'s expertise.
- increased Private Voluntary Organization (PVO) and Non-Governmental (NGO) involvement
- support of collaborative efforts among countries and donor collaboration.

7.3.4.2. Findings and recommendations

Finding: Under the natural-resources management analytical unit within the Food, Agriculture and Resource Analysis Division (FARA) of the Africa Bureau, coordination and networking is under way with the R&D Office of Environment and Natural Resources and with the USDA Forest Service including the Forestry Support Program in the areas of tropical forestry, biodiversity and natural resources.

Recommendation: This kind of coordinating and networking relationship should be continued, and FSP should work closely with this unit in the identification of the future FSP Africa regional coordinator. In order to provide more specific input into the development of the position description of the FSP regional coordinator and to ensure a higher level of relevance to regional Bureau and Mission needs, this Africa Bureau group should be consulted early on concerning the nature of the activities that they anticipate. While the decision is ultimately up to the hiring institution -- the Forest Service -- this kind of interaction and input will help guide its decision-making process in addressing some of the priority concerns of its client, the Agency for International Development.

Finding: While representatives of the Africa Bureau indicated that they received great support from the FSP Regional Coordinator at this point in time, they did not indicate that they were less aware of the opportunities to tap into the skills and activities of the other technical specialty coordinators, such as the coordinators for agroforestry or for training.

Recommendation: Several recommendations already described in the section on assessment of the performance of the Forestry Support Program provide some potential solutions to this kind of lack of awareness or feeling of inability to really tap into the activities of some of the nonregional specialists on FSP staff. These include, but are not limited to, having the agroforestry coordinator develop a five-year action plan with more input from the Bureaus and Missions to provide a more coherent umbrella for activities that will be undertaken by the agroforestry initiative. Further guidance on the roles and responsibilities of all FSP personnel is found in Annex F of the FRM II project paper.

Finding: Among A.I.D.'s objectives in the Africa region is an assessment of the extent of forested area in the Congo Basin. Other activities such as this one will require the Bureau to have access to technical assistance and training on geographic information systems and other land-use-planning technologies.

Recommendation: FRM II project management should work closely with FSP to ensure the timely hiring of a technical specialist in the already-authorized position of land-use-planning specialist. FSP has this position scheduled to come on line in FY93. In the meantime, opportunities may exist to tap existing capabilities in the Forest Service to provide preliminary support to the Africa Bureau as needs arise and support is requested.

Recommendation: As soon as the new staff person is in place, she or he should work closely with the Bureaus and Missions to identify needs and to develop a plan of priority action.

7.3.5. Eastern Europe and Commonwealth of Independent States

7.3.5.1. Background

A review of documentation indicates that some of the following opportunities exist for potential FRM II involvement in both Central and Eastern Europe and in the Commonwealth of Independent States (CIS) and New Independent States (NIS) of the Former Soviet Union (FSU). The priority problems in Central and Eastern Europe lie mostly in the area of environmental pollution. However, some of the forestry and natural-resource-management-related problems being addressed through A.I.D.'s Environmental Strategy are agricultural pollution and soil erosion, nature conservation, policy analysis and transfer of efficient and environmentally sound technology.

In the CIS, a number of the forestry and natural-resource-management related problems have been identified. A.I.D.'s environmental strategy specifically mentions the following problems that it will address in the region: environmental and natural-resource pricing and institutional reform; natural-resource management policies and practices; and private-sector initiatives and partnerships. An FSP-supported consultant looked at potential technical assistance for conserving and managing forest resources in the CIS and identified possible interventions in the areas of: environmental assessments, wood products marketing economics, harvesting practices, utilization efficiency, forest inventory and classification, fire management, reforestation and regeneration, forest health (insect and pest management), training and institutional strengthening.

7.3.5.2. Findings and recommendations

Finding: In the Bureau for Europe, some interest was expressed in determining opportunities for tapping into FRM II on two specific issues. The first was tree-farming issues related to user groups and practical and applicable technologies for forest and tree management. The second was policy issues, such as assessments about global warming and how the U.S. got to its current position in forestry.

Recommendation: FRM II project management should meet directly with personnel in the appropriate Eastern Europe and CIS offices to provide them with information about FRM II and to determine the kinds and magnitude of opportunities that might exist. This information should provide a framework for redesign of the project and should provide guidance on how to proceed in these regions.

Finding: A staff member on the NIS Task Force said that there might be some opportunities in the forestry sector in that region.

Recommendation: The preliminary identification of opportunities above should be considered only a prelude to a more in-depth analysis that the FRM II project manager should conduct. The substantive analysis might be conducted through FSP. The purpose of this effort would be to synthesize existing

A.I.D. and other relevant documentation about issues and opportunities in Eastern Europe and CIS/NIS. Using this documentation, the FRM II project manager should host a meeting or series of meetings with personnel from the very busy staffs putting new programs together in these regions. The purpose of this effort would be to provide an orientation about FRM II and the services that it provides under its Forestry Support Program, Peace Corps and Private Enterprise components and to identify opportunities for possible action. One of the outcomes of this set of activities might be a decision to establish a new coordinator position in FSP for Eastern Europe and for the CIS/NIS. Creation of this position would depend on an adequate level of interest and priority expressed by personnel in these offices.

Of particular interest might be the private-enterprise initiative. At an early stage in the development of plans for the expansion and strengthening of that component of FRM II, the project manager should provide details to personnel in the Eastern Europe and NIS offices and work to identify opportunities for direct interaction and catalytic support.

8. Cross-cutting themes

8.1. Cost sharing

8.1.1. Background

FRM II provides increasing opportunities for cost sharing with other parts of A.I.D and other non-A.I.D. organizations, such as the USFS, PC and SCFER.

8.1.2. Activities/accomplishments

Finding: Cost sharing, as part of the original project design, clearly is strong point of the project.

Recommendation: Cost sharing should be continued as an effective way to accomplish FRM II project goals.

Finding: The cost-sharing aspect of FRM II requires extensive consultation, cooperation and joint decision-making with other agencies and entities. It sometimes can be an obstacle to getting decisions made and work done. Missions complain about the time it takes to get decisions made out of Washington offices that are cost-sharing in their activities. On the other hand, FSP is usually very quick in meeting cost-shared decision making.

Recommendation: It may be useful for FRM II project management to obtain an independent analysis of the types of activities where quick decisions can be made and the types of activities where close and careful consultation is required by cost-sharing organizations. This analysis should help classify activities and decisions so that managers have realistic expectations relative to timing of activities. Structural mechanisms may be needed to short-circuit long, drawn-out decisions created by cost sharing.

Finding: With the Forest Service's new International Forestry Deputy Area and cost sharing with A.I.D. for FSP new positions, conflicts between the Forest and A.I.D. already have arisen and likely will continue to arise about approvals for hiring, work plans and performance evaluations.

Recommendation: While cost sharing for the new FSP positions is extremely appropriate, careful understanding of the mechanisms put into place is needed to ensure that problems do not arise. An SOW for each coordinator -- regional or technical -- needs to be written and agreed upon by the FRM II project manager and the FSP manager. Also needed is a written agreement of the respective supervisory roles of the FSP manager and the FRM II project manager. The agreements and experience of hiring for the new donor-collaboration position may provide a model on which to base explicitly articulated sets of protocols. Agreements in writing should help keep to a minimum most of the problems that can arise from cost sharing.

Finding: In the case of the SCFER, non-governmental university funding helps to provide appropriate, though hidden, cost-sharing support for project-related work conducted through faculty positions.

Recommendation: Cost sharing with nongovernment institutions, such as universities, that brings in outside expertise should be encouraged. Such cost sharing is especially important in the sense that there may be numerous hidden and sunk costs in the professional expertise brought to A.I.D. from outside,

nongovernmental sources. This cost-sharing concept deserves to be kept in mind when A.I.D. works with other nongovernmental and private-sector organizations.

8.2. Buy-ins

Finding: FRM II's buy-in component in the project is described in the PP. The A.I.D. contracts office has determined that the buy-in mechanisms developed and approved in the FRM II project paper are illegal. These mechanisms included a "Ribbon PASA" through OICD with the Forest Service and a PASA with the Peace Corps.

Within A.I.D., however, some administrators and many project managers express a difference of opinion about this reinterpretation of illegality. Whatever the case, until this change in practice occurred, two of FRM II's implementors had made constructive use of buy-ins from Missions and Bureaus to further the project's goal and purpose. A primary reason for the perceived success of these buy-ins was that they provided USAID Missions and Bureaus with reasonably easy access to the services of the Forest Service and the Peace Corps to undertake activities in countries or across regions that contributed to the agency's overall commitment to enhancing environmental conditions through forestry and related natural-resource-management activities.

Recommendation: In the follow up to this evaluation, the highest levels of the R&D Bureau need to address the issue of buy-ins. (Please refer to the sub-section about buy-ins in the section on limitations to project accomplishment and implementation for additional guidance on some of the options available to address this issue.)

Finding: As the private-enterprise initiative comes on line, new opportunities exist for buy-ins.

Recommendation: In any modifications of the FRM II PP where a competitive contract with buy-ins is permitted through the contracts office, the following guidelines should be followed:

- The buy-in component should be described in the project paper. The evaluation team recognizes that many of the options, while viable and legal, still present problems. Contract-office guidance should be sought to design and apply the most appropriate and potentially least problematic contractual mechanism that will permit buy-ins for forestry private-sector activities.
- A process for tracking activities financed through buy-ins should be established for the project.
- Mechanisms should be designed at the outset of any new activities with buy-in potential to measure the substantive effects of the buy-ins.
- Monitoring of the contribution of buy-ins to the project should be initiated at the outset of the private-enterprise activity to track whether the buy-ins are driving the project -- shifting or stretching its objectives -- or whether the project actually provides an adequate umbrella under which the buy-ins can justifiably fit.

8.3. Sustainability

The issue of sustainability has been and has a potential to be played out in a variety of ways over FRM II's LOP.

Finding: FRM II is designed primarily to provide short-term technical assistance, training, service and support to regional Bureaus and Missions. The continuity of more than 12 years, which includes FRM and the first 20 months of FRM II, has provided A.I.D. with sustained support that has had both direct and indirect impact on sustainability of forestry and related natural-resource-management activities around the world.

Recommendation: FRM II project management should ensure that its implementing institutions develop monitoring and evaluation components that can measure the direct and indirect contributions of FRM II funding to sustainability of sound forestry and natural-resource-management practices around the globe.

Recommendation: FRM II should continue to support both FSP and Peace Corps training activities, especially those that include host-country nationals who will be the professionals with the mandate to work in their countries over the long-term on sustainable forest-management activities.

Finding: In one sense, FRM II has contributed to the institutionalization and capacity building of one of the premier forestry institutions in the world, the USDA Forest Service. While the Forest Service had an international capability before FRM and FRM II, it had little support from within. It had to begin to build much of its reputation and the capacity of its employees to address issues in contexts of international-development assistance. While this is not the major focus of discussions about sustainability, it is one area where A.I.D.'s FRM and FRM II have made a major contribution to the global forestry community. The contribution was made through support to an institution that now has an expanded mandate and increased funding to address concerns of mutual interest to all segments of the U.S. public sector.

Recommendation: None

Finding: Sustainability is an issue that will be a strong theme in the newly evolving private-enterprise initiative of FRM II.

Recommendation: Amendments to the PP that describe the nature of this initiative should specifically address the following issues related to sustainability:

- How does the private-enterprise initiative address the issue of sustainability?
- What is the role of capacity building in the initiative and how might it contribute to sustainability?
- What mechanisms are developed in the initiative to promote the institutionalization of activities before FRM II support ends?
- FRM II will serve as a catalyst to promote private-sector activities. Other A.I.D. offices such as PRE will provide financial assistance for establishing private-sector ventures. USAID Missions will provide other direct and indirect support. It is important to remember that for most

development activities to be sustainable, certain recurrent costs will remain even after A.I.D. support is removed. Project designers should determine what kinds and levels of recurrent cost issues will/may be involved in long-term project implementation for host-country institutions and how these costs will be addressed over the long term.

- What mechanisms and indicators for monitoring sustainability are instituted?

8.4. Women in development

FRM II shows mixed results in the way it has addressed gender issues. The following findings and recommendations discuss how and how well each of the project's implementors have addressed gender concerns. And this section provides recommendations about how to improve performance as needed in this area.

Finding: Under the Forest Service RSSA, the Forestry Support program has:

- Added WID as a specialty area on its roster;
- Named one of its staff members as WID coordinator;
- Hired many qualified women professionals on its staff in a federal agency that has expressed strong commitment to diversity in the work force;
- Supported a number of WID training programs in forestry and agroforestry;
- Hired staff who appear to be reasonably sensitive to gender issues even if some are not very knowledgeable in the area of gender analysis; and
- Sent some staff and other forest-service employees on overseas assignments who were inconsistent in the attention they give to the issue or had little knowledge about how to incorporate gender concerns into forestry, agroforestry and related natural-resource-management activities.

Recommendation: FSP should sponsor a gender-awareness and gender-analysis workshop for its employees and any Forest Service employees that might be sent on overseas assignments. For those who are not able to attend a workshop or a series of FSP-hosted workshops, FSP should develop materials that provide guidance on these issues.

Recommendation: Each SOW for a Forest Service employee operating under FRM II funding should include a requirement that the individual address gender concerns insofar as possible during the course of their assignment.

Recommendation: FSP staff should have an element in their performance evaluations that requires them to demonstrate how they have addressed gender issues in their technical assistance activities and in other support activities conducted during the course of a given year.

Recommendation: FSP should work with appropriate USAID personnel and teammates to collect during their field assignments sex-disaggregated data focused on the roles of men and women in forestry and natural-resource management.

Recommendation: FSP should begin to systematically monitor the differential impact of its activities on men and women. (Note: The evaluation team provides more specific guidance on some of these recommendations in the report section on FSP contractor performance.)

Finding: The Peace Corps has long-standing training and awareness programs to sensitize all volunteers to gender issues.

Recommendation: Continue gender training for volunteers

Recommendation: Identify opportunities where FRM II funding might support women-in-development activities in the forestry and agroforestry sector.

Recommendation: Include monitoring of the differential impact of FRM II-funded activities on women and men.

Finding: IMCC, in its limited work under FRM II, does not seem to have been required, nor have they taken any special initiative to incorporate gender concerns. This lack of requirement or initiative to address gender issues does not, however, mean that such actions have not occurred in the course of the IMCC's normal processes.

Recommendation: FRM II project management should ensure that the newly developing private-enterprise initiative should include gender training in its activities and should integrate gender analyses, sex-disaggregated data collection, and monitoring of the differential impacts on men and women that result from private-sector forestry and related natural-resource-management activities.

8.5. Research review

Finding: To date, FRM II has focused its primary attention on technical assistance and related support. While it has not had a research component per se, it has supported assessments and analyses. Eventually, the Forestry Support Program may have a position for a research coordinator, which is not now recommended by the evaluation team. Peace Corps is discussing a research role for its volunteers, and the private-enterprise initiative includes a minor research component under SCFER, and in its expanded concept, may include a research component.

Recommendation: A.I.D. project management and all implementing institutions should be aware of and follow, as appropriate, guidelines provided in the agency's 1990 document, "Yellow-Top Guidance: Peer Review Policy and Implementation Guidelines for the Bureau for Science and Technology."

8.6. Information collection and dissemination

It is difficult for anyone to stay at the cutting edge of a technological topic for several reasons. In some cases, technical personnel have to deal with so many administrative details that they have no time to keep abreast of new information in their field even if it is readily available. In some cases, information is

growing so rapidly, specialists need user-friendly means to access information or be aware of where to tap into existing expertise that is on the cutting edge. In other cases, the information may be available, but is difficult for technical specialists to keep abreast of because of their typically increasing administrative burdens. In still other cases, while information may exist somewhere, it may not be available in the country where it is needed, or may not be available in the right language or in an appropriate format, such as research results that need to be translated into extension materials. These issues should be addressed by FRM II.

