

# A.I.D. EVALUATION SUMMARY PART I 99330

(BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS)

IDENTIFICATION DATA

<b>A. REPORTING A.I.D. UNIT:</b> <u>USAID/Costa Rica</u> (Mission or AID/W Office)  (ES# 96-1 )	<b>B. WAS EVALUATION SCHEDULED IN CURRENT FY ANNUAL EVALUATION PLAN?</b> yes <input type="checkbox"/> slipped <input checked="" type="checkbox"/> ad hoc <input type="checkbox"/>  Eval. Plan Submission Date: FY ___ Q ___	<b>C. EVALUATION TIMING</b> Interim <input checked="" type="checkbox"/> final <input type="checkbox"/> ex post <input type="checkbox"/> other <input type="checkbox"/>			
<b>D. ACTIVITY OR ACTIVITIES EVALUATED</b> (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report)					
Project #	Project/Program Title (or title & date of evaluation report)	First PROAG or equivalent (FY)	Most recent PACD (mo/yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
515-0243	Forest Resources for a Stable Environment (FORESTA)	1989	3/96	7,500	7,500
plus the equivalent of \$7.0 million in local currency					

ACTIONS

E. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR	Name of officer responsible for Action	Date Action to be Completed
<b>Action(s) Required</b>		
Mission and project counterpart staff should continue to collaborate in discussions and negotiations to develop a final local currency endowment agreement	Marta Vega Franz Tattenbach	November 1995
FUNDECOR should develop and present a proposal for long-term project funding in the national and international donor circles.	Franz Tattenbach	April 1995
FUNDECOR should implement a long-term training and staff development program for project personnel.	Franz Tattenbach	July 1995
(Attach extra sheet if necessary)		

APPROVALS

<b>F. DATE OF MISSION OR AID/W OFFICE REVIEW OF EVALUATION:</b> mo ___ day ___ yr ___			
<b>G. APPROVALS OF EVALUATION SUMMARY AND ACTION DECISIONS:</b>			
	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer
Signature	Marta Vega <i>Mega</i>	<i>[Signature]</i>	<i>[Signature]</i>
Typed Name	Michael Maxey	Franz Tattenbach	Ginger Waddell
Date:	4/17/96	11-18-96	5/3/96
			Mission or AID/W Office Director
			Richard W. Whelden
			Date: <i>[Signature]</i>

**H. EVALUATION ABSTRACT (do not exceed the space provided)**

The Forest Resources for a Stable Environment project (FORESTA), No. 515-0243, is a seven-year forestry/biodiversity project that seeks to develop forestry and agroforestry as economically sustainable land uses in the buffer zones around the major parks and other natural protected areas of Costa Rica's Cordillera Central, and to improve the management of those parks. A central element of the project was the creation of a private foundation (FUNDECOR) to manage the project activities and provide financial and technical assistance to the protected area organizations. The project is financed with \$7.5 million in DA assistance, plus the equivalent of \$7 million in local currency to fund an endowment for FUNDECOR.

The purpose of the mid-term evaluation was to review progress toward achieving project outputs and to assess the institutional development and implementation capability of FUNDECOR. The major achievements to date include the following:

- The successful establishment of FUNDECOR
- Participatory development of strategic plans for the Cordillera Central Conservation Area (ACCVC)
- Virtual financial self-sufficiency of the parks via redirection of user fees and private sector concessions
- New and/or upgraded visitor facilities at five parks
- Delimitation of critical park boundaries
- Sustainable forest management for 12,500 hectares
- Introduction of auction system for selling timber from managed forests
- Streamlining of bureaucratic requirements for forest management and harvesting
- Use of native tree species for reforestation

Less satisfactory progress has been made in the areas of environmental education, judicial action on preservation violations, field demarkation of critical park boundaries, development of forestry enterprises, and the incorporation of forestry on farms and ranches.

The evaluations recommend that FUNDECOR take steps to assure its financial viability (finalize local currency endowment from USAID, look for other resources), and deepen its activities in collaborative research, and long-term staff development. FUNDECOR should also develop a participatory strategy for community involvement in field activities and for environmental education. The evaluators conclude that all but 15 of FORESTA's 42 planned outputs will be completed by the project completion date. They recommend attention to priority activities and a slight reformulation of outputs, and predict that FUNDECOR will be able to achieve the project's EOPS by the year 2000.

Lessons learned: 1) parks can generate resources to cover much of their recurring expenses if the conditions are right (ecotourism, location, capable and creative managers and officials). 2) Local communities are not likely to become very involved in commercial services for park operations unless policies and initiatives are taken to engage them.

