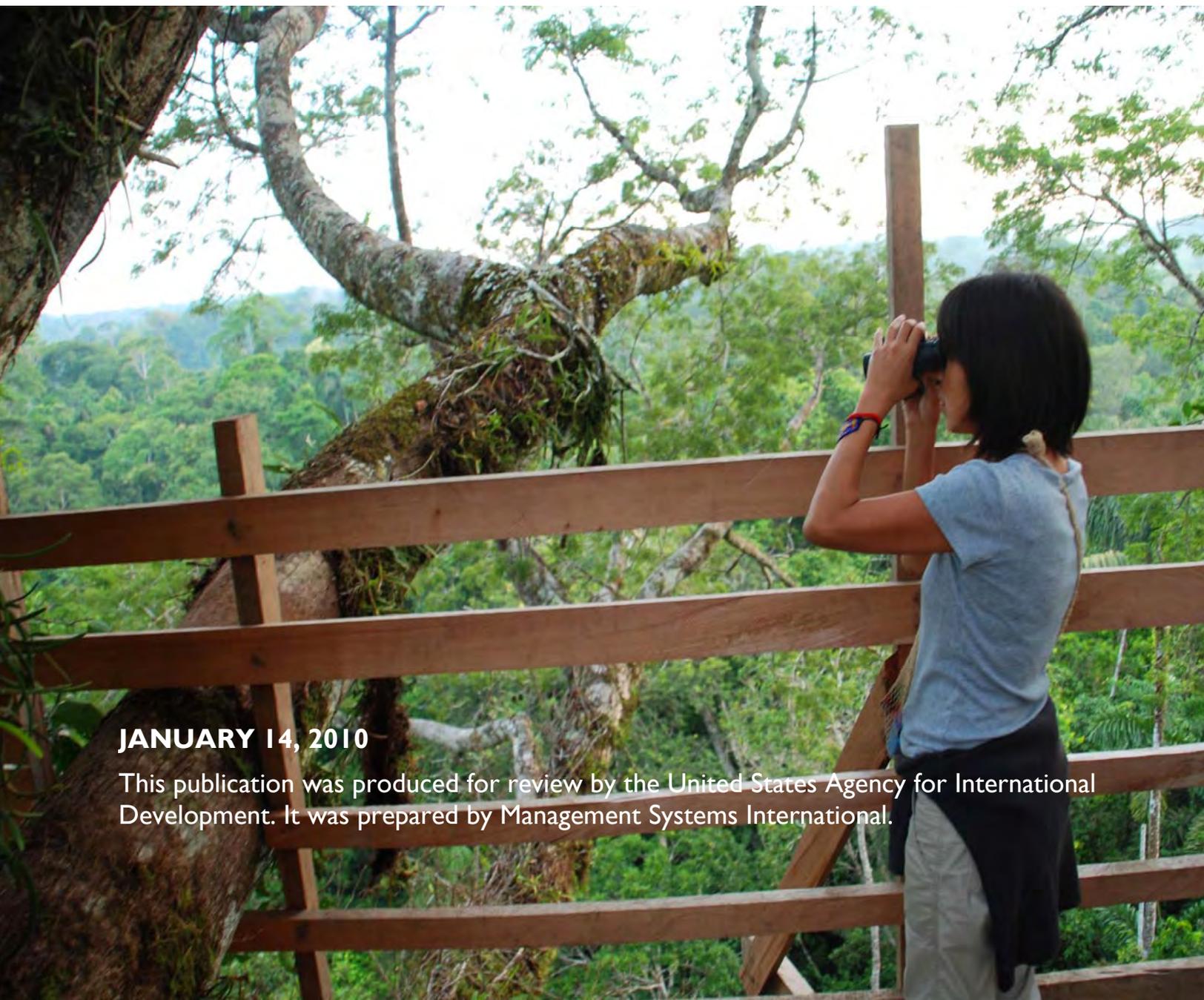




USAID
FROM THE AMERICAN PEOPLE

FINAL REPORT FOR THE ICAA MID-TERM ASSESSMENT



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Final Report for the ICAA Mid-Term Assessment



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Mid-Term Assessment of the Initiative for Conservation in the Andean Amazon for
USAID/LAC/RSD/Environment

DISCLAIMER

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

Cover Photo Credit: Assessment Team member Scott Lampman

Cover Photo Caption: Tourism in a community-owned lodge in Ecuador

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More broadly, we appreciate, from personal experience, how difficult it is to have one's very hard work be subject to someone else's scrutiny. It can sometimes feel like having a distant (and not particularly loved) spinster aunt visit for the weekend and start telling you how to raise your children. We hope that encouraging implementing partners and USAID to participate as active members of the process helped relieve some of this anxiety and tension. We *know* it dramatically improved the product.

We hope this product will be of use to USAID and implementing partners as they move forward on their critical Mission to conserve the Amazon's rapidly disappearing biodiversity.

ACRONYMS

ABCI	Amazon Basin Conservation Initiative
ACCA	Asociación para la Conservación de la Cuenca Amazónica (Association for Conservation in the Amazon Basin)
ACTO	Amazon Cooperation Treaty Organization
AED	Academy for Educational Development
ACA	Amazon Conservation Association
AOTR	Agreement Officer's Technical Representative
ASCART	Asociación de Castañeros de la Reserva Nacional Tambopata
C&D	Conservación y Desarrollo (Conservation and Development)
CAF	Corporación Andina de Fomento (Andean Corporation for Development)
CAN	Comunidad Andina de Naciones (Community of Andean Nations)
CIPTA	Consejo Indígena del Pueblo Tacana (Indigenous Council of the Tacana People)
COICA	Coordinadora de las Organizaciones Indígenas de la Cuenca Amazónica (Coordinator of Indigenous Organizations of the Amazon Basin)
COP	Chief of Party
COTR	Contracting Officer's Technical Representative
FEINCE	Federación Indígena de la Nacionalidad Cofán del Ecuador (Indigenous Federation of the Cofán Nationality of Ecuador)
FENAMAD	Federación Nativa del Río Madre de Dios y Afluentes (Native Federation of the Madre de Dios River and its Tributaries)
FONDAM	Fondo de las Américas del Peru (Fund for the Americas, Peru)
FN	Fundación Natura (Nature Foundation)
FSC	Fundación para la Supervivencia del Pueblo Cofán (Foundation for the Cofán People's Survival)
FSN	Foreign Service National
FY	Fiscal year
GOREMAD	Madre de Dios Regional Government
IBC	Instituto Bien Común (Peru) (Institute for the Common Good)
ICAA	Initiative for Conservation in the Andean Amazon
IL	Indigenous Landscapes Consortium

IR	Intermediate Result
IRG	International Resources Group
ISU	ICAA Support Unit
LNGO	Local non-governmental organization
M&E	Monitoring and evaluation
MAP	Madre de Dios – Acre – Pando Initiative
MTNLP	<i>Mancomunidad</i> of Tropical Northern La Paz
MMCC	Madidi-Manu Conservation Complex
M-P	Madre de Dios-Pando Consortium
MSI	Management Systems International
NGO	Non-governmental organization
PES	Payment for Ecosystem Services
PEMD	Proyecto Especial Madre de Dios (Madre de Dios Special Project)
PMP	Performance Monitoring Plan
POC	Point of Contact
PPA	Public/Private Alliances
PPD	Programa de Pequeñas Donaciones (Small Grants Program)
PUMA	Fundación Protección y Uso Sostenible del Medio Ambiente (Foundation for the Protection and Sustainable Use of the Environment)
RA	Rainforest Alliance
REDD	Reduced Emissions from Deforestation and Forest Degradation
RFA	Request for Assistance
RFP	Request for Proposal
SI	Social Impact, Inc.
SL	Sustainable Livelihoods Consortium
SOW	Scope of Work
SPDA	Sociedad Peruana de Derecho Ambiental (Peruvian Society for Environmental Law)
TA	Technical Assistance
TCO	Territorios Comunitarios de Origen (term used in Bolivia to refer to indigenous territories)
TNC	The Nature Conservancy

UF	University of Florida
UNAMAD	Universidad Nacional Amazónica de Madre de Dios (National Amazonian University of Madre de Dios)
UAP	Universidad Amazónica de Pando (Amazonian University of Pando)
USAID	United States Agency for International Development
USAID/LAC	USAID's Latin America and Caribbean Bureau
USNGO	U.S. non-governmental organization (also called USPVOs)
USG	United States Government
WCS	Wildlife Conservation Society
WHRC	Woods Hole Research Center

EXECUTIVE SUMMARY

USAID's Initiative for Conservation in the Andean Amazon (ICAA) is a five-year program (2006-2011) that brings together the efforts of 20 public and private organizations currently working in the Amazon regions of Bolivia, Colombia, Ecuador, and Peru, with the intended five-year result of "Amazonian networks and institutions strengthened to improve conservation." ICAA is implemented in the field through four Implementing Consortia. A contractor-led consortium serves as the ICAA Support Unit (ISU). Nineteen months after the program began in October 2006, after considerable discussion, USAID acquiesced to the Government of Brazil's demand that activities in Brazil be implemented bilaterally. In June 2008 the scope of ICAA activities was reduced to Ecuador, Peru, Bolivia, and very limited activities in Colombia. This disruption was quite costly as it depleted the capabilities of some of the consortia, and reduced the overall impact of the initiative.

This collaborative mid-term assessment of ICAA included three months of field work between August and October 2009. At that point, having completed 60 percent of the project time period, all funds had been obligated, with 47 percent already expended. The Assessment Team examined ICAA's performance, its management structure, its design, and future funding options. The latter is discussed in a separate document.

With little more than a year of ICAA on-the-ground implementation experience when field work for the assessment began, and due to uneven consortia monitoring and reporting practices, it was not possible for the Assessment Team to report on the impact of the consortia. However, two of the four field consortia, Madidi-Manu Conservation Complex (MMCC) and Indigenous Landscapes (IL), appear to be performing satisfactorily and are producing outputs that are likely to show significant results over time. The performance to date and likely future impact of the other two consortia, Sustainable Livelihoods (SL) and Madre de Dios-Pando (M-P), are not as encouraging. Overall, USAID has had only modest return for the \$15.6 million and considerable labor it has invested to date.

Despite ambitions to have a regional impact on conserving Amazonian biodiversity, ICAA funding is only a little more than \$6.6 million annually. These funds are diluted among 21 organizations working in four countries, with most consortia working independent of each other and in different geographic areas. A significant portion of the funds go to ICAA's support mechanism, which highlights the transaction costs of this design. These many moving parts were designed to be managed by three staffers (currently only 1-1/2) from USAID/Washington, with part-time FSN Points of Contact (POCs) coordinating within the four USAID participating Missions.

The Assessment Team was impressed by the commitment and hard work of USAID and implementer staff in the US and South America. Some significant progress has been made on the ground and in learning more about how a regional program can succeed. However, flaws in the design of ICAA have constrained progress. At present, ICAA is a centrally-managed regional program trying to juggle a great number of national activities that have been packaged as regional programs in order to meet the requirements of the original program design. Simply put, ICAA would do better as a regional program – including Brazil – that supports and coordinates bilateral conservation projects that are strategically designed to have a geographically-focused regional impact working in partnership with indigenous communities. The program should take advantage of USAID's unique Mission infrastructure to enable the Missions to do the ground work. ICAA managers would be utilized to help the Missions to agree upon – and adhere to – coherent regional strategies as well as provide key technical assistance, pilot testing, research support and information sharing efforts among USAID-funded implementers in the region. There may remain cases where truly regional interventions need to be managed from Washington. But these should be few.

USAID could immediately begin to move towards this new vision, in anticipation of follow-on funding for regional work in the Amazon. A useful first step would be a rapid strategic planning exercise to determine the focus of any follow-on to ICAA and how the current ICAA could be modified incrementally to lead to that vision. The effort could be informed by the process followed in the Assessment Team's visit to Colombia, where ICAA/Washington staff worked with Mission staff to find the critical overlap between Mission priorities and regional conservation needs. ICAA should begin to provide the kind of technical assistance, regional advocacy, pilot testing, and analysis suggested in this assessment as being appropriate for a regional program. Consistent with its regional role of adding value to local activities, ICAA should also immediately begin to vigorously assist consortia in responding to both the opportunities and threats represented by REDD (Reduced Emissions from Deforestation and Forest Degradation). ICAA should also reconsider some of the basic conservation assumptions as described in this report, in order to inform future programming decisions. If ICAA were to adopt a "lighter" stance on regional implementation vis-à-vis strategic coordination and the facilitation of field work, as recommended by the Assessment Team, it may also soon be able to begin to work productively with USAID-funded conservation activities in Brazil.

A separate report was provided only to USAID that provides recommendations for consideration regarding possible follow-on activities to ICAA, as required by the Scope of Work for this Assessment.

I. INTRODUCTION¹

I.1 REPORT FORMAT

Chapter 1 of this report begins by describing how services to execute the Initiative for Conservation in the Andean Amazon (ICAA) were procured and what changes have since occurred that are relevant in assessing ICAA progress. This chapter concludes with descriptions of the purpose and methodology of the ICAA assessment.

The next four chapters present findings, conclusions, and recommendations based on the assessment's review of experience to date:

- *Chapter 2* discusses performance to date, both ICAA-wide (*Section 2.1*) and among the consortia responsible for field implementation (*Section 2.2*)
- *Chapter 3* considers ICAA management and structure, examining the dynamics of the consortium model (*Sections 3.1* and *3.2*), the use of basic project management systems (*Section 3.3*), USAID management of ICAA (*Section 3.4*), and issues related to ICAA coordination and grants management (*Section 3.5*)
- *Chapter 4* covers strategy and structure by focusing on ICAA's design and procurement approaches (*Section 4.1*), how to balance regional and bilateral concerns (*Section 4.2*), governance in conservation (*Section 4.3*), working with indigenous partners (*Section 4.4*) and strategic opportunities and constraints (*Section 4.5*)
- *Chapter 5* presents recommendations for the ICAA program

Chapters 2 through 4 each begin with a discussion of Findings, organized as detailed above. These findings are meant to incorporate facts and observations from the Assessment Team into the analysis. The Assessment Team's Conclusions drawn from those findings are presented at the end of each chapter, and include a bracketed section at the end of each numbered Conclusion that references the Findings and/or Conclusions on which the determination is based. All Conclusions in this report are based on one or more Finding and/or related Conclusion.

Chapter 5 presents Recommendations for the ICAA program, which are based on Findings and/or Conclusions from prior chapters. Since the chapter headings are somewhat arbitrary, some Findings, Conclusions, and Recommendations will apply to more than one chapter.

While this format can be somewhat tedious to read, it is intended to be as transparent as possible. In the draft stage of the report, readers are encouraged to indicate any factual errors or question the analysis and conclusions. Obviously, it is up to consortia and USAID to decide how to use this analysis in practice to modify implementation. The Assessment Team's recommendations are intended to spark a discussion in that regard.

The report does not have to be read from beginning to end. After reading the Executive Summary, some may find it more beneficial to begin with the recommendations in *Chapter 5*, then read the sections and text boxes in *Chapters 2 through 4* that they find of interest.

¹ This report was contracted under USAID's Integrated Managing for Results II contract (# GS-23-F-8012H RAN-M-00-04-00049-00)

A critical foundation of the analysis is the work completed to date by ICAA-funded consortia in the field. Annexes I-V present analyses of each consortium on Performance, Management and Structure, and Strategy and Design. A guide to the format of those sections is found in the *Guide to Annexes I through V*, located between the end of the report and beginning of the Annexes

ICAA is a very institutionally dense program, and future regional Amazon programs are likely to retain this characteristic. In fact, follow-on efforts may incorporate even more organizations, if some of this report's recommendations are implemented. Obtaining synergies in the complex array of inter-institutional relationships inherent in such a program requires active management and marshalling of particular skills, structures, and systems. Accordingly, interspersed throughout the report are Relationship Management Excellence text boxes describing current successful practices among consortia and USAID operating units that can provide an example of useful approaches that could be adopted elsewhere in ICAA now and should be integrated into any follow-on regional efforts.

As noted in the Scope of Work (Annex VII), the Assessment Team was also asked to make recommendations for future funding. To avoid mixing procurement-sensitive information with programmatic analysis, this will be provided to USAID in a separate document.

1.2 ICAA BACKGROUND

The Amazon Basin contains the world's largest intact tropical moist forest and is home to hundreds of surviving indigenous groups whose cultural and economic ways of life have evolved in adaptation to Amazon conditions over thousands of years. Population increases as well as continuing conflicts with non-indigenous settlers, agribusiness, extractive industries, and infrastructure projects threaten to completely transform the Amazon and the social and environmental context in which indigenous peoples live. The US Congress has long expressed its concern about the rapid loss of the world's biological and cultural diversity, and has encouraged USAID to support projects that address these threats.

Responding to a 2004 Congressional directive requesting USAID to support conservation of biodiversity in collaboration with indigenous peoples in Amazonia, USAID's Latin America and Caribbean Bureau (USAID/LAC) developed an Amazonian Strategy, entitled *Conserving Biodiversity in the Amazon Basin: Context and Opportunities for USAID*.² With continued Congressional support, USAID/LAC designed ABCI (the Amazon Basin Conservation Initiative) in 2005, with the final concept paper for a five-year \$50 million project approved by Congress and published in February 2006. Subsequently, ABCI activities outside Brazil split into a separate regional project called ICAA (Initiative for Conservation in the Andean Amazon). This document focuses on the ICAA portion of ABCI.

ABCI was designed to incorporate community groups, governments, and public and private organizations as "partners", following a practice used by the Congo Basin Forest Partnership. Partners were sought via a Request for Assistance (RFA), a procurement mechanism particularly targeted to attract interest from non-governmental organizations. Proposals were sought from consortia "that impact an area or areas that are large enough to support ecosystem functions and that

² The strategy recommended three potential opportunities: (1) Harnessing markets to improve production standards; (2) Strengthening regional cooperation and communication; and (3) Strengthening the governance skills of local communities, particularly indigenous communities. It also notes that the latter will likely require several years to show significant results, but has enormous potential to protect biodiversity while improving livelihoods. The Assessment Team's review of ICAA implementation experience with Opportunity 1 (see Annex IV) questions the effectiveness of this possibility and also does not recommend pursuing Opportunity 2 (see Conclusion 4K). This report enthusiastically endorses Opportunity 3 (see Recommendation R 13).

include a relevant array of resource uses and legal designations (e.g. indigenous territory, protected area, private land, communal property, etc.)." (ABCI Concept paper, p. 5). Consortia were supposed to address geographic areas or themes connected to specific locations. The vision of the Concept Paper was that "USAID will select a set of consortia ... that present a comprehensive set of approaches, partners and learning opportunities whose sum is greater than the parts." (p.7)

In addition, ABCI was designed to include "a region-wide program component that will facilitate overall implementation of the program and support collaborative conservation efforts with the consortia and other stakeholders...this component of ABCI will be able to support the multiple-scale interventions needed to promote comprehensive responses to transnational threats such as illegal logging, wildlife trade, fire, the downstream effects of soil and water contamination, and habitat conversion." Specific ABCI activities were to be "determined by the competitive process used to select ABCI activities and partners. The innovation and creativity of this process will shape the outcomes and results of interventions, which USAID and its partners will jointly design during ABCI's first year of implementation." (p.7)

The RFA was issued on February 24, 2006, with proposals accepted until April 19, 2006. Cooperative Agreements were offered to lead organizations in the consortia, and these institutions would in turn develop sub-agreements with other proposed consortia members. The RFP for the secretariat contract was issued on March 20, 2006, and closed on May 1, 2006. Consortia selected for the work that became ICAA were led by Wildlife Conservation Society (WCS), University of Florida (UF), The Nature Conservancy (TNC), and Rainforest Alliance (RA) (see Table 1 below). The secretariat consortium was led by International Resources Group (IRG). Agreements were signed and initial funding was disbursed by September 30, 2006 (the end of Fiscal Year 2006). The ICAA part of ABCI was designed to be a five-year program with \$35 million in funding from USAID, matched by a \$10 million contribution from the implementing partners.

TABLE 1: ICAA CONSORTIA

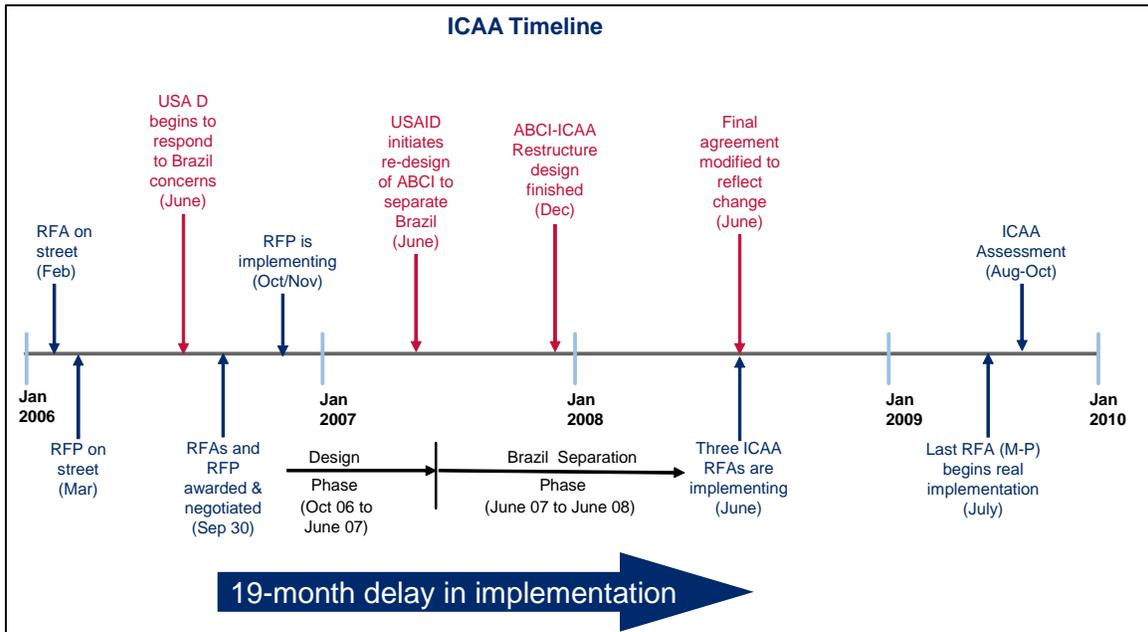
Consortium	Geographic Focus	Consortium Objective	Consortium Partners
Madidi-Manu Conservation Complex (MMCC)	Madre de Dios Region, Peru; Beni and La Paz Departments, Bolivia	Improve landscape planning and implementation, develop community-based eco-enterprises, and build environmental governance	Wildlife Conservation Society (WCS; Consortium Lead) Asociación para Conservación de la Amazonía (ACA/ACCA) Fundación Protección y Uso Sostenible del Medio Ambiente (PUMA) Fondo de las Américas del Perú (FONDAM) Sociedad Peruana de Derecho Ambiental (SPDA)
Indigenous Landscapes (IL)	Ucayali Region, Peru and Sucumbios Province, Ecuador	Strengthen environmental management of indigenous lands by building the capacity of indigenous and partner organizations to plan, manage and protect these lands	The Nature Conservancy (TNC; Consortium Lead) Instituto del Bien Común (IBC) Fundación Sobrevivencia Cofán (FSC)
Madre de Dios-Pando (M-P)	Madre de Dios Region, Peru; and Pando	Reduce the loss of biodiversity and environmental	The University of Florida (UF; Consortium Lead) Woods Hole Research Center (WHRC)

Consortium	Geographic Focus	Consortium Objective	Consortium Partners
	Department, Bolivia	services, and serve as an example for international collaboration on transboundary issues in the Andean Amazon	Herencia Universidad Amazónica de Pando (UAP) Universidad Nacional Amazónica de Madre de Dios (UNAMAD) Instituto Nacional de Desarrollo – Proyecto Especial de Madre de Dios (PEMD)
Sustainable Livelihoods (SL)	Bolivia, Colombia, Ecuador and Peru	Reduce environmental degradation and improve community livelihoods by increasing the sales volume and revenue of certified sustainable timber, non – timber, agriculture and tourism products	Rainforest Alliance (RA; Consortium Lead) Fundación Natura (FN) Conservación y Desarrollo (C&D)
ICAA Support Unit (ISU)	Bolivia, Colombia, Ecuador, and Peru	Build upon efforts of ICAA partners to ensure that the whole is more than the sum of its parts, and strengthen institutional capacities	International Resources Group (IRG; Consortium Lead) Sociedad Peruana de Derecho Ambiental (SPDA) Academy for Educational Development (AED) Social Impact, Inc. (SI)

The context in which the project was implemented has changed since the initial strategy was prepared. Between 2004 and 2009, more than \$200 million annually has been spent on Amazonian conservation by private, bilateral and multilateral donors - a total of around \$1 billion. Despite these investments, the threats to the region have grown exponentially, and as a consequence the coverage of biodiverse forest has decreased significantly during the time of ICAA implementation.

A critical development in the implementation of USAID’s regional efforts in the Amazon is the separation of activities in Brazil from activities in the other four countries originally included in ABCI (Colombia, Ecuador, Bolivia, and Peru). The Government of Brazil insisted that USAID activities implemented in Brazil could not be part of a regional USAID program. After a long period of discussions (see *Figure 1* below), all ABCI activities in Brazil were shifted to the bilateral Mission and all remaining activities were continued as part of the newly-established ICAA. The contract with IRG to coordinate USAID’s regional program severed its ties to Brazil and moved its head office in the field from Brasilia, Brazil to Lima, Peru.

FIGURE I: ICAA TIMELINE



As stated in ICAA’s Performance Management Plan (PMP), ICAA’s five-year result is: “Amazonian networks and institutions strengthened to improve conservation.”³ This is to be accomplished through achieving the following three Intermediate Results (IRs):

- IR 1: Capacity of Amazonian institutions and networks improved for conservation and organizational development;
- IR 2: Implementation of sustainable Amazonian policies improved; and
- IR 3: Funding for ICAA partner organizations increased.