Finding: A central activity of FRM II is to provide cutting-edge technical assistance to regional Bureaus and Missions in the area of sustainable forestry and natural-resource management. The project has made progress in achieving this through:

- FSP staff working with regional bureaus and Missions;
- Consultants provided through the FSP roster;
- Dissemination of 30 reports, newsletters and other publications produced by FSP over the past year; and
- Training of Peace Corps volunteers and host-country nationals working on A.I.D.-funded projects.

Recommendation: FRM II should continue to address this need and take advantage of the opportunity to expand this activity, consistent with the plans set forth in the PP.

Recommendation: To create local reference centers on issues such as environmental education, environmentally sound technologies for small businesses, funding and/or materials for volunteers should continue to be made available or even increased under the material-support component of the Peace Corps.

Finding: At one point, FSP had a reasonably good reference library that it made available to A.I.D. personnel, Forest Service employees, students, consultants and others. With the move of FSP to the auditors building to be housed under the same roof with all of the Forest Service offices and then its more recent move back to offices in Rosslyn, the reference library has not been maintained.

Recommendation: See the last two recommendations in section 4.2.1.3.

Finding: FSP has a major information-dissemination function that it performs through its annual reports, newsletters and other publications.

Recommendation: While FSP has had some positive feedback on the value of many of these publications, they have made no systematic effort to monitor the impact of these documents. In fact, it was clear from the comments by some representatives in the regional Bureaus that they were not aware of some important details, such as a request for review of FSP staff annual work plans. Therefore, this monitoring activity should be undertaken by FSP.

9. Broader implications for A.I.D.

9.1 Introduction

This chapter addresses some of the broader implications of the findings and recommendations of the 20-month evaluation of the Forest Resources Management II Project. The evaluation team discusses both the major substantive and operational implications for the Agency for International Development.

9.2 Substantive considerations

9.2.1. New support for forestry

The evaluation team interviewed a number of people in A.I.D. who suggested that they anticipate a reasonably large increase in funding for forestry activities over the next few years. The anticipated increase in funding would be a response to deliberations at the UN Conference on Environment and Development (UNCED), the new presidential initiative -- "Forests for the Future", new support through both the International Center for Research on Agroforestry (ICRAF) and the new Center for International Forestry Research (CIFOR) for forestry research within the CGIAR and other U.S. and international initiatives.

It is important for A.I.D. at this moment to forge stronger ties with other U.S.-government agencies and to develop new partnerships, much as FRM II is working to do with the USDA Forest Service and the Peace Corps. Other parts of the agency might find some of the substantive lessons learned from FRM II to be of value as they continue to develop and implement activities in the tropics and subtropics and as they expand into temperate and boreal forests where USDA forest service has a particular technical comparative advantage. Of particular import is the need to define mutual goals for forest and natural-resource management and sustainable production and to develop collaborative arrangements to meet those mutual goals.

9.2.2. Private-enterprise initiative

A.I.D. officials should begin to think more broadly about the implications of the agency's primary emphasis on protection of natural forests. The team understands the politics of this approach to development assistance at this point in time. However, team members also believe that to have sustainable forest management, A.I.D. requires a broader, long-term strategy that includes protection of existing natural forests and their biodiversity, enrichment of degraded forests, plantings of trees through agroforestry activities and other biomass-replacement actions, such as plantations.

In LDCs, and even in industrialized nations, protection measures alone do not appear to be effective in sustaining forest cover or maintaining forest resources at levels that can support long-term, sustainable forest-products use required to meet the needs of growing rural and urban populations. Section 4.2.4.2.1. provides more details on these issues. The evaluation team, however, raises these issues here because of their broader implications for A.I.D. forestry programs.

9.3 Operational considerations

9.3.1. Buy-ins to PASAs

Resolution of the buy-in issue raised in numerous places throughout this evaluation report is essential. The evaluation team observed that differences of opinion exist between various A.I.D. administrators and project managers and the contracts office. The evaluation team cannot resolve this issue, but encourages A.I.D., at the highest appropriate levels to get clarification and/or resolution of the PASA and "ribbon PASA" buy-in issue.

9.3.2. New commitments to partnership and trust

The evaluation team discusses the need for new commitments to partnership and trust with other U.S.-government agencies in order to meet common goals. Partnership and trust is an important concept to focus on across all segments of the agency. The evaluation team provides a list of recommended mechanisms to translate the commitments into action.

9.3.3. New efforts in monitoring

Stronger monitoring components are needed to address impacts and the contributions of the implementing agencies in achieving the project's goal and purpose. All project implementors should particularly pay attention to the development of direct and indirect indicators. This need for stronger monitoring has broader implications for the agency because it fits within CDIE's current effort to evaluate the impacts of the agency's natural-resources-management activities. Development of reliable and useful monitoring instruments will be helpful for the agency to determine whether it is meeting the goals and purposes of this project.

9.3.4. Design implications

FRM II, like all projects, should take particular care in articulating assumptions and should attempt to design a set of doable activities. One issue for a project like FRM II that may be common, especially for many projects within the R&D Bureau, is that they have a reasonable degree of focus but also a reasonable degree of flexibility and adaptability to shift with changes in agency priorities, regional Bureau and Mission needs and changes in knowledge about cutting edge issues. Finding a balance in focus and flexibility is a real challenge where program offices insist on focus and are reluctant to accept too much flexibility. FRM II should work closely with the R&D Program Office to ensure that the balance is maintained.

9.3.5. Building an external institutional memory and learning curve

As A.I.D. has down-sized its own staff, it must rely more on its contractors and cooperators to serve as an institutional memory. FRM II has provided A.I.D. with an external institutional memory, especially through its support of the Forest Service's Forestry Support Program. After more than 12 years of support from FRM and FRM II, the Forestry Support Program serves A.I.D. well in its role. Interestingly enough, because of the support from A.I.D., FSP now provides the newly developing International Forestry Deputy Area in the Forest Service with its own internal institutional memory and learning curve. While issues of competitiveness to acquire contractors for A.I.D. projects prevail, some

of the RSSA/PASA agreements between A.I.D. and its sister agencies provide an important return on the investment and should be commended.

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Annexes

**Annex 1: A new direction:
Private-enterprise initiative for forest protection and production
for sustainable forest management**

The policy context

A brief review of policy documents indicates a strong U.S. Government (USG) policy context for a broader private enterprise initiative for forest protection and production. USG policy recognizes the significant role of the private sector in forest management activities and provides a basis for supporting the enhancement and expansion of this component of FRM II. As proposed below, FRM II would serve as a catalyst to effect policy outcomes pursuant to the following policy statements:

- The A.I.D. Mission Statement includes three key principles: (a) support for free markets and broad-based economic growth; (b) responsible environmental policies and prudent management of natural resources; and (c) support for lasting solutions to transnational problems.
- The A.I.D. Partnership for Business and Development initiative seeks to: (a) engage American private sector participation in the effort to develop and sustain...broad-based economic growth in developing countries, and (b) enlist the American private sector as a suitable vehicle for helping emerging countries achieve economic development objectives.
- The President's Forests for the Future initiative looks at how the U.S. can help protect and produce forests for future benefit to the environment and economic growth of developing countries. U.S. private sector expertise can make a major contribution.
- The Executive Branch is also calling for a Technical Cooperation Corps to harness the creative force of the U.S. private sector to help address world development and environmental issues.
- The UN Conference on Environment and Development (UNCED), held in Rio de Janeiro in the summer of 1992 produced a paper entitled: "Combating Deforestation"(Agenda 21, Chapter 11). This paper calls for (a) more effective measures and approaches to harmonize the roles of the private sector and incentive systems and to ensure a rational and holistic approach to the sustainable and environmentally sound development of forests. [11.1], (b) promotion of participation of the private sector [11.4(b)] and (c) promotion of improved use and development of natural forests and woodlands, including planted forests [11.23(d)].
- The UNCED Conference produced a paper entitled: "Strengthening the Role of Business and Industry" (Agenda 21, Chapter 30). This document also states that: (a) business and industry "play a crucial role in the social and economic development of a country." [30.1], (b) "technological innovations, development, applications, transfer, and the more comprehensive aspects of partnership and cooperation are to a very large extent within the province of business and industry." [30.2], (c) "facilitating and encouraging inventiveness, competitiveness and voluntary initiatives are necessary for stimulating more varied, efficient and effective options." [30.4]

Environmental and economic contexts for the initiative

The following outlines reflections by the evaluation team on the environmental and economic contexts within which the expanded FPEI is proposed.

- To have sustainable forest management, protection and conservation of natural forests is extremely important, however, efforts to replace lost biomass must be undertaken over the long run.
- In LDCs (and even, to a lesser extent, in industrialized countries), protection and conservation measures alone do not appear to be effective in sustaining forest cover or maintaining forest resources at levels that can support the long-term, sustainable forest products use which societies require to meet their needs for growing populations--be they urban or rural.
- An urgent need exists to promote so-called "upstream solutions" (i.e., those that anticipate and counteract potential future environmental problems, that ultimately also will become economic resource problems).
- An urgent need exists for creative solutions to the environmental and economic problems created by the loss of natural forests. There must be a thorough examination of the full range of options. This includes a broad continuum of forest management activities ranging from pure preservation (e.g., ecological reserves, wilderness areas), to conservation (i.e., wise use) with selective enrichment of degraded forests, to creation of new plantations for full utilization under sustainable management regimes.
- National and international conservation organizations are starting to address the forest conservation and protection issues. They are making governments respond to the imperatives of forest protection for environmental integrity. While important, these protection efforts, for the most part, are not the "upstream" and creative solutions required for long-term, sustainable forests. Additionally, most of these natural forest protection programs: (a) do not create new jobs; (b) do not utilize poor, non-agricultural soils that, with incentives, might be reclaimed through establishment of sustainable plantations; and (c) do not provide alternative sources of wood and non-wood products to reduce pressures on remaining natural forests.
- An urgent need exist to adopt economic incentives and market-based mechanisms to encourage least cost, long-run forestry solutions to environmental problems as well as to provide for future forest resource requirements.
- In most countries throughout the world today, it is the private sector (e.g., farmers, small-scale artisans, tree farmers, larger commercial or industrial users) which uses forest based resources.
- National or international governmental agencies, conservation groups, researchers, and others are not direct users of forest resources. These groups need to understand the significant contribution that the forest private sector can bring to long-term forest protection. There appears to be a gradually growing awareness by these agencies and groups that forest production and efficient wood utilization can indeed help protect forests. However, more dialogue and action need to take place about these issues, now before it is too late.

- **Members of wood-using private sector (not just in the industrialized countries but also in the LDCs such as Chile, Brazil, Venezuela, Costa Rica, Indonesia, the Philippines, and Guatemala where the private sector has established plantations) have a rapidly growing awareness of the need to take action to provide new wood sources, create jobs, reclaim non-agricultural soils, take pressure off remaining natural forests, and restore degraded forests. Yet, while many members of the private sector may have contributed to forest loss, they now recognize that they must contribute not only to stopping further loss but they also must create new forest tree cover for both environmental and economic reasons. This is true especially where the private sector sees governments failing to stop deforestation and struggling to set good policy to encourage tree plantations.**
- **Additionally, as the value of forest resources go up in response to market forces, many forest users -- the private sector group -- seek to improve wood utilization which, indirectly, can help take the pressure off and protect the remaining forests.**
- **Both the need and opportunity exist to initiate dialogue, mechanisms, and action to bring the forest private sector and its technical expertise more directly into the efforts to protect natural forests, restore degraded forests, and establish plantations to meet the environmental and economic challenges of sustainable forest management.**
- **There may even be a need for conservation organizations to recognize and support what might be called "reverse" conservation. This concept posits that for every hectare placed into preservation for a park or ecological reserve, a hectare of production forest will be created by planting to meet future raw material requirements which may not otherwise be available as remaining natural forests become off-limits.**
- **The conservation and environmental community has begun to understand the potential role of forest production as a complement to forest protection. There has been some dialogue with the forest production community. However, representatives of the various communities must have greater opportunities for dialogue to discuss and mechanisms by which they can take action on the realizing the potentials and complementarities of forest protection and forest production.**
- **Some of the U.S. forest private sector is highly successful in sustainable forest resource management. It has extensive practical forestry expertise in temperate, subtropical, and, to a lesser extent, but nevertheless significant, tropical climate zones. It has advanced wood usage technology. It possesses creative management, technical, as well as research skills and the initiative to take action in practical and efficient ways. A good portion of the articulate leadership of both large and small forest enterprises in the U.S. forest private sector fully understands the issues of forest conservation, protection, and production. Surveys indicate that the private sector would welcome the opportunity to use its expertise to help address forest resource issues worldwide and explore options for trade, investment, technology transfer, improved utilization, and other areas of mutual interest in the industry.**
- **The forest sector in many parts of the Third World, Eastern Europe and the CIS is eager to learn as much as possible about U.S. forest and wood management and actively seeks linkages for trade, investment, technology transfer, and the like. Many would welcome the opportunity for**

dialogue with the production-oriented private sector enterprises in the U.S. and interaction to effect changes in forest practices

- An expanded Forest Private Enterprise initiative in FRM II can make a significant contribution to the forest protection and production issues discussed above by serving as a catalyst to (a) help bring the forest private sector into the dialogue, (b) encourage desired private sector linkages, and (c) take action for both protective and productive solutions to the problems of sustainable forest management.

A conceptual proposal for an innovative private-enterprise program for FRM II

Name for the new program: The Action Forum for Forest Protection and Production

Vision statement for the Action Forum for Forest Protection and Production: The action forum is a core coalition of private forest sector leaders who come together with private voluntary organizations, non-governmental organizations and government agencies for dialogue and action to develop practical and workable solutions to the problems of forest protection and forest production for sustainable forest management to benefit all future generations.

Objectives of the Action Forum for Forest Protection and Production:

- To provide a mechanism for dialogue and action for private sector initiatives to support forest protection and production;
- To enlist U.S. private sector support for sustainable forest management through the Technology Cooperation Corps;
- To help gain both U.S. and LDC private sector (including conservationists and industrialists) support for Forests for the Future throughout the world;
- To bring together private forestry expertise to address the issues of protecting forests, enriching degraded forests and producing new forest cover for the benefit of future generations;
- To promote environmentally sound forest practices and forest enterprises in selected countries around the world;
- To transfer lessons learned from successful forest private sector ventures in both temperate and tropical environments to potential ventures in LDCs, Eastern Europe and the CIS;
- To assist selected LDC countries in efforts to reduce deforestation, increase forest production, achieve sustainable forest management, develop efficient forest-based enterprise, and contribute to the overall environmental protection and economic development; and

- To encourage trade and investment, exchange of technology, policy analysis and policy reform that fosters forest protection and forest production.

Structure for coordination and implementation of the Action Forum for Forest Protection and Production:

- Roles of FRM II -- (a) serve as a catalyst to initiate the action forum, (b) facilitate the establishment of the secretariat, (c) develop a competitively bid contract with buy-in capability, (d) serve as liaison between A.I.D. Missions/regional Bureaus and the action forum secretariat for country-specific and regional activity planning and implementation, and (e) market the action forum, especially among government agencies
- Roles of the A.I.D. regional Bureaus and Missions -- (a) assess opportunities for action, (b) make recommendations for action forum programs, and (c) buy-in to action forum activities
- Roles of the action forum advisory council -- (a) serve as advisory group to Secretariat, (b) represent the broad spectrum of action forum participants, (c) provide program guidelines for the Forum in consultation with A.I.D.
- Roles of the secretariat of the action forum -- (a) provide the U.S.-based headquarters in Washington, D.C., (b) manage day-to-day operations, (c) market the action forum in the private sector in both the industrialized countries and LDCs, (d) provide an exceptional executive director and staff who have extensive knowledge of and familiarity with the U.S. forest private sector, industry association background and can draw participants to dialogue and action, international business and trade experience and an excellent understanding the LDC forestry issues.