ABSTRACT

**I. EVALUATION COSTS**

1. Evaluation Team Name	Affiliation	Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (US\$)	Source of Funds
Development Strategies for Fragile Lands (DESFIL)		DHR-5438-Q-00-1091 Delivery Order 12	\$84,545	Foresta Project 515-0243

2. Mission/Office Professional  
Staff Person-Days (estimate) \_\_\_\_\_

3. Borrower/Grantee Professional  
Staff Person-Days (estimate) \_\_\_\_\_

COSTS

# A.I.D. EVALUATION SUMMARY PART II

## J. SUMMARY OF EVALUATION FINDINGS, CONCLUSIONS AND RECOMMENDATIONS (Try not to exceed the 3 pages provided)

Address the following items:

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

Mission or Office: USAID/Costa Rica

Date this summary prepared: 11-28-95

Title and Date of Full Evaluation Report: Midterm Evaluation of the Foresta Project

Purpose of the FORESTA Project: The purpose of the FORESTA Project is to develop forestry and agroforestry as economically and ecologically appropriate land uses in the buffer zones around the Braulio Carrillo, Poás, and Irazú National Parks and other natural protected areas of the Central Cordillera, and to support management of these protected areas. This is accomplished by supporting the development of an independent private foundation [FUNDECOR] which has been created to provide direction, technical assistance, coordination and funding to (a) improve the management of the national parks and other natural protected areas in the project area (ACCVC) conservation, (b) promote the sustainable management and production of the natural forests of the buffer zone around the parks, and (c) assist the residents of the area to improve their land by integrating trees into their farming systems.

Purpose of the Evaluation and Methodology: The two major purposes of this one-month midterm evaluation were to (1) review progress towards achieving the FORESTA Project Paper's outputs and (2) assess the institutional development and implementation capability of FUNDECOR. During July 1992, new FUNDECOR leadership had developed a revised project logical framework; to conduct the first objective, USAID requested the team to review the project "outputs" generated from this exercise. Pursuant to these reviews, USAID requested the team to develop the most appropriate outputs and activities for best accomplishing the project's purpose during FORESTA's remaining two years. To most effectively accomplish the multiple purposes of this midterm evaluation, deemed critical for helping guide USAID, GOCR and FUNDECOR during a crucial period of project evolution, the team adhered to the very comprehensive scope of work developed by USAID. In effect, it required that five discrete products be developed: (1) review FORESTA Project Paper outputs; (2) review and assess status of the FORESTA revised logical framework outputs; (3) develop the most relevant outputs and activities to guide the project to PACD; (4) conduct an institutional analysis of FUNDECOR; and (5) develop the most appropriate criteria and control mechanisms to guide USAID's release of the endowment. The evaluation was conducted between June 29 and July 30, 1994. Prior to departing Washington, D.C., the team leader met with individuals with recent experience with FORESTA. Upon arrival, the team embarked on a series of briefings and follow-up interviews with an extensive list of USAID GOCR, FUNDECOR, Price Waterhouse, private sector, nongovernmental organization (NGO), land owners, university, and research center representatives in San Jose and in various field sites in the FORESTA project area of operations, the ACCVC.

### Project Components and Accomplishments

1. General Operations: This component supports the establishment of FUNDECOR, the development of an overall strategy for the ACCVC, improvement of the forest and park protection system, establishment of multi-use operations centers for forestry and park activities throughout the project area, and the development of an environmental education program. The evaluators conclude that the project has established FUNDECOR as a strong and respected institution. Of the sub-activities, the strategic management document is nearing completion, FUNDECOR has provided funds for the purchase of equipment for park protection activities and for the construction of operations centers in the field, and protection violations have increased, even though judicial action still lags.

2. Management of Protected Areas: This component of FORESTA is designed to guide and support the management of the protected areas of the ACCVC by preparing management plans, marking protected areas, boundaries, purchasing private land through national and international fund-raising, improving visitor facilities and services, promoting nature-oriented tourism, and integrating local communities into protected areas management activities. To date, the technical management and administration of national parks has progressed admirably and there is a strong working relationship with the SPN in support of park planning, management, protection, and financial self-sufficiency for the parks. Innovative financial arrangements related to user fees and concessions for park facilities and services have created a trend toward self-financing for the national parks, which has rarely been achieved anywhere. However, the evaluators assert that additional focused work in the other areas must be done to achieve PACD outputs and the broader FORESTA objectives.
3. Management of Natural Forests for Production: This component includes assistance in the preparation and implementation of forest management plans by developing guidelines for all aspects of forest harvesting operations (tree selection, logging practices, road construction, and postharvest silvicultural treatments to promote natural regeneration and growth). It also includes support for contracts for applied research to test selective cutting and strip cutting systems and to improve forest management guidelines. Finally, it provides technical assistance and financial incentives for the establishment of one or more private forest enterprises. The achievements under this component include 12,500 hectares of natural forest under a form of management that is probably sustainable, the preparation of logging guidelines, the streamlining with DGF of the procedures for preparing and approving management plans, and the sale of timber from managed forests through an innovative system of auctions.
4. Integration of Trees on Farms: Through this component FUNDECOR encourages reforestation and agroforestry on deforested lands and promotes the participation of community and grassroots organizations in the conservation of the natural resources of the ACCVC. FUNDECOR is using the Organization for Tropical Studies (OTS) research to develop a native species planting program and has an agreement with OTS to select and test seed trees, pay seed tree owners to protect their trees, and collect seeds. Other activities include technical and financial support for fledgling nursery businesses, collaborative arrangements with local organizations for reforestation, and assisting landowners in arranging for reforestation and obtaining DGF approval and subsidiaries. Little progress, however, has been made toward achieving the reforestation of land not capable of sustaining agricultural production, the introduction of agroforestry on a growing number of farms and ranches, and the participation of a significant percentage of the ACCVC residents in activities to incorporate trees on farms and other deforested areas.