I.3 PURPOSE OF THE ASSESSMENT

As stated in the Scope of Work, “The purpose of this assessment is to determine return on investment in terms of program impact and to generate information that can be used (1) to improve the design and implementation of ongoing and planned ICAA activities and (2) to inform the design of a second phase of ICAA.” (Annex VII) Three years into the five-year ICAA project, consortia have expended \$15.5 million and the remainder of funding has been fully obligated to them. At this mid-point of the program, USAID contracted with Management Systems International (MSI) to conduct an assessment that would provide recommendations for improving implementation during the remaining two years of ICAA. A secondary objective of the assessment was to provide

³ USAID reports that during the assessment period (25 July 2009) USAID its implementing partners agreed to change the five-year result to read: “The Mission of ICAA is to foster collaboration in building the local capacity of indigenous groups, the private sector, communities and governments for biodiversity conservation, sustainable resource use and valuation of ecosystem services in the Andean Amazon.” ICAA management may want to ensure that IRs and indicators (which are mostly intact) remain in alignment, given the significant change in five-year result.

recommendations for investment of future resources, including thematic and geographic areas that could be future foci of investment.⁴ Field work for this mid-term assessment of ICAA was undertaken between August and October 2009, with a draft report submitted to USAID in November.

The central questions of this Assessment were:

1. How are program elements progressing towards achieving their desired results?
2. How is the management structure of both the Initiative overall and the individual awards affecting program performance?
3. How well is the overall strategic design of the Initiative leading to results that will ensure long-term conservation of natural resources in the Andean Amazon?
4. What are the recommendations to USAID for programming of resources in FY2010-2015 for expansion of the Initiative?

A detailed summary of assessment questions can be found in Annex VIII. The Scope of Work, in the form of an Assignment Plan, for the ICAA mid-term assessment is in Annex VII.

The assessment was also intended to help USAID gauge ICAA's design, including the incorporation of a nine-month planning phase during project startup and the focus on building capacities of indigenous, traditional and other local stakeholder communities and organizations. Consideration of indigenous peoples was highlighted as an area of particular interest by the US Congress.

I.4 METHODOLOGY

Given the vast scale of ICAA – working in diverse sectors with over twenty separate organizations and four USAID Missions across four countries – a traditional, purely external evaluation approach was ruled out. Instead, the assessment utilized a collaborative methodology that invited USAID and implementing partners to join the members of the Assessment Team from MSI in the interviews and analysis during the field work. The Assessment Team employed a mixed data analysis approach, including document review, collection of original quantitative and qualitative data, and interviews with a broad cross-section of interested parties, including those involved with ICAA implementation, USAID and other US Government (USG) staff, recipients of ICAA funding, national and sub-national government representatives in the countries visited, and others with relevant Amazon experience who could provide useful outside perspectives.

A Team Planning Meeting (TPM) was held at the beginning of the assessment in Washington, DC. MSI team members Mark Renzi (Team Leader) and Janis Alcorn participated along with the USAID/LAC Amazon Conservation Coordinator, Connie Campbell. This three-day event was held to ensure common understanding of the assessment Scope of Work, to gain a better understanding of the purpose and application of the assessment, to develop an overall assessment work plan, and to coordinate logistics for the initial field visits to Peru and Bolivia. During that same week, the MSI team members interviewed the AOTRs and COTR for the ICAA consortia, Department of State officials, and several other key parties related to ICAA activities.

To maximize information sharing with those who are working on the project on a daily basis – and to increase transparency and build a commitment to implement the assessment recommendations, the ICAA Assessment Team encouraged collaboration in the assessment process. Accordingly, the Assessment Team added staff from implementing partners and the USAID Missions as team

⁴ A separate document has been prepared for USAID discussion future funding issues.

members, as their expertise was relevant to particular ICAA implementation sites (see *Table 2*, below). In each case, an effort was made to hold a mini-TPM to discuss findings and conclusions to date, the roles of each person on the team, and local logistics. In many cases this occurred through brief and informal conversations, as field conditions dictated. Throughout the process, the team welcomed input from USAID (including staff from its Missions in the region) and implementing partners (IPs) regarding findings and conclusions.

TABLE 2: ASSESSMENT TEAM MEMBERS

Name	Organization	Country
MSI External Assessment Team		
Mark Renzi (Team Leader)	MSI	Peru, Bolivia, Ecuador, Colombia
Janis Alcorn	MSI	Peru, Bolivia,
Amelia Garcia	MSI	Peru, Bolivia
Ana Isabel Oña	MSI	Ecuador
Claudia Martínez	MSI	Colombia
USAID Staff		
Fernando Chavez	USAID/Lima	Peru
Victor Merino	USAID/Lima	Peru
Mónica Suquilanda	USAID/Quito	Ecuador
Thomas Rhodes	USAID/Quito	Ecuador
Scott Lampman	USAID/Washington	Ecuador
Connie Campbell	USAID/Washington	Colombia
Julia Gorricho	USAID/Bogota	Colombia
Implementing Partner Staff		
Carlos Arana	IBC	Peru
Jaime Semizo	IBC	Peru
Juan Carlos Guzman	RA	Peru
Billy Echevarria	RA	Peru
Foster Brown	WHRC	Peru
Martha Puga	IRG	Peru
Daniel Rojas	UAP	Bolivia
Galia Selaya	UF	Bolivia
Guido Miranda	WCS	Bolivia
Nuria Bernal	PUMA	Bolivia
Paulina Arroyo	TNC	Ecuador
Luis Narvaez	FEINCE	Ecuador
Freddy Espinosa	FSC	Ecuador
Leonor Zambrano	C&D	Ecuador
Santiago Molina	C&D	Ecuador

Ricardo Zapata	C&D	Ecuador
Mark Donahue	RA	Ecuador
Veronica Muñoz	RA	Ecuador

Site visits were made during three separate trips to the field. The first three-week trip, in September 2009, included visits to Lima and regions around Pucallpa, Puerto Maldonado, and Iñapare in Peru, as well as Cobija, Rurrenabaque, and La Paz in Bolivia. In October the team made a second, ten-day field trip to Ecuador, with visits to Quito, Sucumbios and Orellana Provinces, including various communities along the Napo River. The final ten-day trip, also in October, included visits to the following areas in Colombia: Bogota, Leticia, and Mocoa.

Integrating almost thirty individuals from approximately 15 organizations into the Assessment Team’s field work required a considerable amount of effort from all involved – particularly when most would only participate for up to a couple of days. Nevertheless, the benefit to the assessment of receiving quality information and creative solutions justified the effort. Ecuador had the greatest extent of implementing partner participation, which significantly enriched the assessment process there. Due to the fact that it currently only has one relatively small ICAA-funded activity, the visit to Colombia mainly considered possible future investments rather than ongoing activities. Accordingly, no implementing partners participated in that portion of the assessment.

At the end of each visit to an implementing partner site, the Assessment Team discussed its preliminary conclusions and recommendations. In almost all cases, agreement was reached on them. By establishing this consensus among USAID, implementing partners and the MSI Assessment Team members, it was hoped that the implementing partners could begin preparing to implement the agreed-upon recommendations. It was also anticipated that this labor-intensive and collaborative process would yield a high degree of agreement in the draft Assessment Report between USAID/Washington, USAID field Missions and implementing partners.

This real-time sharing of preliminary conclusions and recommendations has led to cases where consortia, with USAID concurrence, have already initiated a process to implement some of the recommendations in this report. For these consortia an *Update Text Box* describing *Assessment recommendations already being applied* is included at the end the respective Annex that analyzes that consortium’s experience. This format retains the “snapshot” of the consortia as of the time of the Assessment Team’s visit, yet is able to convey positive responses to applying Assessment learning where they occur.

Assessment Team members Mark Renzi and Janis Alcorn provided a full debriefing to USAID/Washington staff after the first field visit to Peru and Bolivia. The USAID/LAC Amazon Conservation Coordinator, who served as Activity Manager for the assessment contract, was provided with frequent updates during and after the Ecuador visit, and was included as a full team member in the Colombia visit. Accordingly, USAID/Washington was kept fully abreast of emerging conclusions and recommendations throughout the process.

A list of persons interviewed by the Assessment Team is included in Annex VI.

The Assessment Team tried to take advantage of the report drafting stage to receive feedback from USAID and implementing partners. This was deemed to be particularly important when assessing such a diverse project at a relatively early stage in its implementation. Even more important was the need to invest sufficient time to ensure that the underlying facts are correct, the conclusions are sound, and the recommendations are reasonably practical. Accordingly, the following process was followed by the Assessment Team:

1. Preliminary drafts of Annexes I and II were prepared by the Team Leader, with feedback from MSI teammates, and shared with representatives of the MMCC and M-P consortia after the field visit to Peru and Bolivia.
2. Comments were received from MMCC and M-P on those drafts;
3. Written responses to the consortia comments were sent by the Assessment Team Leader to each of the consortia and the Annexes were adjusted accordingly.
4. A first draft report was written by the Team Leader (which integrated MMCC and M-P feedback as appropriate), based on consensus achieved among Assessment Team Members (as then constituted) and implementing partners at the end of each site visit, and as modified during subsequent debriefings. In the rare cases where substantive changes in conclusions emerged after site visits, the Team Leader tried to share them with management staff of implementing partners. Drafts of Annexes III and IV were prepared by the MSI team and shared with USAID staff who participated in relevant field visits, and their comments were integrated into the first draft report.
5. The complete draft report in English was shared with the COTR and AOTR in November
6. Written feedback from the AOTR and COTR was integrated to a revised draft.
7. The English version of that draft was shared with consortia and USAID staff for review and comment in late November.
8. At the same time the English version was translated into Spanish, to be distributed to all consortia in early December for review and comment.
9. Consortia and USAID's various operating units submitted their written comments in December.
10. Written responses were sent to consortia and USAID on their comments.
11. The substance of those responses was integrated into a revised report that was sent to USAID in late December
12. USAID reviewed and commented on the revised draft
13. Comments were integrated into a final report that was sent by USAID to Missions and Consortia members in early January;
14. A workshop was held in late January 2010 in Lima to consider the implications of the final report. Since all stakeholders already had an opportunity to provide formal feedback on the report, the workshop mostly focused on understanding the bigger ICAA picture and brainstorming on future design options.
15. Also in Lima, on the days immediately preceding and following the ICAA discussion with USAID and Consortia representatives, USAID staff met separately to consider the ramifications on future programming of the analysis and discussion. Due to the sensitive nature of that discussion, neither implementing partners nor MSI staff participated in those meetings. Results of that meeting are not included in this report.

II. FINDINGS AND CONCLUSIONS: PERFORMANCE

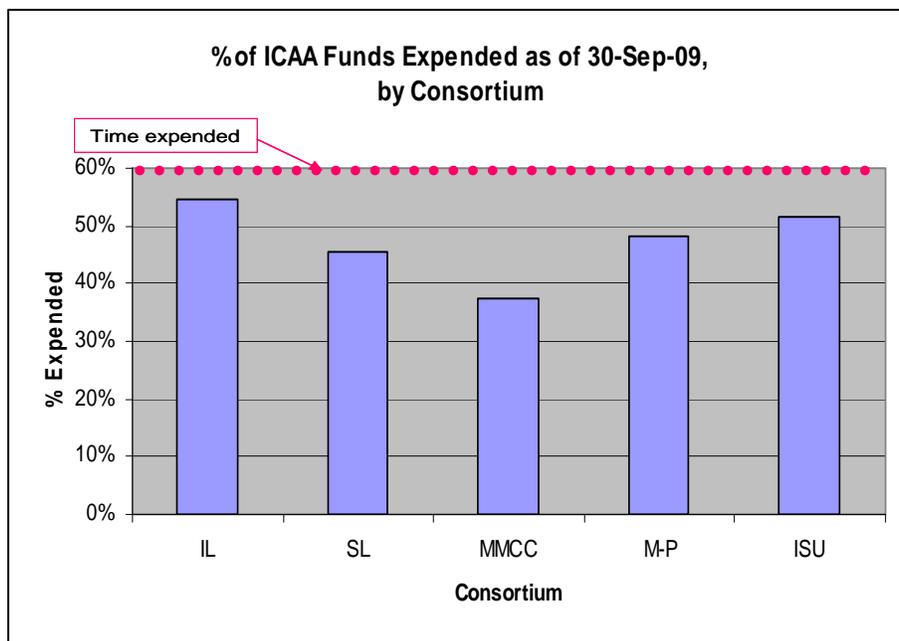
2.1 OVERALL ICAA PERFORMANCE

Findings:

F 2.1a

All consortia were allotted a nine-month planning process, although one consortium (MMCC) used less time. ICAA's design anticipated that on-the-ground field work would be delayed during this process so that consortia could build new relationships across sectors and organizations. Consortia that had members that were relatively new to each other (such as IBC with the federations with which it works) were able to have time to develop relationships. Others that already had long-standing relationships (such as WCS and CIPTA) may have needed less time. This was seen by USAID as a critical aspect of ICAA's design. Most work was further delayed while USAID resolved issues surrounding the involvement of Brazil. Once Brazil left ABCI and the project continued as ICAA, additional planning was required for most of the consortia to adapt to the change. This delayed activities on the ground 19 months from the award date and has led to relatively slow burn rates over the first the years of the program (see *Figure 2*, below). Spending appears to have accelerated recently, with overall spending at 47 percent of the total obligated amount, through 60 percent of the lifespan of the program. This corresponds to being approximately eight months behind schedule in spending funds, with 24 months remaining in ICAA.⁵ [Figure 1; USAID data]

FIGURE 2: PERCENT OF ICAA FUNDS EXPENDED, BY CONSORTIUM, WITH PERCENT OF PROJECT PERIOD COMPLETED, AS OF 30-SEP-09



⁵ This figure is less troubling than it might at first appear, considering that IRG (which has been spending apace) recently received an additional \$1 million and MMCC has not been able to transmit funds to its major partner for the past two years due to accounting difficulties. The latter challenge may well account for much of MMCC's low spending rate.

F 2.1b

The removal of activities and partners in Brazil from ABCI caused difficulties for some of the consortia that remained in the newly-established ICAA. The most profoundly affected was probably M-P. On the other hand, communication was simplified by not having to accommodate Portuguese in meetings. USAID also reports that “the shared cultural and historical ties among the Andean Amazon came to the fore...after the predominance of Brazil was removed.” [Annex II]

F 2.1c

All consortia members appreciated having a planning period after the Cooperative Agreement Award. However, almost all respondents indicated that nine months was too long a period. Most seemed to think that four to six months would be a better time frame for planning activities. Even with such an extended planning period, there were design flaws and partnership issues that plagued implementation in all the consortia. Even a six-month delay in implementation would be costly, given the threats to biodiversity and the opportunity for more concrete planning during the proposal development period. [Annexes I through IV]

F 2.1d

Many consortia staff continued to draw salaries during the extended planning/Brazil separation period. Since consortia were largely unable to begin implementation after the planning was completed but before the division of ABCI into ICAA and bi-lateral programs in Brazil was finalized, expenditures on salaries for ICAA consortia staff continued even while implementation was halted. [Annex II]

F 2.1e

Due to the fact that on-the-ground implementation had only begun a little over a year before the Assessment began, and for various methodological reasons described in more detail below, it was extremely difficult for the Assessment Team to measure ICAA’s impact through project documentation and consortia reporting. [Figure 1; F 3.3b-f; C 3i; C3l]

F 2.1f

ICAA employed a very collaborative process to finalize its Performance Monitoring Plan (PMP), including developing six indicators to measure program progress. As summarized in the table below, of the five indicators which currently have meaningful targets and data over time, ICAA is close to or ahead of four of them as of 30 September 2009 (see Annex IX for a full description of indicators and progress against them, received from the ISU in late December 2009).⁶ This is a significant accomplishment, especially given the various challenges in getting the program started, as described above. Data for one indicator – the number of persons trained – are curiously high (34,476), compared to its target (7,752) as of 30 September 2009.

⁶ The target for one indicator, related to the success of Implementing Partners obtaining matching funds, was revised during the assessment period (September 2009), so meaningful data were not available as of 30 September 2009. After submission of the draft Assessment Report USAID reported (on 12 January 2010) that the amount of match was equal to \$1,670,499.

TABLE 3: ICAA PERFORMANCE DATA AS OF 30 SEPTEMBER 2009

ICAA's five-year result::		
Amazonian networks and institutions strengthened to improve conservation		
Intermediate Results (IRs)	Shared Indicators	On target?
IR 1: Capacity of Amazonian institutions and networks improved for conservation and organizational development	Number of hectares under improved natural resources management as a result of USG assistance. Number of hectares in areas of biological significance under improved management as a result of USG assistance. Number of people trained in natural resources management and/or biodiversity conservation as a result of USG assistance.	1. On target 2. On target 3. Far above target
IR 2: Implementation of sustainable Amazonian policies improved	Number of policies, laws, agreements or regulations promoting sustainable natural resource management and conservation that are implemented as a result of United States Government assistance Number of co-sponsored, stakeholder dialogue activities, focused on policies, laws, agreements or regulations for more sustainable Amazon resource use, initiated as a result of United States Government assistance	4. Behind target 5. On target
IR 3: Funding for ICAA partner organizations increased	Leveraging ratio (non-ICAA resources versus ICAA resources) increased for Amazon Basin activities.	Not applicable as targets have not been set ⁷

F 2.1g

The Assessment Team was asked to track ICAA program impact (see Scope of Work in Annex VII), which can be challenging with a program, such as ICAA, that has been operational at the field level for a short time. Nevertheless it is often useful to examine ICAA's program reporting data to determine if impact is evident. As shown in Table 3, above, Indicator (3) counts the number of persons trained. Indicator (5) counts the number of activities completed to support policy activities. These are output indicators. Progress against them is a positive sign that activities are occurring, but does not reflect impact. Indicator (4) tracks the number of policies, laws, agreements, or regulations that further ICAA objectives. This could be considered a leading impact indicator, as improved policies can often encourage improved natural resource management which can, in turn, lead to improved conservation of biodiversity. The remaining indicators, (1) and (2), count the number of hectares under improved management. These are very close to being impact indicators, and would normally provide a good sense of the overall impact of the program.

2.2 CONSORTIA PERFORMANCE

NOTE: Detailed descriptions of each consortium are presented in Annexes I through V.

⁷ After submission of the draft report ICAA notified the Assessment Team that the figure for “Amount of leveraged resources for Andean Amazon activities” was \$1,650,499.”

Relationship Management Excellence Text Box I:

RA and C&D (SL):

Real Adaptive Management

Many implementers talk about adaptive management, but it can be difficult to realize in practice – particularly when it really requires re-thinking basic assumptions. After diligent efforts to help indigenous producers (targeted under the IL consortia) to produce certified cocoa under the project, Conservación y Desarrollo (C&D) discovered two things: Cofan production systems and ambitions were so basic that certification was not going to be possible for years, if ever; and Rainforest Alliance certification simply was not getting the price premium in Ecuador that other certifications were achieving. After considerable soul searching, C&D and RA agreed to the following:

- That they should work with producers “where they are,” meaning putting certification on hold to respond to producer priorities for higher production;
- Among other producers ready for certification, seek the certification with highest value to the producer – whether or not it is the RA certification.

This required far greater commitment to beneficiaries than most work plan revisions touted as “adaptive management”. It required looking hard at emerging data in light of the development model and being willing to change their fundamental orientation to achieve an important impact based on realities that diverged from original assumptions.

for tourism seem to lack the correct focus to have an important impact on conserving biodiversity. Many activities under SL do not appear to have been well targeted strategically to address critical threats to biodiversity. USAID may want to research the efficacy of the certification model, as experienced to date under ICAA. [Annex IV]

F 2.2d

M-P’s current strategy, despite several iterations (the most recent in June 2009), seems to lack an adequate focus on the most urgent threats to biodiversity. [Annex II]

F 2.2e

MMCC activities to date have primarily been to invest incrementally in impressive ongoing efforts to strengthen indigenous conservation and development efforts in Bolivia and to continue castaña

F 2.2 a

The ISU was able to begin work on schedule, and SL and MMCC were able to overcome the Brazil delay and get on track relatively quickly. They have begun to produce results. Activities for the M-P consortium were delayed as late as July 2009, at least partly due to local political conditions in Peru. The fourth consortium (SL) appears to have commenced work relatively quickly, but subsequently suffered significant delays in its forestry component, due in part to RA’s reaction to Bolivian political dynamics. [Annexes I through IV]

F 2.2b

Given the local challenges and caveats presented in Annexes I through V, the performance of ISU, IL, and MMCC is generally considered to be strong. The Assessment Team considered SL’s performance to be good for tourism and coffee activities; but relatively weak for forestry, castaña (Brazil nut), and cacao. Performance to date for the M-P consortium was deemed to be poor. [Annexes I through V]

F 2.2c

SL’s certification model did not appear to the Assessment Team to be providing sufficient economic benefits to producers of castaña, cacao, and coffee (in Colombia) to warrant the added cost of pursuing certification.⁸ Activities

⁸ At the time of the Team’s visit to Puerto Maldonado and La Paz activity progress and relations with forestry clients was not at a stage that permitted the team to visit them. Accordingly, no conclusions are drawn with respect to forestry, although there does not appear to be a price differential for timber, either.

support efforts in Peru. Progress on new grants programs established under ICAA with environmental funds in Peru and Bolivia has been very slow. [Annex I]

F 2.2f

IL outputs to date have occurred where the consortium supported efforts of an established Peruvian NGO to expand its operations in supporting indigenous federations in Peru and to add incremental funding to impressive existing indigenous conservation and development efforts in Ecuador. [Annex III]

Conclusions for Section 2

C 2a

The nine-month planning period was too long. While some partnership development and planning occurred during this period, it is not clear if the costs involved in foregone implementation were worth the investment. Even with such a long planning period, strategic and cross-institutional problems within consortia persisted. [Figure 1; F 2.1a; F 2.2c; F 2.2d; F 3.1e]

C 2b

Some cooperative agreements have performed well during the reduced implementation time available. With the exception of IL's work in Peru, this progress has occurred where USAID was generally adding funds to existing indigenous strengthening programs. [F 2.2b; F 2.2f] In many cases, the incremental impact of ICAA funding in these important efforts – while certainly positive – is difficult to distinguish from that of other funding streams. [Annexes I and III; F 3.3c]

C 2c

Efforts to initiate new programs via cooperative agreements have been less productive (See Annexes II and IV). On the other hand, results stemming from the one contract under ICAA were evident to the Assessment Team, even though it was not a continuation of existing efforts for the organizations involved. [Annexes II, III, and V; F 3.5c]

C 2d

Supporting consortia members to continue work that they are already doing appears to be a relatively low-risk investment, although distinguishing the impact of incremental investment from ongoing work can be difficult. Investing in consortia members that are expanding their work into new geographic areas can be more risky. When working in a new area that requires rapid start-up and responsiveness, it may be worth considering using a contractor. [C 2f; C 2g; F 4.1b; F 4.1e]

C 2e

USAID's investments for these first three years of ICAA implementation have seen modest return in terms of ICAA-funded results directly tied to reducing biodiversity threats. By applying the recommendations included in this report, this trend could be turned around for the remaining time period of ICAA [F 2.1a; F 2.1b; F 2.2a-d]

C 2f

In reviewing ICAA's progress against its performance indicators to gauge impact we must look at all indicators, but particularly those that track change closer to the ultimate level of impact sought by the program. Table 3 reveals mixed performance: it is substantially on target for IR1 (capacity

strengthening), behind for IR2 (policy implementation), and data are not available for IR3. It would seem that activities are generally going as planned, but it is difficult to draw conclusions from these data on the impact of the program to date on ICAA's five-year result of: "Amazonian networks and institutions strengthened to improve conservation," much less the likely impact on reducing critical threats to biodiversity. The two impact indicators under IR 1 are on track, which is encouraging. However, due to issues on data quality discussed elsewhere in this report, the Assessment Team was not comfortable drawing conclusions on impact based on those data. Thus, to try to understand the impact of ICAA to date, the Assessment Team has had to go into greater depth in examining the performance of each consortium, rather than relying on overall ICAA performance indicators. This is relatively common when evaluating USAID projects, especially at the mid-term. [F 2.1f; F 2.1g; 2.1 h; C 3h; C 3c; C 3k; C 3l]

III. FINDINGS AND CONCLUSIONS: MANAGEMENT AND STRUCTURE

Findings

3.1 COSTS AND BENEFITS OF CONSORTIA EMPHASIS

F 3.1a

In ABCI procurement, USAID emphasized the importance of respondents forming coherent and equitably managed consortia:

USAID seeks applications from environment and development organizations that come together to form a consortia partnership. Consortia applicants must demonstrate a collective set of individual and organizational skills and capacities to carry out and assess proposed activities. Applicants must also demonstrate a governance structure that allows for appropriate participation by the consortium's members to apply those skills and capacities. [ABCI RFA, p. 15]

F 3.1b

The RFA also emphasized the importance of these consortia establishing:

An environmental constituency across the Amazon Basin with the commitment, capacity, and cooperation to be effective stewards of the Basin's globally important biological diversity and environmental services.

The design of ABCI involved a participatory process that was intended to continue through implementation, as the consortia would establish lasting linkages both within each consortium and with other local partners [ABCI RFA, p. 27].

