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**STAFF EVALUATION OF
NAREPP/IRG**

June 1993

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INTERNATIONAL RESOURCES GROUP LTD.
Sri Lanka*

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TABLE OF CONTENTS

Acronyms

PART A: STAFF EVALUATION OF NAREPP/IRG

Key Issues Facing NAREPP/IRG

- | | |
|---|---|
| 1. Is their GSL "Ownership" of NAREPP/IRG? | 1 |
| 2. Are NAREPP/IRG Activities too broad? | 2 |
| 3. How well is the project designed to effect policy change | 5 |
| 4. How well integrated and effective are NAREPP/IRG activities? | 7 |

Annex 1 Shape and Direction of NAREPP/IRG

Annex 2 NAREPP/IRG Consulting for TA and training

PART B: NAREPP/IRG ACTIVITIES: EXPERIENCES AND DIRECTIONS

- | | |
|---|----|
| 1. Environmental Policy Program | 1 |
| 2. Environmental Impact Assessment | 6 |
| 3. Pollution Prevention | 11 |
| 4. NAREPP/IRG Training, University, and Management Support Programs | 16 |

ANNEX: Training, University, and Management

ACRONYMS

BOI	Board of Investment (formerly GCEC)
CCD	Coastal Conservation Department
CEA	Central Environment Authority
COP	Chief of Party
DWLC	Department of Wildlife Conservation
GCEC	Greater Colombo Economic Commission
GSL	Government of Sri Lanka
EIA	Environmental Impact Assessment
EPL	Environmental Pollution License
FWS	Fish and Wildlife Service (US)
IFS	Institute of Fundamental Studies
IRG	International Resources Group
ISTI	International Science and Technology Institute
MEIP	Metropolitan Environmental Improvement Project
M/EPA	Ministry of Environment and Parliamentary Affairs
M/IST	Ministry of Industry, Science, and Technology
M/LIMD	Ministry of Lands, Irrigation and Mahaweli Development
M/PPI	Ministry of Policy Planning and Implementation
NAREPP	Natural Resources and Environmental Policy Project
NEA	National Environmental Act
NEAP	National Environmental Action Plan
NESC	National Environmental Steering Committee
NGO	Non-Governmental Organization
NPD	National Planning Department
NWPC	Northwestern Provincial Council
PAA	Project Approving Agency
TA	Technical Assistance
TOR	Terms of Reference
USAID	United States Agency for International Development
URI	University of Rhode Island
USIS	United States Information Service

PART A. STAFF EVALUATION OF NAREPP/IRG -- M. Baldwin, June 1993

I. KEY ISSUES FACING NAREPP/IRG -- June 1993

Key questions have arisen during our project that now begin to receive useful answers.

1. Is there GSL "Ownership" of NAREPP/IRG?

This a goal we still seek, but we begin to get there as, particularly over the past six months, GSL's real involvement has steadily increased.

◆ Background/ ● responses:

◆ **NAREPP's early action offered limited opportunities for agency initiation:** The project moved quickly into EIA and environmental economics training and technical assistance to establish a track record, operate as a catalyst for change, and establish our staff systems. Decisions were consistent with GSL interests, and had agency support, but activities did not evolve from agency work plans or lengthy dialogue. We offered opportunities and ideas and, in the case of EIA, confidence building. M/EPA, nevertheless, gave clear directions to proceed with our program development as quickly as possible.

- **Agency work plans** over the past two years have given agencies an opportunity to shape our program, and in 1993 more than 1992 our consolidated plan drew from each agency plan. Yet the process still causes some confusion. (Moreover leadership within our agencies has almost completely changed since NAREPP/IRG's August 1991 "kickoff" workshop.) Relationships between agency work plans and NAREPP/IRG's consolidated work plan may not be fully understood; plans were "approved" by M/EPA, but not necessarily for USAID funding. Work planning with agencies needs to begin with clearer directions in the 4th quarter of 1993.

- **Work planning with universities** has benefitted from the greater time and lesser pressure for immediate action than agencies have under our program. Universities appear to have a strong sense of ownership of their programs.

◆ **Initially limited but emerging role of M/EPA:** M/EPA itself, although established well after the project was approved and only months before its launching, was supposed to house the project, but it lacked the facilities to do so or professional staff to become active in NAREPP. Because NAREPP/IRG's activities affected several agencies, the university sector, and the private sector, no single GSL entity has been, or even felt, "in charge."

- **M/EPA's coordination role has strengthened considerably** over the past year, particularly with its recent consultancies. More can be expected from it in future, especially as it seeks to coordinate the National Environmental Action Plan. Our support of one long-term Sri Lankan consultant, possibly bolstered by another in mid 1993, has

resulted in significantly increased activity. More such support in CEA and possibly elsewhere would be desirable.

- **M/EPA's environmental policy role will remain weak** given its limited mandate in this arena and the present weakness of environmental policy structures within the GSL.

- ◆ **Limited role of Coordinating Committee:** NAREPP's Coordinating Committee has played essentially no role in directing this project, and as structured it cannot do so. It became too large, too low-level, too embroiled in matters of limited interest, and it met too often.

- **M/EPA and USAID agree that it needs restructuring:** higher level officials, fewer from each agency, less frequent (2-3 meetings per year) and broad planning and/or review agendas. More frequent supplementary meetings could focus on substantive topics of interest to NAREPP as a whole (see below).

- ◆ **Limited/delayed agency "rewards" from NAREPP:** Unlike some other donor programs, we have not met pressing office/material needs of CEA or M/EPA or others. The elaborate source/origin procurement process required by US regulations is slow, especially because we cannot make a large scale purchase of US computers from local providers. Meanwhile the Dutch have provided CEA with air conditioning, room refurbishing, and so forth. But even though delays annoy GSL agencies (and even though we have shown again why US procurement policies need a change) it cannot be said that NAREPP is Santa Claus.

- **Expected late June/early July arrival of computers** will help, but the sooner we use up all the procurement funds (and put prospects of commodities out of agencies minds, and this administrative headache behind us), the better.

- **NAREPP's other activities benefit agencies and leverage benefits from other donors,** this problem should also diminish.

2. Are NAREPP/IRG activities too broad?

◆ Background/ ● responses:

- ◆ **Perceived complexity of NAREPP:** NAREPP as a whole is perceived by USAID as one of the broadest, most complex of its projects. Some of this perception may stem from USAID experience with narrower traditional projects with a few agencies, whereas environmental/natural resource institution-building and training programs must involve scores of agencies. NAREPP management might have been simplified by having only one management entity, or two (the main program and the NGO grant program), or three (NGO grant, coastal program, and main program). Also, the Mission must meet USAID indicator requirements, but data gaps are huge and it is difficult to measure human resource development/institution building.

- **NAREPP was conceived as a broad-based, single project,** but interrelationships among its management components need more substantive attention now that individual pieces are well established. Task forces of concerned agencies, other donors, and

NAREPP management entities might meet regularly on common issues -- e.g. biodiversity data needs and management techniques, coastal permits/management, EIA management, tourism management -- to develop programs, much as we have done in the pollution arena. Common IRG/URI training programs are being discussed (EIAs and tourism), but weaknesses and importance of GSL's wildlife/ biological diversity program suggest needs for greater interaction with IRG's program. *good*

◆ **Breadth of NAREPP/IRG's mandate:** IRG's policy and institutional strengthening mandate is itself broad. The three main substantive arenas -- policy, EIA, and pollution prevention -- and the university and management support programs require involvement of a half dozen agencies, five universities, and parts of the private sector. Our breadth remains less than CEA's or M/EPA's, however, given the reach of the NEA.

● **NAREPP/IRG has considerably narrowed its activities** from the broad project paper design for "natural resources management;" the narrower EIA and pollution prevention programs that have received most TA and training evolved in the fall of 1991. Coincident with this focus we worked with CEA to concentrate on the same two topics when CEA was grappling with far-flung demands of the NEA. Yet NAREPP, like CEA, must recognize CEA's diverse environmental concerns as we approach all our activities.

● **Environmental policy development is NAREPP's "wildcard"** in the sense that, as designed, it is open-ended and very broadly conceived (see Part B). As an environmental policy project, NAREPP has sought to stay focused on practical applications of a strengthened environmental economics capability. GSL applications of environmental economics are weak, but direct management strengthening by NAREPP (of NPD, for example) appears impractical at present due to more basic constraints (see below). NAREPP must explore avenues to apply environmental economics more effectively.

◆ **Demands for focus and measurement:** A potentially creative, tension exists between the breadth of NAREPP/IRG's activities, and USAID's management interest/need to focus programs and measure results in the short term. Benefits from some of these demands include the 1993 environmental awareness survey; it stemmed from indicator needs but policy benefits are likely.

● **NAREPP needs a brochure** to help explain our program in concise/simple ways as USAID and GSL personnel change. We have not explained NAREPP to the US Embassy/Ambassador.

◆ **Activities per program, reduced in 1993, might be cut more.** Each activity requires substantial administrative paper work as well as substantive work to carry out. When community based management went to TAF we substantially reduced Special Projects; other special projects are largely carryovers from 1992. Fewer activities are planned for 1993 than in 1992 -- about 20 versus over 30 -- partly from better packaging.

● **What does more "focus" achieve, and how can we measure impacts** should be articulated during the evaluation. Problems in measuring long-term impacts need to be

accounted for. More focus may be desirable to meet some USAID/DC criteria and may or may not be desirable for long-run impacts here.

◆ **GSL conditions requiring flexibility and breadth:** The hazardous thin ice of skilled staff in key agencies was an underlying reason for NAREPP. Changing conditions of that ice have persisted since NAREPP's design: M/EPA was created with vast weaknesses and structural confusion; loss of NARESA's key manager and staff/program disruption eliminated it early on from our program; NPD's planning process was marginalized by M/PPI's Presidential "Secretariat" role. Changes within M/LIMD's leadership affected its EIA and other NAREPP roles. Loss of one key agency head or well-trained manager in one agency will be disruptive until each agency has more depth; risks come from putting all efforts into a few agencies.