Participants in the action forum: Forum participants must be committed to sustained forest management as demonstrated in a specific forest projects or practices in which they engage. (Note: The following are provided only as examples of potential participants.)

- Private Forest Product-Related Companies -- both large and small, (e.g., Weyerhaeuser, Westvaco, Simpson, Robinson Lumber, Furniture Manufacturers, LDC private sector forest-related companies);
- Tree Farmers/Foresters (e.g., American Tree Farm Association, Society of American Foresters, tree seed companies, LDC tree farmers);
- Private Companies with Interest [e.g., MacDonalds (see Annex 7), Ben and Jerry's, and others);
- Private foundations (e.g., Ford, Packard, Mellon, and LDC foundations);
- Industry associations (e.g., National Forest Products Association, International Hardwood Products Association, National Hardwood Products Association, American Paper Institute, Forestry Chambers of Commerce);

- Private voluntary organizations/non-governmental organizations (e.g., World Wildlife Fund, The Nature Conservancy, Land Trust Alliance, Conservation International, Cultural Survival);
- Government forest agencies (e.g., USDA Forest Service, LDC forest agencies); and
- Government environmental agencies (e.g., Environmental Protection Agency (EPA), LDC agencies).

The above-mentioned participants may appear to be incongruous at first glance, but that is the point of the Action Forum for Forest Protection and Production. The purpose of the action forum is to initiate the dialogue among these groups to seek practical, long-term solutions to the problems of deforestation by capitalizing on the U.S. private sector expertise and by encouraging educational, trade, investment, and market mechanisms that will promote sustainable forest management.

Activities of the Action Forum for Forest Protection and Production

- **Conferences:** The conferences would bring together participants to (a) address protection and production issues; (b) to investigate business linkages; (c) to determine action steps, (d) to explore practical incentives for protection of natural forests, enrichment of degraded forests, and production of plantations; (e) to find common ground to help meet the conservation and production needs of LDCs, (f) to have dialogue that can be turned into action. For example, conferences that would be held at national, regional and global levels might include but not be limited to the following:
 - The US Conference on Forest Protection and Production (FPP) would bring together the know-how, expertise, and practical experience of the U.S. private sector that acknowledges the worldwide forest-related issues affecting both U.S. and LDCs; would enlist private sector support from forest-related and non-forest related groups for practical action in LDCs that addresses both protection and production; and would include environmental groups which recognize the production aspects of sustainable forest management as it relates to natural forest protection, improvement of degraded forests, and planted forest alternatives.
 - The selected bilateral conferences on FPP would be held in LDCs, be sponsored by USAIDs, and include both local and U.S. participants with specific country interests who would come together for dialogue and to develop action initiatives.
 - Regional conferences on FPP would be held at regional level, be sponsored by regional Bureaus and USAIDs, can be held in conjunction with regional programs, such as the US-Asia Environmental Partnership (see Annex 6) and would focus on problems relating to the regional forest-based private enterprise issues.

- The global conference on FPP would be held only when the action forum is well established as a viable program to accomplish specific actions to effect sustainable forest management.
- Training Support -- This would include, but not be limited to: (a) Business internships for environmental managers, (b) Environmental internships business managers, and (c) Seminars on forest protection/production options.
- Technical Cooperation -- This would include but not be limited to: (a) Exchanges of private technical experts and (b) Licensing.
- Research -- This would include, but not be limited to research in the areas of: (a) Nurseries, (b) Seed Banks and Seed Orchards, and (c) Natural Forest Production Plots.
- Trade and investment.

Proposed budget for the Action Forum for Forest Protection and Production: \$16 Million over 8 years plus potential buy-ins (see Table 1 for details).

Next steps to initiate the action forum:

- Develop a concept paper -- FRM II should contract an outside consultant who understands both the private-sector viewpoint and the issues of sustainable forest management. The Concept Paper should address cross-cutting themes for A.I.D. projects and should develop specific pilot examples for Agency-wide review and input (written as well as oral feedback through personal interviews and discussions). The Concept Paper should be circulated to May 28, 1992, workshop participants for informal feedback.
- Create a detailed action plan and time line.
- Develop Project Identification Document (PID) and Project Paper (PP) as appropriate or incorporate in existing FRM II PP.
- Solicit requests for proposals from experienced and well-respected consultants.
- Sign contract(s).
- Start up action forum.

Annex 2: List of recommendations

The following provides a list of all the recommendations from this evaluation report. The evaluation team divided the recommendations into several categories: short-term (three to six months), medium-term (six to twelve months) and long-term (one year or more). The team believes that some of the recommendations should be begun over the short-term and continue over the long-term and so indicate as appropriate.

Short-term recommendations

A1.1.1. FRM II's assumptions relative to the goal statement in the PP remain valid and should be maintained.

A1.1.2. Institutions with implementation responsibility for FRM II should begin to develop more direct and indirect measures of their progress toward achieving the project's goal and as guided by the verifiable indicators outlined in the logical framework. These indicators must meet, appropriate the criteria of validity, reliability, precision, and appropriateness to context.

A1.1.3. FRM II implementing institutions should undertake any number of activities to develop this system of impact indicators. One option is to conduct a staff working session and bring in an outside consultant with experience in facilitating the development of direct and indirect indicators.

A1.1.4. Following the development of direct and indirect, quantitative and qualitative indicators, each of FRM II's implementing institutions should develop and/or improve its monitoring function and subsequent reporting to A.I.D.

A1.1.5. FRM II implementing institutions should tap the experience that exists in A.I.D.'s Center for Development Information and Evaluation (CDIE). This will help implementors develop a set of indicators that is more compatible with A.I.D.'s.

A1.1.6. The underlying assumptions to the PP's purpose statement should remain the same.

A1.1.7. The evaluation team believes that, in the light of changes in Eastern Europe and the Commonwealth of Independent States (CIS), FRM II's purpose statement should be changed. If determined appropriate during the redesign process input from regional Bureaus and Missions, FRM II should address issues primarily in tropical and subtropical regions but it may also be able to provide services through existing contractual arrangements on boreal and temperate forest issues as well. Additionally, the new private enterprise component of FRM II should be marketed in all regions, as determined appropriate during the redesign process.

A1.1.8. The list of outputs in the PP should be modified to say that the project will contribute to the "improved development impact of voluntary assistance and food aid-related (as appropriate per A.I.D. policy) forestry and natural resource management activities." Mention of food aid should not be removed entirely because it still remains an option, for example, in countries which express interest and willingness to have food aid as part of a Peace Corps activity. While Peace Corps does not promote food aid as it did in the past, it will respond if a country expresses interest.

A1.1.9. The PP's assumption that multiple mechanisms exist that can access the talents of both public and private sectors should remain in the PP.

A1.1.10. The evaluation team recommends that once A.I.D. resolves the issue of buy-ins to PASAs that the redesign effort should reflect changes in the logical framework and in the text of the PP as appropriate.

A1.1.11. The PP budget and face sheet should be changed to reflect removal of the buy-in mechanism (as appropriate) as well as to reflect expanded levels of core funding. Below the evaluation team provides estimates of increases in budget needs (along with supporting background and justification details) over the Project's next eight years.

**Table 1
Proposed Budget Increases
Over Remaining Eight Years LOP**

<u>Amount</u>	<u>Recipient</u>
+ \$5-10 million	Forestry Support Program*
+ \$12 million	Peace Corps**
+ \$16 million	Private Enterprise Initiative***
+ ?	In-kind contributions from FS & PC

* The team bases this estimate on the assumption that the existing PASAs will not be able to accept buy-ins. The increase suggests an addition both of core and OYB funds. The evaluation team bases the estimate on indications from high level A.I.D. personnel that funding within the Agency for forestry activities will be increasing over the next few years (including expansions into Eastern Europe and the Commonwealth of Independent States). The level of OYBs is obviously one that can be questioned. However, the team is hopeful that the new tracking mechanisms being developed by the R&D Program Office will help relieve a few of the concerns of Missions and Bureaus about how R&D projects spend funds once they are turned over to the central Bureau.

** This amount would entail approximately a core level of \$1.5 million per year over eight years. The evaluation team bases this estimate on figures provided by the Peace Corps project manager. His estimates reflect experience over the past 12 months with core and OYB transfer funds. The estimate also reflects concern about Peace Corps funding already being very nears its ten year LOP ceiling and concerns that buy-ins may no longer be possible. Since other ENR projects use this PASA to obtain services, this figure might be reduced if only FRM II uses it. The team, however, recommends that the figure should be increased in whatever case in order to support the Peace Corps' continuing efforts in tropical and subtropical areas as well as its new efforts in the Baltics, Eastern Europe and the countries of the Former Soviet Union.

*** The team recommends that a relatively small level of funding be used to start up the proposed expansion of the Private Enterprise initiative. The level should be revised based on the findings of the team hired by A.I.D. to develop a concept paper based on the concepts proposed in this evaluation report. The buy-in potential from regional Bureaus and USAIDs after they have been apprised of the objectives and activities of the proposed expanded Private Enterprise initiative under FRM II. FRM II project management should work with the contract's office to establish appropriate contractual

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mechanisms that ensure a relatively easy way for Bureaus and Missions to obtain services and to participate at the levels they deem appropriate in an expanded initiative.

A1.1.12. The commitment by the regional Bureaus to fund the FSP regional coordinator positions should be renegotiated or removed from the set of FRM II assumptions in the logical framework and project budget. Whatever the outcome, ENR should host a new round of discussions with regional Bureaus and the forest service to talk about the kinds of support and back stopping that are needed by the Bureaus and what commitments and systems of accountability the forest service will provide under their new organizational arrangements. The results of these discussions should be reflected in the re-design of FRM II.

A1.1.13. The team recommends that the schedule be updated to reflect more exact dates of past actions and revised to more accurately show expected time frames for performance in view of changing conditions. The following provides as accurate a schedule as possible at the time of the writing of the evaluation report.

Table 2
Proposed Revision of Schedule for Project Paper

<u>Date of Action</u>	<u>Action</u>
August 1990	1. DBMS contract renewed
October 1990	2. A-76 waivers approved
October 1990	3. Contracting mechanism established
November 1990	4. Collaboration modes established
June 15, 1990	5. Project implementing agencies
November 1990	6. FPEI agreement renewed
Until FY 92	SCFER maintained at \$40,000
FY 92	SCFER increased to \$60,000
November 1990	7. Forest industry study initiated
August 1991	8. Concept approved, donor collaboration formalized
January 1991	9. Donor collaboration research begun
January 1991	10. Forest-based industry initiatives begin; TA has been on-going
September 1991	11. ICT contract ends
January 1991	12. Communications/DBMS initiative begins
January 1991	13. Agroforestry support/Sustainable Agriculture Initiative begins
June 1992	14. OYB Transfer from PARTS project
August 1992	15. Asia Regional Coordinator worked on ITTO
August 1992	16. Donor Collaboration initiative
September-October 1992	17. 20-month evaluation of FRM II
November 1992	18. Forest industry component incorporated in FRM II

A1.1.14. FRM II should assess its intra- and inter-office coordination procedures to ascertain whether they are adequate and take action to increase its own coordination efforts.

A1.1.15. The evaluation team recommends that ENR office strategy to incorporate new activities into existing projects be analyzed before doing a redesign of FRM II, which provides opportunities for considerable expansion. The team recommends that any expansion should not do a disservice to the PP's goal and purpose statements and should not overextend the capabilities of the project manager considering the magnitude of his existing workload.

A1.1.16. In the redesign of the PP, serious consideration should be given to adding a Sustainable Plantation Forestry initiative.

A1.1.17. Implementation of a Sustainable Plantation Forestry initiative, if A.I.D. deems it appropriate, should be initiated within the first year after the PP redesign.

A1.1.18. FRM II project management should work with regional Bureaus to account for current regional priorities in the redesign of the Project.

A1.1.19. In the redesign of FRM II, consideration should be given to expanded roles for Gray Amendment firms.

A1.1.20. FRM II should conduct a needs assessment before determining the kind and level of need that exists, the responsibilities that a new coordinator for Eastern Europe and the CIS might have, and the budgetary implications of adding an additional regional coordinator to the FSP staff. In the redesign of FRM II, project management should investigate the opportunities for flexibility in adding an additional regional coordinator.

A1.1.21. FRM II project management should determine whether the name of the Food Aid and voluntary assistance coordinator should be changed to reflect that Agency's move away from Food Aid. Consultation with the appropriate food and voluntary assistance (FVA) Bureau personnel should help clarify this issue.

A1.1.22. FRM II may want to assess the feasibility of modifying its current position requests and substitute a policy analyst coordinator to replace the currently requested research coordinator. One major concern with doing policy analysis revolves around the issue of providing the guidance of what policy reforms may be needed but not providing the needed long-term support for instituting the changes that the policy analysis might recommend. FRM II obviously is not in the position of providing long-term support. However, it may want to work to identify opportunities and sources of support for direct long-term relationships, as appropriate, between the USDA Forest and host country forestry and natural resources management institutions.

A1.1.23. A.I.D. should bring in an outside consultant to (a) assess the effectiveness of the roster and its management as a way of providing information to A.I.D., (b) review its recruitment, data collection, and marketing methods, and (c) recommend mechanisms for improving it (e.g., screening the quality of people listed). The evaluation team expressed mixed opinions about whether the roster and its management should be assessed for the potential for handing it over to the private sector. The team raises this as an option for A.I.D.'s consideration.

A1.1.24. FRM II project management and FSP should do a needs assessment by communicating with regional Bureaus and Missions about the need and utility for State-of-the-Art-Papers (SOAPs) and "lessons learned" synthesis papers.

A1.1.25. FRM II should host a meeting or series of meetings to provide regional Bureau personnel with more information about the evolving relationship between A.I.D. and the Forest Service and the new systems of accountability and mechanisms for back stopping and service that the Forest Service is developing.

A1.1.26. A.I.D. and the Forest Service, in their efforts to renegotiate existing arrangements, should address issues such as the interpretations of use of RSSA personnel. The evaluation team believes that the interpretations are a two-way street and that flexibility must be engendered on both sides.

A1.1.27. The evaluation team expressed mixed views on the need for keeping FRM II project management in the communications loop in a case where an FSP staff member provides service to a USAID that results in a direct PASA with the Forest Service. In the redesign of FRM II, A.I.D. and the Forest Service should consider the value (real or perceived) of reporting on the development of direct Mission/FS PASAs and analyze whether the costs of such communications can be justified.

A1.1.28. While the evaluation team did not have a mandate to evaluate the reorganization of the International Deputy Forestry Area, the team did have a mandate to analyze and discuss the potential implications of the reorganization of IF on FSP and its relationship with A.I.D. In other places in this report, the team has addressed issues related to such things as the development of new protocols and new systems of accountability to A.I.D. for the work of A.I.D.-funded personnel as they are integrated into the staff of International Forestry. The evaluation team recommends that A.I.D. and the Forest Service discuss in greater detail and perhaps at the highest levels the implications of the current organizational chart. The team believes that, at least, until the new systems of decision-making and accountability are fully in place and agreed to by A.I.D. that the FSP coordinator/liaison position should have line responsibility over FSP staff. This would help retain the identity and functions of FSP in the reorganized International Forestry until A.I.D. (R&D, the regional Bureaus and Missions) is fully satisfied with the new set of arrangements that are developed to ensure compliance with the existing RSSA.