F 3.1c

Through the encouragement of USAID AOTRs, initiatives by individual consortia (particularly SL), and ISU facilitation via annual meetings, there have been channels of communication established among ICAA consortia. This includes regular meetings, some coordinated training events and exchanges, information sharing, and technical working groups. However, the actual costs resulting from these coordination efforts can be considerable, especially when one considers costs related to travel, technical assistance in preparation and facilitation and support, per diem and other costs related to events such as Annual Meetings. In addition, many implementers expressed concern to the Assessment Team about the time they are required to invest in ICAA-wide coordination meetings and other events. While many enjoyed the social and professional interactions, few could point to concrete outcomes from this substantial investment of human and financial resources.⁹ [Annexes I and V]

F 3.1d

Respondents were not able to offer many concrete examples of how these interactions had changed the behavior of consortia members in a way that would address urgent threats to biodiversity

⁹ Nevertheless, the AOTR notes that “consortia (as represented by the four program managers) insist on holding ICAA IV (fourth annual meeting), albeit with a tighter technical agenda and a smaller number of participants.”

conservation. Likewise, there is still no indication that lasting partnerships *among* different consortia members will emerge from participation in ICAA. [Annex V]

F 3.1e

Within individual Implementing Consortia, evidence of new or expanded partnerships or constituencies for conservation is not encouraging. In the SL consortium, partnerships between member NGOs and the lead organization – relationships which had been established years prior to ICAA – have become strained as a result of working together in the initiative. At the time of the Assessment Team’s visit to project sites, relations were tense and almost hostile between the two Peruvian partners in the M-P consortium. Although these tensions are being addressed by the consortium, they were also palpable in both the MMCC and IL consortia, between the lead organizations and a local NGO partner regarding financial management issues. [Annexes I-IV]

F 3.1f

In most Implementing Consortia, partners are generally carrying out their work as they had before, with little technical adjustments based on learning or leadership within the consortium. M-P is the one consortium that appears to be deliberately trying to change the way its members serve their respective stakeholders, but it has had an extremely difficult time initiating implementation activities. [Annexes I-IV]

F 3.1g

One of the objectives of the ICAA consortia design was to ensure that a significant portion of the consortium’s funds were made available for partner national organizations to utilize and develop their capacity. Overall, more than half (55 percent) of ICAA funds were budgeted for lead organizations within consortia. This masks a wide range (see *Table 4* below), with larger amounts going to lead organizations in consortia where implementation was predominantly executed by the lead organization (SL and ISU), while the lowest funding amounts were assigned to the lead in the consortium that is primarily facilitating local processes (M-P).¹⁰ Elsewhere in the report, the Assessment Team notes that M-P appears to have not sufficiently invested in consortia management efforts. [Table 4; Annex II; F 3.2b]

TABLE 4: DEGREE TO WHICH CONSORTIA FUNDS REMAIN WITH LEAD ORGANIZATION

Consortium	% of consortium funds budgeted for use lead organization
SL	85%
ISU	65%
IL	43%
MMCC	35%
M-P	31%

¹⁰ Please note that these figures should be taken as gross indicators based on projected budgets. Not all figures are final.

F 3.1h

Consortia members report that transaction costs for participation in the consortia are great. Such costs include the time expended for consortia and general ICAA meetings as well as collaborative planning and reporting exercises. Other obstacles include issues related to relinquishing autonomy, trying to standardize approaches and delays encountered in receiving ICAA funding. [Annexes I, II, IV, V]

3.2 CONSORTIA MANAGEMENT STRUCTURE

F 3.2a

There is a wide divergence in consortia structure. IL may have the simplest configuration, as it is comprised only of three NGOs. In this structure, one lead NGO supports one local NGO in each of two countries, with each NGO focusing on its traditional areas of technical strength. The IL programs in Peru and Ecuador appear to operate relatively independently of one another, with occasional cross-activity communication. The consortium with the most complex structure is probably M-P, which contains a US university, a US non-profit research institute, a Peruvian university, a Peruvian parastatal, a Bolivian university, and a Bolivian NGO. This consortium had by far the most cross-project communication. Most individuals interviewed in M-P reported that the cultural and institutional diversity of the consortium, as well as an excessive reliance on meetings, have led to considerable implementation challenges. [Annexes II and III]

F 3.2b

Of the two consortia that appear to be suffering somewhat from weaker management, one has a complex structure (M-P) and the other has a relatively simple institutional configuration (SL). The key shortcoming in M-P appears to have been an insufficient investment in management efforts, despite the obvious need for a steady hand in such a diverse consortium. SL appears to have adopted an overly-ambitious plan, applied inadequate strategic focus, and underinvested in the activities and oversight of its sub-agreement holders. [Annexes II and IV]

F 3.2c

MMCC also presents a relatively complex institutional model, with a USNGO lead, another USNGO, two Peruvian NGOs, and environmental funds from Peru and Bolivia. It appears to have successfully integrated research, policy work, institutional strengthening and land management in Peru and Bolivia. While success is somewhat uneven, as one might expect at this point in implementation, the organizations seem to be “pulling in the same direction”. The consortium also appears to be weathering a very stressful time period, as the lead organization withheld ICAA project funds from one its main implementers while that partner worked diligently to improve its financial management. This seems to be the result of strong management of a complicated structure, supported by a clear strategy, a sophisticated monitoring system, and partner meetings that are frequent enough to be useful but not overly burdensome. [Annex I]

F 3.2d

ISU presents a very different model of consortium management. Like the SL Consortium, ISU must meet the challenge of managing several product lines in all four countries, though much less so outside of Peru. Like M-P, it is institutionally diverse; led by a US contracting firm, the consortium also includes a small US contracting firm, a major US NGO and a leading Peruvian NGO. On the other hand, unlike other consortia ISU is managed as a contract rather than a CA. ISU also has very significant expenditures on management, paying three full-time senior managers and a part-time

senior Social Impact (SI) consultant to ensure that things stay on track. While the field team does seem to be managed in a participatory fashion, IRG exerts dominant management control over the contract. IRG is slated to field the following full-time positions in the current fiscal year: a DC-based Project Coordinator and a DC-based Knowledge Management Expert; a Peru-based Director and a Peru-based Small Grants Administrator; a Bolivia-based Deputy Director; and an Ecuador-

Relationship Management Excellence Text Box 2:

M-P Consortium:

Working with sub-national governments

M-P is the only consortium that includes a government member (PEMD). It has also worked very hard to establish strong relationships with the Madre de Dios Regional Government (GOREMAD) in Peru. This relationship has been developed over years and is critical in Peru. In a country where national policies, and particularly the enforcement of such policies, are not always supportive of biodiversity conservation, forging strong sub-national links is critical. This is even more relevant with the recent decentralization changes in Peru. Support of M-P has also helped fortify tri-national cooperation among Peru, Bolivia and Brazil in that area.

based Training and Capacity Building Coordinator. The institutional roles of US sub-contractors AED (which is limited to fielding a Peruvian communications coordinator) and SI appear to have atrophied somewhat.¹¹ Nonetheless, the consortium is working: outputs are produced, the client is content, and partners are relatively happy with ISU's performance. Good management is evident in the ISU work plans, its self-monitoring and evaluation, client polling, constant communication, customer orientation, and customer satisfaction. [Annex V]

F 3.2e

In cases where lead organizations precluded them from doing so, local partners often stated that they would prefer to have direct

relationships with USAID's ICAA managers. They argued that they would benefit from the technical input and that it would help them to develop long-term relationships with USAID, and possibly enhance organizational sustainability as well. In some cases, USAID might benefit from receiving information directly from field implementers, without going through the filters of the lead organization. On the other hand, lead organizations have a responsibility to coordinate information and it would be virtually impossible for the current AOTR for all four CAs to maintain meaningful communication with 17 organizations and still get any other work done. [Interviews]

3.3 MONITORING, REPORTING, AND STRATEGIC MANAGEMENT

F 3.3a

ICAA's program monitoring has emphasized use of Office of the Director of Foreign Assistance/Department of State Indicators together with six common indicators for the consortia. This appears to be a relatively standard practice right now for USAID programs. ICAA AOTRs – particularly after the slow program start up – have correctly exhorted consortia leaders to “hit their targets” with respect to these program indicators. Ensuring achievement of indicator targets and

¹¹ Although the lead consultant hired by SI has played an important role in establishing monitoring systems, her work is more under the direction of the IRG manager than under active SI engagement.

work plan approval are some of the main points of leverage AOTRs have to influence implementation after CAs are awarded.¹² [ICAA workplans, PMPs, Interviews]

F 3.3b

Some consortia exhibit a carefully-articulated strategic planning framework that is linked to operational activities, supported by the collection and use of data for decision making. Those consortia appear likely to have an impact. Among consortia where the Assessment Team noted a lack of effective strategic focus, and where activities appear to have strayed from a sharp focus on the most urgent threats to biodiversity, there appears to be an overemphasis on adopting short-term tactics that will help them “hit the targets”, even when such approaches may be sub-optimal from a conservation perspective. Ironically, “hitting the targets”, when those targets are not linked to a well-focused strategy, can provide a misleading sense of progress towards achieving impact. [Annexes I, II, IV, V]

F 3.3c

ICAA reporting formats often meld activities completed by multiple consortia partners and activities that are funded by ICAA as well as other sources. While some consortia workplans and periodic reports are clear and detailed, others are extremely vague on activities, location, timing, anticipated impact, and linkage to overall strategy. [ICAA work plans; Interviews]

F 3.3d

In some cases, work plans and project reports appear to exaggerate positive and minimize negative implementation trends. This dynamic can gain a momentum of its own in the context of NGO marketing efforts geared towards projecting an image of profound impact, as well as the incessant pressure that USAID is under to create “success stories” (particularly for Congressional earmarks). It can also contribute to a program culture where honest sharing of information at all levels to support management decisions can become compromised. [ICAA workplans; Consortia reports; ICAA reports; Interviews]

Relationship Management Excellence Text Box 3:

USAID/Ecuador:

Managing a Regional Strategy Locally

The Assessment Team had the pleasure of meeting the competent POCs in Colombia, Ecuador, Peru, and Bolivia. The Assessment Team was particularly impressed with the way in which the Ecuador POC managed her current bilateral portfolio while juggling ICAA responsibilities. The program has a strong indigenous focus that is implemented by several US and local NGOs – often in the same location. A striking example was USAID-funded support to the Cofan. Both USNGOs and a local NGO appeared to understand each other’s roles, communicate frequently, and consider comparative advantage when designing programs from various donors. The POC was able to identify relevant national, local, and regional government officials to ensure that programs were consistent with government priorities and to seek out synergies. The POC, in partnership with her USN supervisor and the ICAA AOTR, brainstormed new opportunities while focusing on important details, such as when bilateral and regional projects might unwittingly be reporting on the same number of hectares under improved management. Due to local relationships established over years of professional experience, she was also able to follow-up immediately on such issues with the relevant organizations. Obviously, each of the implementing organizations deserves credit for this dynamic, but it is also the result of having a USG official who has a unified vision for what must occur in a region (improved indigenous management of resources to conserve biodiversity, in this case) and uses her position, skills, constant communication, perseverance, work plans, etc. – consistent with the project’s Mission and regional strategy – to make it a reality.

¹² Other, less central, points of leverage, include approval of Key Personnel (Program Manager, Deputy Program Manager, and Financial Officer) and participation with the governing body of each consortium, with some consortia being more receptive to this participation (such as designing work plans) than others.

F 3.3e

With some notable exceptions, the Assessment Team found the work plans to be of little use in understanding precisely what the consortium was doing and where they were doing it. This lack of clarity – combined with indicator data that generally over-emphasized activity-level information, the relatively brief period of actual implementation, and the commingling of reporting on activities funded by USAID and other sources – made the determination of actual impact of ICAA funds based on standard program data extremely difficult to measure. [F 3.3b; F 3.3c; F 3.3d]

F 3.3f

USAID prudently awarded CAs to USNGOs with years of experience working with USAID and other donors. One would not expect that additional support would be needed in understanding strategy, monitoring, and impact. Nevertheless, USAID wisely engaged the ISU to assist one of the consortia with its strategic planning and monitoring systems, after months of underperforming. While the assistance was most likely useful, the resulting strategy still lacked sufficient focus on the most urgent threats to biodiversity; indicators were not useful measures of impact; and participants still lacked a basic understanding of how to effectively link strategy and monitoring to impact. [Table 1; F 2.2d; Annex II]

F 3.3g

Some ICAA consortia and partners have not placed significant emphasis on developing an effective strategy through logical frameworks and other tools to ensure that activities are well tailored for impact. [F 2.2c; F 2.2d; Annexes II and IV]

3.4 USAID MANAGEMENT

Findings

F 3.4a

ICAA is designed as a set of regionally-focused field projects managed from USAID/Washington. USAID/Washington staff were assigned to serve as AOTRs for each of the consortia and as COTR for the contract (ISU). Part-time Points of Contact (POCs) were identified from Mission staff in each ICAA country to provide local insights, integrate ICAA with Mission activities and promote regional coordination in ICAA. Due to recent internal staffing changes, one person is managing the ISU and another manages all four of the remaining consortia. [Interviews]

F 3.4b

What have emerged are four cooperative agreements with sub-projects that are implemented on a country basis, with varying degrees of communication among projects and across-boundaries within any given consortium. Moreover, many of the main consortia members (both US and local) also implement projects funded by the missions in the countries in which they implement ICAA activities. [Annexes I-V]

F 3.4c

USAID/Washington included ICAA missions in the design and procurement of ICAA, the work plan development cycle, annual meetings for the initiative, and all field visits. It has encouraged implementing partners to regularly communicate with POCs and has partially-funded FSN positions that serve as POCs. Nevertheless, overall Mission ownership ranges from avid commitment to

skepticism and what seemed to the Assessment Team to be a desire to receive directly some ICAA funds rather than having them managed from Washington. [Interviews]

F 3.4d

USAID Mission POCs report that the degree to which ICAA implementers communicate with them varies from high levels of engagement to being virtually non-existent. Additionally, some missions report better communication from a particular consortium than do other missions. [Interviews]

F 3.4e

POCs report that to effectively manage ICAA interventions in their countries would require more time than seems warranted, based on the degree to which ICAA is currently supporting ICAA POC costs. In addition, the pressures of day-to-day management of the bilateral program and participation in Mission meetings make it difficult to allocate as much time to ICAA activities as would be desired. There has not been a great deal of cross-mission coordination to date and engagement by Foreign Service staff has not been great, with some notable exceptions. [Interviews]

F 3.4f

USAID staff emphasized that many ICAA partners need to be more aware of other USAID bilateral activities conducted by missions. This includes ensuring that indicator data for the same item is not reported twice for two different USAID-funded projects, and striving for coordination to ensure maximum impact. [Interviews]

F 3.4g

The need to coordinate a COTR and two AOTRs in Washington with four POCs and individual consortia spread over four countries, as well as the requirement to have documents completed in both Spanish and English, has made for a relatively cumbersome bureaucracy.¹³ For example, the development, editing, and approval of work plans is often a long and tedious process that can absorb an inordinate amount of time, delay implementation and frustrate adaptive management. [Interviews]

F 3.4h

While POCs are involved to different degrees in each Mission, USAID does not delegate them any authority over implementation. POCs thus must function in an awkward middle ground, despite the fact that each of them appeared to the Assessment Team to have a wealth of knowledge about local conservation institutions, policies, personalities, and dynamics. Carrying out the full duties of a POC can take up a great deal of time, often in competition with urgent Mission functions. [Interviews]

F 3.4i

It has always been a challenge to effectively manage cooperative agreements from afar. Recent reductions in AOTR staff, however, have left a single individual responsible for managing all four CAs. In the past, overstretched AOTRs have been responsible for some delays in ICAA implementation, and due to limited oversight may have missed some trends that needed attention. This is likely to get worse with fewer staff dedicated to the task. However, the challenge to effective management is not simply a matter of geographic location or number of staff. FSN staff often can

¹³ Please note: the number of AOTRs was reduced to one during autumn 2009.

be more efficient in managing country-specific activities due to their local knowledge, frequent travel to the field, and work on related projects. [Interviews]

F 3.4j

USAID is currently considering shifting overall management of ICAA to a Mission in one of the four ICAA countries. If USAID should decide to decentralize management to the missions it should retain a staff person in Washington to execute critical ICAA management functions (see *Section 4.2*), including communicating to Congress, advocating for the program at USAID, and coordinating with other USG entities. Also, the scale of such a newly-established USAID field unit might be more modest if Mission staff are responsible for implementation duties.. [Interviews; Project documents]

F 3.4k

USAID reports that it has taken, or is planning on taking, a number of actions in response to preliminary Assessment Report findings, conclusions and recommendations. These are summarized in the text box below (this same format is used with respect to changes adopted by Consortia in Annexes I-V):

Update Text Box: USAID's plans to apply preliminary Assessment Report results

Strategy and Design:

- USAID plans to convene an ICAA strategic planning workshop for January 2010, including all partners and Missions to implement management changes and program improvements based on the evaluation findings, consistent with strategic planning across the bilateral and regional programs;
- USAID-only sessions at this workshop and a planned follow-on workshop will generate a region-wide strategy for the next phase of ICAA, consistent with bilateral (Mission) programs;
- USAID/LAC has initiated a regional strategic planning exercise across the environment and economic growth sectors. ICAA staff have brought REDD+ , low carbon development strategies and other opportunities for ICAA into this regional planning framework that will guide bilateral and regional programs (ICAA and others).
- ICAA staff have ramped up their engagement with GCC and other “game-changing” development directions, building on ongoing participation in USG-wide decision-making panels and including Amazon REDD strategy sessions and enhanced donor coordination with private foundations and multilaterals.

Management and Structure:

- USAID's strategy and next steps to decentralize ICAA management will be a key output of the January 2010 workshop.
- USAID/W is hiring an ICAA Program Assistant for short-term support to the ICAA Coordinator and account for staff shortfalls.

Performance:

- *Consortium oversight and USAID substantial involvement:* USAID/W proposals to decentralize management with Missions over the short-term should help share some of the AOTR and/or Activity Manager responsibilities, allowing for increased USAID staff site visits and direct technical engagement to monitor and improve consortium performance. Longer-terms plans to decentralize management are under discussion and will result in Mission-based staffing for enhanced field management.
- *Improving productivity and efficiency of ICAA Annual Partner Meetings:* USAID convened and chairs an ICAA-wide Steering Committee that makes demand-driven decisions on annual meeting topics, venue and invited technical experts to maximize the meetings' networking and information-sharing benefits to the ICAA implementing consortia. USAID and partners have already planned the ICAA IV Annual Meeting (2010) to be more technically focused and smaller in size than in previous years.
- *ICAA workplan development and review process will be streamlined* in order to reduce paperwork and time burdens while maintaining Mission and Washington review of performance and data quality
- *Reporting quality:* USAID will enhance its efforts with partners via training courses and direct technical guidance to enhance the consortia's capacity to report their advances (i.e. “tell their story”) well. Similar efforts will focus on improving data collection and quality.

3.5 CENTRAL SUPPORT, COORDINATION, AND IMPLEMENTATION FUNCTIONS

F 3.5a

Although each consortium is analyzed separately in Annexes I through V, this section briefly considers the current ISU model as a way to consider the central support, coordination, and

implementation functions of a regional project. Similarly, a brief discussion of grants is carried over from Annex V because grants may well be an important tool in any follow-on project. The investment in ISU is worth greater exploration as a way to reflect on the costs and benefits of maintaining the various functions it provides.

F 3.5b

As described in greater detail in Annex 5, ISU's functions may be grouped into the following categories:

1. Supporting USAID functions that agency staff would otherwise need to perform (collecting and reporting on ICAA results as well as preparing and disseminating ICAA external communications materials);
2. Coordinating functions to facilitate communication and encourage synergies among consortia (annual meetings, supporting other meetings, information sharing);
3. Direct implementation to achieve direct impact
 - Training
 - Grants provision
 - Exchanges
 - Technical working groups
 - Seeking Public/Private Partnerships

Disaggregating the current costs associated with each of these functions, based on current ISU experience is beyond the scope of the current analysis, but could provide useful data for deciding on which functions to continue in a follow-on activity and how to implement them. As stated in Annex V, and in F 3.5c, the ISU is generally performing a difficult task well. Accordingly, ISU experience to date would be instructive.

[Annex V]

F 3.5c

ISU has mostly performed well on tasks it has been assigned. However, it is unclear whether many of those tasks have created important synergies or have had a significant impact on biodiversity.

[Annex V]

F 3.5d

Directing some of the functions (and related funds) that are now handled by ISU towards local organizations in a future regional program may be more cost effective than having an ISU with so many different functions. Such an approach may also make a greater contribution towards sustainability and developing constituencies for conservation. Using local or U.S. organizations that specialize in such services may yield an even better product. [Interviews]

F 3.5e

The challenging small grants program implemented by ISU provided USAID visibility and was implemented according to USAID instructions and regulations. However, its design was sub-optimal in that:

- It was a relatively costly approach to awarding grants;
- Although grants were awarded in many countries, it does not seem to have had a regional theme, except to work with indigenous groups;
- While the grants are directed towards indigenous groups in the region, they do not seem to be strategically designed and for the most part do not appear to build on other ICAA field or policy work; and
- It seems unlikely that the small grants program as implemented to date will have a significant impact, beyond possibly achieving some of the objectives of the small grants locally.

[Annex V]

Conclusions for Section 3

C 3a

ICAA’s assumption during the structural design that creating networked consortia would establish synergies, build significant new relationships and lead to results that would outweigh associated transaction costs has not proved true at this point. The consortia model also has not proven to be a sure-fire way to reach and strengthen local institutions. Certainly most approaches to implementation of complex conservation projects will require multiple organizations working together. But, perhaps we need to be circumspect in the ancillary benefits we seek from consortia. [F 3.1a-f]

C 3b

While ICAA is having some success creating “constituencies for conservation” in certain finite areas, it does not appear likely that the current design will do so at a significant scale in the time remaining. [Annexes I-V; F 3.1g]

Relationship Management Excellence Text Box 4:

IRG (ISU):

Client Orientation

With the bureaucratic, political, and interpersonal pressures of day-to-day work it is possible to become so obsessed with “hitting your targets,” or completing activities on time, that one can lose track of what is most important: a project’s “clients,” or “beneficiaries”. IRG appears to have performed satisfactorily by keeping its eyes on the prize. Polling consortia on priorities, obtaining feedback on the quality of meetings it hosts, regular communication with USAID, communicating clearly on processes, managing the grants program strictly but fairly – all of these aspects are required to serve clients. They also apply when the customers are castañeros, indigenous leaders, or cacao growers.

C 3c

Rather, synergies appear to occur where consortia are carefully designed to create them, where budgets are constructed to support them, and where consortia manage systems and relationships proactively. It does not seem likely that meaningful synergies will occur *across* consortia. Some

synergies may occur if they are formally requested in procurement documents, subsequent proposals, and implementing work plans. [F 3.1g; F 3.2c; F 3.2d; F 3.2c]

C 3d

Synergies are even more likely to occur *within* groupings of organizations that discover they must work together to succeed. Additionally, USAID may have more success developing conservation constituencies, particularly at the local level, when it ensures that significant resources get to critical institutions. In so doing, USAID must balance the challenge for nascent organizations in managing USAID funds with the need to empower those organizations. The experience of the MMCC and IL consortia can be instructive in this regard when considering the mechanical structure of follow-on activities to ICAA. [F 3.2c; R 8; R 13]

C 3e

It does appear that some consortia structures present greater management challenges than others. Not surprisingly, consortia with large membership of diverse players appear harder to manage than simpler, less diverse ones. Few other lessons on consortium management can be drawn from the ICAA experience to date, except that good management matters. Consortia that invested adequately in management, including clear strategies, disciplined planning, adequate oversight, and attention to partner relations, appear to be performing well. Good management, as always, is the key to obtaining results. [F 3.2a-d]

C 3f

USAID's management of ICAA consortia is currently overly centralized, resulting in a cumbersome bureaucracy and sub-optimal management. At the same time, management might be improved and constituencies for conservation could be solidified if USAID were to have more meaningful communication with local consortia partners. These shortcomings could be addressed if country-specific activities were managed by FSNs at each participating Mission. [F 3.4d-h]

C 3g

USAID/Washington appears to have done as much as possible to gain Mission ownership and trust, given the current ICAA design. POCs uniformly appeared highly motivated to conserve biodiversity in the Amazon, highly knowledgeable of the local context, and eager to contribute to ICAA. At the Mission level, however, the degree of ICAA ownership varies considerably from Mission to Mission. Shifting management responsibilities for most field activities to the missions in the field (as recommended below) could provide the structural changes required to obtain almost complete ownership. [F 3.4a; F 3.4c; R3; R 4; R 5]

C 3h

Adoption of Office of the Director of Foreign Assistance/Department of State Indicators that emphasize simple output measures – such as number of persons trained, number of workshops, etc. – may distort implementation and monitoring by:

- Creating incentives that result in excessive numbers of workshops, which can expend too much beneficiary time for too little benefit; and
- “Dumbing down” strategic planning and monitoring to the point where sub-grantee planning may be weak and monitoring only marginally useful for informing management decisions on the ground or tracking real impact.