- **CEA has received the single largest TA and training** under NAREPP because it is the major environmental regulator, and although it has had three chairmen since NAREPP was designed each has strongly supported our program. CEA's long-term success depends on its leadership and staff, the support of several strong PAA's/regulating agencies as allies in government (M/LIMD, BOI, M/Transport), and on skilled consultants (from universities, other agencies, and consulting groups), all of which NAREPP helps provide.

- **M/EPA's receives the next greatest attention**, as our counterpart and key coordinator, but its small size makes it extremely vulnerable to change. M/EPA's long-term viability probably depends on its ability to grow. It can either augment staff (but only gradually) or it can assume another agency. We can (and do) give informal encouragement to long-term efforts to augment M/EPA. One option: add an environmental applied research agency, such as NARESA was once conceived to be, to balance and support CEA.

◆ **Shifting/evolving involvement of other donors in environmental policy:** Most GSL agencies are at their capacity to absorb donor funds for TA or long-term (sometimes short-term) training. NAREPP has the only may donor role in EIA TA and training; elsewhere we work in a crowded field. Our activities in pollution prevention have evolved from working around (and leading the coordination of) other donor programs (MEIP, other World Bank, Dutch, UNIDO, WHO, NORAD) that absorb much of CEA's attention. Donor involvement and rising interest in biodiversity (forests, wildlife, watershed management) have limited NAREPP/IRG's direct TA role but offer strong possibilities for training and management, and policy influence with UN and WB funding (e.g. with FAO from our management study of DWLC).

- **We might coordinate EIA work affecting biodiversity**, and thereby broaden our impact and leverage. That appears essential to keep donor support of the GSL EIA requirements effective. A similar role in broader biodiversity management would need a clearer rationale; it might better be undertaken by the SCORE project unless limited to something like tourism and the environment.

3. How well is the project designed to effect policy change?

◆ Background/ ● responses:

◆ **NAREPP/IRG is a policy formulating and implementing program operating on an obscure playing field:** NAREPP was designed to help formulate and implement policy through enhancement of institutional management, human skills, information, and transparent decision making. The Catch 22: there has been little or no defined environmental policy process with which to work, no environmental think-tank, and environmental agencies rank low in the government hierarchy. Environmental policy suffers from problems deeper and broader than NAREPP can affect:

- **Environmental policy deficiencies are often weakly perceived or at least articulated.** Apparent action is often uncritically accepted as real action: Sri Lanka has plenty of environmentally related laws, has produced a National Conservation Strategy, a National Environmental Action Plan, a National Report to UNCED, and so forth. Factual weaknesses in the policies or policy assumptions that significantly affect the environment are often overlooked.
- **Strong links are missing between talk and GSL action.** Our policy workshops often cite needs for "dialogue" among top civil servants on environmental policy, but more striking is the absence of procedures to link talk with action: procedures, and agency responsibilities, for identifying data needs; defined data gathering responsibilities; techniques/procedures for analyzing and presenting information to decision makers. EIAs can meet some project level procedural deficiencies but not at the policy/program level.
- **Formerly strong policy making structures have been downgraded.** NPD's Committee of Secretaries and its project planning process have been steadily downgraded since NAREPP's design. The result: limited opportunities for sound economic, let alone environmental, information to be effectively applied to the decision making.
- **No substitute structure/process has emerged.** The NESC is not statutory, and its influence has depended on the position of the Sec. M/PPI. It functions without flexible task forces or standing committees to feed it or to distill issues, although it offers promising opportunities for bringing information to bear on key environmental policy decisions. The Cabinet Subcommittee on Foreign Investments makes important environmental decisions with no discernable procedures for setting agendas or obtaining background information; involvement of key players is not assured. The Cabinet decision process/structure, and the process for ensuring up-to-date cabinet papers based on the best information and analysis, is itself unclear.
- **Key policy decisions still come without transparency** regarding notice and review of environmentally important policies or development proposals. (The GSL's privatization program suffered from well-known lack of transparency, favoritism, and corruption (IPS, 1992) until the 1992 reforms required by the World Bank.) Public

availability of documents is limited, and it is a difficult concept to sell, although EIA regulations will change this.

○ **Widespread and deep lack of management leadership skills, incentives, and adequate on-the-job training programs** affects even the high-priority sectors of Sri Lanka. The Chairman of Haly's once noted that even in the booming private sector, brain drain outpaces the ability to train (IPS, 1992); the same is true in the environmental management arena, especially in the public sector.

Options to respond:

(a) **Engage ourselves in policy development training programs**, to attempt to teach a more rational/ rigorous policy development discipline based on Sri Lankan and/or other developing country experiences;

- **Success here appears unlikely.** Our experience in sending Sri Lankans to the Intrados US training program, and senior level policy dialogue workshops here, suggest serious weaknesses in generalized training of an academic and abstract nature, at least at this stage; participants may enjoy themselves and benefit personally, with no discernable short-or even long-range impacts. We do not strengthen talk-action links.

(b) **Help improve management of policy agencies through training and TA**, focusing on GSL policy making agencies important to environmental management.

- **Weak policy making appears to be more a political than managerial issue**, however, and better management training would have little or no effect. Opportunity costs would be high in any event. Given substantial management weaknesses in GSL implementing agencies (parts of CEA, CCD, DWLC, M/EPA), and clearer benefits of effective management there, our management training might better focus on their needs.

(c) **Focus on specific environmental economic policies *identified by our leadership network*** (price supports, land use prohibitions, import restrictions), and concentrate on the economic policy issues. We could highlight problems and probe ways to address them with key players.

- **This option can build demand for environmental policy** that responds to uniquely Sri Lankan experiences. Specific topics identified by NAREPP's leadership cadre can be addressed in case materials based on university research. Focus on economic policies affecting environmental management would allow us to build on our substantial investment in environmental economic training and TA.

◆ **NAREPP/IRG's environmental policy program has focused on top civil service/ private sector middle management.** The project has focused on training and TA affecting some top but mostly middle management levels. We have no Presidential or Prime Ministerial access and limited Ministerial access (US Embassy permission required). The middle management approach has obvious limitations: **We do not directly influence top economic/policy decisions.**

However, unless we expect higher level attention to environmental policy in Sri Lanka than elsewhere, and failing emergence of an Al Gore, we can profitably focus on the slow process of building demand for data, procedures, and analysis skills to support better environmental policy where mid to top level managers can affect it.

- **But we must highlight present policy glitches:** e.g. wildlife protection suffers because of government support of damaging sugar plantations through price supports (Handapangala); soil erosion results from government management policies affecting tea plantations; cleanup of industrial plants suffers from industrial equipment tariff policies, and so forth.

- **And highlight when new data requires new policy.** As our actions identify and help establish key data or data analysis techniques we must find ways to bring them into policy deliberations. The IFS ambient water quality monitoring program (now supported by USAID) is necessary to support water quality standards and regulations by CEA. The lead/blood and vegetable/pesticide special studies may suggest new environmental health policy requirements (lead free petrol, some management of agricultural pesticides).

- ◆ **NAREPP requires occasional help with GSL officials through participation of the US Ambassador and USAID Mission Director and integration of environment in Embassy and USAID programs:** US Ambassador Creekmore assisted our early activities with environmental speeches and participation in our 1991 environmental economic seminar). The USAID Mission Director has frequently provided speeches, press articles and has supported NAREPP in high-level discussions when needed. Direct contact between NAREPP/IRG and the Secretary M/PPI and Finance helped put environmental economics (and ecotourism) higher on the GSL agenda, and clarified GSL policies discouraging hazardous waste imports.

- **Integration of environment into US Embassy, USAID thinking is an ongoing need.** USAID recognizes constant needs to integrate environmental considerations into all projects at the earliest possible stage; environmental conditions require visibility and understanding within the US Embassy, including its commercial programs. USIS might more actively disseminate US environmental information relevant to Sri Lanka (environmental health, pollution, citizen participation).

4. How well integrated and effective are NAREPP/IRG activities?

To maximize impact we need constant interaction within our program and with other NAREPP components. Followup remains critical. Common staff management and consultancies make integration of activities within NAREPP/IRG straightforward. Integration of NAREPP/IRG with other components of NAREPP (URI, TAF, F&WS) is discussed in part B.

◆ Background/● responses:

◆ **NAREPP/IRG's consolidated work plan facilitates integration:** The diagram illustrating the 1993 work plan (Annex 1) depicts the integration of project activities. Integration is strong between EIA, pollution management, environmental policy, and university, management and policy components: most often the same US and Sri Lankan consultants usually engage in several parts of the program (Annex 2). Nearly all TA programs concern institution-building and training. But sometimes we must sort out our priorities for training and TA, and management and policy development.

● **On-the-job TA/training is expensive but effective.** It has the strongest immediate impact, but with a relatively few trainees per consultant there are risks if key people leave their agencies or the country. Use of consultants to teach larger numbers in large workshops suffers from lack of depth or individual attention. We need to develop a better mix of TA/on the job-training (of 3-6), with training for larger groups (9-12).

◆ **Effectiveness would be enhanced by better press.** Old press contacts are now gone, and USAID/Embassy/USIA are not able to help. Result: attention given to the "first" environmental (green) audit seminar, sponsored by another organization, that followed by 5 months our similar seminar and field audits/training. Television impacts are mixed -- our air pollution video still gets aired, but only we have shown our EIA video.

● **Our survey highlights television, radio, and press the only effective sources of environmental information.** We need good reporter links to the *Island* and *News*, must work our contact in Rupavahini, and need liaison with TAF's Environmental Journalist group. We have found a permanent "editor" of our newsletter, but we need to work more closely with M/EPA to reach a wider audience.