Recommendations: The recommendations of the evaluation team are treated in two categories: (1) highest priority activities and (2) strengthening of existing outputs: new outputs. A reduced number of outputs from the original project paper and the FUNDECOR strategy document is noted.

Highest Priority Activities:

- (1) That FUNDECOR continue to collaborate in discussions and negotiations with USAID and GOCR to finalize details to transfer the endowment to FUNDECOR.
- (2) That FUNDECOR begin to engage seriously in the search for long-term project funding through the preparation of proposals, the formation of institutional partnerships for joint ventures, and networking in national and international donor circles.
- (3) That FUNDECOR take a leadership role in the preparation and implementation of a comprehensive, integrated research program with institutional partners in support of sustainable development activities within the ACCVC, focusing on conservation, management, and monitoring.
- (4) That FUNDECOR prepare and begin to implement a long-term training and staff development program for FORESTA personnel - from the board to the park range and the small forest manager in the field.

- (5) That FUNDECOR and its public and private sector collaborators develop and begin the implementation of a strategy and program for community participation in FORESTA activities in the field and for environmental education.
- (6) That FUNDECOR hire or seek to have assigned three-staff members to take lead responsibility for these priority activities, including a fund-raiser/marketing expert, a research and training coordinator, and a social scientist in a community participation/social marketing/environmental education.

Strengthening of Existing Outputs: New Outputs

- (1) **Global Operations.** Strategic planning for FUNDECOR operations beyond the PACD, creation of a technical advisory board (TAB), improved forest protection system.
- (2) **Management of Protected Areas.** Consolidation of park management plans, increased marking of park boundaries in the field, strategy for exploiting area's cultural resources.
- (3) **Management of Natural Forests for Production.** A system for continual improvement of forest management standards and logging guidelines, maintain projected levels for both natural forests under management plans, development of forest-based enterprises - including "Eco-camps", research and monitoring of management impacts.
- (4) **Integration of Trees on Farms.** Native tree plantations, community organization, agroforestry, and secondary strategic plan.

Conclusions and Special Opportunity for USAID: Significant priority activities and strengthened outputs have been indicated as essential targets toward achieving the project purpose. These recommendations should be viewed by FUNDECOR and USAID in a very positive and constructive light. FUNDECOR will also serve as a model for other conservation and development activities elsewhere. There is great potential and the lessons and approaches developed in Costa Rica should have applications to other areas, other donors, and to the broad nongovernmental organization (NGO) community. It is the team's conclusion that during the next-two years, a time when mission staff resources will further erode, USAID should give special sustained and systematic support to FUNDECOR. A critical transition period during which FUNDECOR must prepare for the post-USAID era is now underway. Guidance and support, along with targeted assistance to make the smoothest and most productive transition, is needed.

Lessons Learned: (a) Parks can generate an important share of their own operating revenues. The project demonstrated that under the right conditions wildlife habitats can be institutionalized as parks that both conserve their biological wealth and generate incomes to cover at least part of their operating expenses. The necessary conditions include an active and growing national recreational tourism industry, relative access to population centers, trained staff and qualified managers, and public sector officials willing to consider new approaches. (b) Without direction and support, local community participation in economic benefits of tourism activities around parks and protected areas is likely to be limited. The FORESTA experience demonstrates that special measures must be taken to engage local communities in operating park visitor food and crafts concessions and providing tour guide services. Contracting must be carried out so as not to bias selection toward "big city" hotel and food chains and travel companies. (c) Land tenure policy must be clear and unambiguous if it is not to obstruct progress in protected area land consolidation. A responsible and responsive park land acquisition program with local community participation is needed to avert unnecessary destruction of habitats in park and buffer zones.

**K. ATTACHMENTS (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier)**

ATTACHMENTS

**L. COMMENTS BY MISSION, AID/W OFFICE AND BORROWER/GRANTEE**

No comments.

MISSION COMMENTS ON FULL REPORT