A1.1.29. We applaud the work that Peace Corps has done and recommend that support be expanded to ensure that the contributions of FRM II through PC continue to make positive contributions to improving forestry and environmental conditions in other countries of the world.

A1.1.30. FRM II support should continue at least at its present level. However, because of the current problems over buy-in and OYB Transfer mechanisms (see details in section on Limitations to Project Accomplishment and Implementation), FRM II should consider increasing its core support (both from FRM II plus an allowance for OYB Transfers) up to \$1.5 million per year.

A1.1.31. Core support to PC from FRM II be increased as per the recommendation above.

A1.1.32. Alternatively, the ENR Office may want to develop a separate PASA with the Peace Corps to fund non-FRM II-related activities. At any rate, internal A.I.D. communication lines should be improved to ensure that the FRM II project manager is advised of the processing of funds through the FRM II PASA with the Peace Corps.

A1.1.33. The FRM II project manager and Mission personnel should ensure that contractors from IMCC receive sufficient time and funds to do the field work and final preparation of any contracted reports. Additionally, the FRM II and Mission personnel should develop a clear written understanding about the nature and content of any report that a contractor is to present. The Bolivia example points to the crucial importance of communication about issues which must be addressed in order to facilitate effective and efficient outcomes by contracted personnel.

A1.1.34. The evaluation team believes that the level of funding for future IMCC studies will need to be higher than that being allocated currently under the FRM II buy-in to MTAP. The team believes that the level of funding should be from \$50,000-\$100,000 per study. With this level of funding IMCC can involve persons of unique capabilities who are not that easy to obtain, especially at a very low price. IMCC has the ability to mobilize experienced personnel with expertise in the areas being sought under the FRM II buy-in. These persons work in the private sector and are involved in specialty manufacturing and marketing. The team recommends that FRM II investigate the option of doing fewer but more detailed studies.

A1.1.35. The evaluation team cannot resolve the buy-in issue, it can only emphasize the importance of its resolution. It was clear that even though many people in the Agency are concerned, few have any information from the Contract's Office or understanding of the exact implications of the termination of buy-ins to PASAs, and there is some question at all levels in R&D and other A.I.D. offices about the interpretations being made by the Contracts Office about the legality of buy-ins to existing PASAs and "ribbon" PASAs.

This seems to be a bigger problem than just for FRM II both in terms of the buy-in issue as well as the communications within A.I.D. on this particular issue.

A1.1.36. The highest levels of the R&D Bureau and other concerned A.I.D. Bureaus and offices should work closely with the contract office to come to some resolution or at least clear understanding of the buy-in issue. Several points are of critical concern at this point:

- Ways must be found to minimize paperwork and time expenditures on regional Bureaus and Missions in obtaining greatly demanded technical assistance and other services related to forestry and related natural resource management problems -- a major A.I.D. priority.
- The evaluation team is sympathetic to the reasoning behind the contract office's interpretation about the legality of buy-ins into PASAs. However, from the perspective of technical experts, team members agree with an underlying issue behind ENR's design of both FRM and FRM II. FRM II was/is, to some degree, a way to provide the agency with a form of "institutional memory" and hopefully enhanced learning curve about how to address many of the world's critical forestry problems. If existing PASAs, such as the "ribbon PASA" developed under FRM II are not available for buy-ins, the Agency should work to ensure that ad hoc contractual mechanisms do not add to the diffuse learning that is inherent in ad hoc approaches (e.g., one consultant comes in for the project design, another consultant comes in for another activity). FRM II's "ribbon PASA" with the OICD to obtain services of the Forest Service's Forestry Support Program provided an important opportunity to reduce this kind of ad hoc approach to technical assistance by providing continuity (e.g., generally in terms of personnel,

mechanisms for tapping human resources, knowledge of both technical issues and A.I.D. bureaucratic procedures), generally high quality assistance.

A1.1.37. Because OYB Transfers count against core level funding in any A.I.D. project, the Project Paper should be amended to reflect a change in the core level of funding from \$25 million LOP to perhaps \$57-\$62 million (see Table 1). This additional flexibility will allow FRM II to continue to provide technical assistance and associated services through its contractual agreements with both the USDA Forest Service and the Peace Corps.

A1.1.38. The following is redundant with a recommendation found in the section on Peace Corps Contractor Performance, however, it is of high priority and is therefore repeated here.

Of immediate concern is the ceiling of \$2 million LOP for the Peace Corps. Because of core funding levels, plus some buy-ins, plus some OYB Transfers, the Peace Corps is within approximately \$400,000 of reaching its 10 year LOP level of funding. The Project Paper should be amended to reflect a potential core level funding of approximately \$1.5 million (R&D funding, plus estimates of potential OYB Transfers based on experience to date).

A1.1.39. ENR should consider changing the name of FRM II to something like "Forest Protection and Production" (FPP), especially to reflect the thrust of the Forests for the Future initiative and since an expanded Private Enterprise initiative component can incorporate the obvious need to stimulate sustainable production forestry along with activities designed to protect natural forests in developing countries.

A1.1.40. The FRM II project manager should contact USAID/Nepal and work to identify whether the services of FRM II, through the Forestry Support Program, can provide some technical assistance in assessing country needs and existing GIS and related technology capabilities that might be available and appropriate for Nepal.

A1.1.41. FRM II project management should meet directly with personnel in the appropriate Eastern Europe, NIS and CIS offices to provide them with information about FRM II and to determine the kinds and magnitude of opportunities that might exist. This information should provide a framework for redesign of the project and provide guidance on how to proceed in these regions.

A1.1.42. While the cost-sharing for the new FSP positions is extremely appropriate, there needs to be careful understanding of the mechanisms put into place to ensure that problems do not arise. A Statement of Work (SOW) for each coordinator -- regional or technical -- needs to be written and agreed upon by the FRM II project manager and the FSP manager. In addition, there should be a written agreement of the respective supervisory roles of the FSP manager and the FRM II project manager. The agreements and experience of hiring for the new Donor Collaboration position may provide a model on which to base an explicitly articulated sets of protocols. Agreements in writing should help keep to a minimum most of the problems that can arise from cost-sharing.

A1.1.43. The highest levels of the R&D Bureau need to address the issue of buy-ins in the follow-up to this Evaluation.

A1.1.44. In any modifications of the FRM II Project Paper where a competitive contract with buy-ins is permitted through the contracts office, the following guidelines should be followed:

- The buy-in component should be described in the project paper. The evaluation team recognizes that many of the options, while viable and legal, still present problems. Contract Office guidance should be sought to design and apply the most appropriate and potentially least problematic contractual mechanism that will permit buy-ins for forestry private sector activities.
- A process for tracking activities financed through buy-ins should be established for the project.
- Mechanisms should be designed at the outset of any new activities with buy-in potential to measure the substantive effects of the buy-ins.
- Monitoring of the contribution of buy-ins to the Project should be initiated at the outset of the Private Enterprise activity to track whether the buy-ins are driving the project (e.g., shifting or stretching its objectives) or whether the Project actually provides an adequate umbrella under which the buy-ins can justifiably fit.

A1.1.45. Amendments to the Project Paper that describe the nature of the new Private Enterprise initiative should specifically address the following issues related to sustainability:

- How does the Private Enterprise initiative address the issue of sustainability?
- What is the role of capacity building in the initiative and how might it contribute to sustainability?
- What mechanisms are developed in the initiative to promote the institutionalization of activities before FRM II support ends?
- FRM II will serve as a catalyst to promote private sector activities. Other A.I.D. offices such as PRE will provide financial assistance for establishing private sector ventures. USAIDs will provide other direct and indirect support. It is important to remember that for most development activities to be sustainable, certain recurrent costs will remain even after A.I.D. support is removed. Project designers should determine what kinds and levels of recurrent cost issues will/may be involved in long-term project implementation for host country institutions and how these costs will be addressed over the long term
- What mechanisms and indicators for monitoring sustainability are instituted?

Medium-term recommendations

A1.2.1. FRM II should develop mechanisms for cost-sharing with Missions and Bureaus. These mechanisms must meet their need to access services and support, they must not be cumbersome bureaucratically. The issue of buy-ins to PASAs must be resolved as soon as possible.

A1.2.2. While the evaluation team recognizes that direct hiring capability of the ENR office is pretty much out of its hands, the team does believe that the Agency as a whole should re-evaluate its human resource needs in the forestry and natural resources management areas and investigate the feasibility of hiring more personnel to handle the ever-increasing workload of project personnel.

A1.2.3. The FSP Women in Development coordinator and the training and education coordinator should work together to develop and/or contract for a training course for FSP personnel. This training should be open to others in International Forestry as well to ensure that those who will be acting as backstops for the A.I.D.-fund FSP staff understand the issues and the ways to address them in international development activities. The evaluation team further recommends that the course be conducted at a time when all staff will have sufficient notice and so that as many as possible can get it on their calendars as a commitment to attend.

A1.2.4. FSP's Food Aid and voluntary assistance coordinator should present a plan to the FSP program manager and FRM II project manager that outlines a plan of more proactive work with PVOs and NGOs. Guidance from FSP and FRM II management should help guide decisions about the potentially expanded roles and responsibilities of the coordinator. These can be outlined the redesign FRM II.

A1.2.5. The evaluation team recommends that the title of the training assistant be changed to assistant or associate training and education coordinator. On the surface, this may appear to be a trivial issue, however, the team believes that the proposed title better reflects the level of professionalism that the position holder brings to the job. Additionally, the team believes that the proposed title change will project a more appropriate image to regional Bureaus, Missions and host country nationals about the roles and responsibilities of the person hired to the position. The team recognizes that a change of this kind likely will require a bureaucratic reclassification or renaming of the position on the part of the Forest Service, but the team believes that the implications of doing so are apt to have far reaching and deeper impact that warrant attention to this detail as soon as possible in spite of potential inconveniences to administrators.

A1.2.6. Before undertaking the activity to "translate" agroforestry research into extension materials, the agroforestry coordinator should do a needs assessment through discussions with regional Bureaus and selected Missions.

A1.2.7. The evaluation team recommends that the title of the agroforestry assistant be changed to assistant or associate agroforestry coordinator. On the surface, this may appear to be a trivial issue, however, the team believes that the proposed title better reflects the level of professionalism that the position holder brings to the job. Additionally, the team believes that the proposed title change will project a more appropriate image to regional Bureaus, Missions and host country nationals about the roles and responsibilities of the person hired to the position. The team recognizes that a change of this kind likely will require a bureaucratic reclassification or renaming of the position on the part of the Forest Service, but the team believes that the implications of doing so are apt to have far reaching and deeper impact that warrant attention to this detail as soon as possible in spite of potential inconveniences to administrators.

A1.2.8. The natural forest management coordinator, when hired, should undertake a careful assessment (working with other FSP regional coordinators and getting input and guidance from R&D and the regional Bureaus) of the locations where such the proposed low impact natural forest management strategy would

be applicable. The coordinator also should work with appropriate FSP and A.I.D. personnel to determine priorities for work.

A1.2.9. The evaluation team understands FSP's need for employing a writer/editor. Several alternatives exist to secure such assistance. FSP recommended that someone be hired in-house. Another alternative available (as per section 4.04 on p. 20 of the PP) is to hire temporary editorial staff to provide assistance to core staff. Still another option is to contract to a private sector, perhaps Gray Amendment firm. While the evaluation team understands that problems in sub-contracting exist, team members recommend that these services would more efficiently be obtained by contracting with a private sector firm.

A1.2.10. FSP and FRM II project management should analyze the level of the in-kind contribution being made by the Forest Service in providing support to FSP. Additionally, OICD and the Forest Service should determine whether the percent of overhead that it gets through the USDA's administrative arrangement is appropriate. Whatever the outcome, the evaluation team recommends that if A.I.D. adds support for clerical staff, it must be clear that the support is for A.I.D.-funded FSP staff, not for International Forestry staff. This may be possible to change as International Forestry develops its new systems of accounting for the use of personnel, but until that time clear lines of division should be established for the use of any clerical or support staff that A.I.D. may decide to fund.

A1.2.11. OICD should use A.I.D. contract office information and materials to develop a short training course and simple manual to provide details on potential contracting mechanisms to FSP staff so that they can provide the Missions with options for efficient methods of obtaining public and/or private sector services.

A1.2.12. The money to support the role of OICD in the development of direct PASAs between the Forest Service and a USAID will need to come from some place. This becomes a particularly complicated issue that A.I.D. project management should address in the near future. For example, if a FSP staff person goes out to a specific Mission and the Mission decides to do a separate direct PASA for work that would not come under FRM II but directly with the Forest Service, how would the OICD negotiation effort be paid for? Would overhead funds from FRM II pay for it? Would the forest service pay for it? Would OICD (which actually has very limited funding directly allocated to it by the Congress) pay for it? A.I.D., OICD and the Forest Service need to address these issues and develop protocols for decision making and action that are clear to all parties and that prevent problems rather than try to remedy them after they have already arisen.

A1.2.13. FRM II should continue its support to the Peace Corps as it expands its initiative for the Environment in Central and Eastern Europe, the Baltics, and the New Independent States. This assumes that FRM II support will be expanded to these regions.

A1.2.14. The development of a tracking and monitoring system of OYB transfers by the R&D program office hopefully will go a long way to resolving some of the issues of concern, particularly to regional Bureaus and USAIDs. FRM II project management should cooperate in any way required to ensure that it makes a positive contribution to this effort.

A1.2.15. FRM II project management should work closely with FSP to ensure the timely hiring of a technical specialist in the already authorized position of Land Use Planning Specialist. FSP currently has this position scheduled to come on line in FY93. In the meantime, opportunities may exist to tap existing

capabilities in the Forest Service to provide preliminary support to the Africa Bureau as needs arise and support is requested.

A1.2.16. As soon as the new land use planning specialist is in place, s/he should work closely with the Bureaus and Missions to identify needs and to develop a plan of priority action.

A1.2.17. The preliminary identification of opportunities in Eastern Europe, NIS and the CIS should be considered only a prelude to a more in-depth analysis that the FRM II project manager should conduct. The substantive analysis might be conducted through FSP. The purpose of this effort would be to synthesize existing A.I.D. and other relevant documentation about issues and opportunities in Eastern Europe and CIS/NIS. Using this documentation, the FRM II project manager should host a meeting or series of meetings with personnel from the very busy staffs putting new programs together in these regions. The purpose of this effort would be to provide an orientation about FRM II and the services that it provides under its Forestry Support Program, Peace Corps and Private Enterprise components, and to identify opportunities for possible action. One of the outcomes of this set of activities might be a decision to establish a new coordinator position in FSP for Eastern Europe and the CIS/NIS. This should only be done if an adequate level of interest and priority is expressed by personnel in these offices.

Of particular interest might be the Private Enterprise initiative. At an early stage in the development of plans for the expansion and strengthening of that component of FRM II, the project manager should provide details to personnel in the Eastern Europe and NIS offices and work to identify opportunities for direct interaction and catalytic support.

A1.2.18. It may be useful for FRM II project management to obtain an independent analysis of the types of activities where quick decisions can be made and the types of activities where close and careful consultation is required by cost-sharing organizations. This analysis should help classify activities and decisions so that managers have realistic expectations relative to timing of activities. Structural mechanisms may be needed to short-circuit long, drawn out decisions created by cost-sharing.

Long-term recommendations

A1.3.1. In view of the major changes in worldwide forestry and natural resources management issues, any new positions should be requested and filled only after careful assessment of needs and priorities. A.I.D. should ask the next evaluation team to investigate this issue in detail once again.

A1.3.2. The evaluation team recommends that FSP should assist in meeting the need expressed by various Missions and Bureaus for a generic environmental impact assessment. FRM II should assess the feasibility of developing a generic environment impact assessment that can be useful with adaptations to project designers while at the same complying with both the letter and spirit of the law.