◆ **Followup remains one of the most important and difficult tasks:** Immediate followup to technical assistance or training may be frustrated by events, GSL personnel changes, delays in government schedules, or logistical complications. We have built in a followup process for our Executive Retreat, particularly with respect to CEA and MEPA relations, our CEA EPL licensing work (now resting with MEIP), and our environmental audits.

● **EIA regulations should ease our most difficult followup,** which has been our EIA work. SL consultancy teams have ignored some of our consulting advice and draft EIA guidance documents have languished. Scoping and prepared EIAs have rarely been public. Lack of binding government EIA procedures has been the main barrier. With EIA regulations likely soon we have new opportunities to glean lessons from our past EIA work (problems with EIA teams, needs of EIA cells in PAAs, guidance documents).

● **We should regularly evaluate CEA's EIA/NRM division** to identify precise training/management needs, work flow systems, EIA complaints, effectiveness of guidance to PAAs, and coordination problems with M/EPA and PAAs.

◆ **Achievements to date look meaningful and productive to our staff.** Recognizing that the underlying test is whether our efforts actually improve environmental and social conditions in Sri Lanka -- something we cannot know for sure for some time, if it is ever measurable -- we have achieved more than we had thought possible in the fall of 1991. Some examples:

Environmental policy/management

- De facto GSL policy discouraging import of hazardous waste for reprocessing on environmental economic/social grounds;
- EIA regulations in 1993 implement 1988 law that requires public involvement in government decision making;
- Policy initiatives on ecotourism for GSL;
- Clarified CEA and M/EPA environmental management/coordination responsibilities;

Long-term policy/EIA/pollution prevention through training, education and awareness

- Substantial increase in appreciation of the importance of environmental economics to project and policy decisions among GSL, university, private sector (and NGO) leadership;
- Substantial increase -- 3-4 fold -- in numbers of university and GSL personnel with basic environmental economic training;
- 100 percent increase in staffing of M/EPA, including Sri Lankan NAREPP consultant;
- Over 1,100 people participating in NAREPP/IRG training programs to date;
- Environmental economics masters programs and natural resources management masters programs established at leading university, 3 other universities receive scholarship/curriculum development support for new environmental programs;
- Established environmental law course at University of Colombo law faculty and taught law teachers (for Tamil, Sinhala, and English instruction);

Environmental impact assessment

- 13 completed EIAs, 6 in progress (June 1993) versus 2-3 at beginning of NAREPP/IRG (with our direct involvement in 6 of these);
- Completion of Sri Lanka's first public environmental awareness survey;
- EIA guidance materials (format, scoping, preliminary information, GSL procedures)
- CEA staff trained in EIA and 3 EIA cells in Project Approving Agencies

Pollution prevention

- First program of environmental industrial plant audits, along with training;
- Establishment of first nation-wide (12 water body) ambient water quality monitoring program and protocol development (IFS with USAID grant);
- Speed up in environmental licensing and more efficient office management by CEA's licensing division;
- Coordinated donor agency approach to pollution prevention TA, training, and commodity procurement.

Met Env. Improv. Project → World Bank
Greater Colombo Env. Improv. Project → W. B.
\$ 30 mil.

THE SHAPE AND DIRECTION OF NAREPP/IRG

The diagram depicts NAREPP/IRG's comprehensive program for Sri Lanka.

Economics and environmental policy are necessarily intertwined. Because environmental economics can constructively shape environmental policy, NAREPP/IRG's environmental economic analysis, outreach, and training programs seek to affect environmental policies, plans and, through EIA pollution prevention actions, individual projects.

EIA programs of NAREPP/IRG addresses the single most important government process affecting a wide range of "green" (forestry, agricultural) and "brown" (energy and industrial) programs throughout the country. EIA requirements also offer the most important opportunity for public involvement in projects that profoundly affect communities.

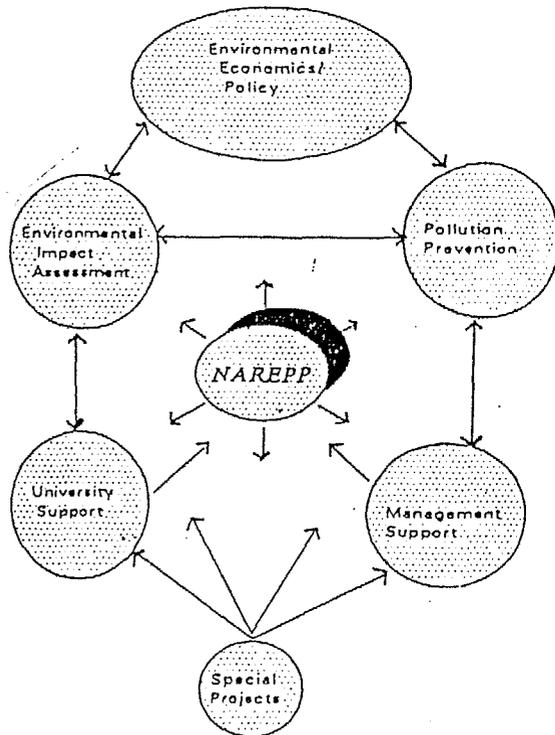
Pollution prevention programs in the public regulatory sphere and the private sector affect the dynamic industrial development activities in Sri Lanka that promise to carry the country forward as a prosperous nation.

University support programs focus on the country's demand for trained personnel for EIAs, pollution prevention, and environmental and natural resource management. In the short term the programs will train university faculty and others for their critical roles as consultants and professionals in government and the private sector. In the long term these programs will provide environmentally trained students in the fields of law, economics, engineering and science.

Management training and technical assistance are absolutely essential part of any environmental policy program. NAREPP activities focus primarily on ways to make government environmental management more productive, by defining roles and responsibilities and by assessing practical techniques to make government agencies more efficient and focused on key issues and problems.

The special projects component allows NAREPP to obtain critical data to help policy makers assess environmental risks and priorities. Project examples include support for university research to determine the content of lead in children's blood from petrol, or of pesticides in fruit, or the opportunities to bring economic benefits from environmentally sustainable eco-tourism.

Effective environmental policy requires interactions among these components, and constant liaison with other government, other USAID, and other donor-supported activities as well. Hence NAREPP works with M/EPA within the center of a network of activities that together will shape Sri Lanka's environmental future.



ANNEX 2 NAREPP/IRG Consulting TA and Training

Env'l Policy Development

TA	<u>Substantive Training</u>	TA	<u>Management Training</u>	<u>University Support</u>
----	---------------------------------	----	--------------------------------	---------------------------

◆ **Introduction to env'l economics**

- | | | | | |
|---|-------------------|----------------------------------|--|--|
| <ul style="list-style-type: none"> ● Peskin/Abeygunewardena 12/91 ● Panayotou, 5/92 | Report
Reports | 2 day seminar
7 wrkshops etc. | | |
|---|-------------------|----------------------------------|--|--|

◆ **Application of env'l economics**

- | | | | | |
|--|--------|---|--|--|
| <ul style="list-style-type: none"> ● Feldman/Abeygunewardena, 1/93 ● US study - 5 wks HIID | Report | 5 day workshop
(prep for US study)
5 SL to HIID | | 3 SL univ. participants

3 SL univ. participants |
|--|--------|---|--|--|

◆ **Ecotourism policy**

- | | | | | |
|--|--------|--|--|--|
| <ul style="list-style-type: none"> ● Wickramanayake, 6/92 ● Staff workshops/GSL 11/92-2/93 | Report | workshop
2 policy wkrshops
(dates) | | |
|--|--------|--|--|--|

◆ **Policy development/implementation**

- | | | | | |
|---|--------|---------------------------------|---|----------|
| <ul style="list-style-type: none"> ● INTRADOS US study tour ● Abramson, 10/92 | Report | 5 SL to US
Executive Retreat | CEA wrkshp | |
| <ul style="list-style-type: none"> ● Abramson, 12/92 | Report | | CEA/MEPA wrkshp | |
| <ul style="list-style-type: none"> ● Abramson, 5/93 | | Exec. Retreat followup | CEA staff/mng wrkshop
DWLC mngmt wrkshop | |
| <ul style="list-style-type: none"> ● Lamsco DWLC mngt study | | | | Drft rep |

◆ **Public awareness information**

- | | | | | |
|---|-----------------------|--|--|--|
| <ul style="list-style-type: none"> ● Public Campaign 2/92-11/92 ● Survey Lanka, 2/93-6/93 | Report
Survey Rep. | | | |
|---|-----------------------|--|--|--|

◆ **Env'l law**

- | | | | | |
|--|--|-------------|--|------------------------------------|
| <ul style="list-style-type: none"> ● de Silva, 10/92-6/93 | | 10 seminars | | Env'l law training
law teachers |
|--|--|-------------|--|------------------------------------|

Environmental Assessment

TA

Substantive
Training

TA

Management
TrainingUniversity Support

◆ EIA concepts/procedures

- Mathias/Gunaratne/Herath 10/91
- Smythe, 11/91
- Sobczak, 2/92

CEA staff

case materials
workshops (CEA, PAAs)
2 EIA workshops
(M/LIMD, M/PPI)

- Meier/McCormack 3/92
- Smythe, 5/92

Compliance
Guidance

EIA course plan
2 EIA wrkshops
(CTB/CEA tourism
(BOI, ind' sites)

- Tolisano, 6/92

Scoping
Guidance

7 SL to EIA course
9 day short course
(Report)
9 day short course
9 day short course

- US study tour, 7/92
- Meier/Davis, 9/92

- Meier/Davis, 1/93
- Meier/Davis, 6/93

- 5 university teachers
- above trainees
participate
- trainees help
- trainees teach

◆ EIA preparation

- Russell 10/92, 1/93

EIA format 3 workshops
EIA reviews (consultants, PAAs)
EIA outlines

- Taylor/van Kempen 4/93-5/93
- Staff (Siriwardena) 1-5/93

Gem mining EIA
RR EIA prep

One U. consultant

Pollution Prevention

TA	<u>Substantive Training</u>	TA	<u>Management Training</u>	<u>University Support</u>
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◆ **Efficient Env' Licensing**

- Sobczak, 2/92
- Staff review
- Schmidt/Riznochok, 10/92
- Schmidt/Stouch, 3/93

EPL Review 1 wrkshop M/IST
(pol. prevention)

1 wrkshop pp

(Followup)
hosp. waste

CEA rep
CEA rep (on-job at CEA)
CEA rep

1 wksp w U of Moratua

◆ **Vehicle pollution reduction**

- Staff report 5/92
- Walsh, 6/92
- Video (PP), 6/92

Report

Report 5 day wrkshop
(w. MEIP)
Video

◆ **Industrial siting**

- Lamsco, 6/92-6/93

Report 2 wrkshops

◆ **Pollution & health impacts**

- led in blood from vehicles
(Kelaniya University) 9/92-present
- pesticides in vegetables
(U. of Colombo) 10/92-present

◆ **Industrial Env'l Audits**

- Schmidt/Stouch, 3/93
- Itagaki, 5/93

7 audits Training 6 SL
3 Reports 1 haz waste wkshop

1 wkshop w. U of Moratua
Open U. (haz. waste)

Part B. NAREPP/IRG ACTIVITIES: EXPERIENCE AND DIRECTIONS

(Baldwin, June 1993)

This memorandum summarizes NAREPP/IRG's activities, raises issues and questions for the future, and makes some recommendations. Further details can be obtained from NAREPP's quarterly reports, consulting and staff reports.