[F 2.2c; F 2.2d; F 3.3a; F 3.3b; Annexes II and IV]

C 3i

Some ICAA consortia and partners have not placed significant emphasis on developing effective strategies through logical frameworks and other tools to ensure that activities are well tailored for impact. Often, after a great deal of emphasis is placed on “getting it right” – or at least meeting USAID’s bureaucratic requirements – at the program-wide strategic level, there is insufficient attention to make sure that activities on the ground effectively link to that strategy. [F 2.2c; F 2.2d; F 3.3b; F 3.33-g]

C 3j

In some cases, it appears that implementing partners have strayed from an iron-clad focus on impact on clients, beneficiaries, and biodiversity. Some of this may be the result of distorted monitoring systems resulting from USAID’s bureaucratic imperatives, coupled with inadequate strategic planning/monitoring/management capacity on the part of the consortium lead organizations. [C 3h; C3i; Annex II and IV]

C 3k

Consortium reporting formats that incorporate activities and products of consortium members, including activities and products that are ICAA-funded as well as those that are consortium-match-funded, and which do not clearly detail progress towards important conservation impacts, make it very difficult to judge ICAA-funded performance. [F 2.1e; F 3.3c-e; C 3i; C 3j]

C 3l

The breadth and depth of ICAA, and the lack of a monitoring system that is consistently useful across consortia, make it extremely difficult for USAID staff to manage effectively. Taken as a whole, the current monitoring and reporting systems do not adequately support decision making by USAID management with respect to CA oversight. [Table 1; C 3k; C 3i]

IV. FINDINGS AND CONCLUSIONS: STRATEGY AND DESIGN

Findings for Chapter 4

4.1 DESIGN AND PROCUREMENT

F 4.1a

Although USAID appears to have desired a program with a focus on indigenous areas that emphasized “conservation constituencies”, the ABCI RFA only provided very broad guidelines, chiefly emphasizing that respondents were required to work in more than one country. [Interviews; ABCI RFA]

F 4.1b

As might be expected, USNGO-led consortia mostly appear to have responded to the RFA with proposals based on their previous work experience (MMCC and M-P), or focusing on where they were interested in expanding (SL and perhaps IL), possibly seeking synergies between their own strategic goals and RFA requirements. [Annexes I-IV; Consortia workplans]

F 4.1c

Of those consortia awarded CAs, M-P stood out as being the most grounded in an ongoing regional process, and it continues to emphasize regional communication and sharing of ideas as an element energized by ICAA funding. In implementation, however, all CAs -- including M-P -- more closely resemble a grouping of individual country programs under consortium management than regional projects intent on exploring what issues can be most effectively addressed across national borders. [Annexes I-IV]

F 4.1d

The CAs for ICAA originally exhibited little geographic overlap (except in Peru’s Madre De Dios Region, where SL, M-P and MMCC are all active). Having been developed independently, the CAs did not seek to achieve significant integration with each another. Efforts by USAID managers and ISU to promote synergies among consortia have had very limited success. SL appears to be the one most aggressively trying to work with other consortia. [Annexes I-IV]

F 4.1e

Once awarded, USAID also has extremely limited ability to modify the strategy and activities of CAs. USAID has much more freedom to request changes to contracts, which it has exercised under ISU. [Interviews]

F 4.1f

ICAA’s funding of roughly \$6.6 million per year is a small proportion of the total invested annually in Amazonian conservation efforts. Current ICAA consortia disperse this investment over 21 organizations, four countries, and a range of interventions, which dilutes impact. An extreme case is in Colombia, where all ICAA direct funding of projects (to Fundación Natura via SL) amounts to approximately \$75,000 per year. [Table 1; Annexes I-V]

4.2 BRIDGING REGIONAL AND BILATERAL PROGRAMS

F 4.2a

Although there are many common threats to biodiversity throughout the region (including illegal logging, extractive industries, infrastructure projects, and disregard for indigenous rights), solutions to such challenges are generally national in nature. The keys to addressing the most critical parts of the threats lie in specific country policies, enforcement mechanisms, implementation of laws, attitudes, and local capacity. There are few regional policy levers, incentive mechanisms or useful resource management institutions. A highway may pass through several countries, but responses to the road's impact are influenced more by local activism, micro-economic considerations, and domestic incentives than by regional platforms. Regional strategies may be useful, but the battle is won or lost in individual countries.

F 4.2b

National and sub-national governments and NGOs are in the best position to address these issues, and USAID's Missions are better equipped than its Washington offices to manage the nuances of national-level policies and local processes that are essential to combating the loss of biodiversity.

F 4.2c

Having a field-implementation-based regional project in multiple countries, with the need to manage multiple host-country political issues, can become very complicated. USG was unable, for example, to manage political issues with ABCI in Brazil, resulting in a division of program activities that created separate programs for Brazil and the four ICAA countries. USAID should recognize that this dynamic is not necessarily a one-time affair. Whenever multi-country regimes are established, the risks of political failure increase exponentially with the number of countries included. It becomes a challenge of not only managing bilateral relations, but also relations between governments.

F 4.2d

The Assessment Team's past experiences working with other USAID regional programs, particularly at the strategic level, is that it is critical for missions and regional programs to work together, with each focusing on its respective comparative advantage. Missions are best suited to manage single-country interventions and to link with the country-level strategy as part of the USG Country Team. USAID regional operating units, by contrast, are best placed strategically to address issues that are truly regional, to serve as an advocate for a coherent regional policy, to recruit funds for regional efforts that are greater than individual missions, to assist missions to have their bilateral projects feed into that strategy, and to advocate in Washington on behalf of the missions and the program. Operationally, USAID regional programs can be most effective when they resist the urge to function as missions, and instead focus on supporting the missions. This can take the form of providing technical assistance in design, evaluation, sharing lessons learned, and areas common throughout a region. In so doing, regional projects can often provide economies of scale in addressing technical issues that are common to all missions but would be inefficient to address on a Mission-by-Mission basis. Regional projects can also be useful as innovators – helping missions take risks with pilot efforts in new areas or with new technologies, and sharing results with missions so they can scale up promising opportunities.

F 4.2e

The costs of having a centrally-managed, field-based regional program have been significant, including the following:

- Delays resulting from the finalization of division of ABCI;
- Paying salaries during the design period and the period awaiting clarity on Brazil;
- Expenses related to redesign as a result of the division of ABCI;
- Delays in consortia implementation due to problems in one country that delayed the entire program (whether “necessary” or not);
- Costs related to communication, attending regional events (labor, travel, and opportunity costs), and conforming to regional monitoring and reporting needs; and
- Significant ISU costs to promote synergies among partners.

[Figure 1; F 2.1a; F 2.1b; F 2.1d; F3.5a; Annexes II, IV, V]

F 4.2f

The benefits of centrally managing ICAA as a regional project have been few, but they are important. This structure has helped to ensure that investments were made consistent with the regional biodiversity earmark requirements. Simply handing funds over to the missions can result in funding of projects that are high on Country Team priorities, but may not be optimal for regional biodiversity conservation goals. This structure also promoted unified communication with the US Congress on program progress, challenges, and future funding. A third important advantage was to foster communication among biodiversity officers in USAID Missions in Amazonian countries. Having FSNs serve as POCs has made retention of institutional memory more likely than if USNs had been used, and also ensures that local knowledge is integrated into ICAA planning. Finally, it has promoted forums for regional dialogue on Amazon issues. Any revision to ICAA’s structure must retain these strengths.

4.3 GOVERNANCE AS AN ORGANIZING PRINCIPLE IN DESIGN

F 4.3a

In every site the Assessment Team visited that showed promise in addressing critical threats to biodiversity, governance emerged as the critical leverage point for biodiversity conservation efforts – and was often also seen as a critical threat. Activities where governance was targeted as a means to an end (such as SPDA policy work in Peru to reduce illegal mining, WCS strengthening of Tacana governance in Bolivia and TNC/FCS strengthening of Cofan management in Ecuador to address critical resource threats) seemed on track to have an impact. Trying to strengthen governance as an end in itself seemed less productive, as with more general M-P efforts to support planning regimes that were less tied to particular threats or outcomes. [Annexes I, III and V]

F 4.3b

Fifteen years ago in the USAID biodiversity community there was much discussion over whether the focus should be on “conservation” or “development”. Considering the progress witnessed by the Assessment Team in ICAA project sites, the key word now seems to be “governance.” Conservation efforts that are not tied to governance considerations risk becoming irrelevant and “productivity” projects can easily become ends unto themselves that are not sufficiently supportive of biodiversity conservation. [Annexes I-V]

F 4.3c

It was learned during the Assessment Team's interviews that currently there are no functional regional governance bodies capable of exerting meaningful control over biodiversity conservation. Groups such as the Andean Community of Nations (CAN), the Amazon Cooperation Treaty Organization (ACTO), the Andean Corporation for Development (CAF) and others are, at best, only able to make broad pronouncements regarding policy. At their worst, they can be paralyzed by cross-national tensions, which is too often the case. Policies affecting resource use are made at the national level, and ACTO and other organizations have little ability to influence national policy unless a particular nation is already prepared to adopt such policies. [Interviews]

F 4.3d

However, there is the potential to work with regional technical bodies – such as those involved in agriculture, pastoralism, grants making, etc. – which are removed from the domestic political fray, to be able to maximize the reach of the program. [Interviews; Annex I]

F 4.3e

In their formal capacity as ICAA members, ICAA consortia do not appear to have been particularly active with cross-USAID, USG, multi-donor or other such partnerships to date. ICAA AOTRs have participated in USG forums in Washington and in regional forums in the US and overseas. Such efforts could be an important part of using ICAA to leverage regional impact. The Assessment Team attended a useful donor coordination forum in Colombia and also engaged Mission staff in a preliminary exercise to consider how future ICAA investments in Colombia could support USG efforts in Colombia. Such linkages would more easily be maintained via full-time POCs. [Annexes I-V]

F 4.3f

The failure of the state to control illegal resource use in many cases calls into question activities that rely on government enforcement, particularly those among individual landholders in buffer zones. It may be prudent to instead focus on areas with a conservation mandate (such as protected areas or castaña holdings) and indigenous communities where communal management decisions can be taken and where the population may have social, cultural, and economic commitments to land uses that are compatible with conservation. [Interviews]

F 4.3g

Conservation of biodiversity requires active engagement of local government (region, district, etc.), particularly in institutional environments where current national practices may be antithetical to conservation goals. Engagement at this level has proven productive in all four consortia. In fact, focusing on sub-national governance structures may often yield more tangible results than working at national policy levels. [RME Text Box 2; Annexes I-V]

F 4.3h

Many of the most immediate and potentially devastating threats to biodiversity are related to national policies and practices that demonstrate a lack of commitment to conservation of biodiversity. Regional projects, which attempt to work across multiple sets of national policies, may have difficulty adjusting to unique circumstances in different countries and conducting dialogues with governments. Bilateral missions, which maintain both long-term and daily policy and diplomatic relations with governments, are better placed to influence policy. [F 4.2a; F 4.2c; RME Text Box 3]

F 4.3h

The scale of illegal logging and mining activities in the region calls into question exactly who is benefiting from these enterprises, particularly in a country with a significant narco-trafficking presence. Linkages with other illicit trades and groups that do not have the USG's interests in mind are possible. [Interviews]

Relationship Management Excellence Text Box 5:

CIPTA and WCS (MMCC):

“Accompanying” Institutional Maturation of Indigenous Federations

Bolivia's CIPTA (Consejo Indígena del Pueblo Tacana) has worked very hard to become an organization capable of representing the interests of the Tacana people to the outside world, to manage the community's resources for future generations, to improve economic conditions while maintaining their culture, and to protect their rights. WCS has accompanied CIPTA in this journey for the past ten years in a way that impressed the Assessment Team as being supportive of CIPTA initiatives while bringing best practices into the community regarding financial management, land titling, project management, negotiation, managing their own funds and other relevant skills. CIPTA appears to be in charge, acknowledges the important assistance from WCS, and desires to have even greater control. Now the two parties must navigate to a point where CIPTA can continue its activities without WCS. This will not happen soon, nor should it. Aside from the technical lessons and appropriate “accompanying” posture that could be shared throughout ICAA, it is important to recognize that such efforts take a very long time to succeed; that the NGO's role was essential, especially in the early years; that initial investment and engagement may be modest; and that the process must proceed at the speed of the indigenous federation.

4.4 WORKING WITH INDIGENOUS CONSERVATION PARTNERS

F 4.4a

The original designers of ABCI/ICAA had hoped that the project would focus on working with indigenous communities. The following are indigenous-related areas in which ICAA has been active:

- IL focuses exclusively on working with indigenous communities in Peru and Ecuador, and recently provided a grant to the Coordinadora de las Organizaciones Indígenas de la Cuenca Amazónica (COICA);
- MMCC has significant involvement with indigenous peoples, particularly in Bolivia;
- The ISU has supported exchanges among indigenous peoples, manages the ICAA small grants program that has been targeted to benefit indigenous people through partner NGOs, and has provided a grant to COICA; and
- SL has worked with indigenous producers on an opportunistic basis, but this is not a major focus of its program.

[Annexes I, III, IV, V]

F4.4b

Generally, ICAA's efforts to strengthen indigenous organizations at the community and federation level through IL and MMCC have been productive and show promise. ISU reports that its prior grant to COICA was very labor intensive. It is not clear that COICA has the ability to achieve a significant impact. USAID should carefully monitor the new grant to COICA (through IL) to determine whether additional assistance is warranted. [Annexes I, III]

F4.4c

There remains a very large overlap between areas with concentrations of indigenous populations and areas of relatively intact biodiversity with low internal threats. Land in these areas is generally managed collectively, making conservation of very large tracts of land feasible. Most of those areas are subject to considerable external threats from illegal logging, extractive industries, and infrastructure projects. REDD-related actions may soon pose additional threats and opportunities. [IBC (IL) map]

F4.4d

Programs that focus on institutionally strengthening representative indigenous organizations that inhabit areas of high biodiversity value – such as those implemented by IL and MMCC – are important bulwarks in protecting biodiversity. In addition to administrative, governance, financial, and resource management capability, indigenous organizations also require capacity strengthening in defending their legal rights and in effective negotiation with governments, businesses, and neighbors. [Annexes I and III]

F4.4e

In some cases, USNGOs -- and even local NGOs -- are reluctant to commit too much support to indigenous organizations to defend their rights against business and government initiatives, for fear of alienating governments and being shut down. This area of empowerment is one of the most critical in biodiversity conservation efforts. [Annex I and III]

F4.4f

In many cases, working with indigenous communities must proceed at a relatively slow yet constant pace. While this can be frustrating from a work plan point of view, it also means that it is possible to work with multiple communities simultaneously. The arrival of REDD provides an opportunity for very productive conversations with many indigenous communities on an issue of vital importance to them. At the same time, caution must be exercised and expectations managed, as much has yet to be clarified in REDD and national policies appear likely to vary widely. [Annexes I and III; F 4.5a; F 4.5 b; C 4r; C 4s; R 14]

4.5 STRATEGIC OPPORTUNITIES AND THREATS

F 4.5a

During its field visits in Peru, the Assessment Team learned of multi-million dollar private sector REDD (Reduced Emissions from Deforestation and Forest Degradation) investments in Tambopata Reserve, Los Amigos Reserve, and the indigenous community of Belgica. These investments are being made in advance of REDD being operational. Based on the limited documentation available to the Assessment Team, it appears that the deals for Belgica and Tambopata involved the investors receiving a portion of *likely future* annual REDD funds, with the land holder receiving the balance.

The present value of at least two of these deals is very significant, particularly when benefits from large areas are shared among relatively few families, as would be the case in the indigenous community of Belgica. [Annexes I and II]

F4.5b

The team also heard numerous anecdotal reports of speculators “crossing the countryside” trying to made REDD deals. [Interviews]

F 4.5c

It is unclear whether some assumptions implicit in the design of certain consortia programs remain valid. It would be a worthwhile investment of ICAA funds to test these hypotheses in order to avoid the possibility of sending good money after bad. Some of these hypotheses include:

- That certification leads to biodiversity conservation, particularly among different products. Potential projects for review include timber, castaña, tourism, coffee, and cacao;
- That castañeros benefit from the labor and costs (incurred by the castañeros, the NGO, and the donors) associated with developing basic management plans;
- That the plethora of sub-national government plans can improve management in local contexts where governments appear to lack commitment to conservation;
- That corridor work is still viable, particularly in areas under great threat, such as between Tambopata and Los Amigos Reserves in Peru;
- The implication of illicit trade in timber to domestic and U.S. security; and
- That Cooperative Agreements are the most appropriate procurement mechanism for implementing all biodiversity field activities in the Amazon region under ICAA.

If any of these prove to be invalid, continuing current activities as if the assumption were actually valid would, at best, be a distraction. More likely it would be detrimental to biodiversity conservation. [Annexes I, II, III, and IV; F 2.2c]

Conclusions

C 4a

ICAA consortia are implemented more as a collection of national programs sorted under multi-country management and funding groupings than as regional consortia. Thus, while ICAA may

Relationship Management Excellence Text Box 6:

TNC, IBC, and FSC (IL):

Humility in working with competent local NGOs

TNC selected two local NGOs (LNGOs) -- IBC in Peru and FSC in Ecuador – with years of experience working with indigenous groups on conservation issues. TNC’s approach to managing this relationship appears to have been to facilitate access of those NGOs to ICAA funds, to provide value added where it could (such as with fundraising, strategic planning and mapping), and otherwise to largely let the NGOs do their work without micromanagement and without interfering in the complex NGO/indigenous federation relationship. No doubt, this has avoided some potential problems while enabling those LNGOs to grow. TNC would be well advised to build on this positive work by providing training and mentoring to assist those LNGOs, so that they will be able to receive USAID funds directly in the near future.

eventually demonstrate impacts at a project level, it is not likely to add value in addressing transboundary and regional conservation problems and opportunities. [F 4.1c-e]

C 4b

USNGOs, which are committed to achieving their long-term missions, often view USAID procurements with an eye to how they can meet the requirements of the RFA while at the same time pursuing their own objectives. When USAID awards such proposals it has the advantage of promoting what may be an important international Mission. However, sometimes it may result in funding activities that do not precisely match what is in the highest interest of the USG. [F 4.1; F 4.1b; F 4.1e; C 4a]

C 4c

Establishing a program with a regional strategic focus and with integrated working parts is extremely difficult to achieve as a result of a general RFA. Success would have been more likely if USAID had specified more precisely the themes, geographic focus, and need for synergies that it required for ABCI/ICAA. USAID may be able to exert stronger control over the design of a project if at least some procurements were established under contract mechanisms rather than CAs. [C 2c; C 4a; C 4b]

C 4d

In cases where USAID may want to adjust implementation instructions, or where there is no obvious track record among USNGOs in the geographic and technical area in support of ICAA's regional strategy, it may want to consider using a procurement mechanism that would also attract contracting firms. [F 4.1e; C 4c]

C 4e

Fundamentally, the \$33 million budget overall (with 47 percent spent as of 30 September 2009), is a very small amount of money for ICAA to expect it can show demonstrable impact in addressing critical threats to biodiversity in the Amazon, given the scale of the challenge and constraints faced by USAID in investing its funds. Such limited resources must be focused strategically and geographically as well to have a measurable impact. It is very difficult for USAID to foster the kind of synergies needed to make these kinds of investments have real impact by using relatively vague RFAs. [F 4.1; F 4.1b; F 4.1d; C 4b].

C 4f

The loss to the USG's regional conservation efforts caused by the departure of Brazil from ABCI damaged several individual consortia and limited the potential of ICAA to succeed as a regional project. Future regional programs may want to consider how to reintegrate Brazil, as appropriate. A lighter political touch may be needed to succeed. This could occur very soon if USAID decided to follow the recommendations presented below. [R 4-8]

C 4g

The costs of structuring ABCI as a regional program based on implementing field projects from Washington have been significant while the benefits were seen to be modest. [F 2.1a; F 2.1b; F 2.1d; F 4.2a; F 4.2b-f]

C 4h

In retrospect, it was not to USAID's benefit to apply ABCI/ICAA funds to a regional program that emphasized field implementation, required consortium implementation, and had a large coordinating function. [C 4g]

C.4i

Trying to implement a field-based program across multiple countries appears to increase the risk of national political issues impeding progress throughout the region. A more distant regional approach that focuses on the comparative advantage of regional projects would minimize the risks inherent in USG regional visibility while providing the benefits associated with regional programs. It should particularly focus on how to maximize the impact of bilateral efforts (recognizing that this is perhaps the greatest point of leverage of an effective regional program), and provide uniquely regional technical inputs, pilot testing, sharing of information, economies of scale, and linkage of missions to USAID/Washington. [Annexes II and IV; C 4f C 4h; PME Text Box 3]

Relationship Management Excellence Text Box 7:

USAID/Washington:

Being heard in the halls of power

USAID/Washington has been successful in interacting with various USG entities regarding opportunities for biodiversity and climate change funding. In managing the current earmark, staff must be able to effectively communicate progress in conserving the Amazon as well as manage the various interests in Washington so that field work can continue without undue interference. If the recommendations of this report are followed, this office can also play an important role ensuring that Amazonian issues are brought to the attention of State Department officials who are negotiating on behalf of the US on global climate change issues. This critical complement to field work will become even more important as USAID recruits funding for follow-on activities to ICAA.

C 4 j

If USAID/Washington were to “step back” to more of a coordination/facilitation role, it might actually increase its ability to include Brazil in its Amazon strategy, without rekindling anti-ABCI USG sentiment from the Government of Brazil. [C 4f; C 4i]

C 4k

At this time, it does not appear that investing in regional governance bodies (such as CAN and ACTO) would be fruitful. It may, however, be quite productive to engage with regional technical bodies. [C 4.3c-d]

C 4l

The fundamental theme in biodiversity conservation in the target areas does not appear to be biology. It is governance at the national and – more especially – regional, community, and organizational levels. It is about indigenous rights, decision-making, enforcement, and corruption. [F 4.3a-b; F 4.3f-h]

C 4m

Given the centrality of governance issues, at all levels, to the conservation of biodiversity, USAID may want to consider ways in which it could incorporate institutions, instruments and colleagues from the D&G sector in future implementation designs. [C 4.1]

C 4n

In environments where lawlessness is pervasive – such as with illegal logging in Peru and Bolivia – and where price differentials exist internally (such as for certified timber [reportedly the vast majority of legal exports] and non-certified timber [reportedly dumped on the local markets]), incentives exist to launder illicit timber through the certified chain. Such activities would be designed to capture “rents” developed through NGO successes in establishing markets for certified wood. The Assessment Team believed this could be an “unanticipated consequence” and may be worth investigating. Such practices would both compromise certification systems and could be a funding mechanism for a range of groups that do not have the USG’s interests at heart. [4.3i; C 4l; C 4m]

C 4o

While ICAA has engaged in some important work with indigenous communities, it has not sufficiently focused on indigenous partnerships in order to have significant impact on a regional level. [F 4.4 a-c]

C 4p

ICAA and any follow-on efforts could achieve significant regional biodiversity impact if they intensely focused on empowering indigenous communities to manage their land, defend their rights, and become full partners in biodiversity conservation. [F 4.4c-f]

C 4q

That such a significant level of REDD speculation investments are being made – even before REDD is finalized – indicates that those holding titles to land eligible for eventual REDD funding are likely to be under pressure to make deals. (F 4.5a-b)

C 4r

REDD funds present a huge potential for financing and supporting Public/Private Partnerships objectives while providing an unprecedented potential for sustainability in protected areas, indigenous communities, and those with use rights to large-scale land titles. This is dependent on the specific site of the titled land holder and on their ability to negotiate a good deal and successfully manage any resulting financial income. [C 4q]

C 4s

REDD funds also present the considerable and time-sensitive risk that areas of high biodiversity value will be “sold” without the seller (or the collective membership for collectively held lands) fully realizing what they are doing. This could lead to large tracts of important biodiverse lands being converted to monoculture or other uses at odds with biodiversity conservation. It could also lead to indigenous communities losing traditional use of their lands without full consideration of the implications of certain deals. The political and policy context for REDD implementation remains uncertain and is likely to vary considerably from country to country in the region. [C 4q; C 4r]

V. RECOMMENDATIONS FOR ICAA

R 1

USAID and the ICAA consortia should determine which of the recommendations detailed in Annexes I through V should be implemented, and then proceed without delay. [Annexes I through V]

R 2

If a follow-on “ICAA-2” is sought, ICAA should not include a nine-month planning period. The procurement action should request that bidders include teaming arrangements, a draft Results Framework, and a notional work plan. A two-month period to finalize the design, monitoring systems, and teaming arrangements should be sufficient to develop a work plan. [C 2a]

R 3

USAID should rethink the model of implementing field projects from Washington. This is particularly true for projects that are more of a grouping of similar projects in different countries. Such activities could be more effectively implemented with existing bilateral Mission staff, systems, and procedures. [C 2i; C 3a; C 3e; C 4a; C 4e; C 4g; C 4i; C 4j]

R 4

One approach would be for USAID/Washington to develop, in partnership with missions, an overall strategy for priorities for Amazon biodiversity conservation earmark expenditures. A process was followed in Colombia as part of this assessment that might produce rapid and useful results for other missions. In this framework, the missions would manage the projects. This would retain the strategic leverage of a regional approach while helping to manage the risk inherent in regional programs. USAID oversight and dialogue would be focused where it can be most effective, at the country level. The procurement actions could be carried out by the missions, with USAID/Washington helping to develop specific designs and being a part of the award selection committee in order to ensure that the regional vision is maintained. Conversely, if desired by the missions, regional mechanisms could establish the design and execute the procurement on behalf of the missions, with Mission staff participating. [F 4.2f; C 4e; C 4i; R 3]

R 5

USAID should consider decentralizing the management of field activities to Mission staff. This would require hiring a full-time FSN COTR/AOTR for each Mission, to manage activities in each country. In this case, missions would manage field activities in each country. This approach could facilitate more rapid approval of work plans and other bureaucratic procedures, provide more proactive and effective monitoring, and ensure improved coordination with other USAID activities. [C 3e; C3f; C 4a; C 4e-j]

R 6

USAID should revisit its consortia management practices to:

- Explore ways to reduce the time expended from the work plan drafting stage to final approval. If the AOTR role is shifted to the missions, it would greatly streamline the

process. In the meantime, AOTRs could visit the region and hold meetings with POCs and consortia to confirm all work plan revisions more quickly;

- Consortia should be encouraged to be more candid, describing clearly and transparently both positive developments and vexing setbacks;
- AOTRs should ensure that each consortium has a coherent upper-level strategy, intelligent implementation tactics, and indicators that track progress at both levels. In some cases, it may be necessary to use a logical framework or similar tool.
- If necessary, USAID should facilitate the provision of technical assistance to remedy shortcomings. If ISU is to be used, that consortium should reflect on the shortcomings of its last intervention in this regard and provide strategies to improve its technical assistance;
- AOTRs should, to the extent possible, shift the level of focus in consortium dialogue from activities to impact.

[C 3a-d; C3f; C 3h-l]

R 7

ICAA should increase the magnitude of its measurable impact by being more strategic in future investments. A concrete and highly focused strategy should be the foundation for any such funding. Procurements should specifically outline USAID's strategy and what is needed to meet it. Respondents should be obligated to meet those requirements. Implementation instruments should be designed, to the extent possible, so that USAID can have an ongoing role in helping implementers adapt to changing circumstances. [C 2b; C 2d; C 3b; C 3c; C 4a-e]

R 8

ICAA should rapidly move to support consortia members in efforts to inform their local partners – particularly castañeros and indigenous communities – of the opportunities and threats presented by REDD. ICAA should encourage consortia members to participate in national forums to develop REDD policies (many consortia members already are active), to consider how to prepare ICAA's local partners for REDD, to market opportunities, and to seek buyers. Considering how to market ICAA REDD products in Europe and the US may also be worthwhile. ICAA should consider procuring the services of an ICAA- or non-ICAA partner to help the project stay fully abreast of REDD developments, and to investigate demand markets for REDD that may be applicable to ICAA. These approaches should also help ICAA maintain an external scan of bottlenecks and risks associated with REDD [C 4 q-s]

R 9

ICAA should review the list of possible studies in F4.5c, above, and procure those that it deems most urgent for continued regional biodiversity work in the Amazon. [F 4.6c; R 8]

GUIDE TO ANNEXES I THROUGH V

Annexes I through V of this report summarize the Assessment Team’s observations regarding each consortia with respect to the following:

- Performance;
- Management and structure; and
- Strategy and design

The Assessment Team attempted to consider each of these issues at both the consortium and implementing partner levels. Please note that the format varies among consortia, depending on the nature of the partnerships and the activities undertaken.