A1.3.3. If FSP's intermediate actions (i.e., putting the "lessons learned" activity in the annual work plans, including "lessons learned" in trip reports, and/or writing specific memos for use by FRM II project management) do not result in satisfactory compliance with the requirements listed in the FRM II PP (e.g., because of other priorities), FRM II and FSP management should work together to develop a Scope of Work for the services of a contractor or contractor(s). It is advisable to determine the potential of existing Gray Amendment firms to do this work. The evaluation team strongly recommends, however, that the choice of the best way of getting the job done will depend very much on what it is that needs to

be done. This will necessitate close interaction with the regional Bureaus and Missions to identify priority topics. Additionally, the contracted group should be expected to identify emerging areas of concern that may be important in the future but which currently may not have achieved the aura of being "urgent" and consequently needing immediate attention.

A1.3.4. The next FRM II evaluation team should evaluate the status of the jointly funded positions in FSP.

A1.3.5. At this point it is not clear what the implications might be with regard to administrative processes if OICD and the Foreign Agricultural Service merge, but A.I.D. will need to look at this issue should such a merger occur.

A1.3.6. All of the institutions involved in FRM II implementation must continue to work toward accomplishment of mutual goals whether the individual actors change. If mechanisms and protocols of coordination need to become more institutionalized at some point, institutions should work to institute them as quickly as possible while maintaining the levels of flexibility and efficiency that exist at present.

Short-term to long-term recommendations

A1.4.1. FRM II project management should maintain flexibility in decision making about the kind and level of support it will give to regional Bureaus. However, it should have clear lines of communication to ensure that problems do not arise over expectations that Bureaus and Missions might hold about more than the catalytic funding that FRM II is designed to provide.

A1.4.2. FRM II specifically and A.I.D. more generally should work with the Forest Service to continue to search for opportunities for expanding their partnership much in the spirit of the Forest Service's commendable contribution of personnel and coverage of six weeks of salary costs on overseas assignments.

A1.4.3. FRM II project management should periodically check with regional Bureaus to identify appropriate changes that should be made, specifically those that will have an impact on the activities of FRM II's implementors. The evaluation team recommends that some sense of priority should be maintained, at the same that flexibility be allowed to ensure that changing priorities and needs around the world can be addressed.

A1.4.4. The evaluation team commends that the work of the FSP regional coordinators and hopes that FSP will be able to maintain this quality of personnel throughout the remaining years of the project.

A1.4.5. FRM II project management should work more closely with regional Bureau personnel to raise awareness of the importance of their input in the development of FSP regional coordinator work plans. The evaluation team recognizes that these are just one more document for review and comment that come across the desks of regional Bureau personnel. However, in order to ensure greater communication, coordination, and consequently better service and support, the regional Bureaus should make every effort feasible to provide input into the development of these work plans.

A1.4.6. The training and education coordinator should become more proactive insofar as possible and appropriate in working regional Bureaus and USAIDs to respond to their needs.

A1.4.7. The evaluation team believes that the role of the agroforestry coordinator is one that can be more proactive, however, it is essential for the coordinator to be able to market the kinds of work that are currently being done and/or could be done.

A1.4.8. The evaluation team recommends that the agroforestry coordinator should work closely with the FSP regional coordinators and A.I.D. personnel in the various regional Bureaus to develop a longer term (perhaps a 5-year) plan of action that gives shape to the initiative described in the PP. The team believes that this kind of interaction with the regional Bureaus will give them a sense of greater "ownership" of the results of the work that the agroforestry coordinator does on behalf of A.I.D. and will provide them with an opportunity to give more input into her annual work plans than is currently happening. The longer term action plan should have built into it appropriate clearance and notification procedures. The team further believes that the work under the agroforestry initiative provides an excellent opportunity for FSP staff to comply with the requirement of the PP to be both more proactive in their approach as well as to provide the Agency with SOAPs and other "lessons learned" materials.

A1.4.9. Implementation of the longer-term work plan may require that some or much of the work be contracted out (e.g., FSP provided support to the Southeast Center for Forest Economics Research (SCFER) to do the economics of agroforestry activity). The agroforestry coordinator should discuss, as part of the initiative's action plan, a set of mechanisms to most effectively be used to implement the work the coordinator would coordinate.

A1.4.10. FRM II should work with regional Bureaus and Missions to identify potential areas of research interest and determine what kinds of research support might be made available through FSP without needing to bring on a research coordinator full time. FSP could use its roster to tap forest service and other experts to address issues already identified during the course of this evaluation, including research on environmental law and forestry law, review of what is known about sustainable forest management (e.g., alternatives to cattle raising, development of new sources of income based on timber and non-timber products). FSP should ensure that its roster includes a full complement of researchers in a wide range of fields. FSP regional coordinators should work with Bureaus and Missions to delineate specific research needs and to develop draft SOWs for research activities. The researcher selected should be involved in the development of the final SOW, problem definition and research design. This procedure should provide the necessary assistance without requiring a research coordinator per se.

A1.4.11. The evaluation team recommends that, much along the lines of the agroforestry coordinator, the natural forest management coordinator should develop a longer-term plan of action that would be refined annually through annual work plans. A.I.D. Bureau input, clearance and notification procedures should be worked out early in the process to ensure that the Action Plan meets A.I.D.'s needs. Insofar as possible, the coordinator should work to be proactive in identifying important areas for attention and action.

A1.4.12. Consideration should be given to refining the roster screening criteria. The roster manager should work with each requesting individual, office, and/or institution to determine the specific criteria for screening. Some requesting offices may want to do their own screening at all times. Others may prefer for FSP to do a pre-screening before sending a short-list of three to five or ten names as appropriate to the requester. The roster manager should obtain as much information from the requester as possible about the kind and level of screening required. This is fundamentally a communications issue

for the roster manager that should be taken seriously and dealt with professionally rather than merely handing a request off to an assistant to do a search and come up with a list of potential candidates.

A1.4.13. FSP should modify the roster to broaden the disciplines available and to expand its recruitment to include many new areas of expertise and particularly to recruit more individuals from the private so that FRM II can better pursue its objective of mobilizing and involving the private sector.

A1.4.14. The FRM II project manager and FSP manager jointly should assess the issue of mobilization of the public and private sector through use of the roster and determine what levels are appropriate and acceptable to A.I.D.

A1.4.15. In order to ensure high quality technical assistance, sensitivity to foreign cultures, and professional demeanor, FSP should undertake the following actions to improve the quality of the roster.

- FSP should develop better screening of candidates as per guidance of the requesting offices, individuals, and/or institutions;
- FSP should develop more clearly defined scopes of work for those selected from the roster to provide technical assistance;
- FSP should provide guidelines to candidate technical assistance providers about the nature of development assistance, cultural issues, gender considerations, and related concerns;
- FSP should conduct team building activities prior to departure for overseas assignments insofar as practicable;
- FSP should have a mechanism to remove names from the roster if the individuals do not meet A.I.D. standards; conversely, FSP should establish a consistent rating system to help the screening process by providing information on prior performance for A.I.D.-related work.

A1.4.16. FSP should continue to produce and disseminate the annual report, the quarterly reports, and periodic reports. The annual report should serve the purpose of "institutional memory" for A.I.D. on many of its forestry-related activities and should not be dropped.

A1.4.17. FRM II project management also should work with other Bureaus and FSP to assess FSP coordinator workloads and high priority activities for annual work plans so that a consensus of the level of priority that should be placed on this "lessons learned" synthesis kind of activity will be included in the work plans if jointly agree upon. With this kind of consensus, staff time and attention would be approved and made a necessary part of their annual performance evaluation.

A1.4.18. Whatever the decision is relative to the role that FSP coordinators will play in producing "lessons learned", at the end of each year, each member of FSP should present a brief (not more than five pages) paper on the substantive and operational lessons they have learned during the year.

A1.4.19. At other points in time, FSP staff members should provide memos through appropriate FSP channels to notify A.I.D. project management of "cutting edge" technologies, emerging problems, new

solutions to problems that are being experimented with by other donors or host country personnel, and other items that might be of particular value to improve the forestry activities of A.I.D. This memo-writing activity should be separate from merely incorporating the information in trip reports. Or, if it is in the trip reports, the information should be "flagged" in such a way that it is brought more directly to A.I.D. project management attention. FRM II and FSP management should establish the most appropriate mechanisms for ensuring that this "cutting edge"/new information gets back to A.I.D. in timely fashion.

A1.4.20. While some A.I.D., contractors, and visitors might wish to have a central place for information much as that which was in the old reference library, it is not reasonable for FSP to be expected to maintain such a facility unless A.I.D. is willing to pay for space, the services of a librarian or someone who can accession the documents as they come in and keep track of those materials that are loaned out. The evaluation team does not believe that this is an essential function for FSP at the current time.

A1.4.21. FSP currently has a policy of referring interested individuals to existing library and documentation centers in the Washington, D.C. area that have relevant information. These facilities include the Library of Congress, the National Agricultural Library, and the World Bank Library. The evaluation team recommends that this policy be maintained.

A1.4.22. FRM II should continue to support SCFER but should ensure that its focus is on: (a) mechanisms to educate the intelligent but misinformed public about the need for integration of private enterprise with conservation strategies, and (b) research which identifies specific ways in which the private sector can support forestry private enterprise development in LDCs.

A1.4.23. FRM II project management should monitor the problems, protocols, and processes of decision-making that surround the development of the new donor collaboration coordinator position. The experience may be useful in working out details related to future co-funded positions. All parties involved should maintain open lines of communication to ensure that the coordinator can perform work efficiently and effectively for both A.I.D. and the Forest Service.

A1.4.24. The evaluation team commends the FSP regional coordinators for their good work and recommends that they keep up the good work.

A1.4.25. The evaluation team believes that the FSP regional coordinators should continue to act primarily in a response mode to provide services and support to the regional Bureaus and Missions. Even these regional coordinators, however, have the responsibility to provide A.I.D. with information about emerging problems or "cutting edge" issues via trip reports and/or memos as discussed above. Coordinators with more global responsibilities should work with regional Bureaus as per guidance from those Bureaus (e.g., one Bureau only wants the agroforestry coordinator to work with the Bureau through the regional coordinator). These coordinators, however, should work to develop longer-term action plans that provide the Bureaus with a better sense of the kinds of activities that are planned and that the Bureaus and Missions in those regions might want to access through FSP.

A1.4.26. The evaluation team believes that there is room for improvement of the quality of professionals obtained through roster searches. The evaluation team recommends FSP to develop a series of training sessions for Forest Service employees interested in working on A.I.D.-funded activities. Some of the training topics should include: cross-cultural issues, understanding of the A.I.D. development assistance

processes, preparation for the rigors of some overseas assignments, and sensitivity to and understanding of gender issues. Forest Service employees with this training and having the required technical skills might be given greater consideration in the screening of applicants from the roster.

A1.4.27. At the present time, FSP uses its newsletter to circulate the annual work plans with a request for input. FRM II project management should ascertain from each of the regional Bureaus what kind of information they want and what mechanisms would be most appropriate to obtain timely input into job descriptions and work plans of FSP staff.

A1.4.28. A continuing concern is one of communications between FSP, FRM II project management, and the rest of A.I.D. FRM II and FSP management should work with regional Bureaus to establish a more formal system of clearance. Regional Bureaus should provide guidance specifically outlining the kinds of documents that require clearance as well as the numbers, kinds and levels of clearance that are needed. The evaluation team does not advocate excessive bureaucratic handling of any kind but does recognize that A.I.D. guidelines must be followed in order for FSP to be efficient and effective in its own operations.

A1.4.29. The evaluation team believes that a more participatory budget develop process in FSP would be desirable, based on guidance provided in the PP budget.

A1.4.30. In reaffirming the partnership, A.I.D. and the Forest Service will have to negotiate and renegotiate on a number of issues. For example, both institutions will need to agree on a system of accountability that will resolve the question of accountability by measurement of Full Time Equivalents (FTEs) versus performance of a specific individual on a specific task. In the renegotiation process, the Forest Service should recognize that, from A.I.D.'s point of view, sometimes its really does make a difference in who does a specific job at a certain point in time, even though the Forest Service might believe that the task would be performed equally well by another individual on staff. At issue here is continuity from one task to another, understanding of A.I.D. processes in a specific Mission that an FSP staff member might have that another technically qualified staff member in IF might not have, and continuation of the institutional memory that the FSP staff person may have developed that would not be available to the backstop in IF.

A1.4.31. A variety of mechanisms to achieve the commitment to partnership and trust that the evaluation team advocates include, but is not limited to the following:

- Congress has mandated that the Forest Service must communicate with A.I.D. about any of its activities in a country where A.I.D. has an in-country presence. In this case, Congress has provided legislation to guide the roles and responsibilities of each of the Agencies relative to each other.
- A.I.D. and the forest service should develop an administrative agreement at the Agency level to ensure communication and input, as appropriate, in countries where A.I.D. does not have a field presence. In this case, IF may want to tap the expertise of FSP personnel whose positions are paid for by A.I.D. and would be obliged to notify FRM II management of the use of the FSP employee. In other cases, as International Forestry works in areas where A.I.D. may eventually get involved, the Forest Service may want

to show a commitment to partnership by merely communicating with A.I.D. about its activities without a legislative mandate to do so.

- A.I.D. and the Forest Service should develop a variety of Memorandum/a of Understanding (MOUs) at a variety of levels (e.g., Chief and Administrator; Deputy Chief for International Forestry and Assistant Administrator for R&D) to proclaim the commitment to partnership and to present a statement of common vision and action.
- RD/ENR should develop internal MOUs, as it is currently investigating, with regional Bureaus to clarify their understandings of priorities, relationships, common problems, and procedural issues relative to forestry activities and particularly relative to activities in any given region that might have a Forest Service role, either through FSP or IF directly.
- A.I.D. and the Forest Service should find opportunities to promote mutual visibility. This includes having logos on cost-shared documents be prominently displayed, having A.I.D. personnel participate in FS meetings (as appropriate) and vice versa.
- R&D/ENR needs to work closely with A.I.D.'s regional Bureaus and Missions to ensure that all are more knowledgeable about the new relationship that is evolving between A.I.D. and the Forest Service. Most specifically, ENR should host a meeting to brief all relevant Bureau personnel as soon as there is adequate information about the new organization of International Forestry, changes in the Forestry Support Program, the new systems of accountability being established by the Forest Service, accessibility to FSP and IF staff, roles and responsibilities of co-funded positions, and alternative contracting mechanisms. Agreements at the highest levels must precede this kind of meeting in order for ENR to convey the level of support that the new arrangement has within A.I.D.
- Both agencies should work to develop clear protocols, and follow them, regarding such issues as the following:
 - co-funded positions
 - systems of accountability for performance to comply with the existing RSCA requirements for FSP
- On the level of protocols, within A.I.D. itself, FRM II project management needs to develop a system whereby oral agreements, arrived at in meetings within A.I.D., are formalized in written and signed notes at the operational level with regional Bureaus and USAIDs. The intent here is to ensure that all participants clarify any assumptions that are being made, outline clear sets of priorities, define objectives jointly, and elaborate a specific set of actions to follow.
- At the personnel level, the Forest Service might consider a commitment to provide training to potential FS employees who may work on FRM II-funded activities. Of high priority are issues such as how to deal within a development assistance context, how A.I.D. functions, and cross-cultural and gender-sensitivity. The intent is to ensure that

already technically qualified FS personnel become aware of and able to deal with issues in the developed-oriented activities supported by A.I.D.

- Assuming that problems between the agencies might arise that seem unresolvable from time to time, both agencies may want to be open to the possibility to bring in a co-funded conflict resolution specialist. This would show a commitment to solving problems and a level of trust that each is willing to take whatever measures are necessary to increase the level of partnership as the A.I.D. and forest service relationship evolves.