1. ENVIRONMENTAL POLICY PROGRAM

Over the past two years most of NAREPP/IRG's environmental policy emphasis has focused on central government institutions and policies, with one early exception, below.

1.1 Community based management (CBM) of natural resources

In one of our earliest activities in late 1991, under our "special projects" component, we began assessing ways to promote pilot projects for "grass roots" environmental management. The effort stemmed from the project paper's and IRG's proposals for public-private partnerships and "bottoms up" policy development. Our approach was to identify opportunities for GSL and donor policies favoring NGO and community management of environmental resources, to identify opportunities for "empowering" local communities, and to find more practical and effective ways to implement natural resource management laws. Our local hire consultant (Nakatani) assessed various NGO/community opportunities and recommended development of the CBM Special Projects program (Nakatani, 1991-2).

After considerable deliberation with USAID we agreed that the program for 3-5 pilot projects should focus on urban pollution and biodiversity community issues. We identified and helped initiate one urban project with a local NGO at the shanty town of Obesekerapura, in Colombo. We produced a video on the urban wetland and community development issues (Precision Productions, Singhala and English, 1993), sampled and tested water quality (no problem if water is boiled), and selected a Sri Lankan candidate to manage 3-5 pilot CBM projects.

Early in 1993 we transferred the pilot program to The Asia Foundation, which could give NGO grants, was doing so under NAREPP, and which is now implementing the CBM program under a USAID grant supplement. Substantial documentation and CBM program memoranda exist in our files and are not reviewed here. The GSL and public need to learn about community management opportunities and experiences persists, however, and requires strong cooperation among NAREPP/IRG, URI and TAF.

1.2 Environmental Economics

Evolution of this program:

The inadequacies of environmental management in Sri Lanka, despite numerous laws, were highlighted in analyses leading up to NAREPP (Baldwin, 1988). One obvious problem: how to coordinate the score of cabinet ministries, scores of sub ministries, and well over 60 agencies

1

involved in resource management. At World Bank urging, the GSL responded to the lack of coordination among the diverse programs and scores of agencies in 1991, however, with formation of the NESG. Formation of such a body was therefore not a NAREPP objective.

Environmental law reform, and broader "sectoral" reform measures have been discussed here since the mid 1980s. USAID's *Natural Resources of Sri Lanka: Conditions and Trends* (1990) triggered little effective interest in these topics within government or academia. (The usual complaint -- "laws are adequate but lack enforcement" -- continues, with pedestrian responses from agencies and donors.) We thought that sectoral reform efforts were premature and overly ambitious at the outset of NAREPP. Interest in watershed management has persisted in many quarters, and it was evident in the 1991 World Bank-supported Environmental Action Plan, which evolved into the GSL's NEAP. But economic analyses of land and water practices (and administrative constraints on management) were deficient. In 1991 we saw little evidence of environmental NGO or academic interest in environmental economics.

NAREPP's earliest environmental policy activity was therefore to begin with the basic task of assessing and developing broader government, university, and private sector understanding of environmental economics as a key element in environmental management. Some evident intellectual prejudices against linking environment with environmental economics (which may be attributed to influences of British socialism on academia and the civil service in the 50s) needed breaking down.

Most immediately this meant getting help from the single known Sri Lankan environmental economic Ph.D. (P. Abeygunewardena). We brought a US environmental economist (Peskin, Nov. '91.) to meet with government officials and present concepts and opportunities of this field in a two day seminar with government leaders. US Ambassador (Creekmore) and IRG's President (Asif Shaikh) led this inaugural event. Peskin and Abeygunewardena followed up with consultations with M/PPI and its NPD to identify their priorities and determine interest in the pursuit of national environmental accounts.

Several problems became evident:

(1) **Diminished role of National Planning Department:** Although we had hoped that our environmental economic program could be carried out through M/PPI's National Planning Department (-- NPD's process and its role as NAREPP's counterpart agency were discussed in the Project Paper), but that was not possible. The Policy Planning Division took charge of all environmental activities and NPD's participation was essentially marginalized. Hence we had no experienced institution or established policy development process with which to work.

(2) **Lack of environmental economic experience:** Despite evident interest in environmental economics only Dr. Abeygunewardena here had the requisite experience in valuation techniques.

(3) **Lack of interest in environmental accounts:** There did not appear to be significant government interest in the development of national environmental accounts, or readily available analytical skills or leadership to pursue this program, or any predictable impacts on policy that

would result if we pursued this subject.

Thereafter we decided: (a) to pursue further consultancies for educational/training for government officials and other professionals; and (b) to develop case study and teaching materials on application of environmental economics to Sri Lankan projects/programs for training and awareness programs.

Environmental policy study tour: Taking advantage of a USAID-supported program in the US on environmental policy NAREPP sent five high-level officials from M/EPA and M/PPI (including the Secretary of Environment and Director General of M/PPI) to the seminar, "Innovative Approaches for Protecting Environment," of the INTRADOS/ International Management Group. The program was designed to help policy makers and managers appraise governmental and private sector techniques for environmental management. A supplemental study tour focused on management of parks and estuaries and appropriate technologies for pollution control.

Evaluation reports were positive, but it does not yet appear that the trip significantly advanced policy development. The experience reinforces, at least in me, skepticism about the value of many USAID centrally-funded projects in the environmental field given difficulties many here have in applying generalized lessons to Sri Lanka's needs, and given NAREPP's ability to develop more tailored and cost-effective programs in Sri Lanka.

Environmental seminars/workshops: NAREPP's followup environmental economics educational programs in 1992 focused on a rapid series of seminars, conferences, and workshops in May 1992 (Theo Panayotou, with Piya Abeygunewardena), described by Theo as "murder by seminar." We reached a large number of people in and out of government and, I believe, effectively put to rest notions within NGOs, our university audiences, and our government agencies that environment could be separated from economics.

Some policy results of this effort: A session that Theo and the COP had with Secretary Paskaralingam (M/PPI & M/Finance) resulted in his decision to halt a hazardous waste processing project (which we learned about from discussions with the BOI), and his interest in the economic benefits of scientific and ecotourism as a way to realize Sri Lanka's comparative advantage in biodiversity. (See followup NAREPP memorandum to M/PPI.) Several subsequent speeches of the President, one at EnviroLanka, alluded to nature tourism potential in Sri Lanka.

Followup to the May 1992 program proved difficult, and actions were delayed for several reasons; NAREPP lacked a dedicated institution with which to work or which sought assistance, and then our designated environmental economist had an illness in the family. No environmental economic education programs were held in the fall of 1992.

Material development and training: Development of case materials and related training continued, however. Environmental economics was featured in NAREPP's intensive EIA course, and in late 1992, in cooperation with M/PPI and the universities, we identified four economists (3 university, 1 GSL) to train in environmental economics, help them identify and

develop case studies, and, we hoped, get them ready to participate in the 5 week HIID course in the summer of 1993 (as discussed with Theo in May 1992). A US consultant (Feldman, January 1992) and Piya Abeygunewardena conducted a one-week training program for these economists (and our NAREPP staff research assistant), reviewing their projects and the data and evaluation techniques to be employed. Subsequent workshops (May 1993) with an additional participant followed up on case study progress. Another was held in early June 1993, when we brought in a Sri Lankan expert to explain to our group how to prepare case studies. As a result NAREPP has sent five participants to the US for HIID's environmental economics course.

When they return from HIID we expect (after editing) useful and publishable case studies on the application of environmental economics in Sri Lanka, and a significant enhancement of the cadre of environmental economists in Sri Lanka. Each participant is expected to be called on to help lead and participate in NAREPP training and technical assistance activities thereafter.

Environmental economics masters program at University of Peradeniya: The recent establishment of this program by the university results from strong efforts by Professor Abeygunewardena and others, with critical support, we believe, from NAREPP in supporting student case studies, technical work by faculty, their participation in workshops and training programs, and helping to raise attention in the university and the GSL to the importance of this field of study. The Environmental Economics masters program, along with the newly approved Natural Resources Management masters program, will be established within the Post Graduate Institute of Agriculture.

Environmental policy discussions in our executive retreats: We have held two "Executive Retreats" with high-level GSL officials to discuss the role of M/EPA, management constraints/opportunities, and environmental policy issues (Abramson, September 1992, May 1993). These activities helped M/EPA establish its role, established a better understanding of its issues among government leaders, and shed some light on environmental issues of concern to them. Benefits to M/EPA are such that these programs may continue, but further NAREPP staff and consultant involvement does not appear necessary or worth the considerable cost. The executive retreats did not, and could not, involve sufficient numbers of the highest level decision makers to serve as a policy and policy process development breakthrough.