Readers should be aware that these annexes are not evaluations of each consortia, much less of each implementing partner. The rigor for such an exercise was not possible given the time available, and individual assessments were not part of the assessment’s scope of work. Rather, these analyses form an important base of information for examining the ICAA program as a whole. It is also hoped that the observations will help consortia and USAID agree on ways in which implementation could be improved and will help inform future USAID investment decisions.

In some cases consortia have already begun to adopt some of the recommendations endorsed by Team Members from their organizations and discussed during the Assessment Visit. In these cases, we have added to the end of the Annex an *Update Text Box: Assessment recommendations already being applied*, describing changes adopted. In this way readers will have a sense of what was learned by the Assessment Team (with the Assessment Team almost always including representation from implementing partner and USAID staff), what the recommendations were, and where consortia have demonstrated a will to improve by proactively making changes prior to the Assessment Report being issued.

ANNEX I: MADIDI-MANU CONSERVATION COMPLEX (MMCC): MADRE DE DIOS REGION, PERU; BENI AND LA PAZ DEPARTMENTS, BOLIVIA

OVERVIEW

The MMCC consortium has achieved significant results. However, as with all Initiative for Conservation in the Andean Amazon (ICAA) implementers, it is somewhat difficult to isolate the impact of ICAA funds from other funding sources and from investments made in previous years. Wildlife Conservation Society (WCS) requested and was granted an early start-up date as a consortium, beginning work before the allotted ICAA nine-month planning period had ended. Additional resources should be committed to this consortium, and lessons learned should be shared with other ICAA consortia. The consortium members and their local partners would all benefit from directed assistance in communications, to catalyze implementation and help them to better communicate the value of their approaches and the results of ICAA. USAID and WCS should work with the *Fundación Protección y Uso Sostenible del Medio Ambiente* (Foundation for the Protection and Sustainable Use of the Environment, PUMA) to determine ways in which funds could be granted more quickly and to focus the grants in order to support WCS strategy in Bolivia.¹⁴ A similar discussion may be warranted with the *Fondo de las Américas del Perú* (Fund of the Americas, Peru, FONDAM) in Peru, but the Assessment Team was unable to visit any FONDAM sites and is therefore less aware of the issues there.

WCS/Bolivia

The Assessment Team was extremely impressed with WCS's work in Bolivia, both in leading the consortium and in catalyzing conservation efforts in the country. The scope of their long-term work in the Bolivian Madidi area goes beyond analysis and workshops to include strategic and comprehensive shoulder-to-shoulder institutional strengthening. The result is that the *Consejo Indígena del Pueblo Tacana* (Tacana People's Indigenous Council, CIPITA) is now an impressive organization and progress in conservation activities is evident. Meetings with other local organizations supported by WCS – *Central de Pueblos Indígenas de La Paz*/La Paz Indigenous Peoples Center (CPI LAP), *Central Indígena del Pueblo Leco de Apolo*/Leco de Apolo Indigenous Peoples Center (CIPLA), and the *Mancomunidad* of Tropical Northern La Paz (MTNLP) – confirmed the value of WCS assistance and the wisdom of WCS's strategic approach to engineering a sub-national governance support framework from communities to *mancomunidad* (a grouping of eight municipios). WCS is conducting biological monitoring that tracks biodiversity status. Institutional sustainability of key local organizations remains a challenge, which is not surprising at this stage. Based on performance to date, the rigor of their model, and the urgent need for attention in the Madidi area, further investment of USAID funds in WCS/Bolivia is recommended sooner rather than later.

PUMA, Bolivia

The Bolivian grants maker *Fundación Protección y Uso Sostenible del Medio Ambiente* (Foundation for the Protection and Sustainable Use of the Environment, PUMA) has been slow in awarding grants, to the point where its grants cycle may be out of synch with the time remaining in ICAA. The first grants were finally awarded in August 2009, beginning the process of allocating funds available for grants. On the other hand, PUMA's grant-making schools appear to very useful as does PUMA's systematic follow-up on grantees. PUMA has recently established a spacious office with competent staff (and will soon have a vehicle) in San Buenaventura (La Paz District), at the mouth of Madidi Park. With these resources, along with more agile, accelerated grants-

¹⁴ The Assessment Team recognizes that there has been no requirement in project plans or documentation to focus grants as suggested in this document. The Team is suggesting this as a way to improve design, as part of its obligation to re-think design assumptions during the Assessment process.

selection and execution systems for ICAA-funded grants and directed targeting of grants to support ICAA strategies, there is a possibility of achieving impact.

ACA/Bolivia

The work of ACA/Bolivia, the Bolivian field office of the US-based NGO Amazon Conservation Association, was delayed because of an initial ill-advised effort to apply models and approaches in Bolivia that ACCA/Peru had developed to suit Peruvian circumstances. The MMCC team has now realized that the differences in Bolivia require a country-specific approach, particularly in adjusting the family-based castaña (Brazil nuts) management approach to indigenous castaña management in Bolivia. ACA/Bolivia seems to be a useful team player, complementing the work of WCS in Bolivia.

ACCA/Peru

Asociación para la Conservación de la Cuenca Amazónica (Association for the Conservation of the Amazon Basin, ACCA/Peru), the Peruvian Amazon conservation NGO, experienced an extremely difficult and lengthy start-up period due to an internal contractual error with its US-based office (ACA/US), while at the same time they were forced to revamp operational and financial management systems. This was conducted while ACCA completely changed its staff for castaña work. When the Team visited in August 2009 WCS had only dispersed one initial payment of ICAA funds to ACCA/Peru, after WCS had suspended all disbursements pending improvement in ACCA's financial systems. Nevertheless, according to ACCA they were able to meet or exceed most of the project's targets using counterpart funds. ACCA occupies an important niche in castaña support in Madre de Dios. To be relevant in the local context, ACCA should review its strategic investments in order to better address the current threats in the region, recognizing that castaña areas are scattered islands along the new Inter-Oceanic Highway. ACCA would benefit from being more aggressive in seeking innovative solutions in the face of current market problems, and considering ways to streamline its assistance to castañeros selling the Brazil nuts.

SPDA

The NGO *Sociedad Peruana de Derecho Ambiental* (Peruvian Society for Environmental Law, SPDA) appears to be providing valuable services to the partners and other stakeholders in the project areas, including: the Tambopata Reserve, the multi-sectoral group working on mining in Madre de Dios, and indigenous groups who have sought their assistance. SPDA has worked on legal issues related to petroleum exploitation, mining, and ecotourism. They have also drafted bills and regulations for consideration by the Peruvian government and provided advice on what laws and policies were *not* advisable. Their services appear to be valued and are driven by urgent needs. There is a potential risk of the organization being spread too thin, but for now their demand-driven responsiveness appears to be filling an important niche.

FONDAM

The Peruvian grants maker has also been slow in starting up, awarding only two grants by August 2009 because of an apparent delay caused by confusion over the requirements for meeting USAID environmental requirements. At its current rate FONDAM will not expend its ICAA funds prior to the end of the project. It is too soon to judge the impact of their grants, although as with PUMA and the ISU's *Programa de Pequeñas Donaciones* (Small Grants Program, PPD) it may be advisable to consider narrowing the strategic focus of the grants. Closer examination of the grants already awarded may help provide a sense of their usefulness to the program; the Assessment Team did not have an opportunity to visit project sites, which had only recently begun.

PROGRAM PROGRESS

According to the indicator data, the MMCC consortium is largely on course in meeting its targets, except for the delayed grant-making activities of PUMA and FONDAM. WCS and SPDA appear to be working creatively, vigorously, and productively. As ACCA/Peru is emerging from its reorganization, it is time to

consider even more vigorously than it already is, how it can respond to the urgent issues threatening the area beyond its traditional approach to castaña management. PUMA's systems appear to have some requirements that constrain its agility. Resources targeted to PUMA would be more usefully spent if PUMA could adjust some of its systems for USAID funds to reflect the urgency of the situation and the capabilities of the partners with which WCS works.

MANAGEMENT STRUCTURE

In general, the MMCC consortium appears to have a healthy level of coordination and synergy, with good communication among the consortium partners.

Participation in the consortium has provided some benefits and involved significant transaction costs. On the benefit side, ICAA provided a chance for organizations that had known each other to roll up their sleeves and work closely as partners. The costs, in terms of time and money, include having to hold many meetings to design the consortium, ICAA annual and other side meetings, consortium management meetings, learning how to work together, and completing the various reporting requirements. The coordination time required of consortium leader WCS was greater than WCS had anticipated. Incorporating ACCA/Peru and ACA/Bolivia into a cross-border consortium led to two direct complications: (1) the sub-agreement to ACCA was mistakenly written ACA, leading to months of bureaucratic delay; and (2) attempts to apply Peruvian approaches in Bolivia with ACA expended additional time.

As consortium leader, WCS had to manage ACCA/Peru as it suffered delays from a consortium contracting error. These were compounded by problems created by the need for ACCA to go back and clean up its records and upgrade its financial management systems in response to audit findings. ACCA has spent a year trying to improve its management and technical approaches, while ICAA funding was withheld by WCS to ensure ACCA's compliance with USAID requirements. WCS wisely applied a firm hand on ACCA in light of the questions raised by the audit.

DESIGN

Bolivia

Over nine years, WCS has managed to develop a consistent approach – augmented by periodic evaluations and biodiversity monitoring that are integral to the design – that enables the organization to maintain its strategic focus while applying an adaptive management approach to be able to adjust to political and social changes in the restive and sometimes violent Madidi region.

However, the sustainability of this model – particularly regarding organizational development – is a central challenge. Over the years, the Tacana indigenous organization *Consejo Indígena del Pueblo Tacana* (CIPTA) has been able to assert its autonomy in managing its resources and defending its rights. WCS appears to have found a way to “accompany” CIPTA by effectively using a thoughtful mix of training, posting staff to work with CIPTA as advisors, helping CIPTA establish its own small grants fund, promoting indigenous exchanges, and otherwise supporting CIPTA's growth – without dominating it.

This development has resulted in an indigenous organization that requires external funding to continue providing services to its people. CIPTA's expenses on staff and operations have increased and it is keen to directly manage more money from WCS and to win more of its own proposals. The current structure would be costly for most community-based organizations, as it includes staff to manage various aspects of life in the *Tierra Comunitaria de Origen* (designated indigenous territory in Bolivia, TCO). It would have difficulty surviving as currently structured, without external funding.

Fortunately, CIPTA has adopted a model for the productive groups in its area (timber, fish, local arts, etc.) in which the groups apply fixed portions of their earnings to contribute to supporting CIPTA and to reinvest a portion of the earnings in their enterprises. It will be some time before this can become a sustainable model, but it does hold some hope. If PUMA is able to channel some of its grants to support worthy projects among

key WCS partners such as CIPTA and the Pilón Lajas – combined with PUMA’s technical support to ensure that enterprises are sustainable – it could make an important contribution to sustainability.

Likewise, the work with the *mancomunidad* and the management plans created for particular areas require funds to implement activities. PUMA funds could be productively targeted there as well. Sustainability will depend on increasing the range and earnings of the productive activities, including accessing external opportunities such as Reducing Emissions from Deforestation and Forest Degradation (REDD) and Payments for Ecosystem Services (PES) funding.

The timing is propitious to assist CIPTA and Pilón Lajas in raising funds. This could be accomplished directly by WCS staff, or possibly by assistance from PUMA if so desired by PUMA. To move towards sustainability, it is time to build on what has already been established.

CIPTA landscape and the *Reserva de Biosfera y Tierra Comunitaria de Origen Pilón Lajas* (Pilón Lajas

Biosphere Reserve and Indigenous Territory) both face serious threats, most of them external. For CIPTA the biggest threat is a very large area in the “center” of its territory (CIPTA’s Tacana I land is shaped like jagged doughnut) that could be given over to colonization, given the current policies of the Government of Bolivia. CIPTA is also confronted with other colonists and potential oil exploration. Pilón Lajas faces the threat of oil exploration, a highway, and a very large dam. To confront these successfully, the TCOs must have a very high level of unity and the capacity to successfully interact with the outside world. The WCS’s approach seems to be helping to build up these needs.

Peru

The design and activities of the MMCC consortium in Peru do not seem to adequately take into account the threats posed by rampant illegal activities and the lack of enforcement of laws and regulations by national, regional and local authorities. The Madre de Dios highway impact scenarios prepared by Conservation Strategy Fund in 2007, with soya, sugarcane and other plantation crops replacing castaña forests, seem to be on the immediate horizon along the highway between Iñapari and Puerto Maldonado (just west of Madidi), given the current interest of foreign investors in the lands along the highway. Once the bridge is completed over the Madre de Dios River, the deforestation threats to this region (including the bordering area of Bolivia) will increase as logs and wood products are more easily transported to markets in Madre de Dios and Cuzco.

Furthermore, the presence of the new highway parallel to the northern border of the Tambopata Reserve, as well as extremely intensive gold mining in the region between the highway and Tambopata, led the Assessment Team to suspect that the long-term viability of the Madidi-Manu corridor as the connection between Manu and Madidi is being severed by highway-induced development, deforestation, and gold mining just south of Los Amigos and north of Tambopata.

The Madidi-Manu Corridor is vastly larger than the area in which ICAA conservation work is actually being done, so it would be overreaching to say that ICAA is conserving the entire area. With the link between Manu-Los Amigos and Tambopata-Madidi on the verge of being severed, it seems even less realistic to claim MMCC is conserving the connectivity in the entire corridor. Since WCS stated, quite reasonably, in comments on a preliminary draft of the assessment report that “it was never the intention that the consortium would work in all areas of the MMCC, and we have never claimed that we would conserve the entire area,” it may be useful to adopt a more humble name for the consortium so that readers will understand the scope of the effort and not be misled by a title that may – to some readers – imply greater reach.

In Peru, at least, it seems that the conservation battles over those “corridors” between protected areas and indigenous territories are not being “won”. Success would be a very large task under a supportive policy environment. Unfortunately, government support for such ambitious corridor work does not seem to be present. Rather, it may be time to vigorously refocus efforts on protecting the very large islands and critical corridor segments that remain.

On the Peru side, ACCA's approach would benefit from a review of the imminent threats to the success of their current strategic approach. Given the urgent pressures on castaña producers with the highway, low castaña prices, and the threat of REDD deals, ACCA may want to explore ways to become more relevant and avoid pushing ineffective initiatives (**see text box**). Continued training in castaña certification is unwarranted since certification has not improved prices or market access.

Enhanced communication among catañeros across the MMCC bi-national area could help producers develop their own innovative approaches to achieving conservation and income benefits through castaña-based strategies.

The risk of potentially faulty assumptions

ACCA's credibility with castañeros suffered considerably in previous years, due to lackluster performance prior to the staff improvement and the castañeros being increasingly weary of NGOs and certification. Currently, ACCA is very supportive of the concept of helping an association of castañeros (ASKART) in Tambopata Reserve build and run a castaña processing plant to add value and to be able to export castañas directly. This effort is in response to a demand from castañeros tired of the "promises of certification" and of low market prices. ACCA appears to feel that this will yield a better price (by eliminating the "dreaded middle-man"), and also increase the appearance of responsiveness to their customers, the castañeros. The Assessment Team feels that caution should be exercised before pursuing this course, for the following reasons:

- The Team was not presented with any data on the cost effectiveness of the approach. A business plan had supposedly been prepared by another NGO, but that NGO had not yet been willing to share that beyond ACCA;
- Research has not been done on the likely price that exported goods would receive (certified or not);
- ASKART currently includes only one-half of the castañeros in the Tambopata Reserve in its membership, and this number has been declining. No dues are required for membership. It is not clear that ASKART is valued by its members.
- Given its inability to marshal significant membership, it is not clear that ASKART would be able to hold together such a collective enterprise; it would be difficult enough with strong group cohesion.
- ACCA and ASKART claim an oligopsony exists, with few buyers who keep the price artificially low. They contend that the plant would circumvent these allegedly powerful economic and political players. No data were presented to support this contention and no plan was evident as to how they would deal with the likely pressures from such a group.
- It is always important to consider the real impact of attempting to remove the much-maligned "middle man". For example, buyers often advance money to castañeros – against future sales – to finance production. From where would this financing come?
- It is in the organizational interests of ACCA and Rainforest Alliance for the plant to be established, and they are vigorous supporters of the plant.
- Good data on market opportunities and weaknesses are missing.

This case may present an example of the need to base programming decisions on disciplined analysis that go beyond common development assumptions.

ANNEX II: MADRE DE DIOS-PANDO (M-P) CONSORTIUM: MADRE DE DIOS REGION, PERU; AND PANDO DEPARTMENT, BOLIVIA

Note: Please see text box at end of this annex for a description of assessment recommendations already being applied.

OVERVIEW

The M-P consortium was severely weakened by the breakup of the Amazon Basin Conservation Initiative (ABCI) and the loss of its Brazilian partners. It subsequently suffered from various institutional and political events that hindered its implementation. M-P does not appear to have invested sufficiently in its own management, especially considering the proactive approach that would have been necessary to secure the success of such a diverse consortium. Substantial ICAA funds have been expended on salaries since October 2006, with little result beyond consortium planning and coordination. Implementation of project activities began in earnest in mid-2009.

M-P strives to strengthen local organizations but at the same time expects those organizations to achieve results without proactive training and mentoring. This has not been a successful approach. To be more effective, M-P should emphasize strengthening its South American university partners and focus field implementation on *Proyecto Especial Madre de Dios* (PEMD, a special project unit of the Madre de Dios regional government) in Peru and possibly Herencia in Bolivia. The consortium should reduce pressure on the universities to produce at the activity level, focusing on strengthening their *capacity* to reduce threats to biodiversity in their tertiary education role. At the same time, PEMD should be prodded to produce immediate results, supported by proactive mentoring from M-P.

The Assessment Team's conclusion is that this consortium has performed poorly and most of its current activities do not show great promise, although it is the intellectual leader in global climate change analysis and communication in the consortium. Meaningful impact is unlikely with the current management approach and strategy. The full-time presence of a Project Manager in Peru – possibly based in PEMD with frequent visits to Bolivia – might help get things back on course. Overall, M-P may have missed an opportunity to target its efforts towards those areas of highest strategic priority – possibly because of the breakup with ABCI. The Assessment Team encouraged M-P members to think about how they could have a more immediate impact, such as working in mining and with the Belgica community in Peru and indigenous groups in Bolivia.

University of Florida (UF), USA

UF took the lead on this consortium, which emerged from the MAP (Madre de Dios – Acre - Pando) initiative led by a Brazilian University in Rio Branco and Woods Hole, in collaboration with UF. Since 2000, the MAP initiative has been promoting research and fostering dialogue across the tri-national borders of Bolivia, Brazil, and Peru on issues related to sustainable development and global climate change. Regional government agencies in Acre (Brazil) and Madre de Dios (Peru) have been active participants in MAP. After the Brazil program was removed from the ABCI consortium, UF struggled to overcome the loss of the consortium members because of the loss of technical and managerial assets and the delay created by repeated planning phases. Hiring a part-time (10-20%) UF Project Coordinator in Gainesville, FL and a part-time (30%) Woods Hole Project Manager from Brazil has not been sufficient to keep the project moving forward and producing quality products. UF's recent fielding of post-doctorates to the two universities in the region, with no overall management responsibilities, will not be sufficient to get the consortium back on track. It is recommended that a fulltime UF Project Manager be immediately hired and based in the field.

Universidad Nacional Amazónica de Madre de Dios, Peru

UNAMAD is a young university. A student strike at UNAMAD (due to the university's failure to achieve certification) paralyzed the university, and was followed by a comprehensive change in staff. Staff were not ready to begin work until January 2009, at which time progress was further delayed by another M-P planning period. By the time of the Assessment Team's visit in August 2009, UNAMAD had completed curriculum

development and begun training teachers in environmental education. The Assessment Team judged the resulting product to be of inadequate quality and UNAMAD's intervention process to be insufficiently linked into the Ñapari school system. Accordingly, it did not appear likely to result in successful classroom application.

Recognizing its initial overly ambitious approach, UNAMAD is now proposing a revised work plan with fewer objectives and a lower number of land use and watershed management plans. That work started in August 2009. UNAMAD has not yet demonstrated the potential to have impact, and appears to suffer from a cumbersome university bureaucracy. An awkward funding arrangement has been necessary, which requires funds to be channeled *from* UF *via* a parastatal (PEMD) to pay for the costs of a state agency (the university). Relationships between UNAMAD and PEMD are rocky. USAID may want to consider monitoring UNAMAD to determine if it is able to become more productive.

Proyecto Especial Madre de Dios (PEMD), Peru

The Special Project of Madre de Dios (PEMD) is a parastatal that was created 27 years ago to assist the Peruvian government in building infrastructure near border areas. PEMD's work in ICAA was delayed until January 2009. In 2008, PEMD was "decentralized" as it moved from the central to the regional government. The PEMD unit working in Madre de Dios was moved to work under the Madre de Dios Regional Government (GOREMAD). An ICAA team was subsequently hired to develop work plans, initiating its fieldwork in August 2009. The PEMD team consists of individuals who appear to be competent, experienced in the field, committed to work in rural areas, and keen to get started. PEMD staff appear to grasp how to successfully implement projects in rural areas. The PEMD team understands the urgency of concrete action on the ground, and may be able to move the consortium toward more practical implementation in order to break out of the current pattern of frequent planning and discussion meetings.

Universidad Amazónica de Pando (UAP), Bolivia

UAP is a young university. It reported initiating ICAA work in January 2009 and has not made much progress. The channeling of ICAA funds through Herencia to UAP appears to work reasonably well. The Assessment Team was only able to consider two activities, both of which showed promise but would have benefited from more thorough planning. UAP staff appear capable and eager to contribute to the process. However, the Assessment Team felt that their productivity could be improved by more careful mentoring and increased technical support. A strategic approach to institutional strengthening, coupled with more modest implementation goals, could produce the greatest improvement in future UAP capacity.

Herencia, Bolivia

Herencia is the only NGO in the UF consortium. Founded in the 1990s, Herencia has long been active in conservation and democracy work in Pando. It has also been an active participant in MAP since its inception. Herencia received ICAA funding to work on an *arroyo* management plan (the relevance of which to critical biodiversity threats was not compelling to the Assessment Team) as well as fire monitoring, which has apparently been well received locally. Herencia could build on existing strong relationships with indigenous groups to have greater strategic impact.

Woods Hole Research Center, USA

Most of the WHRC inputs consist of consortium oversight and management from a well-known scientist based in Brazil who frequently travels to Bolivia and Peru. His leadership in MAP and within the consortium is the glue and energy of M-P. It has also helped M-P conduct important research on global climate change and be leaders in educating the public, policy makers and ICAA members on global climate change. However, he does not have the time to serve effectively as the Project Manager and it is somewhat awkward to have a sub-awardee serve as the principal management agent for the project. His availability has been suitable to providing intellectual and peer leadership, but this has not resulted in sufficient attention being paid to productivity and product quality. The project continues to need his intellectual guidance, connections to international and local

networks, and collaboration in the dialogue on global climate change. The consortium needs a dedicated full-time manager who can combine mentoring with strong project management skills.

PROGRAM PROGRESS

Although some progress has been made in working on various planning processes, overall performance has been poor, especially given that the M-P consortium has already spent over 48% of its fully-obligated funding (\$3,893,196) as of 30 September 2009.

A series of events delayed consortium startup, including the removal of critically-important Brazilian partners, a strike at UNAMAD, the decentralization of PEMD from the Peruvian national government to the Madre de Dios Regional Government, ongoing social conflicts in Bolivia, and repeated changes to the consortium's overall strategy through July 2009. Herencia also cited the socio-political conflicts in Pando and generally in Bolivia during the latter part of 2008 as affecting its ability to work. A waiver was granted to Herencia so it would not have to put USAID's logo on its products, and it does not have to mention USAID as a funding source. The Assessment Team noted that many other Bolivian organizations were nonetheless able to continue their work during this period, with minimal disruption. It is not clear why more progress could not have been made on the Bolivian side while awaiting institutional clarity among Peruvian partners.

On the Peru side, UNAMAD has completed a training of teachers in environmental education that the Assessment Team viewed as somewhat rushed and unlikely to have a lasting impact due to design flaws. PEMD has not yet completed any significant work, so their results could not be assessed. PEMD does, however, appear to have a skilled team that is ready to go, once it resolves some team building and strategic issues.

Staff in Bolivia noted that ICAA funds have paid for some full-time staff for since October 2007. These funds have covered core institutional costs and thus subsidized some of their non-ICAA activities over the past two years. Herencia and UAP staff agreed that it was analogous to USAID paying for gasoline to fuel the organization's car: it enabled them to use ICAA funds to continue what they were doing before the grant.

UAP was able to quickly complete a training of teachers and a workshop for a women's federation just prior to the Assessment Team's arrival. These activities showed some promise, but could be improved in the future.

With the addition of a UF post-doc in August 2009, UAP is more likely to be able to produce the expected curricula for training university students. This would be useful since there is a great need for local, technically-trained people with knowledge of environmental issues to implement the infrastructure and development projects that are rapidly expanding in the region.