A1.4.32. The fuzzy lines of authority, responsibility, and supervision over the co-funded positions may be clear to those who negotiated the arrangements, but there seems to be particular need to follow those negotiated arrangements and to explain how these positions function to the A.I.D. regional Bureaus and Missions who are sensitive to the loss of access to some FSP staff. The evaluation team recommends that the "fuzzy" lines be made much clearer and appear in the annual work plans of each co-funded position.

A1.4.33. The evaluation team also recommends that FRM II project management monitor the experience and results of the processes for developing protocols for the new FSP donor collaboration coordinator in order to ensure more focused and efficient negotiations for other co-funded positions that will be coming on line in the near future. This monitoring task will be made easier with frequent reporting by the Forest Service to A.I.D. on the substantive issues that the coordinator is addressing and on the operational procedures being followed. This will provide A.I.D. with a clearer understanding about who is doing what for whom.

A1.4.34. FSP and FRM II should provide input into performance evaluations of co-funded positions and input and concurrence on their position descriptions and annual work plans. The evaluation team is concerned about the numbers of people to whom each co-funded coordinator is supposed to report. The simplest line of supervision should be followed with input and/or concurrence being provided by others, as appropriate.

A1.4.35. OICD should be able to provide up-to-date budget information upon request and in usable form. The evaluation team assumes that the adding of a staff position within OICD to provide additional support will resolve this problem. If not, further analysis should be made of the information needs of FSP and A.I.D. project management to determine if new budgeting mechanisms need to be established or whether other administrative actions will be required to ensure proper timely and useful information for the Forestry Support Program. OICD should continue to work with the Forestry Support Program to provide the "raw" data for FSP's financial reporting the conforms more to (i.e., is more compatible with) A.I.D.'s FRM II budget [NOTE: This guidance is consistent for all project implementors including Peace Corps, IMCC, and other future contractors.] The data which OICD currently has meets the requirements of the National Finance Center. It is essential that this information be made more "user friendly" for FSP and A.I.D. project management. Collaboration between OICD and FSP in the design of a tracking system needs to continue.

A1.4.36. The team commends the interactive nature of the various actors (i.e., A.I.D., OICD and FSP) and suggests that it continue to work in a manner that best meets the project goal and objectives.

A1.4.37. OICD should continue to monitor the effectiveness of its level of effort--one full time person (Mark Smith); one part-time (50-60 percent) person (Bruce Crossan) to determine whether OICD is able to meet the needs of the RSSA/PASA arrangement that it manages through the U.S. Department of Agriculture. Staffing requirements may vary with changes in project activities. Periodic review of these requirements with the A.I.D. project manager will help ensure more effective and efficient project management.

A1.4.38. OICD should continue to work to identify problem areas such as those noted above. A.I.D. project management should be the main conduit of information to OICD about these kinds of problems as well as the main conduit regarding FSP activities in A.I.D. countries (since the RSSA for FSP's services is between A.I.D. and OICD). OICD should then determine whether it has the capability, the mandate, the staff, etc. to comply with A.I.D. regulations and requests. If not, alternative means will have to be identified and implemented in order to have an effective and efficient system of working within the regulations of USDA and A.I.D.

A1.4.39. The Peace Corps should continue these expenditures for technical assistance, material support, etc., as well as continue to monitor the efficiency of the expenditure of these funds. This kind of information is very important for the development community to understand. This systematic effort to monitor and present findings should be developed and presented to A.I.D. annually. FRM II should provide funds for this activity. Peace Corps should also report quarterly to the FRM II project manager on its activities and budget status, using the FRM II project budget as its reporting format for consistency.

A1.4.40. Peace Corps should provide periodic reporting of expenditures to FRM II project management as mutually agreed upon. And, as part of Peace Corps overall monitoring and evaluation program, the Environmental Program should systematically monitor and report to A.I.D. on the results and impacts of the work receives funding under the PASA. Peace Corps. Peace Corps should talk with CDIE about its activities to evaluate A.I.D.'s forestry and natural resource management portfolio and determine ways in which its own monitoring system can be made more compatible with A.I.D. monitoring of impacts.

A1.4.41. The Peace Corps should ensure that all of its literature for staff and volunteers related to FRM II-related activities identifies the source of funding as being A.I.D.

A1.4.42. The low cost of quality programming support should be maintained by Peace Corps. FRM II should continue to provide funds for this kind of support.

A1.4.43. PC's approach to providing food-aid to countries which express willingness and eagerness to receive it should continue to be followed.

A1.4.44. The Peace Corps should continue to identify technical assistance needs through the Forest Service or the private sector for forestry and related natural resource management activities. FRM II should work closely with Peace Corps to provide quality technical assistance in a timely manner. It should also ensure that FSP staff assistance is available as appropriate. It should also ensure that quality technical assistance being developed within the Peace Corps is available to A.I.D.-funded projects as appropriate.

A1.4.45. FRM II should continue its support for the purchase of nursery supplies, publications (e.g., technical books, journal subscriptions), audio-visual materials, fertilizers, equipment, etc. As the

Benchmarks evaluation of the PASA under FRM with A.I.D. recommends, Peace Corps should more extensively and aggressively provide material support to Volunteers. It should also continue to utilize its rapid and effective mechanisms for providing this support to the field.

A1.4.46. The Peace Corps and the forestry support program should continue their collaborative activities both in substantive and operational/logistical terms. FRM II project management should be apprised of these activities. And, Peace Corps and FSP both have responsibility for separately or jointly monitoring and reporting on the impact of their collaborative efforts.

A1.4.47. FRM II support, especially for training of host country nationals should continue. Peace Corps should develop and report on the impacts of these activities to A.I.D.

A1.4.48. PC should monitor this kind of activity (i.e., support for a volunteer to participate in an international conference) carefully and report to FRM II project management so that a determination can be made as to the value of expenditures (even as small and limited in number as they appear to be over the past 20 months) relative to use of those funds for other activities.

A1.4.49. Environmental training for small business volunteers should be continued and expanded as appropriate. Technical assistance from other parts of FRM II's Private Enterprise initiative might be tapped. FRM II and Peace Corps should explore opportunities for collaboration in this area.

A1.4.50. The evaluation team believes that the FPEI component, if modified and focused on private and commercial sector involvement and support, has the potential for significant expansion. The team believes that expansion of forestry private enterprise development activities can occur in LDCs as well as in Eastern Europe and the CIS. The team also believes that such expansion can have an important and long-lasting impact on achieving FRM II's goal and purpose.

A1.4.51. SCFER should continue to have FRM II support. In future efforts, researchers should focus on specific ways in which the private sector can support forest enterprise development in LDCs, Eastern Europe and the CIS.

A1.4.52. IMCC team members should ensure that they have clearly articulated and written guidance on Mission expectations prior to commencing any future activity under FRM II.

A1.4.53. The evaluation team recommends that IMCC complete its work in Mexico and Cameroon in 1992. The team also recommends that IMCC undertake work under FRM II in addition countries in 1993. FRM II project management, Mission personnel, appropriate LAC Bureau staff, and IMCC representatives should give added attention to details, such as the exact nature of the SOW and the expected contents of the report before start-up of field work. The evaluation team believes that, given clearer guidance, IMCC's work in other countries will provide a better basis on which to assess their performance in future Evaluations rather than basing it solely on the Bolivia experience.

A1.4.54. FRM II should expand the project to provide a new direction and increased support in the form of a private enterprise initiative for Forest Protection and Production for Sustainable Forest Management.

A1.4.55. Next steps to initiate the action forum for the private enterprise initiative include:

- Develop a Concept Paper -- FRM II should contract an outside consultant who understands both the private-sector viewpoint and the issues of sustainable forest management. The Concept Paper should address cross-cutting themes for A.I.D. projects and should develop specific pilot examples for Agency-wide review and input (written as well as oral feedback through personal interviews and discussions). The Concept Paper should be circulated to May 28, 1992, workshop participants for informal feedback.
- Create a detailed action plan and time line.
- Develop project identification document (PID) and project paper (PP) as appropriate or incorporate directly into existing FRM II PP.
- Solicit requests for proposals from experienced and well-respected consultants.
- Sign contract(s).
- Start up action forum.

A1.4.56. To the extent that the project manager can be freed from other administrative responsibilities, he should have more time for management and project marketing in the Washington office and in the Missions. He should make special efforts to meet personally with counterparts, especially in the regional Bureaus and Missions.

A1.4.57. The project manager should consciously and deliberately play an active coordinating role especially in those FRM II-supported activities that involve outside contractors or consultants who will be working on Project supported activities, (i.e. those activities supported through the MTAP and FPEI). An expanded FPEI component may require staff assistance to track FSP and PC as the project manager will have to devote a considerable amount of time and energy to the expanded private sector component of the Project in order to ensure its ultimate success.

A1.4.58. Additional funds from the ENR office should be allocated for travel by the project manager.

A1.4.59. The project manager should develop a systematic travel plan (at least annually), consistent with anticipated major FRM II-supported activities in the field.

A1.4.60. Once project management has a clear understanding of existing alternative contractual mechanisms [e.g., direct PASAs with the Peace Corps and the USDA forest service; indefinite quantity contracts; competing core contracts with contract companion (which permit buy-ins -- this might be a particularly important option to look into relative to the private enterprise initiative)], the FRM II project manager should make this information available to all implementing institution (e.g., PC, FS) personnel so that they will be aware of the ways that their services can be tapped as they continue to work toward the more proactive mode mandated in the Project Paper. More importantly, FRM II project management should make a strong and clear effort to advise the Bureaus and USAIDs of alternative mechanisms that exist to tap project implementors directly or through FRM II (e.g., OYB transfer still can be done -- see next sub-section).

A1.4.61. In great part, this is a marketing issue that can and should be addressed through remedial measures during the future of the project. ENR should provide more funds from its operations budget for travel for the project manager and/or deputy project manager or others from ENR who will have a specific task of "marketing" FRM II and thereby increasing its name recognition especially with Missions who might be interested in tapping into technical assistance, training and associated activities.

A1.4.62. Even though Peace Corps Washington office staff are very clear in the development of training materials for field staff and country directors as well as in their communications with APCDs, there is still a gap in recognition. Just knowing FRM II is not the issue; the key here is being able to identify a specific mechanism such as FRM II from which support and services can be obtained is the issue.

A1.4.63. All FSP documents supported with A.I.D. funding should include the A.I.D. logo and ensure that it provides proper recognition for the support it receives from A.I.D. This kind of acknowledgement may not only be responsive to a general requirement by A.I.D. that it receive adequate recognition, but it may also be considered to be one of many measures to ensure that A.I.D. and the USDA Forest Service have a fully cooperative and collegial relationship and that all get appropriate recognition for the actions they take on behalf of their common goals.

A1.4.64. The evaluation team believes that it is essential for the FRM II project manager to interact more with other projects across the agency and to have a specific mission of identifying and tracking FRM II-related activities and opportunities in the field. This will lead to increased awareness and anticipation of regional Bureau field Mission needs so that more proactive planning and interaction can occur rather than being primarily demand-driven. Also, if FRM II attempts to expand its support to Eastern Europe, CIS and NIS, more interaction will be required with the relevant offices in those Bureaus.

The evaluation team recognizes that, if ENR implements this recommendation, that it will require an increased workload just on FRM II for the project manager. It may additionally or alternatively require more work for the deputy project manager as well. ENR office management undoubtedly will have to concur and/or mandate that an increased level of effort be expended relative to other activities that are also part of the project manager and deputy project manager's responsibilities.

The evaluation team also recognizes that with the development of the private enterprise initiative, a still greater level of effort will be required by someone on the ENR staff to ensure that activity is well-designed and efficiently and effectively managed.

These are important but not easy administrative decisions to make when staff is limited in size and only a certain number of hours are available during the course of any given day to do all that needs to be done. However, decisions about level of effort and level of interaction with other parts of the agency are clearly key to successful project implementation and achievement of FRM II's goal and purpose. Without greater attention on the part of project management, FRM II may lose out on some opportunities to provide the assistance for which it was designed.

A1.4.65. The FRM II project manager should go through a systematic process to identify specific points of convergence and divergence between FRM II and other projects in ENR. The PP provides some guidance, and some of the findings of this Evaluation provide additional information. The FRM II project manager could perhaps develop a matrix to help guide the systematic process of identifying

opportunities for interaction, points of overlap, points for more proactive marketing of FRM II within the ENR Office and outside, points where gaps in knowledge about certain issues (e.g., NIS/Eastern Europe) might exist that could be addressed through a short-term consultancy funded by FRM II, etc. The intent is to provide FRM II with more information, to make it more visible in ENR and with ENR's implementing agencies, identify opportunities where its comparative advantages as a project can be tapped to provide a broader service to the R&D Bureau and consequently to the regional Bureaus and Missions.

A1.4.66. FRM II provides an excellent opportunity to focus all forestry-related activities whether natural forest management, agroforestry, or plantation forestry into a more coherent proactive forestry/tree focused program that can interact constructively and complementarily with other Agency projects and that has direct measurable impacts.

A1.4.67. In order to work more complementarily with other projects, FRM II should be developing closer relationships with A.I.D. and other donor-funded forestry research and implementation projects so that knowledge gained through those research and implementation-focused efforts can be more quickly transferred by all project implementors to the field in the technical assistance and related service activities of FRM II.

A1.4.68. As discussed in the section on Assessment of Contractor Performance, most specifically the FSP component, FRM II implementors should be more actively moving toward the development of systematizing the lessons learned (substantive and operational) that they learn in the field. The issue raised here is not whether it should be done but the need for FRM II to develop formal mechanisms to extend these "lessons learned" in an effort to increase the Agency's overall learning curve in the forestry field and to provide information in "user friendly" ways to USAIDs and field project implementors.

A1.4.69. A.I.D.'s Center for Development Information and Evaluation as well as DATEX (which has developed ENR's computerized tracking system) should be asked to provide some guidance to FSP as part of its on-going impact evaluation of the Agency's natural resource management portfolio. FRM II should ensure that all its implementors tap existing A.I.D. resources to ensure that some degree of compatibility exists between FRM II implementors' and the Agency's other monitoring systems. FRM II project management should encourage project implementors to develop mechanisms to efficiently feed back information into an on-going Agency activity.

A1.4.70. The Forest Service must observe governmental regulations regarding the conduct of a Resource Services Support Agreement (RSSA). The Forest Service may interpret those regulations more strictly than other entities that have RSSAs. The problem here is actually a much deeper one than just how strictly, the Forest Service interprets the regulations. In fact, the issue lies more on the side of A.I.D. than on the Forest Service, and it is fundamentally outside of the scope of this Twenty Month Evaluation of FRM II. Many A.I.D. offices are overworked and in need of more human resource support than the Agency can currently permit. A.I.D. expectations that RSSAs can provide personnel to take off some of the load might be hopeful but unrealistic. A.I.D. should investigate increasing the number of direct hire personnel, develop new systems of prioritization, etc.

A1.4.71. FRM II project management should work jointly with FSP to ensure that regional Bureaus and Missions have information about the activities of the technical specialists who have more global responsibilities. FSP should develop mechanisms for each technical specialist to develop stronger ties and to develop more programmatic approaches to their activities which include opportunities for

systematic and continuous input from Bureaus and Missions. FRM II project management should work closely with staff to host meetings with appropriate Bureau personnel to discuss five year work plans for the various initiatives and annual work plans as is already done. After the meetings, FSP personnel should develop a memo noting places in these plans where Bureau input has been obtained, outlining the areas of agreement on specific activities, and areas where further meetings may be required to reach consensus. FRM II management should ensure that these memos receive clearance from Bureau personnel so that will have a greater sense of input and "ownership." At the same time, FSP must be willing to show some reasonable flexibility to modify some portions of these work plans as priorities shift. The evaluation team recognizes that the lines between what is reasonable and what is unreasonable may be differently defined, but extreme rigidity may produce irrelevant and ineffective results just as much as extreme flexibility may produce inefficient and unfocused results. As a growing partnership matures, the ability to negotiate and openness to renegotiate should become a more acceptable practice. The team, however, does want to stress that the criteria, such as reasonableness, relevance, effectiveness, efficiency, etc. should be operationalized and agreed to by the various input givers and decision makers. The ultimate guidelines are the requirements found within the RSSA and more specifically the goal and purpose of the project.