Conclusions drawn from this experience:

Our work in the environmental policy arena has largely focused on building environmental economics into environmental policy, and vice versa. We have made a good beginning. The university programs and new skills in academia and government vastly increase Sri Lanka's human resources over pre-NAREPP levels. The recent Executive Retreat (May 1993) highlighted how important environmental economics was in the eyes of GSL participants, even those new to the subject. Mid level government staff are highly receptive. It is doubtful that this would have occurred two years ago.

Current direction and recommendations

Some of what we have begun must be continued:

a. **The training/ educational materials developed so far from Sri Lankan experiences are weak and must be strengthened.** They have suffered not only from lack of research and researchers, but also from various endemic production and writing problems. (We await completion of results of 7 environmental case studies that we commissioned in 1992 under Abeygunewardena's program.) The preparation and dissemination of materials should, however, be more easily addressed after completion of the HIID program, so long as we find a good editor/rewriter (a major problem).

b. **Opportunities to bring economics, and environmental economics, into the EIA and project planning/evaluation process can and should be exploited.** We have included several NPD personnel into the June 1993 EIA intensive course and, with some of the changes there and within M/PPI. We may have an opportunity to build a specific program of environmental economics training into NPD project evaluation and planning work, as envisaged in the 1993 work plan. We need to assess with NPD whether and how we might pursue this and what results are realistic to expect.

Questions raised for the second half of our project

A shift in emphasis toward more specific results looks necessary. NAREPP's impacts on the analysis of basic conservation laws and practices (apart the NEA), and our ties with policy making institutions and processes are both weak. Some relatively inexpensive options:

a. **Improve some critical environmental law with environmental economics:** A modest step is our work plan for a late 1993 workshop, possibly with the University of Colombo, to be probing how environmental laws can work more effectively in Sri Lanka through better economic and administrative incentives among other things. No one here has developed practical legal approaches to lack of enforcement, information delivery, and administrative enforcement or compliance incentives that make so many laws unrealistic. **A key opportunity is to build on NAREPP/URI's experience with CCD enforcement problems, because CCD has substantial information.** Soil conservation and forestry might be the other two topics/laws to consider in a workshop.

b. **Establish environmental economics in Sri Lankan "think tanks."** We might work with the Institute of Policy Studies to form an IPS environmental economics program, which can be facilitated by our next COP, with his resource economics background. Despite connections with IPS, we have not explored opportunities for cooperation.

• An ambitious program might seek to build better/clearer government procedures for existing government bodies for establishing environmental policies. But the demand for environmental policy reform at the highest levels is weak, and demands for changes in policy procedures generally looks weaker still. Besides which, we have no client.

So we might seek to focus on one key sectoral environmental/ economic policy topic, seek to apply multidisciplinary analyses (with emphasis on environmental economics) and work with one or two agencies to achieve some environmental policy reforms -- changes in laws, taxes, regulations, or land policies.

One possibility is to concentrate much of our environmental policy program on developing ecotourism and environmental enhancement from and for tourism. If we had strong interest from the GSL or private sector we could focus most of our environmental economic policy work on this topic. It is appealing because:

- this topic integrates NAREPP with biodiversity management (a key USAID NAREPP concern and Sri Lankan interest);
- it is arguably the most dynamic and geographically broad economic force in the country (8 percent of export earnings in 1992, but up 22 percent since 1991);
- NAREPP/IRG has had a continual involvement through various ecotourism activities as well as through the EIA program;
- the Ministry of Tourism has established a master plan (although not yet public) and CTB is thoroughly involved in the EIA process;
- leadership within the tourist sector, Ministry, CTB, private sector, might be interested in working with NAREPP if they think we're receptive;
- there is US (and IRG) as well as regional expertise that NAREPP can bring to bear on tourist issues in Sri Lanka;
- our Sri Lankan environmental economists are interested.

Alternatively, we might focus on industrial policy, but MEIP is already heavily involved, with other donors, and their programs limit NAREPP options in the policy arena.

Or we might take up a larger focus on biological resources (forestry, wildlife) sector, other donors are much involved, and our options and impact appears limited.

As for development of broader environmental economics in the national accounts field, it is unclear what institution would we work with, or what defined, influential outcome we could expect in three more years.

2. ENVIRONMENTAL IMPACT ASSESSMENT

Over the past two years EIA development in Sri Lanka has been almost exclusively handled by NAREPP/IRG because USAID is the donor concerned with EIA support. The depth of involvement, our key role of the EIA in GSL policy and implementation, its importance to democratic processes, made reduction of this program unwise. Moreover, progress in building skills and capabilities within the CEA over the past two years has been considerable and gratifying, despite problems.

Rationale for EIA activities: NAREPP has the basic task of making EIA requirements here practical and influential. Building a sound EIA process requires skills in use of data, application

of interdisciplinary analysis, and cooperation among government agencies. The EIA can be a better management tool for GSL agencies than any they now possess. The NEA also makes the EIA a unique opportunity for the public to participate in economic development decisions affecting the environment.

Even though the EIA is unlikely to be practical for reviewing basic environmental policy directions or sectoral plans it might help Sri Lankans approach policy decisions with more rigor.

Initial Activities: NAREPP's first activities built upon earlier USAID EIA education initiatives, such as the 1990 EIA workshop for government secretaries presided over by Sec. Paskaralingam and the US DCM (Westmore). (These were preceded by a series of USAID EIA programs in the early to mid 1980s.) In 1991 NAREPP sought to enhance GSL (particularly CEA's and the M/LIMD's) effectiveness by (a) building EIA staff confidence, (b) establishing basic EIA concepts and approaches, and (c) developing initial guidance documents.

Initial TA and training depended on US experts. NAREPP used two to provide new training along with interaction with staff to identify their problems and solutions (Smythe, November 1991, and May 1992 with CEA; and Sobczak, February 1992, with M/LIMD).

First study tour: In late 1991 we supported a short US study tour to examine the EIA process for CEA's Chairman, the Secretary of M/LIMD (the single most important environmental management ministry in the GSL). The Secretary of M/EPA could not, at the last moment, get Presidential permission to leave the country. The COP accompanied the visitors in DC and the incoming NAREPP Director of Management and Training in Washington State.

The trip illustrated the benefits and pitfalls of a mature EIA process and helped give the visitors a much clearer picture of what Sri Lanka's program should or should not seek to become. Institutional highlights: attending a public hearing on a proposed project, and learning about the Forest Service NEPA experience.

The study tour's impact was somewhat more limited than intended, however. Unbeknownst to us (until a convivial evening in D.C. early in the tour) the Secretary M/LIMD was soon to be sent to Sri Lanka's US embassy as "DCM." Hence NAREPP (and M/LIMD) did not receive benefits (at least short term) for his study tour; the CEA Chairman lost his planned ally and powerful supporter concerning EIA issues in Sri Lanka, and M/LIMD support for its EIA cell may have been less than otherwise.

EIA training in US, local EIA intensive course, and video: NAREPP sent six university and one agency professionals to a three week course on "Environmental Impact Assessment for Developing Countries" at the University of Tennessee. Participants also visited EPA, World Bank and USAID and returned to Sri Lanka to support the NAREPP 9-day EIA training program. This first EIA training program in Sri Lanka, for over 40 GSL personnel, was led by two US consultants (Davis & Meier).

The course has now been held three times (September 1992, January 1993, and the current course in June 1993), reaching some 120 people and resulting in substantial notebook materials

on EIAs. Each course has improved its emphasis on group development of impact appraisals of and presentations on proposed Sri Lankan hotel, railroad, irrigation, energy, and other projects.

NAREPP also completed and distributed a video on EIAs in Sri Lanka. It is used in training programs, copies have been given to all participating agencies. Efforts to get it televised (all three networks have commercial copies) have proved frustrating but they continue.

Preparation of guidance documents: By mid 1992 we had prepared draft documents believed necessary to support the GSL's EIA program -- training as well as action. NAREPP consultants (Smythe, Tolisano, May 1992) had completed draft documents for CEA on how to prepare TORs, guidance on conduct of the "scoping" process, and a draft questionnaire to obtain information from project proponents.

We very early identified problems getting documents critically reviewed by our GSL counterparts, with drafts or a suggested approaches apt to be taken as the final word, at least until they gained experience and confidence in criticism. Also, what we provided sometimes appeared premature (such as the scoping document), because the GSL staff felt uncomfortable about the basic process and because advanced planning did not appear necessary when the regulations were themselves in doubt.

TA in EIA preparation: CEA and the PAAs welcomed more direct help in applying their training in EIA concepts and approaches to the actual preparation of an EIA document. So, during the last quarter of 1992 and through January 1993 NAREPP's US consultant (Russell) worked with CEA and M/LIMD staff and a group of consultants preparing a hotel EIA to develop a standard simplified format for EIAs and TORs. The EIA format -- which Russell emphasized was simply one way, not **the** way to go -- stressed focus and brevity of documents and emphasis on professional analysis and conclusions. It is being applied with some success, however, by the CEA.

Focus on format and "hands on" interaction with actual EIA preparation appears to have helped:

- CEA's preparation of TORs has been swift and prompt, relieving political pressures militating against use of EIAs.
- At the government's request two US consultants (Taylor and then van Kempen, April/May 1993) helped an EIA team apply our format to a pressing political problem of a proposed mechanized gem mining. We await the Presidential Secretariats's decision on the outcome and the public availability of the document (as per our, USAID's, and CEA's request).
- At the request of the Ministry of Transport, NAREPP's US EIA consultant (Russell, January 1993) worked with the Deputy COP (Siriwardena) to plan preparation of an environmental assessment on a railway in the south. The assessment team's recommendations have been incorporated into the railroad design even before completion of the document. The document has been completed and sent to the Ministry.