A key component of M-P's work is capacity building. However, the kind of institutional strengthening that leads to sustainable improvement of critical organizations seems unlikely with the current M-P approach. Strengthening of local organizations is mostly limited to generating and/or providing information – which is a tiny part of capacity building. For UNAMAD and UAP, institutional strengthening is mostly to be achieved by having university staff complete tasks under the project, with few dedicated efforts towards institutional strengthening. UF post-docs have recently been posted to UAP and UNAMAD to contribute to curriculum development at the universities, which could help in the future.

MANAGEMENT STRUCTURE

Overall

This is the ICAA consortium that perhaps most proactively sought the kind of regional coordination envisioned during the design of ICAA. With a Bolivian university, a Peruvian University, a US University, a US research institute, a Peruvian parastatal, and a Bolivian NGO, it is also the most organizationally-diverse consortium – which can present its own complications. In general, due to their hierarchical structure and internal dynamics, the universities and parastatal have proven less agile than most NGOs in adaptation and activity completion. UNAMAD faculty members, for example, are restricted from receiving payments during the workweek, so they

can only work on ICAA project activities during the weekends. This can be frustrating when close coordination is required with the parastatal, PEMD, which keeps a five-day work week and handles UNAMAD's expenditures.

Efforts to integrate the work of teams on both sides of the border have further complicated collaboration attempts. Since there is poor Internet access in the region, international travel between Bolivia and Peru has been required. For those working in government universities and state agencies, there are added administrative steps involved in securing permission to travel. Most M-P members felt that coordination meeting demands were excessive. To a significant extent, the programs and Bolivia and Peru – while addressing similar themes – can operate somewhat independently. Accordingly, the Assessment Team recommends less frequent international coordination meetings and a greater focus on the important work in each country.

Despite the inherent structural challenges of such a diverse organization, M-P is the only ICAA consortium without a full-time Consortium Manager. Incorporating a part-time Project Coordinator from UF in Gainesville, FL, and a Project Manager (who is working 30% of the time, fielded by a sub-awardee and based in Brazil) has been insufficient to keep the project moving forward and producing quality results. This appears to have been a critical failing of the consortium staffing plan. More active oversight might have addressed the poor organizational performance and possibly even elicited synergies that are not yet evident. Significant progress is unlikely without addressing this fundamental design flaw.

The Woods Hole Project Manager has a great deal of experience in the MAP region, is very knowledgeable about climate change, and is a personal change agent in the region. He often speaks of M-P's interventions as "experiments" and as opportunities to increase local organizational capacity. However, when these learning experiences require client time yet produce very little impact, the purpose of the intervention becomes distorted. Oversight is needed to nurture and guide the universities whose capacities M-P is trying to build so that they can succeed during the project period and excel in the future. Such nurturing can be difficult to balance with the need to produce results. Nevertheless, institutional strengthening is an important objective of the project and requires more attention than seems to have been anticipated in the design and implementation of the consortium. At the same time, the Project Manager still has a great deal to offer ICAA with respect to MAP coordination, integration of Global Climate Change into the program, and other issues.

On the Peru side, UNAMAD and PEMD have not yet developed a good working relationship. Both teams agreed that it would be beneficial to have an off-site meeting to improve collaboration. Additionally, the PEMD team agreed that further clarification is needed regarding overall strategy as well as internal roles and responsibilities, including the development of an ICAA/PEMD logical framework. The Assessment Team endorses these suggestions.

On the Bolivia side, UAP and Herencia have a good working relationship that is built on prior collaborations and existing relationships. Within UAP, the Rector is constructively demanding better performance and reporting from UAP staff managing ICAA activities. USAID/Bolivia reports that coordination and communication with the mission is insufficient.

Despite a multitude of coordination meetings as well as a special week of M-P planning supported by the ISU in the summer of 2009, the consortium appears to lack a detailed implementation strategy, a clear sense of who is responsible for what, and well-defined expectations for results. For example:

- The PEMD team noted that they still required a logical framework for their project;
- Consortium indicators and objectives *below* the Intermediate Results (IR) level are not present;
- There is no strategic analysis or logframe guiding implementation below the IR level.
- When asked for its logframe, Herencia dutifully presented a set of Results Framework objective boxes and related indicator tables. This appears to reflect a misunderstanding, where results framework methodology was presented as a logframe in the ISU-supported planning workshop. More work is needed to flesh out strategies and measure impact below the IR level.

- As is common among bureaucrats attempting to make disparate activities appear to resemble a comprehensive strategy, it seems that the team is seeking to pursue activities that would “fit” under the five IRs and would create outputs that “count” under agreed-upon program-level indicators – even though they may not constitute a coherent strategy. This can result in suboptimal activities.
- The most recent M-P draft work plan suffers from an ill-defined explanation of strategy and provides few details on upcoming activities. It would be very difficult for a USAID officer to oversee a cooperative agreement with such documentation.

In summary, there is a lack of a coherent working strategy for the consortium; the teams do not seem to appreciate how they can most effectively work internally or within the consortium; and activities do not appear to be structured strategically. These are fundamental, and potentially fatal, project management flaws that demand attention and could be addressed by an experienced Project Manager.

University of Florida, as consortium leader, needs to exert a more rigorous management approach if M-P is to become productive. The model of having an employee from WHRC, based in Brazil, serve as Project Manager for work in Bolivia and Peru is ineffective. This individual has many important leadership and technical skills to bring to the team, but more hands-on work is needed to ensure the quality and timeliness of activities.

DESIGN

Of all the ICAA consortia, the M-P’s design may be the most institutionally ambitious (with the diverse partnership and extensive government interface), bureaucratically challenged (with its emphasis on contributing to long-term plans and environmental education), and sensitive to political changes (with its government members and reliance on the government to implement plans). It was designed to work on common cross-border problems in the context of two nations with very different policies, laws, socio-bureaucratic processes, and socio-political situations. Its programmatic interventions – environmental education and resource-use management planning – have inherent time-lags between when the activity is completed and when one could observe a reduction in the biodiversity threat – assuming the activity was well-designed and well-implemented. Thus, because of the initial design it may have been inevitable that M-P would be behind other ICAA consortia in producing immediate results -- even if implementation were proceeding on schedule.

Environmental Education

On the Peru side, UNAMAD has developed and almost completed environmental education training for elementary teachers in and around Iñapari. The Assessment Team interviewed teachers trained by UNAMAD, who noted that the material was overly complex. The written materials reviewed by the team were a mixed set of relatively generic technical presentations prepared by a range of experts (ranging from civil defense to global climate change). Nonetheless, UNAMAD reported that instructors presented the material in a way that made it relevant to local conditions. There was little didactic training and few classroom handouts/guides to help teachers adapt the technical information to transmit it effectively to youngsters. A school system representative suggested that an appropriate follow-up would be for UNAMAD to train teachers to develop appropriate curricula for their class levels. However, since UNAMAD did not develop a formal agreement laying out expectations, next steps were unclear.

On the Bolivian side, just prior to the Assessment Team’s visit, UAP held workshops for local teachers and a *campesino* women’s federation. Although the dozen teachers who were interviewed generally praised the environmental education training, they also offered ideas for improving the training materials, asked that all teachers receive a materials packet (not just one per school), and suggested that it would be necessary to extend the training to all teachers in the targeted schools in order to incorporate the environmental curriculum at the school level. Teachers noted that similar trainings have been held in area schools since the 1990s, without significant social change in environmental management in Cobija or surrounding areas. Women who participated in a UAP workshop training for the Pando *Campesino* Women’s Federation, were appreciative of the attention and learning opportunity, but recommended that in order to reach sufficient numbers of women, future trainings should be held in the rural communities and not in the capital city of Cobija. On balance, the

Team concluded that the activities were reasonably well delivered, but that quality could be improved with better planning and greater orientation to the final needs of clients.

The M-P consortium considers educating future decision-makers in environmental management issues to be of critical importance. M-P staff argued persuasively that because of the very young demographic in the region it was necessary to reach individuals who will soon be making important resource management decisions before they leave school (many before the fifth grade). At the same time, given the rapid rate of biodiversity loss in the region, it is debatable whether this is the best investment to address urgent threats to Amazonian biodiversity.

Watershed Planning

On the Peru side, PEMD has yet to begin implementation at a significant scale. It is expected to focus on developing management plans along watersheds. M-P staff agreed that to be effective and relevant, it would be useful to have some of the planning exercises more targeted towards locally-urgent decisions. For example, the indigenous community of Belgica has agreements to sell timber to a logging company and to negotiate REDD rights – both of which have important planning dimensions. Transparent planning processes might also constitute a helpful tool for the community as it tries to manage conflicts over local fishing rights.

These issues could be used as mechanisms to develop important models for ICAA. Moreover, a brief discussion with Belgica leadership and community members indicated that the community will need a great deal of institutional strengthening (financial, planning, management, negotiation, and communication) to benefit from these deals. PEMD agreed to work with the community on its mapping, which is a good step forward. ICAA may want to consider what other resources could productively be brought to bear in this REDD-pioneering community.

Fire Monitoring

Herencia has produced reports on water levels and forest fire monitoring. The Team did not have time to investigate these products in depth, but they seem thorough and are well received by the government. They appear to have some “sex appeal” and can reinforce external relationships. More importantly, they are part of a long-term effort by the consortium to build the capacity of local government to respond to environmental disaster.

The challenge of “keeping our eyes on the prize”....

Herencia is leading M-P efforts that contribute to the development of a watershed management plan for Bahia Arroyo, which is the source of water for Pando Department’s capital, Cobija. Herencia contributes to a significantly larger watershed plan development process by reviewing existing census and title information to produce a database that feeds into a larger Conservation International-led effort to analyze the watershed, define water treatment and management needs, and assess the Arroyo’s potential for a PES program (which, unfortunately, proved infeasible due to garbage dumps and an illegal slaughterhouse contaminating the water.) The M-P choice of the Bahia Arroyo within mega-biodiverse Pando seems odd for a project funded by a biodiversity earmark, since this watershed contains little biodiversity. Herencia and M-P claim this exercise in watershed analysis planning can be used as a model for other areas in Pando. However, Cobija is the only “large” town in Pando (containing approximately 1/3 of the Department’s 75,000 inhabitants). The other, smaller towns would not seem to have the same kinds of problems or planning processes as Cobija. The area covered by the watershed does not contain significant biodiversity, especially compared to the vast treasure in nearby forests. Consequently, while the task could have been useful to support urban planning needs, it does not seem to have been a wise investment of scarce biodiversity funding.

Thus, after three years of planning and over \$1.9 million in spending, the predominantly urban-based strategy is neither clearly articulated nor likely to have significant impact on critical threats to biodiversity. There are other dimensions of the program still to be rolled out, but based on what is going on now, program design is not compelling. On the other hand, M-P has distinguished itself as a regional leader in understanding global climate

change and has made significant progress in helping governments prepare for environmental disasters, related to water levels and fire. These components could make it an important player if greater funding to address global climate change becomes available

Update Text Box: Assessment recommendations already being applied

M-P has already conducted strategic planning meetings to address issues discussed during the assessment process and recorded above. It's current draft work plan includes the following changes (quoted from letter [undated] from UF to AOTR):

1. The Consortium is addressing concerns about inadequate managerial oversight. The Consortium is discussing logistics to hire a full-time, in-country Program Manager; moreover it is considering options for restructuring Consortium management overall. The Consortium has discussed this move with AOTR who supports such restructuring.
2. The Consortium is adding to the capacity of participating universities. In September 2009, UF hired two post-doctoral fellows, one based at UNAMAD and one at UAP, to support capacity building and activities at both partner universities. Both post-docs have already produced proposals to contribute to capacity building at their host universities and one has already organized and given seminars for students. UNAMAD has also expanded its team.
3. The Consortium has reported low productivity, in part due to problems in efficient and timely communication among partners. The Consortium agreed to new guidelines to more efficiently conduct Consortium meetings and for more rapid follow-up and communication to improve responsiveness for better coordination among partners and increased productivity.
4. Relations among the Peruvian partners have particularly hampered communication and productivity in Madre de Dios. UNAMAD and PEMD are finalizing a cooperative agreement that will resolve several financial and logistical constraints on UNAMAD's participation in Consortium activities. In addition, UNAMAD expanded its team by adding a new leader, Gabriel Alarcón, who comes back to UNAMAD from a stint with GOREMAD, constituting a bridge to PEMD.
5. The Consortium has also spent federal funds while exhibiting low performance and failing to report its cost sharing. The steps already noted will contribute to improved performance. In addition, Herencia will hire a full-time accounting person for better on-site financial management of the entire Consortium. The Consortium will first consult with AOTR regarding this move. UF is resolving administrative questions concerning reporting of partner cost-sharing via invoices and liquidations, and we anticipate reporting cost sharing in our next quarterly financial statements and henceforth.

ANNEX III: INDIGENOUS LANDSCAPES (IL) CONSORTIUM: PERU AND ECUADOR

Note: Please see text box at end of this annex for a description of assessment recommendations already being applied.

OVERVIEW

The Indigenous Landscapes (IL) consortium is making good progress moving towards its target, seems well designed, and is building on years of success from its local partners. The fundamental design of having local NGOs help fortify indigenous organizations and their interactions with the outside world is sound and worth continuing. The institutional tensions that are common in such arrangements exist in both Peru and Ecuador, and need to receive focused attention. The Nature Conservancy (TNC) might be able to play a helpful role in exerting the Instituto del Bien Común (IBC) to intensify institutional strengthening and empowerment efforts with its partner federations in Peru and in resolving its own financial management issues with Fundación para la Sobrevivencia del Pueblo Cofán (FSC) in Ecuador. TNC could also help Federación Indígena Cofán del Ecuador (FEINCE) and FSC clarify their respective roles, possibly in coordination with Wildlife Conservation Society, which is working to strengthen FEINCE with USAID bilateral funds.

TNC/Peru and Ecuador

The role of the Nature Conservancy (TNC) in the consortium was seen as being largely supportive of enabling the local NGOs to work with their respective indigenous federations and in providing information and external linkages. TNC has adopted a refreshingly humble role in this consortium that has helped its partners to succeed. TNC also supported a Strategic Plan effort in Ecuador. Focused support from TNC may help IBC and FSC to be able to receive funds directly, partly as a result of TNC's efforts. This would be a very significant accomplishment. TNC may be able help IBC take a more holistic approach towards institutional strengthening efforts with the federations while also resolving financial management issues with FSC.

IBC, Peru

Instituto del Bien Común (IBC) is in a good position to succeed: they have years of experience in achieving results using successful strategic approaches, are well respected, and have a good team in place. They should, however, intensify federation and community strengthening interventions. If possible, TNC should work with IBC in an institutional capacity, so that in the future IBC will be able to directly accept USAID funds.

FSC, Ecuador

Fundación para la Sobrevivencia del Pueblo Cofán (FSC) has played a critical role in establishing a viable Cofan nation and in linking Cofans with the outside world. Funds from ICAA are mostly used to pay for operating costs related to running FSC, and by extension the park guard program. At the time of the assessment team visit (October 2009), FSC and TNC still had not come to an agreement concerning basic financial management issues. This meant that FSC staff had not been paid in two months and FSC has had to advance the project significant amounts of its own money for project expenses likely to be qualified under ICAA. This situation must be resolved immediately.¹⁵ There is uncertainty over the specific roles and division of responsibilities between FSC and the Cofan Federation, FEINCE. A workshop to clarify each organization's respective domains and the publication of a coordinated work plan to promote consensus would be useful.

PROGRAM PROGRESS

Despite the late start of ICAA and some local issues within Peru, IL seems to be largely on target in both countries, with a healthy focus on getting things done. There is a bit of unease between IBC field management

¹⁵ Please see the text box at the end of this annex (it appears that many of the financial issues have been resolved since the Assessment Team's visit.)

and the federations over some activities that were not completed by IBC in a timely manner. There is also tension between TNC and FSC in Ecuador due to misunderstandings related to financial management that have persisted for too long. Both problems are manageable, but warrant ongoing attention.

MANAGEMENT AND STRUCTURE

Peru

In Peru, the consortium structure is simple, with only two partners in the country, and seems to be working well. Transaction costs are manageable and IBC seems to be achieving results with effective support from TNC. TNC may be able to assist IBC to accelerate institutional strengthening efforts with the federations with which IBC works. IBC's communication with TNC and FSC in Ecuador appears limited, but useful to the extent it exists.

Ecuador

Conversely, in Ecuador considerable tension exists between TNC and FSC, most immediately surrounding the inability of FSC and TNC to resolve financial management issues. It was not possible for the evaluation team to determine who was at fault, but TNC committed to resolving the issue by mid-October, ensuring that staff will receive back and current pay. There is also confusion, at least outside the consortium, over the precise roles of FSC and FEINCE. TNC may want to facilitate a workshop with the two organizations in order to clarify these issues, and then publicize the consensus that is reached.

FSC has played an important role in catalyzing Cofan nationalism and conservation efforts, and continues to be an important institution as its staff and vision remain constant while FEINCE may fluctuate due to electoral results. TNC works through FSC to reach FEINCE and the Cofan population, and this remains a sound approach. While TNC should continue to refrain from engaging in FEINCE's daily activities, TNC may be able to help with certain time- and scope-focused work with FEINCE. This would include helping FSC and FEINCE to delineate their respective roles, possibly through the development of a common operating plan. It could also include support for a process that shifts more of FSC's operational responsibilities to FEINCE over time. Nevertheless, TNC's primary focus must be on helping to raise funds for a FEINCE endowment, in close collaboration with FSC, and exploring the potential to leverage resources through the Coda-Coca Sinclair project. It should be noted that insecure land tenure associated with Cofan lands may make fundraising more challenging. Based on feedback from the Ministry of Environment, TNC and FSC should work with FEINCE to step up coordination with the Government of Ecuador.

TNC recently awarded a grant to Coordinadora de Organizaciones Indígenas de la Cuenca Amazónica(COICA). It is unclear if COICA is a particularly competent organization, even after many years of being in operation and receiving extensive technical assistance from well-meaning donors. This grant appears to be an experiment for both COICA and TNC in order to ascertain if this type of collaboration can lead to concrete results.

TNC recently received additional funds to expand its activities in Peru and Ecuador. Part of these funds would be used to hire an expert to help prepare the Cofan for REDD. This position is currently slated to be in FSC. As part of a future coordination workshop, FEINCE, FSC, and TNC it might be prudent to consider if this position would be more effective working out of FEINCE.

Finally, TNC may be able to play a useful role as a relatively objective player in helping to resolve Secoya/Cofan land disputes and encouraging Secoya conservation efforts.

DESIGN

Peru

The basic approach seems sound, and likely to produce results over time. The model places most of its eggs in one basket, working through indigenous federations to title lands. Thus if the federations fail in these efforts,

the project will have difficulty achieving its goals. Moreover, once titled, the communities and the federations that serve them must have the capacity to manage the areas and defend their rights. Given the current context in the region, where indigenous organizations are essential for conservation, the tactic is sound. However, to manage associated risks, and to increase the likelihood of long-term success in managing indigenous landscapes, the assessment team recommends stepping up institutional strengthening of the federations and communities.

Specifically, IBC could consider the following:

- The project would benefit from developing community capacity as well as working through federations. This could begin with a permanent presence in the communities, which would enhance federation/community communication and accountability as well as improve on-the-ground impact. In their next work plan, it is likely that IBC will suggest hiring community members to serve as Promoters. The assessment team endorses this deepening of community linkages.
- Improved communication and communication strategies are needed at all levels: IBC/federation; federation/Community; and among communities. The linkage between community needs and federation accountability to meet those needs must be fortified to insulate the risk to the project. A number of approaches could be used to support this:
 - Using existing radio stations, help the federations and community members develop programs describing issues of importance, including those related to the project;
 - Develop two-way radio linkages for communication among the federations, communities and IBC; and
 - Consider establishing a community guard system
- IBC seems to have facilitated significantly greater access for federation leaders to regional and national dialogue events. This needs to be, with a form of “accompanying” that will enable federation members to maximize their effectiveness in representing community interests.
- IBC should consider how to provide more adequate legal support to the federations. Exercising indigenous rights in Peru is not easy. Improved legal support is critical to defending such rights and, in the process, biodiversity. Perhaps SPDA could be mobilized to contribute via the MMCC consortium or ISU.
- With the support of TNC, other ICAA partners, and technical assistance from the ISU or some other contracting source, IBC should engage in a REDD Working Group and position the indigenous communities in their sphere of influence to manage the key threats as well as opportunities that REDD presents.

Ecuador

The strategy is sound and benefits from working with FSC, whose presence helps to manage the risk of working with an indigenous federation. TNC correctly focuses on the importance of establishing an endowment fund for FEINCE, which would greatly increase the chances of financial sustainability for the federation. These efforts should be redoubled. One approach on the immediate horizon is to take advantage of the Coda-Coca Sinclair hydroelectric installation by helping the Cofan obtain financial resources as a result of this major infrastructure effort in their area. More specifically, TNC should:

- Invite the ISU’s infrastructure expert to Ecuador to assist FEINCE and FSC in developing a strategy for how to engage those who support such infrastructure initiatives;
- Engage – through FSC/FEINCE – a local environmental law organization to help FEINCE defend its rights and negotiate with infrastructure supporters; and
- Support hiring – through FSC/FEINCE – of high-powered lawyers, as needs are determined over time, to ensure that FEINCE is able to defend its rights.

The objective would be to obtain land titling¹⁶ (consistent with negotiations with the Cofan’s neighbors, such as the Secoya) and significant cash in recognition that the Cofan should be compensated for their loss of use of a traditionally critical area (the San Rafael Waterfalls) and for the efforts of their park guards who are conserving the watershed that will feed into the hydroelectric facility. In the past, TNC has been reluctant to get directly involved with this issue so as not to jeopardize its relations with the Government of Ecuador. However, there now appears to be a consensus to move forward, with funds being provided to FEINCE to procure the assistance needed. If necessary, the ISU may provide a useful “arms’-length” approach.

TNC could also use its role as a relatively objective outsider to assist in providing information to support conflict management efforts between the Cofan and the Secoyas over land rights in the Cuyabeno area.

Update Text Box: Assessment recommendations already being applied

USAID reports that FSC and TNC have resolved most of the challenges in harmonizing financial reporting, such that staff are now being paid and a more normal flow of funds has been established. More work may need to be done, but both organizations have been hard at work rectifying the situation.

¹⁶ Securing land tenure remains a central challenge to the Cofan. Constant attention to this issue is warranted.

ANNEX IV: ANALYSIS OF THE SUSTAINABLE LIVELIHOODS CONSORTIUM (SL)

Note: Please see text box at end of this annex for a description of assessment recommendations already being applied.

OVERVIEW

The Sustainable Livelihoods (SL) Consortium works to certify coffee, cacao, timber, castaña and tourism, working with one or more of these products in each of the four ICAA countries. Laudably, with the exception of timber and castaña, Rainforest Alliance (RA) seems to have been able to achieve many of its outputs. However, the consortium appears to be somewhat overstretched and under-invested at the operational level. RA determined that it must bolster management inputs in tourism, timber and cacao activities, as compared to its original plans. There are management issues that must be addressed with its partners in both Ecuador and Colombia (the only places it has partners). The Assessment team felt that ICAA goals would be best served if SL considered more geographically-strategic investments as well as from shifting the focus among some producers from certification to helping businesses succeed in more conventional terms of increasing productivity and finding the best market opportunities. As with some other consortia, RA would be well served by increasing its communication with the government (although government tourism officials in Ecuador appeared to be very well-acquainted with the program, Ministry of Environment officials there were not). Impressively, SL has been the most proactive consortium in seeking to integrate its efforts with the work of other consortia. The vast majority of the funding (85%) is budgeted for use by the lead organization, RA.

One of the purposes of a mid-term assessment is to examine fundamental assumptions and project design to verify their continued validity. In this regard, the Assessment Team had extensive discussions with SL staff in all four countries trying to understand how the certification model was being applied in ICAA and the likelihood of SL's work having a significant impact on biodiversity conservation. The team devoted a considerable amount of its limited time to deep discussions with many SL staff and to visiting more project sites than any other consortium to try to obtain as comprehensive an understanding as possible. What attracted the Team's attention was the surprising – to the team, not RA – observation that of the products assessed it appears that certification only yields a price premium for coffee. It was also interesting to note that achieving certification requires considerable investment by producers, SL staff, and USAID. On the other hand, RA notes that certification provides other benefits to producers – such as better access to markets – that significantly outweigh those costs. Quantifying and verifying this assertion was not possible, given the scope of the assignment. While following certification standards likely produces many environmental benefits, the linkage between the certification approach and addressing the greatest threats to biodiversity was not generally compelling for the ICAA projects examined.¹⁷ It is unclear if the shortcomings observed by the Assessment Team were the result of lapses in management that often challenge implementers, or whether some aspects of the certification model warrant reconsideration as a tool for biodiversity conservation. A full understanding of certification for all of the products was beyond the scope of this assessment, but the Team does feel that gaining a better understanding of what is working well and what could be improved would be a worthwhile investment for RA and ICAA.

Rainforest Alliance

Although staff appear to be working hard in all sites visited by the Assessment Team, there are a number of design and management issues, described in this Annex, that need to be addressed to increase the likelihood of significant impact. If RA can consider some of these revisions as it already has those improvements summarized in the Update Text Box at the end of this Annex, it would bode very well for the future.

¹⁷ The team was not able to meet with forestry partners.

Conservación y Desarrollo (C&D)

C&D has made good progress in achieving its targets and appears to have developed effective relationships with its clients. It has been creative in considering ways in which tactics could be improved to maximize impact. Success would be more likely if some of the revisions suggested below could be implemented.

Fundación Natura (FN)

The team was not able to visit any field sites for FN.

Forestry

Little has been accomplished as of the date of the Assessment Team visit in the RA forestry program that was reviewed in Peru and – to a much lesser extent – Bolivia, despite several team changes and revisions of work plans. Nevertheless, current staff in Puerto Maldonado appear to be competent and are supported by a well functioning infrastructure. It is unclear if the Program Officer posted to Bolivia in mid-2009 – though very competent – will have sufficient time to make a significant impact during the remaining time of the project. In addition, USAID/Bolivia suggests that the Program Officer might be more effective if posted to La Paz or northern La Paz, where activities are taking place. This may be a fruitful point of discussion between RA and USAID.