A1.4.72. The answer to the often-raised question about how much assistance the regional Bureaus and USAIDs can expect from FRM II before they have to pay for services is obviously variable. Ostensibly, FRM II provides catalytic assistance to Bureaus and USAIDs. From that point, the Bureaus and/or Missions are to determine the kinds and levels of support that they themselves are willing to purchase through OYB transfers, direct PASAs or other contractual mechanisms (e.g., Indefinite Quantity Contracts (IQCs) for the services of individual consultants, etc. FRM II should not be expected to set any arbitrary limit on the level of catalytic support it will provide. However, A.I.D. project management should work with Bureaus and Missions to determine when FRM II direct funding ends and when Bureau and Mission begins. A.I.D. should be fully aware of all potential contractual mechanisms that are available to obtain services under the project or from other ENR projects as appropriate.

A1.4.73. The coordinating and networking relationship between the Africa Bureau and FSP should be continued. FSP should work closely with appropriate Africa Bureau unit in the identification of the future FSP Africa regional coordinator. This Africa Bureau group should be consulted early on about the nature of the activities that they anticipate in order to provide more specific input into the development of the position description of the FSP regional coordinator to ensure a higher level of relevance to regional Bureau and Mission needs. While the decision is ultimately up to the hiring institution (i.e., the Forest Service), this kind of interaction and input will help guide its decision-making process in addressing some of the priority concerns of its client, the Agency for International Development.

A1.4.74. Several recommendations already described in the section on Assessment of the Performance of the Forestry Support Program provide some potential solutions to the lack of awareness of or feeling of inability by regional Bureaus to really tap into the activities of some of the non-regional specialists on FSP staff. These include, but are not limited to, having the agroforestry coordinator develop a five year action plan with more input from the Bureaus and Missions to provide a more coherent umbrella for activities that will be undertaken by the agroforestry initiative. Further guidance on the roles and responsibilities of all FSP personnel is found in Annex F of the FRM II Project Paper.

A1.4.75. Cost-sharing should be continued as an effective way to accomplish FRM II Project goals.

A1.4.76. Cost-sharing (with non-government institutions such as universities) that brings in outside expertise should be encouraged. It is especially important in the sense that there may be numerous hidden and sunk costs in the professional expertise brought to A.I.D. from outside non-governmental sources--at little or no cost to the Agency to accomplish its goals. This cost-sharing concept deserves to be kept in mind when A.I.D. works with other non-governmental and private sector organizations.

A1.4.77. FRM II project management should ensure that its implementing institutions develop monitoring and evaluation components that are able to measure the direct and indirect contributions of FRM II funding to sustainability of sound forestry and natural resource management practices around the globe.

A1.4.78. FRM II should continue to support both FSP and Peace Corps training activities, especially those that include host country nationals who will be the professionals with the mandate to work in their countries over the long-term on sustainable forest management activities.

A1.4.79. FSP should sponsor a gender awareness and gender analysis workshop for its employees and any Forest Service employees that might be sent on overseas assignments. FSP should also develop materials that provide guidance on these issues for those who are not able to attend a workshop or series of workshops that it would host.

A1.4.80. Each Scope of Work for a Forest Service employee operating under FRM II funding should include a requirement that the individual address gender concerns insofar as possible during the course of their assignment.

A1.4.81. FSP staff should have an element in their performance evaluations that requires them to demonstrate how they have addressed gender issues in technical assistance and other support activities they have done during the course of a given year.

A1.4.82. FSP should work with appropriate USAID personnel, teammates, etc. to collect sex-disaggregated data focused on the roles of men and women in forestry and natural resource management during their field assignments.

A1.4.83. FSP should begin to systematically monitor the differential impact of its activities on men and women.

A1.4.84. PC should continue gender training for volunteers.

A1.4.85. All implementors of FRM II should identify opportunities where FRM II funding might support women in development activities in the forestry and agroforestry sector.

A1.4.86. All implementors of FRM II should include monitoring of the differential impact of FRM II-funded activities on women and men.

A1.4.87. FRM II project management should ensure that the newly developing Private Enterprise initiative should include gender training in its activities and that it integrate gender analyses, sex-disaggregated data collection, and monitoring of the differential impacts of private sector forestry and related natural resource management activities on men and women.

A1.4.88. A.I.D. project management and all implementing institutions should be aware of and follow, as appropriate, the guidelines provided in the Agency's 1990 document, entitled "Yellow-Top Guidance: Peer Review Policy and Implementation Guidelines for the Bureau for Science and Technology."

A1.4.89. FRM II should continue to address this need to provide cutting edge technical assistance to regional Bureaus and Missions and take advantage of the opportunity to expand this activity, consistent with the plans set forth in the PP.

A1.4.90. Under the Material Support component of the Peace Corps, funding and/or materials should continue to be made available to Volunteers (and even increased) to create local reference centers on issues such as environmental education, environmentally sound technologies for small businesses, etc.

A1.4.91. While FSP has had some positive feedback on the value of many of these publications, they have made no systematic effort to monitor the impact of these documents. In fact, it was clear from the comments by some representatives in the regional Bureaus that they were not aware of some important details, such as a request for review of FSP staff annual work plans. Therefore, this monitoring activity should be undertaken by FSP.

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Draft report

Annex 4: Four trip reports

Bolivia trip report

Author: Robert Myhr
Dates: September 21-24
Location: La Paz, Bolivia

One member of the evaluation team spent four working days in La Paz to review Mission-level impacts of the FRM II Project. The consultant was not met at the airport and was advised that there was little time available from USAID/Bolivia personnel to discuss the evaluation because of a substantial number of fiscal year-end visitors. In addition, because of an RFP now out for bid on the "Sustainable Forest Management Project," the main mission contact felt compelled to offer little advice on persons to contact and could only meet with the consultant on the first day because of other meetings over the next 1-1/2 days after which he was out of town. Nevertheless, he was extremely cordial though rushed and did mention a few names. The team member then followed up and found additional persons to contact. A list of persons contacted La Paz may be found in Annex 3. These persons, all with whom the consultant met personally, included officers in the USAID/Bolivia mission, a Peace Corps administrator, and the executive directors of local environmental group, forest industry trade association, and a USAID-supported business development corporation. Several furniture stores marketing locally manufactured products were also visited. Time did not permit a visit to the tree nursery operations of the National Forest Chamber of La Paz District, but the team member did have an opportunity to see these initial efforts by the industry in several photo albums -- quite impressive for an initial effort.

Among USAID officers, FRM II is vaguely known by its project name, but its support of the FSP--again vaguely known by name, is clearly appreciated. Specific support from the LAC coordinator of FSP was acknowledged, appreciated, and urged to continue -- especially given the issues facing future forestry-related projects in Bolivia. Peace Corps/Bolivia also expressed deep appreciation for the project even though the details of the direct connection to PC work in Bolivia is not fully understood, e.g. how FRM II supports PC in Bolivia through the PASA.

All informants expressed support for a greater involvement of the private sector in the forestry-related issues in Bolivia through some kind of "partnership" or "dialogue" effort. Of primary interest was ways in the private sector might work with both the local private sector and the national government in developing new policy initiatives within Bolivia which will allow both conservation and utilization of the country's forest resources. There was a clear recognition by all informants of the inherent conflict between production of forest-based resources and conservation of those same resources and related values. The extent to which expertise from the US can help sort out and mitigate the situation will depend on how much and in what way experienced U.S. experts can be called upon for assistance. The U.S. private sector -- both in the NGOs and individual companies -- have worked out strategies for conservation and utilization of forest resources. The upcoming "Sustainable Forest Management" USAID/Bolivia mission-sponsored project will provide a unique opportunity to bring the private sector conservation and production expertise to Bolivia.

The overwhelming conclusion from all informants is need for USAID to support work that will develop new, fresh government policies that encourage management of forest resources on a sustained yield basis. USAID can make a major contribution by providing an overall policy analysis and policy reform

recommendations for countries like Bolivia which have forest resources still under development. The agendas of the forest products industry and of the environmental groups are clearly articulated, but government policies are not and are disadvantageous to both groups. Support to the government in analyzing and reforming its forest policies is a needed priority and can help support both industry and the environment.

Both industry and environmental leaders agreed that there is need for each them together to address the protection and production issues. Attempts to create a dialogue might be welcome--though not without concerns on both sides.

To provide an example of the type of position that each general group is coming from, two positions are summarized below based on written documents. They give the reader a perspective on how and why these groups may find it in their long-run mutual interests to seek acceptable solutions to Bolivia's sustainable forest management.

The Bolivian forest industry position:

Summary of Analysis of Wood Industry prepared by the Private University of Santa Cruz de la Sierra for the National Forest Chamber

Conclusions:

1. Santa Cruz industry generates 7,800 jobs and represents an investment of about \$52 million.
2. Demand for a few high value woods has determined the patterns of forest exploitation.
3. Rain and communication/transportation patterns require huge investments in logging equipment, and these conditions require high inventories for continuous production.
4. Selective demand and the high logging costs determine the size of timber harvest license areas and the low level of volume logged on areas.
5. Markets and species need to be expanded along with higher prices for producers to take advantage of sustained and non selective harvest of timber.
6. Industry has developed despite: a) instability, b) short license contracts, c) colonization and uncertain treatment of indigenous squatters who have rights under the ag reform laws, and d) lack of coordination among responsible government agencies.
7. Lack of clear and long-term harvest policies.
8. Industry is labor intensive, uses national raw material, underutilizes its capacity, has low labor costs, and adds relatively low value.
9. Opportunities exist to add value for diverse lines of products--furniture, parquet flooring, plywood, decorative panels, doors, etc.

10. Most exported wood is mahogany--74% by value, 68% by volume.
11. 43% of value is exported to US, 31% to Argentina.
12. To expand markets to other countries with more species need new design and technology, marketing and promotion, training, quality control.
13. Industry needs incentives to overcome obstacles.
14. Sources of loans, conditions, and high interest rates remain problems.
15. Need export finance support and drawbacks.
16. Need foreign exchange guarantees for stability.
17. Need for clearer and more stable export rules.
18. The Action Plan Forestry Development predicts exports of \$40 million for 1995 and \$90 for year 2000.
19. 71% of companies believe exports will rise, but uncertainty about prices.

Recommendations:

1. Improve long-term forest policy, with clear and stable rules, in coordination with government institutions and private industry working in the industry.
2. Develop an industry strategy for promotion and value added and new species--in cooperation with government institutions.
3. Establish policies for the creation of a true forest consciousness, paying attention to the preservation of natural resources and rational exploitation of resources, keeping in mind the good of the entire community and the wellbeing for future generations and the legitimate interests of those working in the forest products sector.

An example of the point-of-view of the Bolivian environmental community is provided in the following outline comments about the Chimanes Project - An attempt to develop a forest area and create jobs and protect the forest.

According to LIDEMA, the League for the Protection of the Environment--which is part of a group of entities working on the Chimanes Project, the project has serious problems:

- . the background scientific data about the area has not been developed prior to starting up the project and allowing development--including logging.
- . there is no integrated plan for the area--the there was supposed to be one.

- . there is only a brief forest plan, but it does not go into the details necessary to cover all the issues necessary for the project.
- . there is no forest inventory--but logging has commenced.
- . only mahogany is being harvested and will last probably only 5 years.
- . the few plantations established have not been successful.
- . though promised by the loggers, logging techniques have not been improved.
- . only sawnwood is being produced, though companies promised to make finished products.
- . some of the logging companies have not carried out their plans and are operating illegally.
- . illegal logging has and continues to increase not decrease.
- . indigenous peoples never have been consulted about their rights and desires in the area.
- . LIDEMA will stay in the planning group, try to address indigenous issue, and set the project straight. In addition, LIDEMA recognizes and welcomes and encourages a review and analysis of overall Bolivian government forest policy and the need for policy reform.

Guatemala trip report

Author: Robert Myhr
Dates: September 28-October 2, 1992
Location: Guatemala City, Guatemala

Only one member of the evaluation team went to Guatemala. All interviews occurred on the business days of September 28-October 2 while the team member was in Guatemala City. Although he received several invitations to visit forestry operations outside of the city, time did not permit--with one exception--visits to field operations. The one case was a visit to a furniture and cabinet manufacturing plant in Milpas Altas--about 1/2 outside the city.

Interview meetings were held with USAID personnel in both the regional organization(ROCAP) and the USAID/Guatemala mission, members of the private sector, and conservationists. A full list of the persons with whom the team member talked are included in Annex 3. Among the interviewees in the private sector were as follows: an executive manager of a native hardwood plywood mill; owner/manager of a cabinet manufacturing operation which uses rubber wood exclusively for raw material and exports to the U.S.; and the owner/manager of treated lumber and pole plant that uses native and plantation pine for raw material and sells in the domestic market; a private conservation leader who also is a university professor. A list of written materials provided to the evaluation team member are listed in the Bibliography.

Upon arrival in Guatemala City, there had been no previously arranged meetings prepared by USAID or others. Fortunately, a few USAID personnel were aware of the team member's plan to visit Guatemala City and were prepared to meet with him upon contacting them. Several, of course, were extremely busy with year end fiscal budget matters and had only limited time for a meeting.

Within USAID in both the mission and at the regional program level, FRM II Project was fairly well known and certainly appreciated. Strong expressions of appreciation were given for both FSP and, especially, the current LAC coordinator. The FRM II project manager was well known. While FSP has been very helpful in providing lists and, ultimately, technical people to work on various programs in both Guatemala and Central America, there was a concern that in some cases the people recruited through the roster had been 1) not prepared for the cultural situation encountered in Central America, 2) tended to be people from the USFS, and 3) seemed to be better researched and appropriate in older years of FSP than now. It appears that an element of institutionalization of FSP may have slightly diminished its effectiveness. In more that one case informants suggested that beyond the FSP coordination function for the roster and the coordinators who help link the roster to the field missions, additional FSP personnel in Washington, D.C. might better serve USAID in the field. In addition, informants said that they did "use FSP a lot" to help coordinate talent searches and "jump through the hoops of the Washington, D.C. bureaucracy." In other words, with a very few exceptions, the mission and regional are satisfied with FSP.

However, informants agreed that there is a crying need for tropical forest specialists and many of them are either not on the roster or not available. Every effort should be made by FSP to get more tropical specialists on the lists--especially some of those people who have had industry and real on-the-ground experience in tropical forestry matters. They expressed a view that they may not be found in the USFS.

During the visit to Guatemala, the IMCC contract with RENARM for the wood utilization project expired without the anticipated renewal being signed. Although not directly part of FRM II (it was an outcome of FRM I), it appears that IMCC was doing an especially good job with the forestry private sector initiative and it will be a setback for wood utilization and the overall USAID program in Guatemala. The contract may be bid again in the coming year at which time IMCC might bid again, but the excellent base that had been established will be lost. Also, it will a lot of time to redo a contract, if it is done at all.

A major theme that came out of almost all of the meetings was one that had come up repeatedly in Bolivia as well. That is, there is an ongoing and important need for policy analysis and policy revisions or reform for all forestry related work in most developing countries. This issue is not being addressed adequately by the missions -- which lack the right personnel -- and some overall guidance out of R&D, FRM II and Forests for the Future would be extremely appropriate.