On the other hand, the hotel EIA team, although assisted initially by Russell, produced an EIA of singular brevity with significant flaws (e.g. no "no action" alternative) and disregard of the format. NAREPP (DCOP) participated with the EIA review by the M/LIMD.

Building on these practical experiences, we plan a series of training workshops in July 1993 on team management of EIA preparation -- how to manage an EIA, establish the interdisciplinary team, its mode of operation, scheduling and review processes. The topic was included in the EIA intensive training program in June 1993.

EIA and other case studies: The obvious early need for Sri Lankan case studies -- not US, not even other South Asian examples -- for training and public education purposes has proved difficult to satisfy. In late 1991 and early 1992 three Sri Lankan consultants began work on three case studies of economic development projects and how environmental factors were or were not considered.

Results were mixed: some useful information but poorly presented. We found no cost-effective opportunity to put the materials into publishable condition; good writing and good editing is at a premium. However, the initial studies were applied in our study of legal processes and institutional responses to the environmental impacts of economic development projects in Sri Lanka (de Silva, 1993). The three case examples formed the basis of analyses of project decisions with and without the EIA process. The material has proved popular and will be used for the U. of Colombo's environmental law program (supported by NAREPP teacher training), and by the NAREPP EIA intensive training course.

Data and data analysis problems in EIAs: As recognized in the NAREPP design documents, data systems and information networks are weak in Sri Lanka and sound EIA (and pollution management) processes require their improvement. NAREPP's development of the ambient water quality monitoring program with IFS responds to one critical problem identified in *Natural Resources of Sri Lanka*. A current local hire contract (Itagaki) is identifying existing data systems relevant to the EIA process and will assess ways to exchange information among agencies as well as to develop new systems. Action is complicated by the fact that many donors and agencies have been involved in this issue, including IUCN (Forest Department), ADB (LUPPD), MEIP (CEA).

Basic training requirements must be met for how to use information that is available, especially for EIA preparation, namely, how to obtain relevant (and only the relevant) data, how to analyze data and present the analysis, and how to do so when several disciplines must be involved. Pressing needs for improvement in these matters pertains directly to needs NAREPP is addressing in its university program. Universities have a major role in teaching about and practicing interdisciplinary environmental research (see report by Davis, 1993).

EIA regulations: Since NAREPP's outset (and even before) our COP has maintained regular involvement with CEA in reviewing/refining the proposed EIA regulations, along with prodding and encouraging their approval by the GSL (Legal Draftsman, NESG, Cabinet, Parliament). The process has been long, delayed far more than expected or desired, in part because of the complexities of the legal approach taken -- regulations that must list quantifiable thresholds for

specific projects needing an EIA or IEE -- and the novelty and uncertainty of the public review requirements. But at significant points along the way NAREPP has brokered key solutions -- getting the industry, CEA, and NGOs together before the NESC to agree on an approach (February 1992), and helping resolve pressures from hoteliers to ease EIA requirements (January/February 1992).

NAREPP lists these in its newsletter, the only such notice published.

Conclusions drawn from this experience:

On one hand we helped the government make substantial progress.

- Since NAREPP the GSL has continued to prepare EIAs -- 5 now underway and 13 completed since NAREPP began, versus 2-3 before. NAREPP has been involved in about half of these in some way, (and NAREPP's newsletter is the only public listing of EIAs completed or underway).
- The EIA regulations were approved by the Cabinet in late June 1993 and will be published and effective by early July. A modest estimate is that NAREPP speeded this process by at least 6 months, if we were not even more decisive.
- Despite delays caused by GSL failure to implement the EIA regulations, CEA's staff is better organized and trained (all 12 in the EIA/NRM unit have participated in NAREPP's EIA intensive course), and its leadership is increasingly comfortable with the EIA process;
- Public availability of EIAs has been established as the GSL has recently determined to make the Katanayake expressway EIA public, and we await the decision on the gem mining EIA. Under the regulations, EIAs still being prepared will need to be made public, as will all future EIAs.
- Capacity to respond to the EIA is found beyond CEA, in contrast to pre NAREPP conditions. EIA cells have been established in the M/Transport, BOI, and M/LIMD, a small cadre of university professionals/ consultants has been established to prepare EIAs and conduct EIA training, and some 110 people have participated in our intensive course, and hundreds more in shorter seminars.
- EIA draft guidelines have been established for EIA formats, scoping, preliminary information, with revisions and new drafting underway to help PAA's implement the regulations.

But, CEA still needs a separate division for EIA and another on Natural Resources Management (for wetlands and biodiversity and other issues/studies). It has only 3-4 staff on EIA matters and a total of only 12 in the combined EIA/NRM division. (NAREPP has recommended 10 for EIA (with basic job descriptions provided to CEA and M/PPI). CEA's legal office is very weak and now unable to anticipate the legal issues likely to arise under the EIA (and EPL) requirements.

Current direction and recommendation:

Significant changes in our direction are not warranted. Our efforts should be to fine-tune our program, improve our "learning by doing" EIA preparation, refining our training to address key needs of GSL agencies, NGOs, and consultants.

Questions raised for the second half of our project:

- ◆ Should we concentrate more on building CEA skills than on the PAAs, or should we continue efforts to build a half dozen (or fewer?) strong PAAs?

To help CEA, we must do both, but CEA must have a separate EIA Division of at least 10 well before the end of NAREPP, and much stronger legal capacity.

- ◆ Should we establish a specific training program in selecting EIA consultants, managing EIA teams, preparing documents, and so forth, as an addition to our regular short courses?

Our EIA training curriculum will need to change by soliciting and assessing practical demands of CEA, CCD, and other key PAAs, as EIA preparation rapidly accelerates after the regulations take effect.

- ◆ How can we build our EIA "learning by doing" TA more effectively into the EIA training program, specifically by reaching/involving more people in the EIA preparation process?

We must do better on both fronts, and the Koggala EIA program this summer will be a test of that.

- ◆ How should we integrate the university program into the EIA development process in ways that will lead to immediate as well as longer-range results?

We must get our university network people into the preparation of EIAs and into EIA team leadership positions because EIA preparation today is still in the hands of weak consulting or government teams.

- ◆ Should we enlarge our donor coordination activities to include project or regional development and assessment activities supported by donors (including, if possible, the sometimes elusive ADB)?

This would be desirable, but NAREPP staff time is the constraint and it may only be possible if we diminish our pollution-related donor coordination work.

3. POLLUTION PREVENTION

NAREPP/IRG developed this program because pollution licensing was part of the new mandate to CEA under the 1988 NEA amendments and fit into our CEA strengthening mandate. We were also encouraged by USAID to avoid conflicts with NAREPP's SCORE project.

Pollution Prevention Rationale

NAREPP's broad mandate for natural resource management, as outlined in the project paper, quickly put high priority on pollution prevention activities, along with impact assessment, for several practical reasons:

- USAID was developing the SCORE project with major investments in watershed and related agricultural/forestry management components.
- CEA was developing priorities around its most pressing 1988 regulatory requirements for pollution control as well as EIA.
- At the same time, CEA was developing a broad new wetlands management program with the Dutch that was dominating its staff capacity to absorb other natural resource management actions.

NAREPP's environmental pollution program through 1992 was therefore to "establish strong public and private sector policies, strategies, and technical capabilities for pollution prevention/reduction in urban and rural areas, including industrial, agricultural and vehicular pollution."

Initial Activities

Donor Coordination: At the outset NAREPP took the lead among donors in establishing a forum for coordinating the diverse and substantial donor activities in pollution management. Until then there was no apparent coordination from any quarter. Dutch aid, NORAD, World Bank (MEIP and other), UNDP (UNIDO, WHO), among others, provided various kinds of support to CEA. Beginning in the last quarter of 1991 and through most of 1992 NAREPP staff led in helping sort out complementary roles for donors to help CEA in particular, from establishing ambient water quality standards (fishable, swimmable etc.) for key water bodies, to technical assistance for various industries.

NAREPP worked particularly with the Dutch to establish a program for improving the management and skills of the CEA's EPL division management. At the same time, it began with other agencies (M/IST, BOI) to assess opportunities for building pollution prevention into Sri Lanka's industrial development approaches. This work began with assistance from a US consultant in IRG's subcontracting firm, Malcolm Pirnie, Inc. (Sobczak, February 1992).

CEA EPL management: We agreed with CEA to bring a team of US environmental engineers to improve EPL Division management once NAREPP staff (DCOP) had worked with the Division staff for several weeks to identify precise problems. Following our internal review and our confidential staff report to CEA's Chairman, the two Malcolm Pirnie consultants arrived in October 1992, worked with CEA staff over four weeks on complaint response, data keeping, inspection systems, and communication needs, and presented their findings to CEA on low, no-cost management steps to improve work effectiveness in the EPL Division.

Air pollution TA : During the second quarter of 1992 NAREPP staff completed a review of

what was then known about the single most critical air pollution problem -- vehicle pollution. It cooperated with MEIP to bring a US consultant (Walsh, June 1992) to Colombo to assess vehicle air pollution control implementation needs and techniques and to lead the one-week air quality training workshop for GSL personnel. His report identified implementation opportunities and data requirements for improving air quality.

NAREPP also commissioned a 20 minute video on vehicular air pollution ("Something in the Air,") with its one minute version. The video was timed to coincide with a planned major GSL vehicle pollution enforcement campaign, which never quite materialized.

We hoped that the GSL would soon receive the smoke meters ordered from Germany (GTZ program), which were needed to launch such a program, but the tender has been significantly delayed, even now. Other problems: lack of an institutional home for vehicle pollution regulation; poor agency coordination; evident lack of government will to enforce its "smoking vehicle" authority (in contrast to enforcement of helmet and front guard regulations); limited capacity of CEA to take on the issue.

So there has been no "client" for a NAREPP program to serve. Nevertheless, the NAREPP vehicle pollution videos have both been shown regularly on Sri Lankan television.