Tourism

Rainforest Alliance (RA) and Conservación y Desarrollo (C&D) appear to be making relatively good progress towards accomplishing their performance targets. It is not clear, however, if certification of tourism operations is a vital tool for addressing critical threats to biodiversity conservation, especially in the privately-owned lodges. Continued investments in restaurant best management practices are not recommended. Helping to establish lodges in areas under threat from oil exploitation may be worthwhile, however. Certification of community-owned lodges may help to improve conservation incentives, although RA reports that there are few remaining community-owned lodges that are deserving of certification in RA/C&D target areas. Community-owned lodges are in fact a small part of the SL portfolio. If RA/C&D wishes to continue working with tourism activities, it may need to focus on a few strategically located community-owned lodges. Concentrating on helping local populations establish community-based tourism operations would probably yield more important results than certifying those that are already well established.

Cacao

RA and C&D appear to making good progress in achieving their targets. However, encouraging farmers to amp up their investments to achieve RA certification does not seem warranted when no price premium is established, as is currently the case. A number of options are discussed below, ranging from adding staff to discontinuing the pursuit of certification of cacao activities under ICAA, in favor of a simpler focus on productivity.

Castaña

RA efforts in castaña support have been limited to date. Right now there is no cost advantage for producers to pursue castaña certification. Continued support for castaña certification is not recommended. Current RA efforts center on supporting the construction of a castaña processing plant in Puerto Maldonado. RA should very carefully reconsider supporting the plant before proceeding.

Coffee

The Assessment Team was only able to interview RA staff in Lima and Fundación Natura (FN) staff in Bogotá. No field sites were visited. However, significant problems were apparent in consortium management and intervention design in Colombia. SL and USAID should review activities in Colombia before proceeding.

PROGRAM PROGRESS

The sub-awardees C&D and FN appear to be performing well, although the design of the programs on which they work could use considerable strengthening. The same could be said of RA's performance in tourism. There appeared to be significant room for improvement in RA performance in castaña, forestry, and cacao activities.

Forestry (Peru and Bolivia):

Like some other ICAA partners, Rainforest Alliance (RA) got off to a slow start in Peru and Bolivia. RA's original strategy was to focus its efforts on Bolivia before shifting to Peru. Since they determined that large concessionaires (their main clients in Bolivia's Pando Department) would be unable to meet certification criteria due to changing political environment in the country, RA terminated activities in Pando and established an office in Puerto Maldonado in February 2009. RA then hired a new Bolivia Program Officer in May 2009 to work on forestry in the MMCC area (La Paz Department). Given the time it seems to take to succeed in achieving forestry certification, the new hire may not have sufficient time to achieve important and sustainable gains in Bolivia in the remaining ICAA period. With much effort focused on establishing a working office and team in Puerto Maldonado, productive efforts have had little time to yield results in Peru.

At the time of the Assessment Team's visit, RA had made little progress on its forestry indicators in Peru and had just restarted its efforts in Bolivia. Despite inquiries from the team as to whether their current targets may be overly ambitious; the RA team remains confident that they will achieve the targets for next year. The team appears to be diligent and competent, and if they are able to meet the targets it would bode well for the consortium. If they are unable to meet the targets, USAID may want to reconsider continuing on this path.

Tourism (Peru and Ecuador)

C&D and RA seem to be making good progress towards achieving their targets.

Cacao (Ecuador)

C&D appears to be on pace to reach its targets. However, at the time of the field visit RA had not been able to obtain markets for certified cacao under the project. This was seen as a significant shortcoming.

Castaña (Bolivia)

RA efforts in castaña were still in development at the time of the Assessment Team's visit. Progress was not significant.

Coffee (Peru and Colombia)

The Assessment Team was not able to visit coffee activities in Peru and was not able to assess progress there. Fundación Natura appears to be making good progress against its targets in Colombia.

MANAGEMENT AND STRUCTURE

Overall

In its efforts to work in all four ICAA countries with activities in four commodities and tourism, it seems that RA may be over-extended and under-invested in some of the components. For example, C&D report that they have less than \$40,000 annually to pay for their work in each of the cacao and tourism industries. It is very difficult to show significant impact with such little funding (although both C&D and RA agreed to this level in the planning stages.) As a consequence, salaries for C&D staff have been so low that there is very frequent turnover, thereby limiting potential impact. Moreover, RA has made, or is interested in making, the following revisions to improve project implementation:

1. Opening an office in Puerto Maldonado (already accomplished with ICAA funding) and staffing it to more effectively manage forestry activities in Peru.
2. Adding a tourism expert in the Puerto Maldonado office (already being pursued by RA with non-USAID funding) to more effectively manage tourism efforts, rather than using consultants as originally planned;
3. Adding a value chain expert in Ecuador to ensure that certified cacao can reach favorable markets (RA is interested in suggesting this to USAID).

RA is to be applauded for critically examining its management needs and determining what needs to be done to improve impact. However, significant implementation time was lost as RA came to these conclusions.

RA has already expended considerable effort in developing effective measures of success, including adjusting its indicator targets earlier in the project. Unfortunately, it seems that at least one more review may be required. With respect to tourism, RA currently counts all hectares under community management for community-owned hotels with which it works. These hectares can number in the tens-of-thousands, and it appears that sometimes the *same* hectares are being counted and claimed by other projects implemented by USAID bi-lateral projects (for example, when two USNGOs work with the same community). The Assessment Team felt that workshops aimed at helping a lodge reach certification did not constitute a significantly robust intervention that would lead to an attributable change in the management practices of community-managed land to warrant counting all community hectares as being under improved management as a result of RA activities. ICAA should consider including only the land in close proximity to the hotel in this calculation and ensure that double-counting is not occurring with respect to USAID's reporting.

The Assessment Team was impressed with the management, staff and functioning of the office in Puerto Maldonado, and these resources could provide a useful foundation for action in Madre de Dios.

Peru (coffee, tourism, castaña, and forestry)

In hindsight, progress was hindered by the decision to lead forestry-based consortium efforts from Bolivia. Visits to Peru from RA's Bolivian base proved insufficient to gain critical momentum. Precious time was lost before a full-time presence could be established in Peru. Internally, linkages between managers of RA's product lines in Peru appear cordial and communication seems adequate to support parallel efforts. But, the connections do not appear to have a strategic linkage or to be fully integrated. Internal integration across products does not seem to have been RA's intent. There may well be a strategy that links these various initiatives apart from the common theme of certification, but it was not evident to the Assessment Team in the field. The coffee program, based in Lima, is somewhat aware of activities in forestry and tourism, and the Puerto Maldonado office provided logistical support to efforts of Cusco-based tourism staff at a local lodge. RA has acknowledged that it was a mistake not to have a tourism expert posted to Puerto Maldonado. Subsequent to the team's visit RA secured non-USAID funds to add a tourism expert in Puerto Maldonado.

The head of the Puerto Maldonado RA office spoke highly of the benefits that come from working as part of the ICAA multi-consortium approach. Indeed, the RA strategy in Puerto Maldonado apparently seeks to leverage the work of other partners as much as possible (in addition to pursuing its own forestry agenda). RA does not work with any sub-grantees in Peru under ICAA funding.

Bolivia (forestry)

As mentioned above, RA's forestry efforts in Bolivia began in Pando Department, then were terminated, and have since resumed in La Paz Department. Current efforts consist of an experienced individual trying to establish certification practices. It is unclear if sufficient time remains in the project to be successful. RA does not work with any sub-grantees in Bolivia under ICAA funding.

Ecuador (tourism and cacao)

RA's institutional partner in Ecuador, Conservación y Desarrollo (C&D), is helping cacao farmers to improve productivity and be prepared to apply for cacao certification, and is facilitating the tourism certification process for lodges. RA's role is to find markets for cacao and to prepare tourism businesses to be able to apply for certification. Unfortunately, even with this relatively simple structure there is considerable tension between RA and its Ecuadorian partner in perceptions over micro-management, cash flow, inequity in obtaining matching funds, and roles and responsibilities with respect to cacao certification. It seemed to the Assessment Team that these issues went beyond the common need among national NGOs for independence from USNGOs. Reconciliation of these issues will be important if SL is to achieve success in cacao activities, particularly given the larger design issues in the sector which are described below. Unfortunately, as indicated by these reported perceptions, a long-standing partnership may have been slightly damaged as a result of ICAA participation.

Colombia (coffee)

RA is working with Fundación Natura (FN) in coffee production in Colombia. FN's role is to help farmers improve production so that they are eligible to achieve certification. RA's role is to find markets for RA-certified coffee. Relations between FN and RA are currently strained. FN feels that it did not participate adequately in the design, that the design is faulty (see below), that insufficient funds were allocated to achieve significant impact, and that there are delays in receiving funds from RA. It also felt that RA adds little value to their work in the project (for example, according to FN, RA has yet to visit a field site). FN would prefer to have its own direct relationship with USAID, rather than having to go through RA. Unfortunately, as indicated by these reported perceptions, a long-standing partnership may have been slightly damaged as a result of ICAA participation.

DESIGN

Overall

At this point, it seems that the Sustainable Livelihoods Consortium will prosper or fail based on the success of the certification model for coffee, cacao, forestry, and tourism. However, it may be worthwhile for RA to consider focusing more on increasing sustainable returns on commodities and tourism, rather than having such an emphasis on certification. It is a matter of balance. As stated by a C&D field worker: "Certification is a tool, not a platform."

The Assessment Team is not convinced of the overall value added of certification, and suggests that additional research be conducted on the real costs/benefits and impact from the certification model – most likely by product. Such a study could help to verify the contexts within which certification could be most valuable and how to increase effectiveness. Cacao, castaña, coffee, forestry, and tourism all present their own issues with respect to the certification model, at least as observed by the Assessment Team. Rainforest Alliance – which has years of experience in certification and is certainly expert on the subject – continues to believe in the utility of its model. A focused study may be very useful to verify this belief and help improve its design.

Peru

As mentioned in the management section above, the various components of SL appear to be distributed throughout Peru and operating independently. It is unclear if each product-based certification effort will have an impact independently, and there seems to be little strategic effort aimed at integrating them. Rather it seems that, quite naturally, RA works in patches with coffee growers where they are located (more in the west), tourism where it occurs (mostly near Cusco), and forestry where trees are (in the east). This is an understandable strategy, but unlikely to achieve measurable synergies at landscape scale unless efforts are located in areas where other conservation activities are already active (as in the MMCC area). RA's decision to add a tourism expert to the Peru office should help with integration of the projects. However, this product-orientation may continue to be a limit of the SL model. Perhaps it is better suited to supporting other geographically-focused efforts than it is striving for independent impacts.

The Puerto Maldonado team appears to have, at least implicitly, recognized this – admirably – in its approach to entering the “Puerto Maldonado conservation market”. It has sought synergies with ICAA partners, hoping its efforts could lead to a greater impact for the program. It has worked with ASCART (Asociación de Castañeros de la Reserva Nacional Tambopata; a group of castañeros critical to ACCA’s strategy in MMCC), the indigenous community of Belgica (potentially an important partner of PEMD (Proyecto Especial Madre de Dios, an M-P partner), and is in conversations with the UNAMAD (Universidad Nacional Amazónica de Madre de Dios, an M-P partner). This list of linkages is impressive considering the relatively short amount of time that SL has had an office in Puerto Maldonado. It is too soon to see if any of these efforts will bear significant fruit, but the approach is consonant with the spirit of ICAA. Unfortunately, progress related to forestry– the main focus of the office – was not sufficiently advanced for the team to meet with RA partners and assess the design of certification activities.

Another area of RA efforts in Peru, about which the office was excited, involved helping with the design of a castaña processing plant in Puerto Maldonado on behalf of ASCART, a group of castañeros operating in Tambopata Reserve. As indicated in Annex I on the Madidi-Manu Conservation Complex, the Assessment Team has serious reservations about the wisdom of pursuing this course. In order for castañeros to receive the promised higher prices that result from achieving certification, producers must be able to export to buyers willing to pay a premium. Based on the team’s interviews, local buyers and processors are not interested in this approach and are not willing to pay higher prices for certified castañas. Thus, a plant would be needed in order for RA to utilize its main tool: certification. An NGO has developed a business plan that apparently may put these concerns to rest.

Ecuador

Tourism: RA and its partner in Ecuador, C&D, are working with 46 hotels and restaurants. The Assessment Team was able to visit three lodges (one in Peru and two in Ecuador). All three were community-owned to some extent, although the overwhelming majority of the RA/C&D lodge portfolio is privately owned. RA was not able to arrange a meeting with the communities that owned the lodges in any of the three cases, despite Assessment Team requests. It is possible that certification will limit pollution and hunting near areas of lodges, although neither subsistence hunting nor lodge pollution are considered major threats to biodiversity conservation in the Amazon. Nor is it clear that certification-related training of lodge staff will lead to significantly improved resource management at the community level. It is possible, however, that certification may help such enterprises secure more business – at least in the short-term. No data are available on this matter.

It seems that RA and C&D target lodges that are close to being able to achieve certification, rather than those that would require greater investments to achieve certification. While this is understandable when the objective is to certify a large number of lodges with limited project resources, it may mean that *improvements* in management of lodges as a result of ICAA interventions would be limited and that emphasis would be placed on *documentation* and *standardization* of existing practices in order to achieve large numbers of certifications.

RA is also working with restaurants to improve best management practices.¹⁸ The limited benefit reported by RA for such work (removing game meat from protected areas from restaurant menus) does not appear to be important enough to merit continued work with restaurant certification.

In general, C&D and RA staff appeared to agree that for the future, tourism should be geographically targeted to areas with the greatest biodiversity, working with community-owned enterprises that have a commitment to both tourism and conservation. The Assessment Team did not perceive that the certification of tourism businesses was capable of confronting the most critical threats to biodiversity. Rather than targeting certification in the medium term, RA/C&D may be better advised to work with several nascent tourism

¹⁸ Field staff appeared to be under the impression that this work was intended to lead to a certification product. Formal responses from SL to the draft report indicate that this is not the case.

operations and try to develop “The Next Napo Wildlife Center”, using lessons learned from Napo’s experience and those of other lodges.¹⁹

Cacao: C&D focuses on improving cacao-growing practices and preparing farmers for RA certification. RA is responsible for getting assisted farmers’ cacao to certified markets. C&D appears to be very experienced in working with cacao producers and uses a flexible approach that works with farmers in their unique current social and agricultural reality. For advanced producers, they are likely to target certification. For less conventionally “advanced” farmers, such as among their current Cofan partners, the target for many years may remain increasing long-term productivity based on approaches with which the Cofan are comfortable. This is an appropriate strategy and will enable C&D to assist farmers most productively, rather than using a one-size-fits-all approach where all farmers would be expected to achieve RA certification. C&D is in agreement with the Assessment Team that ICAA funds should be targeted to producers located in areas that could impact biodiversity, possibly reducing efforts elsewhere in Ecuador to increase impact.

Currently, producers in Ecuador do not receive a price premium for cacao produced under the RA certificate. Organic cacao, however, reportedly is obtaining a 10% price premium. It is not clear if the challenge is market valuation of the RA brand itself, or if the problem is in gaining market access for RA-certified cacao. RA and C&D claim that if one of them hires a Value Chain Expert in Ecuador who is familiar with agricultural and marketing issues, this constraint can be relieved. To put this in perspective, the annual cost of such a person would likely exceed C&D’s current annual budget for cacao under ICAA. Another option would be to see if economies of scale in accessing certified markets could be achieved with USAID’s PRODEL project. In any event, RA and C&D are in agreement that it would be best to support producers to meet whichever certification seal they feel will provide the best economic opportunity – Rainforest Alliance, Fair Trade, Organic, etc. (currently the project only seeks RA certification). A simpler option would be to end the focus on certification of cacao for the balance of ICAA, and instead work to improve productivity within the local ethno-cultural framework. There is ample room for such efforts in the areas visited by the Assessment Team.

Colombia

The sites selected for intervention do not appear to represent the most strategic areas for biodiversity conservation. The current sites include many relatively recent migrants who are not eligible for certification since they have cut down forests in the past five years to establish their farms. FN reports that it had proposed to RA other possibilities for engagement (with tourism and cacao) during the design stage that may have been in higher-potential areas. It is possible to receive a higher price for RA-certified coffee, but given the highly successful marketing for all kinds of coffee from Colombia, the premium is not great. In fact, FN claims it has achieved prices that FN reports are very close to what would be obtained via RA certification for its producers that will not be eligible for certification.

¹⁹ RA presented an award for sustainable tourism to Napo Wildlife Center.

Update Text Box: Assessment recommendations already being applied

Impressively, SL has already agreed that it would make efforts towards the following:

- Providing C&D discretion to determine whether each cacao producer should seek certification or whether the objective should only be increased production.
- Enabling cacao producers in Ecuador to select whichever certification seal appears most advantageous to the producer
- Enabling C&D to assist cacao producers to achieve the appropriate certification goal for them;
- Focusing cacao efforts in areas with highest potential to impact critically threatened biodiversity;
- Focusing on tourism operations that are located near areas of high biodiversity; and
- Focusing on tourism operations that are substantially owned by communities
- The consortium will look into the possibility that the tourism component's hectares under improved management are currently being double counted.
- RA will discuss with USAID the issue of counting lodge lands outside the vicinity of the principal tourism operation as being under improved management as defined in the SL's Performance Monitoring Plan (PMP).

To implement these changes – and perhaps other adjustments with other commodities – USAID and SL would most likely need to revisit indicators and targets for the remainder of the program.

ANNEX V: ICAA SUPPORT UNIT (ISU): PERU, BOLIVIA, COLOMBIA, AND ECUADOR

Note: Please see text box at end of this annex for a description of assessment recommendations already being applied.

OVERVIEW

ISU's energy and responsiveness is generally appreciated by ICAA partners. There is also an acknowledgement that the quality of ISU's products is now good, having improved over the years. However, it is not clear that most of the activities are leading to greater productivity within ICAA or that any such improvements would produce a significant impact on biodiversity conservation. This is an important consideration since significant funds are directed at ISU's activities. USAID values ISU services that fill the Agency's bureaucratic requirements, such as communications, monitoring, and reporting. The support provided to the working groups is appreciated by consortia, especially as it helps to subsidize costs that those consortia might otherwise incur to discuss issues, such as infrastructure. ISU support for information sharing among partners has not been successful, which is a major disappointment since it is an area where the ISU could have proven highly valuable to the ICAA community. Annual meetings are appreciated, but they do not appear to have a significant impact on consortia behavior or on biodiversity conservation.

Public/private partnership (PPP) work has not been successful, as obtaining such alliances in the Amazon has been a daunting task. Opportunities for partnerships will be far greater with the arrival of carbon markets. This is an area where greater progress would have been expected, and much more is anticipated throughout the ICAA in the near future. The small grants program (PPD) is popular within parts of USAID, but its basic design limits its impact, as described below. Training is reasonably well received by consortia members, but the ISU must work hard to develop topics and is now developing more cost-effective approaches. Although exchanges among indigenous groups appear to have stimulated communication among diverse peoples, the exchanges have not yet demonstrated significant impact, possibly due to a lack of pedagogical rigor and inconsistent logistical support. With greater attention to these details as well as the consideration of exchanges outside the region, such exchanges could have a positive impact in the future. There is a danger (which is not yet a problematic reality) of a unit such as the ISU being supply-driven, drawing partners away from their work and subsidizing inefficiencies. Such dynamics should, for the most part, not be considered as poor performance on the part of the ISU, but rather reflective of the need to adjust the organizational design and review USAID's instructions to the contractor. ISU performance has been good overall.

International Resources Group, Washington, DC and Lima, Peru

IRG is the prime contractor and manages its subcontractors, described below. IRG's Program Coordinator manager works full time from Washington, with limited support staff billing. IRG also employs the Director of the ISU team in Lima, who is housed in SPDA's offices, a Deputy in Santa Cruz, Bolivia, a Training and Capacity Building Coordinator in Quito, and is slated to hire a Knowledge Management Coordinator in Washington. In general, the consortium's work is highly regarded and IRG is responsible for ensuring that quality. However, it is not clear that their activities are resulting in greater productivity within ICAA or that any such improvements would have a significant impact on biodiversity conservation. Now that the ISU is running efficiently, there may be less of a need for the management oversight provided by IRG/Washington to the consortium because SPDA seems to be performing very well and the Director (a former SPDA employee) now works for IRG. IRG should consider using the remaining time of ICAA to strengthen SPDA's ability to directly manage such contracts in the future, as developing local partners is a central theme of ICAA. IRG's hiring of the current Director may have distracted the consortium in its efforts to achieve this objective. IRG may be able to help ICAA develop some of its regional services by providing short-term technical assistance during a possible transition phase being considered by the ICAA next year, to bridge into the next period of funding.

Sociedad Peruana de Derecho Ambiental (SPDA), Peru

SPDA's contributions appear to be limited to providing office space and logistics, a webmaster, and managing working groups. Nevertheless, the team located in SPDA's offices seems to be performing well, given that it must operate "between a rock and a hard place." It is required to produce results but at the same time must rely on inconsistent and not-always-timely input from consortium members and USAID, and also consider the schedules of other consortia. The team seems competent, motivated, and results-oriented. There have been surprisingly few customer complaints, although the number of gripes increases one travels outside of SPDA's offices in Lima and into Bolivia and Ecuador. SPDA has proven its ability to perform administratively in the ISU and technically in the Madidi-Manu Consortium. A central objective of the remaining time should be to prepare SPDA to receive direct USAID funding in the future, so that it can enhance its role as an ongoing USAID partner. IRG, AED, and SI may be able to help bolster SPDA's capacity with this goal in mind.

Social Impact(SI)

SI's role has been to provide a part-time Senior US Monitoring, Facilitation, and Gender expert to improve ICAA's program-level monitoring system; to provide gender training; and to help with a host of editing and other quality management work with IRG. SI also employs a Peruvian Monitoring and Evaluation (M&E) specialist. Apart from these contributions SI does not seem to be very engaged beyond the labor of the two women it provides the project. Their contribution appears to have been adequate thus far.

Academy for Educational Development (AED)

AED's involvement seems to have been limited to hiring a Peruvian staff person to focus on communications from the SPDA office. Their communications work appears to have been adequate but not exceptional. ISU appears to be investing more time in this component. Steps should be taken to improve the communications strategy and the quality of printed materials.

PROGRAM PROGRESS

The ISU appears to be producing results in a measured and professional manner. Areas that have been behind schedule, such as the PPD, appear to be at least partly due to the need to obtain numerous approvals from USAID in the original construction of the program. Some products have been more successful than others, as described below. Overall, ISU performance has been good. The team has used good judgment in balancing the need to build consortium ownership by receiving partner inputs for its work, and the need to get the job done in a timely manner.

MANAGEMENT STRUCTURE

The organizations in this contractor-led team appear to be well integrated. IRG and SPDA seem to be substantially involved institutionally, whereas the contributions of AED and SI are limited to providing consultants to work with the team under the direction of IRG. This consortium is scheduled to terminate at the end of ICAA so this level of integration seems adequate, if somewhat disappointing.

The current Director in Lima was originally employed by SPDA. After Brazil withdrew from ABCI, she became Team Leader and was subsequently hired by IRG. It is not clear what effect this might have on the capacity of SPDA to grow as an organization through this project experience. Providing a Training Coordinator in Ecuador (working in Rainforest Alliance's offices in Quito) was a worthwhile effort to extend the reach of ISU beyond Lima, and he appears to be making valuable contributions. Adding another staff member in Bolivia was a move in the right direction, although placing her in Santa Cruz rather than La Paz may have been sub-optimal.

ISU fills a complex niche. It performs some activities that a USAID operating unit might normally complete (communications, collation of performance data, and preparing reporting documents). It was also assigned responsibility for regional policy, but eventually determined that supporting working groups was more

productive. ISU is responsible for the difficult task of recruiting private sector engagement. It also develops and implements regional training and exchanges, promotes information sharing among ICAA partners, and is implementing a regional small grants program. However, it does *not* have a coordinating function and has no authority to require inputs or production from consortia in completing its tasks. It has many responsibilities with little authority, high visibility, and rigid time constraints. This is a tough balance. ISU appears to have succeeded through the energy of its staff as much as through design. In part, the quality of its performance has been the result of a great deal of labor (and associated expenses) from the IRG and SI leaders.

Now that the basic systems for its functions -- except PPP and perhaps knowledge management -- are well established, ISU should consider shifting more responsibility to SPDA – and adjusting staffing as necessary. In the future, it may also want to consider a physical presence in Colombia as activities there increase, to promote greater integration of that country into the ICAA community.