In Guatemala, for example, a new Forestry Law came into effect in February of 1991, but it had certain flaws and is now in the process of being rewritten -- but the full, impartial, informed, professional analysis of the law still has not been carried out and the law is now being changed politically without the thorough analysis required by independent and knowledgeable persons -- so the newly, revised law will also likely be flawed with segments of selected interest group input but not full analysis nor input from all interest groups.

Another major theme which emerged from the country visits to Guatemala and Bolivia is the lack of private sector involvement in conservation-oriented programs. There is a tendency to ignore the very fact that it is the private sector forestry interests -- be they the small colones clearing for agricultural crops, the small loggers, larger logging concerns, or even major, more integrated forestry operators--are the groups that must partake in long-term conservation efforts to manage and protect forests. Without their participation and cooperation, there will be no trees in the future--and they are the very ones who will directly use the trees and provide use of the forest resources for others. They must be brought into the equation. Interestingly enough, the private sector industry persons in Guatemala and Bolivia also expressed knowing realization that they had to get involved in forest protection but were not sure that they could do so in way that might appear legitimate to conservation groups.

On the other hand, the conservationists did accept the need to start discussing what can be done besides forest protection to provide for biomass replacement -- that they might indeed also have an obligation for the economic productive needs of their countries.

Along with protecting biospheres, there needs to be created new and larger production forests. If not the protected biospheres and forests will disappear. Fortunately, forest products companies are beginning to understand this fact and willing to start planting trees--but incentives are needed to do so--again a forest policy issue that must be addressed. Linking up with knowledgeable and experienced US private sector entrepreneurs will help them even better to understand these issues. A partnership cooperative effort or a new dialogue which helps create the links would not only be appreciated by industry in Guatemala but also help in the exchange of good, practical business and forestry practices among cooperating enterprises.

The conservation focus in forested areas must tie into local industry and country life and provide plantation forestay for biomass replacement as these developing countries use up their native natural forests. The few remaining museum forests are MUSTS and must be protected but they will not be

protected if there are no other forests started now. Enlightened segments of the private sector in the US learned this lesson decades ago; perhaps it can be brought into a program that can help developing countries understand their needs in the sector. The seed of change is there in the developing countries. USAID can help it mature and bear fruit with appropriate programs that include the private sector.

Nepal trip report

Author: Duncan Harkin
Dates: September 20-25, 1992
Location: Kathmandu, Nepal

Arrived September 20, 1992, departed September 25. Talked with Sher Plunkett and Tracey Parker, USAID, ARD, Environment and Natural Resources; talked with Renee Thakali, Associate Director, Peace Corps; and at the Forest Development Project talked with Jeremias Canonizado, acting project manager, Richard Pardo, Forest Policy Specialist, DeVon Nelson, Training & Education Administrator. I was not able to talk with Institute of Forestry people at Pokhara, but talked briefly with Niranjana Regmi, Project Officer of the Institute of Forestry Project at USAID/Kathmandu. Don Messerschmidt was out of the country and I was not able to reach Tom Hamett, Chief of Party.

Visibility of FRM II and FSP:

All were aware of either FRM II or FSP to some degree. All agreed that the roster is valuable. It had been used to find the project manager for the Forest Development Project. Familiarity with FRM II varied among my respondents. Several were quite familiar, partly through personal contacts and past working relationships with present FSP staff members. Canonizado was least familiar with FRM II, recognizing it only from quarterly reports of FSP.

Budget issues, buy-ins, etc.:

Visits from FSP staff were not regarded as attempts to "sell" technical assistance. In fact, Plunkett, who was somewhat cynical about the value of FSP said that FSP has not done a good job of selling itself. However, he ranks buy-ins in the last priority for obtaining technical assistance. First priority is to hire Nepali professionals if available; second, use the IQC process to hire expatriates; third, use buy-ins. On the ultimate question of value of FRM II, he said, if it did not exist we would find a way to get the job done. Nepal may be unusual in having a large number of educated people. DeVon Nelson, of the Forest Development Project, said that the Nepali department of forestry is overall better educated than USDA F.S. in that most have masters degrees and travel frequently on professional missions and thus bring a broad perspective to their work. The Forestry Development Project annual work plan lists nine short term consultants only one is to be an expatriate. The others are either Nepali required (6), or Nepali preferred (2).

Plunkett was not, however, negative toward the roster. In fact he suggested that its enlistment be broadened to include more people with policy disciplines of sociology, economics, and political science. Tracey Parker sees need to use either the roster or the forthcoming GIS specialist to advise on setting up an environmental data system for inventories to be done. Such environmental data system should build on the experience of The Nature Conservancy and other who have established systems.

Maturation of resource management institutions:

As a result of a major change in the national government in 1991 and the enactment of Forest Bill 2049 (1992) major changes have begun. Foremost in this law is the devolution of management authority of large areas to communities with organized user groups. The outlook appears favorable that the user

groups will manage the community forests on a sustainable basis. Some evidence of this is found in gaps of areas that lie between community forest boundaries. According to Canonizado the usual tragedy of the commons occurs on those unmanaged, undesignated gaps, while adjacent community forests are treated well.

In the Terai (plains) where the greatest commercial forest potential lies (except for the rapid population growth) land tenure is in a state of flux. This militates against major long term private forest enterprise on private lands. On national forest lands there is provision in the new law for forest management leases which may present opportunities for assistance to private enterprise in the future. The long term outlook, however, is that population growth is likely to result in clearing most forests except those rigorously guarded as parks, wildlife preserves and protection forests.

Tracey Parker reported that there has been a recent burgeoning of environmental interest and groups:

Philippines trip report

Author: Duncan Harkin
Dates: September 28-October 1, 1992
Location: Manila, Philippines

USAID:

The Natural Resources Management Project is the main forestry project of the Office of Natural Resources, Agriculture and Development and is the largest forestry project of A.I.D. worldwide, funded at \$125 million over five years. Project manager is Dr. Kevin Rushing, environment and natural resources officer. This project has used the FSP roster to get a forest biometrician for technical assistance and had contacts with FSP regional coordinator, Pat Durst. Most recently Durst assisted in writing a concept paper for protection and management of the Subic Bay Naval Base watershed forest which is one of the most outstanding remnants of the dipterocarp forest type in the Philippines. The concept paper will likely go to the White House for possible funding under the Forests for the Future initiative. Rushing had been most pleased with contacts with Durst and his work.

Rushing raised the question of how much time can be made available from FSP staff before Missions must pay in-country costs and perhaps salary. Travel and in-country costs must be paid from Mission operating budget which is tight.

Rushing finds the procedures for getting short term technical assistance totally unacceptable. Both buy-ins and IQCs are too time consuming. Sometimes Mission staff gets criticized in evaluation reports because of the slowness of A.I.D. Washington Contracts Office in processing work.

Rushing is greatly concerned about the future development of USDA Forest Service initiatives in International Forestry and their relation to USAID. He believes strongly that USAID has the economic development orientation and experience in working with host country governments and their bureaucracies, which the Forest Service does not, although they are technically competent and some have Peace Corps experience. Probably making the outlook more serious for the USAID-FS relationship, Rushing sees USAID as being in deep trouble. It is politically unpopular at home, has had no leadership for years, and recently has been criticized on national TV programs, 60 Minutes and 20/20. There is definitely a need in the Philippines for assistance in the wood products industry, both in market development and in assisting the technological transition of an industry based upon large hardwood logs from old growth forests to smaller second growth. Rushing believes the Philippines should import U.S. timber to help meet its demand and cites a case of Pat Dugan making arrangements for New England woodlot owners in the U.S. to market their timber through a cooperative to the Philippines.

The Natural Resources Management Project has a research component, but it is not progressing and will probably be cancelled. It was originally planned that the University of the Philippines, Los Banos and PCARRD would handle the research but they are tied up in bickering among themselves. There may be a role here for an FSP research coordinator.

Peace Corps:

The Peace Corps is just beginning to re-establish after a two year absence caused by security problems. There are now small teams located in three small island groups, chosen because of NPA activity there - Batanes, Romblon, and Cataduanes. Volunteers arrived in March, went through training and moved to the islands in June. Pat Durst and Mary Rourke (USDA Forest Service, Seattle) assisted in the training. It is planned that the teams will include forestry, agriculture, health, and water supply. The forestry emphasis is community forestry and protection of natural forests. Peace Corps is planning to get 16 volunteers with training in parks and wildlife management.

The Peace Corps sees a potential need for training in GIS but, based upon conversations with Rushing, this may not be realistic because the Department of Environment and Natural Resources has not yet developed GIS capability. Peace Corps also sees a potential need for assistance in agroforestry. They have been excluded from social forestry because the Department views it as primarily community organizing and possibly subversive. However, the Department seems not to have applied this reasoning to community forestry and agroforestry, which also involve a lot of community organizing.

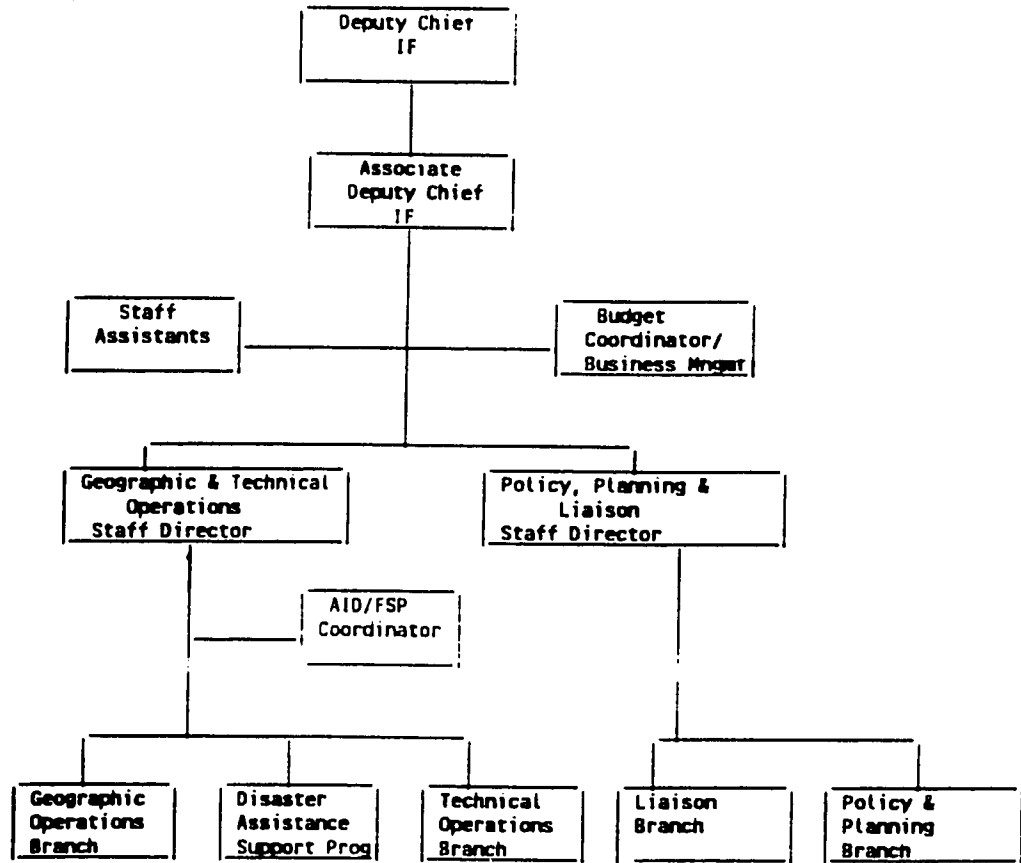
The same question came from Peace Corps as for USAID: How much assistance can they get from FSP without using their limited budget?

Annex 5: Organizational chart: International Forestry

Annex 5

CHIEF & STAFF STANDARD SESSION - OCTOBER 5, 1992

ATTACHMENT 1: ORGANIZATIONAL CHART: INTERNATIONAL FORESTRY



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Annex 6: Potential links among FRM II, US-AEP and the forest industry

What are the common interests among FRM II, US-AEP and the US forest industry?

- FRM II seeks to use its resources effectively in promoting US private sector participation in the sustainable use of forest resources in developing countries.
- US-AEP is dedicated to providing opportunities for US environmental businesses to sell their products, technology and services in Asia.
- Forest-related industries in the US have potentially valuable skills and technology and are open to doing business abroad if (a) it is profitable and (b) it brings good, not bad, publicity.

What does each bring to the table?

- FRM II is a project with an excellent track record, credibility with the US forest industry and the associations representing it, and contacts with the forest sector in a number of countries. The project has long term funding to support its activities.
- US-AEP is developing a broad business contact network both in the US and in Asia, can coordinate the support of a wide variety of federal agencies, and has funds for fellowships, training, audits and other supporting activities. Of great importance is US-AEP's ability to support essential policy dialogue supporting sustainable forest management.
- US forest-related industry has a variety of relevant skills and technology. Commercial importers of wood and NTFP have knowledge of markets and how to expand them.

There are two sets of interrelated conditions that must be fulfilled if the FRM II objectives are to be achieved. First, FRM II and US-AEP, two distinct bureaucratic structures, must establish a complementary working relationship resulting in a coherent forest industry-oriented program. Second, forest industries in both the US and in the selected countries must perceive the relationship being fostered by FRM II/US-AEP to be attractive and more profitable than alternative endeavors.

The risk to all concerned is that the endeavor be perceived to contribute to unsustainable use of forest resources leading to deforestation and loss of biodiversity. This risk can be mitigated by fostering complementary activities in forestry and forest industry. This includes first an appropriately balanced program in sustainable management of natural forests with particular emphasis on previously intervened or secondary forests, agroforestry and plantation forestry. Second, a forest industry program embodying such elements as (a) use of timber and NTFP from sources where sustainable management has been certified, (b) identification of a variety useful woods and selection from among them of woods for their highest value use (don't use veneer quality wood for plywood cores), (c) fostering of value-added processing where it can be competitive on domestic or international markets, and (d) introduction of

equipment and practices that result in the most efficient production of the widest variety of products. The foregoing strategy applies equally to NTFP.

The forestry and forest industry scenarios are interdependent; industry **isn't** viable with out a sustainable source of raw materials and forest management/plantations cannot be **justified** unless there exist diverse and dependable domestic and export markets.

Steps toward implementing a partnership:

- Prepare a concept paper and agenda for an FRM II/US-AEP/industry workshop;
- Hold a workshop to define roles, costs and actions; **and**
- Initiate a pilot project in Indonesia.

Annex 7: McDonald's rainforest policy

Our rainforest policy. 5

Tropical rainforests play an important role in the Earth's ecology. And their destruction threatens the delicate environmental balance of our planet.

For the record: **NOWHERE IN THE WORLD DOES McDONALD'S PURCHASE BEEF RAISED ON RAINFOREST (OR RECENTLY DEFORESTED RAINFOREST) LAND.**

In fact, McDonald's has a strict corporate policy against using rainforest beef.

"...it is McDonald's policy to use only locally produced and processed beef in every country where we have restaurants. In those isolated areas where domestic beef is not available, it is imported from approved McDonald's suppliers from other countries. In all cases, however, McDonald's does not, has not, and will not permit the destruction of tropical rainforests for our beef supply... This policy is strictly enforced and closely monitored. Any McDonald's supplier who is found to deviate from this policy or cannot prove compliance with it will be immediately discontinued."

In the U.S., we use only 100% pure U.S. domestic beef. In Canada, we use only 100% pure Canadian beef. And in Europe, we use only European Economic Community grown and approved beef.

McDonald's will continue to monitor its beef suppliers and adopt policies and practices aimed at protecting the global environment on which we all depend.

FOR MORE INFORMATION WRITE:

McDonald's Environmental Affairs,
McDonald's Corporation, Oak Brook, Illinois 60521.

Our rainforest policy.

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Example of Company with Interest

Annex 7

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