An immediate result of NAREPP's air pollution consultancy work was NAREPP's commissioning of a study of lead in blood of susceptible Colombo populations (the first such study). It was hoped, and it remains possible, that these data might spur greater appreciation of links between environmental pollution and health -- a link seriously underdeveloped in Sri Lanka -- and that some policy actions on lead in gasoline might result. Study results, delayed by university difficulties, are expected by mid 1993.

Meanwhile the World Bank is supporting a \$25 million Colombo center transport project, with air quality monitoring and CEA training as a part.

NAREPP & MEIP: By the end of 1992 it became apparent that effective CEA and GSL response to the problems NAREPP, and others, had identified with the EPL program required a larger stick and carrot operation than NAREPP alone could provide. Because MEIP was working on its ambitious 10-12 month program to develop an environmental strategy for Colombo (in fact the entire area from Puttalam to Galle) NAREPP worked with MEIP staff to stimulate GSL response to the 1992 Malcolm Pirnie recommendations. MEIP then proposed to locate its long-term staff in CEA, thus giving it informal and formal operational assistance. CEA responded in early 1993 with staff management changes, and M/EPA cabinet action to alleviate complaint loads on staff. Some speed up in licensing actions is apparent. A followup Malcolm Pirnie report (1993) recommends some simple measures to improve efficiency within existing resources.

Pollution prevention initiatives: Two other initiatives in mid 1992 focused on pollution prevention opportunities involving agencies beyond CEA.

We commissioned an industrial siting study, to help BOI, M/IST, as well as CEA work with the private sector to put industrial facilities in appropriate places and to help these agencies develop EIAs (which must be done on industrial estates). The need for industrial siting guidance was recognized by these agencies, reinforced in the fall of 1993 by NAREPP experience in reviewing the Kogalla Industrial site (case study for EIA workshop and Malcolm Pirnie consultant review) -- arguably a better site for tourism than industry. But the industrial siting report became considerably delayed due to difficulties in getting good work from all members of the Sri Lankan team, the complexity of and confusion surrounding the legal responsibilities of agencies, and evolving questions, including our own, about how to conceptualize the approach and how to present findings. We seem to have arrived at a solution and the report will be completed in June 1993.

NAREPP has publicized hazardous waste management as another key issue requiring GSL and private preventative action. Although hazardous waste problems are not yet severe in Sri Lanka they can become so unless several steps are taken, including basic data gathering and monitoring. We thought that with modest effort we might highlight ways for Sri Lanka to keep a still minor problem from getting worse. NAREPP's staff researcher began preparation of a background report, which underwent various agency reviews into 1993. (It will be distributed in June, 1993). A Malcolm Pirnie review of the hospital waste issue is being sent to Colombo and other hospitals. NAREPP also organized a hazardous waste workshop -- surprisingly Sri Lanka's first.

In early 1993 MEIP's program matured and NAREPP was alerted to its significantly larger pollution prevention plans. These now embrace actions for environmental regulation, incentive policies, industrial siting, hazardous waste, among others. NAREPP has helped MEIP's staff follow up on NAREPP reports, but MEIP's strong presence in the pollution field, and the still unknown impacts of its recommendations, inhibit much NAREPP action in the regulatory and policy arena over the next 12 months.

Environmental audits: Beginning in the last quarter of 1992, however, NAREPP took on a role with the private sector in pollution prevention by explaining the benefits of environmental audits in university and industry workshops (two Malcolm Pirnie consultants). We then conducted 6 plant audits with a team of 6 Sri Lankan engineers in March 1993 (two MP consultants) in cooperation with USAID's TIPS. The purpose: to create a demand for such audits, and a supply of Sri Lankan environmental engineers to conduct them. NAREPP will conduct several more audits in 1993, prepare a protocol for their conduct, and work with the Chamber of Industries in promoting them. Seminars and workshops with the University of Moratuwa's Engineering Department will augment the program. (Our environmental audit report was disseminated in June, 1993.)

Conclusions drawn from this experience:

- ◆ NAREPP has helped CEA's EPL Division speed up licensing actions and address some of its key problems when it badly needed support and technical assistance. We have helped maintain staff morale in the process, while providing concrete definitions of the management problem and workable solutions.

- ◆ Our donor coordination leadership has rationalized donor procurement of equipment, planning, and provision of TA under a comprehensive/coordinated approach to basic pollution control requirements of the GSL. Donor programs appear to be working far more smoothly, and in a more clearly complementary fashion than a year ago. (NAREPP evaluators should meet with some of the donor representatives.)
- ◆ Cooperation with the Dutch, and most recently with MEIP has been fruitful, and NAREPP initiatives concerning CEA's EPL, industrial siting, and hazardous waste management will be taken up from where we left off.
- ◆ Policy impacts on industrial development directions have been limited largely to our work on EIAs, which so far have come after key industrial location decisions. Other policy impacts are not evident (although we helped the GSL head off an investment in hazardous waste import and treatment).

Current direction and recommendation: Unlike the EIA program, NAREPP/IRG has been one of several actors in the industrial pollution field. Our involvement over the next few years promises to be considerably less than that of MEIP. Over the next 12 months the MEIP team in residence in CEA will be engaged in developing a good environmental pollution data base, laboratory certification, new policy initiatives, incentive systems for industry, and following through with our report on CEA's EPL Division. NAREPP may need to pick up again after the MEIP consulting team leaves CEA in February 1994 to assess progress and keep a few key actions going.

The single area where we have a particular niche at the moment concerns the private sector environmental audits. Given the USAID interest in the EP3 and USAEP programs these are additional reasons for us to stay involved in the private sector environmental audit field. The momentum already established, the consulting skills and experience we have at hand, and the interest in our program from elements in the private sector, suggest that we maintain a strong audit program as envisaged in the 1993 work plan. After that there are several options.

Questions raised for the second half of our project:

- ◆ Work with MEIP to fit the environmental audit protocol and training experience into the larger MEIP program for a training and technical waste minimization center at the University of Moratua?

We could provide continued training in the conduct of industrial audits over the remainder of NAREPP and help ensure that the private sector consultants receive the best possible on-the-job experience. Our Malcolm Pirnie consultants are probably the best possible trainers.

- ◆ Continue developing the audit experience, technical analyses and look for ways to link this program with establishment of an environmental pollution prevention technical information center (computer linked with US data systems)?

Opportunities to link our pollution prevention work to US pollution control hardware technology appear dim, but links to US computer information sources may be promising.

- ◆ Continue our ongoing programs of donor coordination, periodic monitoring of CEA EPL improvement efforts?

The frequency of this effort, and our leadership role, can change. MEIP and CEA can take a stronger role, and NAREPP can be host/organizer.

- ◆ Phase out the pollution prevention program in light of increased MEIP involvement over the next 12 months or develop a new program in cooperation with the MEIP following completion of their Environmental Strategy?

Given the interest of the private sector in this program, and the importance of this niche in the GSL's overall pollution approach, dropping out does not appear useful.

- ◆ Carve out a new public sector role with BOI and M/IST (industrial site development planning) building on our industrial siting study (and staying out of MEIP's way)?

While this is possible, MEIP is broad, and, in any event, we are trying not to spread ourselves too thin. We can stay involved with M/IST and BOI through the EIA process as it affects industrial estates (e.g. tannery relocation and Koggala).

- ◆ Develop a program for training local authorities in management of pollution, including review of low polluting industrial applications, and working with other donors with the necessary large funds to tackle this requirement?

We have helped the NW Provincial Council work with M/EPA and the CEA on mutual needs for a better balance between local and central pollution control responsibilities. But a major training role for local authorities, while needed, is better undertaken within the SLIDA and not under NAREPP; it is a vast need and results will be very long in coming. (It took years for states to assume this role, but they at least had staff and a clear government.)

4. NAREPP TRAINING, UNIVERSITY, AND MANAGEMENT SUPPORT PROGRAMS

These programs support the long- and short-term institution- building goals of NAREPP, and they have been well integrated with our environmental policy, EIA, and pollution prevention components. Notes on these programs (prepared by Ed Scott and Ari Hewege) are attached which explain the successes and issues arising from these programs. A few supplementary comments:

- ◆ The NAREPP Evaluation Team should find significant support for NAREPP's work within universities, who have benefitted substantially from our TA, contract support, training programs, scholarships, and constant moral support.

An underlying concern is that the GSL is not investing adequately in its universities, and that investments have declined on a real, and certainly on a per capita basis. We shall take a closer look at this situation, and can only highlight it, but it may mean that NAREPP's support is poorly reciprocated by the GSL. If that is the case, and if no other donor support is forthcoming, NAREPP's efforts will not result in sustainable university environmental programs.

◆ Training programs have far exceeded our numerical goals, and we are entering into the phase where we must ensure that key training is sustained by other existing institutions, including SLIDA and the universities. Work toward that result has dominated our approach from the very beginning, and the EIA intensive course is already relying on Sri Lankan university leadership.

Training of trainers will need to accelerate along with the development of substantial teaching material.

Participant training abroad has shown most success when tied closely to specific needs (e.g. training of trainers) of NAREPP.

◆ Our management activities have contributed substantially to resolving issues between CEA and M/EPA, where responsibilities and relationships were murky, understanding of management problems of the DWLC (with severe weaknesses throughout), helping CEA determine how to improve its salary structure, and (through subject-matter TA) to improved efficiency within the CEA's EPL program.

Perception of management weaknesses, like policy making weaknesses, is often poor within our GSL agencies, but basic management problems are endemic and beyond our resources to address. (See World Bank Administrative Reform Committee reports in 1986-7.) We can, however, focus on narrower problems where we might make substantial difference in the performance of our key agencies. Basic nuts and bolts management problems facing the CEA, CCD, M/EPA, for example, keep their efficiency down. They need management and leadership training in how to set an agenda for a meeting, how to run a meeting, how to monitor progress, how to reward progress, how and when to delegate responsibilities, how to structure staff divisions, how to handle routine paperwork (and complaints), and so forth.

On another level CCD, like CEA, needs to know how to manage its permit program, establish data systems, delegate. Both CEA and CCD face major problems in trying to manage devolution of certain functions to local authorities, who themselves lack management skills.

Specific management training programs, targeted on specific issues for our key agencies, and making maximum use of Sri Lankan management consulting expertise, should be able to remove some troublesome management/administrative barriers and achieve significant, demonstrable results.

June 1993 (Scott/Hewege)

TRAINING

- ◆ Training activities have gone very well todate, especially in terms of numbers of participants and workshops. We have presented 38 programs in a wide variety of areas. Over 1191 participants have been involved. The variety of programs and participant cross sections has also been generally good. There are some noticeable gaps in the training programs especially in the area of environmental policy.
- ◆ While the people involved in the training programs provide a good basis for a professional net work over the long term, the short term impact is less than we hoped. Most senior people are already overloaded and are assigned environmental responsibilities as an extra task with no benefits. This is a particular problem in developing EIA cells. If MEPA does provide payment for meetings or honorariums as per verbal agreements, this problem may be resolved in the short term. Another problem in obtaining the level of impact we require is the difficulty in properly sequencing the types (and contents) of training programs. A program must be established in a sequence which runs from transferring/establishing information and awareness through knowledge, skills, attitudes and finally (and most importantly) performance behaviors. Better sequencing has been beyond our grasp, since the GSL agencies, USAID and NAREPP have not yet established a solid consensus for the specific technical areas and steps to be covered. The interim evaluation and a move to a dynamic consultative/participative approach with clients will help to address (and hopefully resolve) this problem.
- ◆ Participant training has not yet been as active or effective as we hoped. Until recently there has not been unity of perception between, GSL and NAREPP regarding the uses of participant training programs on the selection procedures for participants most likely to provide a "pay back". The best of these participant programs was the EIA program in Tennessee which served a specific development purpose. The trainees have been very active in supporting EIA training in Sri Lanka. The URI Thailand Coastal Management Program and the INTRODOS Intensive Environmental Policy Program have been much less useful. Participant selection for INTRODOS appears to have fulfilled government overseas training goals which are geared to seniority and perquisites than impact. The early agreement regarding program and participant selection obtained in the newly formed NAREPP training committee will help resolve problems in this area.
- ◆ Building a sustainable local capability for NAREPP training is in the early stages, but is going very well. It is clear that the EIA training in particular is on firm ground with the take over of the Intensive EIA course by local instructors and absorption of these activities into university centers. We now have approximately 20 people involved in coordinating and instructing in the EIA training. We would like to have at least 60 over the next 2 years. The overall mechanism for the transition of training to local capability

is the university program described below.

UNIVERSITY PROGRAMS

- ◆ Our most successful activity in building a sustainable basis for the NAREPP investments has been the university development work. This effort is highly appreciated by our Sri Lankan clients who feel that they "own" the program and by USAID which use the activity as a Sri Lankan success story in reports to Washington.
- ◆ The program focuses on 4 universities and 8 faculties with coordination by the UGC. (A program summary can be obtained from documents in our files which are reflected in the NAREPP Work Plan). Four new programs have been initiated already due to NAREPP intervention. An Environmental Engineering Masters Degree has been created at Moratuwa University on the basis of an earlier diploma program. The Center for Environmental Studies (multi disciplinary) has been created at Peradeniya University to introduce and coordinate environmental programs at both undergraduate and graduate levels. Two new Masters Degree programs in Natural Resource Management and Environmental Economics have just been approved by the Senate to be created within the Post Graduate Institute of Agriculture at Peradeniya. A Wildlife Management Certificate program is under way at the Open University. A variety of workshops have already been presented by the Universities. Other short courses and degree programs will be initiated during the next 12 months.
- ◆ NAREPP efforts focus on building programs, curriculum, teaching materials and teaching capability for NAREPP priority short courses and regular academic programs. The development of multi disciplinary studies and research is an emphasis of our work and is critical to environmental analysis and management. Prior to NAREPP's intervention, there was no multi disciplinary activity in Sri Lanka.
- ◆ The NAREPP effort involves a scholarships program which provides 40 - 50 Masters scholarships each year in NAREPP priority areas. In addition to increasing the number of Environmental professionals, this mechanism strengthens our ability to influence the quality of professional preparation of our scholars as well as others in the Masters program by increasing emphasis on applied skills. In addition to building curriculums with greater emphasis on applied skills, these students will be involved in NAREPP professional training activities. An example of how we are strengthening professional skills is our introduction of the field work/research project component of the Masters program which will create multi disciplinary teams of students working under the direction of university Professors in field projects which address the specific environmental needs of agencies and directly support NEAP priorities.
- ◆ Even though this program is in its early stages, the signs of sustainability over the long term are already evident. Most importantly, the interaction between universities has been very productive. The levels of enthusiasm and commitment from both universities and other agency personnel are very clear. The sense of ownership which has been established among participating personnel is strong and growing.

- ◆ The financial stability of the NAREPP initiated programs is strengthening rapidly. Even though our own funds are very limited, we saw ourselves as catalysts in the development process. We work with our colleagues on the basis that our investment will help create visibility and creditability which will attract other national and international funding. This is clearly working. The World Bank is actively developing a \$ 10 Million program in environmental engineering and pollution control with Moratuwa University. The Center for Environmental Studies at Peradeniya has already obtained 2 additional contracts. Donors, particularly the World Bank, are actively discussing future investments in the Masters Program in Environmental Economics at PGIA. The Open University has already begun offering NAREPP developed course on a fee basis and is slowly building a financial reserve.
- ◆ Constraints in this area include the limited funds we have to contribute (approximately US \$ 400,000), the complexity of university politics, and the extensive periods during which universities have been closed due to strikes. The very narrow disciplinary approach which characterizes Sri Lankan universities is perhaps the most important stumbling block to long term success. We believe that our approach to working with the universities will enable us to successfully overcome the constraints. We have been encouraging our colleagues to work within their systems and adapt our mutual interests and inputs to their constraints. We have been careful to allow them the time required for this process and have supported them with visits, letters, and front end commitments of goods and technical assistance.
- ◆ Our future work with the Universities should continue along current lines and as presented in the NAREPP Work Plan. We want to involve other donors and national agencies in our work and direct additional resources to this developing network. The recently completed report received from Craig Davis validates the elements of our program and provides suggestions for additional investment which might be obtained from USAID should they decide to invest further in this activity. We feel that the most likely source for additional financial support will be from other donors.

MANAGEMENT

- ◆ Our management work was slow in getting started, but is now beginning to yield visible results. We are geared to building the capabilities of our key agencies (particularly MEPA and CEA) which will conduct the environmental work in the future (Institution Building).
- ◆ We feel that institution building is the most critical aspect of NAREPP. Working with specialty tasks such as EIA or environmental economics without building the home organizations will not yield sustainable results. Whatever technical specialties, we or other donors might wish to introduce cannot be successful if the implementing agency is not adequately organized and resourced. An extreme example of this problem is the DWLC which is due to receive extensive technical and scientific assistance from USAID and FAO but which cannot respond to most basic organizational requirements such as staff travel, operating budgets, internal communication etc.
- ◆ We have not yet begun to address the institutional needs of parallel agencies/PAA's such as CEB, BOI, CTB, LANDS Ministry etc. (except for limited procurements). Operating Procedures and roles and needs for the future have not yet been sufficiently defined from the point of view of the clients due to the lack of regulations and ensuing procedural directives.
- ◆ Management initiatives to this point have included both broad scale institutional building activities such as the Executive Retreat as well as agency specific tasks. The Executive Retreats have served to identify opportunities and constraints at the environmental network level, define goals, objectives and priorities and establish consensual action plans for organization and network improvement. The Retreat mechanism has also served to identify specific opportunities for NAREPP intervention at the organization level. Examples of specific interventions coming from the Retreats are the performance improvement programs for CEA and DWLC, and studies of salary scales and cadre requirements which CEA and MEPA needed to obtain the bare necessities through GSL channels.
- ◆ Signs of success in our management work are becoming invisible, particularly within CEA, where management improvements have led to improved delegation, better staff organization, established priorities, improved internal communication, documents and plans for improvement of staff salaries and personal benefits, and increased CEA out reach.
- ◆ CEA and MEPA have benefitted from our interventions by clarifying roles and relationships between themselves and within the network and reducing conflict between certain units of this organization. These 2 organizations have established revised mission statements and goals and objectives and have established operational priorities which are beginning to guide the daily activities of the organization.

- ◆ Our management analysis work with the DWLC is nearing completion and will serve as a basis for rebuilding the institution which has been neglected, in the management sense, for the past 20 years. The participative approach used in this work has visibly improved consensus and staff ownership of the outcomes, thereby enhancing the likelihood of success. The recently completed performance improvement program with DWLC provided action plans for immediate improvements and also set a new mission statement including goals and objectives.

- ◆ The major constraint experienced in our management work has been the fact that GSL staff have been slow to recognize performance problems. The unproductive situations in which they work have been neglected for such long periods that they were viewed as "normal". CEA management problems have not been addressed for the past 10 years, while senior management has changed every 18 months to 2 years. There has been no organization intervention in DWLC in 20 years, while they have had 14 different directors lasting not more than 2 years, and have operated under 4 ministries. Another limitation to the management work is the fact that the GSL, USAID and NAREPP have not yet defined the role of institutional development in the project, the way in which the issue would be addressed, and the level of financing which should be devoted to this area. In the future GSL, USAID and NAREPP should establish a consensus with operational guidelines regarding institutional strengthening. We should agree on the approach, the definition of the term, and establish a clear program to move from the present circumstances to our goal of fully capable organizations. We should also emphasize client consultation and participation in our efforts. As seen in the DWLC, CEA and Retreat activities, this type of approach leads to effective client involvement.

- ◆ During the next 6 months, we should move ahead with the management skills, workshops and the management consultancies identified in recent workshops.