DESIGN

Initially, the precise role and activities of ISU were unclear. The team seems to have done a good job in establishing a relatively useful role in ICAA. ISU is now responsible for a number of functions:

- **PPP** (Public/Private Alliance) work has progressed slowly. Such partnerships are difficult to forge, particularly on behalf of other institutions. It is surprising that ISU has not made more progress on carbon markets to date, but IRG has expressed an interest in working diligently in this area as it now recognizes its potential. The project will need to access potential REDD investors. If REDD and other payments for environmental services become productive foci, it could have a startling PPP impact. If not, USAID should consider downsizing these deliverables or the ISU, and it should develop a different strategy to foster public/private partnerships.
- It appears that the **small grants program** (PPD) is being managed well and is diligently adhering to USAID directions. However, it appears to be a costly approach to distributing grants, is not linked to the ICAA Consortium member strategy, absorbs a considerable amount of bilateral mission time with little return, may be overly bureaucratic (per USAID regulations governing contractors) for the target population, may not be the best tool for institutional strengthening (particularly of indigenous groups), and may duplicate potential functions of ICAA partners PUMA in Bolivia and FONDAM in Peru. The team was able to explore two PPD projects in Peru and one in Ecuador. One was developing what appeared to be an unsustainable network of indigenous networkers in Peru, another was conducting environmental training with Peruvian youth and women, and a third was designed to help a network of indigenous organizations in the Ecuadorian Amazon develop life plans. The Peruvian indigenous network did not appear to be a prudent investment. The environmental training featured an energized group of students and may be a useful tool to help develop environmental change agents. It was too soon to know whether the Ecuador project will have an impact, but it appears to be a valuable organization and the grant has helped promote goodwill towards the US Government. Some PPD efforts may produce positive results (as in two of the three cases described above) and do have the benefit of reaching more local organizations (at least sub-national NGOs). However, without specific linkages to the broader ICAA or mission strategies, their sustainability and overall impact is likely to be limited.
- Thus, ICAA should consider whether the current PPD design is the best way to target the funds that are earmarked to address critical biodiversity threats. ICAA should preserve what is working best in PPD while considering how to best invest funds for grants at the local level in order to maximize impact. The strategic and administrative issues that are worth considering include:
- What is the real strategic purpose of these grants? If it is institutional strengthening, grants should be designed with that in mind. Significant institutional strengthening (that would be needed to enable indigenous groups to defend their rights and resources) will not come as a by-product of an operational grant, as is implicit in the current design;

- If the strategic purpose is to achieve a regional impact, then specific geographic, technical and/or institutional themes should be established;
 - Directed (as opposed to exclusively competed) grants could be used to enhance consortium member impact. Such grants could be strategically targeted to complement consortium member program design. An example would be grants and technical assistance to support productive activities with the Tacana as part of the Madidi-Manu consortium;
 - As FONDAM and PUMA become more productive, it may be more cost effective, and yield greater impact, for them to implement some of the grants. Similar environmental funds exist in Ecuador and Colombia. All are associated with the Latin America and the Caribbean Network of Environmental Funds (RedLAC), raising the potential to benefit from economies of scale through a regional approach; and
 - It may be better to include another NGO in ICAA, as its systems might be simpler than those mandated by USAID for contractors.
- **Program monitoring** activities did manage to produce consistent program-level data, after considerable effort by all partners. It is not fully clear why the assistance took so long, but for a long time it appears to have not been a USAID priority. This is another case where the ISU is neither fish nor fowl – it is identified with the monitoring system, but it does not really have the authority to impel the behavior in partners that it deems necessary to make the system work, and USAID approval is required for significant actions. Utilizing the ISU to provide technical assistance to partners when needed appears to have been a good idea. Unfortunately, results with the main effort in this regard (the Madre de Dios-Pando consortium) appear to have been less than stellar.
 - **Working Groups** are generally rated favorably by participants. The infrastructure working group may have produced some positive results regarding social impact assessments, but the other two groups do not seem to have been effective. It is not yet clear whether significant results will emerge from the working groups, but it does not appear likely.
 - **Training.** Training has generally been well-received, with topics being on target and well designed trainings. However, ISU has learned that it is more cost-effective to have trainings move from country-to-country rather than expecting trainees to travel to a single site. This challenge has been complicated by the failure of some consortia to include adequate funds in their budget for the costs of staff participation in the trainings. ISU is also increasing the use of remote training via computer, which seems to be a good initiative.
 - **Communications materials** are generally attractive, but lack focus and often fall short of conveying a clear vision of ICAA. It is possible for a reader to peruse the basic information suite and still not really understand what ICAA is about or what some of the consortium members are doing. Partly this is because it is a complicated program. Yet all sides agreed that it is time to revise the communications strategy, which may help to improve product quality.
 - **Information sharing.** There was widespread concern that the webpage was not as useful as it could be. The ISU has recently redesigned the site and it is not yet clear if this has brought the site to an acceptable standard. Overall, information dissemination – via website or other means – appears to be a missed opportunity to date.

The ISU team is working hard and is generally producing the results that USAID seeks from the team. USAID's bureaucratic requirements – M&E, communication, and reporting – are necessary for the successful completion of the project and ISU is able to provide these services. The difficult question with respect to ISU's other functions is: would biodiversity impacts be any less if some of these components were removed? Many of the functions of the ISU are meant to support the following hypothetical chain:

1. That greater interaction among partners can be engineered by ISU inputs;

2. That such intra-consortium interaction could change the behavior of consortium members; and
3. That such behavior would lead to greater relief of key threats to important biodiversity.

The likelihood of the above chain coming to fruition in a significant way does not seem high for most ISU activities, although it may be possible for indigenous exchanges. Quite appropriately, there is not an emphasis on sustainability for the ISU, since its role is only to support the ICAA. Thus, its impact must be realized now.

UPDATE TEXT BOX: ASSESSMENT RECOMMENDATIONS ALREADY BEING APPLIED

The ISU is making advances towards the following:

- Attempting to increase the impact of ICAA-wide annual meetings by developing an approach that:
 - Weaves people together working on common themes from beyond geographical and political boundaries where Mission and NGO partners work;
 - Develops commitment and consensus for shared goals of ICAA (mixing hot button Amazonian issues with administrative/financial management solutions);
 - Improves channels of communication between partners, Missions, and related donor-funded initiatives for developing a common vision for biodiversity conservation in the Andean Amazon;
 - Invites selected program managers and participants to reduce the size and cost of the venue and support required; and
 - Proposes clear lines of action to help simplify the reporting requirements for local partners.
- Working to establish PPPs via REDD mechanisms, through:
 - Conducting field visits and discussions with forest concessionaires;
 - Exploring several types of partnerships, including private company – indigenous community, private company – state concessions, lending institution – community enterprise, and payment for ecosystem services; and
 - Co-sponsoring two REDD training activities with Forest Trends – one training in Pando in April and another training scheduled for July in Madre de Dios for an 50 community and local leader participants.
- Updating the Communications Strategy
- Reconsidering its strategy with respect to grants, through:
 - Expanding potential beneficiaries;
 - Expanding the potential size of grants;
 - Using more directed grants; and
 - Expanding the eligible topics to be funded.
- Working to improve knowledge management by:
 - Re-designing and upgrading the ICAA website, naming Brenda Bucheli to work as a part-time Lima-based Knowledge Management Coordinator;
 - Planning integration and increased collaboration with SPDA communication specialists; and
 - Ramping up communication and outreach products.
- IRG will support SPDA on financial management systems, performance monitoring framework, and reporting guidelines as part of an overall exit strategy that will, hopefully, enable SPDA to successfully manage similar programs in the future

ANNEX VI: LIST OF PERSONS INTERVIEWED

Name	Country	Organization
Community Groups/Members		
Group Discussion (17 people)	Colombia	Kilometer Six Community
Group Discussion (40 people)	Colombia	Various Indigenous Groups in Mocoa
Group Discussion (19 people)	Peru	Belgica Community
Ilzon López	Peru	President, Belgica Community
Group Discussion (40 people)	Peru	Naranjal Village
Group Discussion (7 people)	Peru	Villa Primavera community
Group Discussion (35 people)	Peru	Limongema
Group Discussion	Peru	Santa Isabel De Baguanicho (Saint Isabel of Baguanicho)
Néstor García Murayari	Peru	Jefe. Santa Isabel de Baguanicho (Head, Saint Isabel of Baguanicho)
Sebas Maynas	Peru	Presidente Consejo Directivo.Santa Isabel B. (President, Directive Council of Saint Isabel B.)
Agustín Nemesio	Peru	Comunidad Nativa San Francisco – Pucallpa (Native Community San Francisco-Pucallpa)
Sara Illuma	Peru	Artesania-Comunidad Nativa San Francisco- Pucallpa (Artesan – Native Community San Francisco-Pucallpa)
Group Discussion (18 people)	Ecuador	CISAS (Ministry of Agriculture)
Francisco Criollo	Ecuador	Sinangoe Community Park Guard
Oswaldo Lucitante	Ecuador	Sinangoe Community Park Guard
Rainel Criollo	Ecuador	Zábalo Community Park Guard
Isenia Yiyoguaje	Ecuador	Zábalo Community Park Guard
José Aguinda	Ecuador	Dureno Community Park Guard
Franklin Yumbo	Ecuador	Dureno Community Park Guard
Elisa Quenamá	Ecuador	Dureno Community
Nelly Quenamá	Ecuador	Dureno Community
Ramón Gualinga	Ecuador	Sani Isla Community/Sani Lodge Employee
Guido Condo	Ecuador	Sani Isla Community/Sani Lodge Employee
Federico Ortiz	Ecuador	Sani Isla Community/Sani Lodge Employee
Iván Gualinga	Ecuador	Sani Isla Community/Sani Lodge Employee
Jhon Simbaña	Ecuador	Sani Isla Community/Sani Lodge Employee
Sixto Grefa	Ecuador	Sani Isla Community/Sani Lodge Employee
Manuel Condo	Ecuador	Sani Isla Community/Sani Lodge Employee
Santiago Gualinga	Ecuador	Sani Isla Community/Sani Lodge Employee
Miguel Gualinga	Ecuador	Sani Isla Community/Sani Lodge Employee
Jeison Coquinche	Ecuador	Sani Isla Community/Sani Lodge Employee
Fredy Gualinga	Ecuador	Sani Isla Community/Sani Lodge Employee

Name	Country	Organization
Santiago Melo	Ecuador	Sani Isla Community/Sani Lodge Employee
Javier Gualinga	Ecuador	Sani Isla Community/Sani Lodge Employee
Abdón Grefa	Ecuador	Sani Isla Community/Sani Lodge Employee
Nelson Mamallacta	Ecuador	Sani Isla Community/Sani Lodge Employee
Government		
Ana J. Riojas Aquada	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Adrian Mercado Yorrui	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Tanai Paula Braulio D.	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Rossana Tanozo V.	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Jenny L. Agilara F.	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Helen Franco A.	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Hermogenes Chiquanto Q.	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Kilsa Apuri M.	Bolivia	Ntra. Sra. del Pilar Fé y Alegría School (Our Lady of Pilar Faith and Joy School)
Justine Robles	Bolivia	Ministry of Environment UMABCC
Luis Arteaga	Bolivia	Ministry of Environment UMABCC
Claudia Lopez M.	Bolivia	Ministry of Environment UMABCC
Omar Rochu O.	Bolivia	Ministry of Environment UMABCC
Jaime Duial	Bolivia	Corredor, Buena Vista
Ed Davey	Colombia	Acción Social (Social Action)
Luis Ignacio Munoz	Colombia	Corpoamazonia
Maria del Rosonantre	Colombia	Universidad Nacional (National University)
Carlos G. Zavate B.	Colombia	Universidad Nacional (National University)
German Ochoa	Colombia	Universidad Nacional (National University)
Allan Wood	Colombia	Universidad Nacional (National University)
Marco Tobon	Colombia	Universidad Nacional (National University)
Santiago Duque	Colombia	Universidad Nacional (National University)
Fernando Franco	Colombia	Universidad Nacional (National University)
Sofangel Mariu	Colombia	Universidad Nacional (National University)
Orlando Diaz A.	Colombia	Corpoamazonia
Luz Marina Cuevas	Colombia	Corpoamazonia
Helber Huerfia	Colombia	Corpoamazonia
Jose Ignacio Munoz Cordoba	Colombia	Corpoamazonia
Patricio Gaybor	Ecuador	Fondo de Promoción Turística del Ecuador (Tourism Promotion Fund of Ecuador)

Name	Country	Organization
Roque Sevilla	Ecuador	Yasuni ITT
Lidio Villarreal	Ecuador	Municipio Canton Sucumbíos (Canton Sucumbíos Municipality)
Pilar Báez	Ecuador	Ministry of Environment
Orfa Rodriguez	Ecuador	Ministry of Environment
Wilfrido Pilsungua	Ecuador	President of CISAS (Ministry of Agriculture)
Pepe Castillo	Ecuador	CISAS
Guido Mosquera	Ecuador	Ministry of Environment
Cristina Rosero	Ecuador	Ministry of Environment
Lutgardo Guitierrez Valverde	Peru	VP.Ucayali Regional Government
Julio Dillonlia	Peru	GOREMAD
Angel Trigo Varquay	Peru	GOREMAD
Hector Valcarcel Toullier	Peru	GOREMAD
Juan Carls Navarro	Peru	GOREMAD
Dora Mayorga de Torres	Peru	IESBRS/Inapari
Meliton Cayo Curi Paucarmayta	Peru	UGEL-Tahuamanu
Jose Mercado Fuentes	Peru	Tambopata National Park
Carlos Nieto Navarreto	Peru	Tambopata National Park
Luis A. Bocangel Ramirez	Peru	Alcalde, Municipalidad-Provincial de Tambopata (Municipal Mayor, Tambopata Province)
Cecilio Soria Gonzáles	Peru	Regidor, Municipalidad Provincial de Ucayali (Municipal Councilor, Ucayali Province)
Armando Ortiz	Peru	Municipalidad Las Piedras. Puerto Maldonado (Las Piedras Municipality, Puerto Maldonado)
José Angel Ayala Apaza	Peru	Alcalde Municipalidad Distrital de Planchón. Puerto Maldonado (Municipal Mayor, Planchón District, Puerto Maldonado)
César Chia Dávila	Peru	IIAP Instituto de Investigaciones de la Amazonía Peruana (Research Institute of the Peruvian Amazon)
Marlene Chávez	Peru	ExRegidora Municipalidad Provincial de Tambopata (Ex-Municipal Councilor, Tambopata Province)
César Villacorta Arévalo	Peru	Ministerio del Ambiente (Ministry of the Environment)
Patricia Fernández-Dávila Messun	Peru	Ministerio del Ambiente (Ministry of the Environment)
Jorge Barra	Peru	Alcalde, Inapari (Mayor of Iñapari)
Implementing Partners		
Juan Fernando Reyes	Bolivia	Herencia
Cesar J. Agullar Jordan	Bolivia	Herencia
Hugo Fuentes	Bolivia	Herencia
Nuria Bernal	Bolivia	PUMA
Magaly Flores Ortega	Bolivia	PUMA
Marcos Castellon	Bolivia	PUMA
Sliana Camacho N.	Bolivia	PUMA

Name	Country	Organization
William Pariona	Bolivia	RA
Daniel Rojas Cespedes	Bolivia	UAP
Julio Cesar Mayna V.	Bolivia	UAP
Julio D. Romona Galias	Bolivia	UAP
Rence Mamani Quisbert	Bolivia	UAP
Galia Selaya	Bolivia	UF
Guido Mibanda	Bolivia	WCS
Lilian Painter	Bolivia	WCS
Oscar Lasayza	Bolivia	WCS
Ricardo Zapata	Ecuador	C&D
Santiago Molina	Ecuador	C&D
Jose Valdivieso	Ecuador	C&D
Leonor Zembrano	Ecuador	C&D
Lorena Heilade	Ecuador	C&D
Viviana Valencia	Ecuador	C&D
Maurcio Ferro	Ecuador	C&D
Luis Narvaez	Ecuador	FEINCE
Roberto Aguinda	Ecuador	FSC / FEINCE
Cesar Lucitante	Ecuador	FSC / FEINCE
Freddy Espinosa	Ecuador	FSC
Kimrey Batts	Ecuador	FSC
Gonzalo Varillas	Ecuador	IRG
Veronica Munoz	Ecuador	RA
Mark Donahue	Ecuador	RA
Luis Felipe Duchicela	Ecuador	RA
David Gray	Ecuador	RA
Paulina Arroyo	Ecuador	TNC
Veroinca Arias	Ecuador	TNC
M. Fernanda Aillon	Ecuador	TNC
Luis Betancur	Peru	ACA/ACCA
Cesar Moran	Peru	ACA/ACCA
Melina Panduro	Peru	ACA/ACCA
Sebastian Suito	Peru	AED
Alvaro de Romaña	Peru	FONDAM
Ana Cecilia Pérez	Peru	FONDAM
Anjela Tapie	Peru	IBC
Diego Villegas	Peru	IBC
Luis Collaco	Peru	IBC
Marianella Zuniga	Peru	IBC

Name	Country	Organization
Jaime Semizo	Peru	IBC
Mario Osorio	Peru	IBC
Carlos Arana Courrejolles	Peru	IBC
Jessica Hildago	Peru	IRG
Martha Puga	Peru	IRG
Raul Penedo Mora	Peru	PEMD
Carla Salvaden Atauchi	Peru	PEMD
Nelly Melgarejo Salas	Peru	PEMD
Alejandro Jose Farfan	Peru	PEMD
Brandi Gatica Ventura	Peru	PEMD
Juan D. Munoz Mamani	Peru	PEMD
Medardo Escaarza Gomez	Peru	PEMD
Gerardo Medina	Peru	RA
Juan Carlos Guzman	Peru	RA
Billy Echevarria	Peru	RA
Sergio Gonzalez Limatlo	Peru	RA
Francisco Alcocer	Peru	RA
Brenda Bucheli	Peru	Social Impact
Iliana Urtecho	Peru	SPDA
Karina Livshitz	Peru	SPDA
Pablo Pena Alegria	Peru	SPDA
Juan Ramon Rivero	Peru	SPDA
Jose Luis Capella	Peru	SPDA
Gabriel Quijandria	Peru	TNC
Foster Brown	Peru	UF
Gabriel Alarcon Aguirre	Peru	UNAMAD
Sonia Yutra Cruz	Peru	UNAMAD
Zenaida Chulla Pfulu	Peru	UNAMAD
Mishari Garcia Roca	Peru	UNAMAD
Guillermo Burgos Mostaceso	Peru	UNAMAD
Rob Wallace	Peru	WCS
Alicia Kuroiwa	Peru	WCS
Alvaro de Romana	Peru	WCS
Doug Pool	USA	IRG
Chris Wille	USA	RA
Richard Donovan	USA	RA
Stephen Perz	USA	UF
Michael Painter	USA	WCS
NGOs/Business		

Name	Country	Organization
Lucas Beyuma	Bolivia	ADIAT
Edin Medina	Bolivia	ADIAT
Roxana Mauput	Bolivia	CIMTA
Neida Cartegena	Bolivia	CIPTA
Faczi Gonzales	Bolivia	CIPTA
Neide Corfguo	Bolivia	CIPTA
Celia Beyeurcia	Bolivia	CIPTA
Jesus Leal Rualas	Bolivia	CIPTA
Celin Quenevo	Bolivia	CIPTA
Dario Cliugui	Bolivia	CIPTA
Olivia Belluma Quenevo	Bolivia	CIPTA - Centro Artesanía (Artesan Center)
Yolanda Belluna Quenevo	Bolivia	CIPTA - Centro Artesanía (Artesan Center)
Casildo Quispe	Bolivia	COINACAPA
Juan Carlos Corminola	Bolivia	Conservation International
Mauricio Sarabia	Bolivia	CRTM- TCO Pilon Lajas
Clever Clemente Cauimani	Bolivia	CRTM- TCO Pilon Lajas
Alejandra Velasco	Bolivia	CRTM- TCO Pilon Lajas
Edwin Miro Canare	Bolivia	CRTM- TCO Pilon Lajas
Juan Carlos Miranda	Bolivia	CRTM- TCO Pilon Lajas
Leonardo Gutierrez Limuchi	Bolivia	FANGNEKO
C. Sobarauio	Bolivia	FEDERAC
Martha Lobala Voca	Bolivia	FEDERAC
Doris Dominguez Ecuari	Bolivia	FEDERAC
Carmen Ladi Galarzal	Bolivia	FEDERAC: Campesina women's group in Cobija
Pedro Yorari Alvarez	Bolivia	OITA
Juan Gonzales	Bolivia	Takana Cacao Growers
Ernesto Soreta Cruz	Bolivia	OITA
Pablo Emilio Cuchala	Colombia	ACIMVIP
Manuel Zuna	Colombia	ACITAM
Manuel Suno	Colombia	ACITAM
Augusto Falcon Perez	Colombia	ACITAM
Rosa Dolares Buinaje	Colombia	ALCATH
Jose Pablo Jaramillo	Colombia	Amazon Conservation Team
Juan Miquel Molina	Colombia	Amazon Conservation Team
Sandra Milena Pizo	Colombia	AMUBOC
Hernando Criollo	Colombia	ASMIK
Javier Andres Cero-Aloarado	Colombia	Asociación AMPOKA (AMPOKA Association)
German Ramos del Aguido	Colombia	Curaca Progreso
William Daza	Colombia	FCP (Fundación Cultural del Putumayo) – Cultural Foundation of Putumayo

Name	Country	Organization
Jose Luis Gomez	Colombia	Fondo para la Acción Ambiental (Environmental Action Fund)
Claudia Maria Correa Gonzalez	Colombia	Fondo para la Acción Ambiental (Environmental Action Fund)
Natalia Hernandez	Colombia	Fundación Gaia (Gaia Foundation)
Diana Juarez	Colombia	Fundación Gaia (Gaia Foundation)
Helga Dworschak	Colombia	Fundación Gaia (Gaia Foundation)
Anamaria Guerra	Colombia	Fundación Gaia (Gaia Foundation)
Elisa Matilde Escobar	Colombia	Fundación Natura (Nature Foundation)
Liliana Barragan	Colombia	Fundación Natura (Nature Foundation)
Javier Burbana Munoz	Colombia	Fundación Opción Putumayo (Putumayo Foundation Option)
Carlos Chragalt	Colombia	Fundación Opción Putumayo (Putumayo Foundation Option)
Carlos Rodriguez	Colombia	Fundación Tropenbos (Tropenbos Foundation)
Gildardo Pastrana L.	Colombia	FUNDIPAZ
Pablo Hernan Jamioy	Colombia	OZIP
Aureliano Garreta Ch.	Colombia	OZIP
Alberto Galan	Colombia	Patrimonio Natural (Natural Heritage)
Delso Enriquez	Colombia	President, Amazónica
Jose Yunis Mebarak	Colombia	TNC/Colombia
Ximena Barrera	Colombia	WWF/Colombia
Sandra Valenzuela	Colombia	WWF/Colombia
Enrique Camjoba	Colombia	WWF/Colombia
Francyled Pizo	Colombia	WWF/Colombia
Beatrice Galego C.	Colombia	WWF/Colombia
Lucy Ruis	Colombia	WWF/Colombia
Ilvia Nino G.	Colombia	WWF/Colombia
Claudia Basante	Colombia	WWF/Colombia
Jorge Flores	Ecuador	CONFENIAE
Sandra Villegas	Ecuador	CONFENIAE
Rzamarenda Haychapi	Ecuador	CONFENIAE
Jhon Wajai	Ecuador	CONFENIAE
Miguel Andy	Ecuador	Manager, Napo Wildlife Center
Group Discussion (12 people)	Ecuador	Staff of Sani Lodge
Adriana Burbano	Ecuador	WCS/Ecuador
Andrew Noss	Ecuador	WCS/Ecuador
Benigno Herrero Sangama	Peru	ASCART
Leslie Aguilar Bravo	Peru	ASCART
Jaime Nalvarte Armas	Peru	Asociación para la Investigación y el Desarrollo Integral (Association for Research and Integral

Name	Country	Organization
		Development)
Juan Carlos Flores del Castillo	Peru	Asociación para la Investigación y el Desarrollo Integral (Association for Research and Integral Development)
Pio Santiago Puertas	Peru	AIDER - Pucallpa
Hilda Amasifuen Prieto	Peru	Asociación Ravin Rama – Pucallpa (Ravin-Rama – Pucallpa Association)
Rolando Sota	Peru	Asociación de Operadores Ecoturísticos de Puerto Maldonado (Association of Ecotourism Operators of Puerto Maldonado)
Herbert Lobon Zegarra	Peru	Asociación de Operadores Agroecoturísticos de Bajo Tambopata. Puerto Maldonado (Association of Agroecotourism Operators of the coger Tambopata, Puerto Maldonado)
Víctor Zambrano Gonzáles	Peru	Asociación de Operadores Agroecoturísticos de Bajo Tambopata. Puerto Maldonado (Association of Agroecotourism Operators of the coger Tambopata, Puerto Maldonado)
Angel Francisco Gursado Velasquez	Peru	CAAAP
Cesar Ascorra	Peru	CARITAS - Madre de Dios.
Benjamin Zevallos	Peru	CARITAS - Madre de Dios
Héctor Kanashiro	Peru	CARITAS
Salazar Aguilar	Peru	Beneficiario de CARITAS. Asociación Vírgenes del Sol. Predio Los Heraldos (Beneficiary of CARITAS,)
Porfirio Quintanilla Cruz	Peru	Beneficiario de CARITAS. Carretera Km 60. Fundo Mercedes (Beneficiary of CARITAS, km. 60, Mercedes Fund)
Honorato Mishaja Shjoo	Peru	Centro Ñape Etnobotánico - CC.NN Infierno (Ñape Etnobotancial Center)
Elias Duran Torres	Peru	Centro Ñape Etnobotánico - CC.NN Infierno (Ñape Etnobotancial Center)
Group Discussion (20 people)	Peru	Escuela Amazónica Senen Soi (Senen Soi Amazon School)
Romulo Ochoa Asiete	Peru	FADEMAD
Luciano Erasho Chuquipatit	Peru	FADEMAD
Mauro Pataro Sebastian	Peru	FECONAPIA
Cesar Sebastian Bautista	Peru	FECONAPIA
Samuel Sanchez Magin	Peru	FECONAU
Becky Judith Linares Silvano	Peru	FECONAU
Presila Maynas Romayna	Peru	FECONAU
Vidal Salazar Aguilar	Peru	Federación Agraria Departamental de Madre de Dios (FADEMAD) (Agriculture Federation, Madre de Dios Department)
Fernando Estrella Acerxamu	Peru	FENACOCA

Name	Country	Organization
Beatrice Huartas	Peru	FENAMAD
Segundina Cumapa	Peru	Foro Permanente (Permanent Forum)
Richard M. Soria Gonzalez	Peru	IRDECON
Limber Gomez Agurli	Peru	IRDECON
Manuel Cuentas Robles	Peru	IRDECON
Lucas Benites	Peru	ProNaturaleza
Lourdes Cairuna Farabi	Peru	Robin Rama Mothers Club
Huga Chavez Valles	Peru	Robin Rama Mothers Club
Ruth Erika Ventura Amaspuen	Peru	Robin Rama Mothers Club
Lourdes Silvana Sanchez	Peru	Robin Rama Mothers Club
Susana Nunta Guimaraes	Peru	Robin Rama Mothers Club
Esther Fernandez Soldarca	Peru	Robin Rama Mothers Club
Alfredo Garcia Altamirano	Peru	TREES
Group Discussion (15 people)	Peru	Workers at Rainforest Lodge/residents of Infierno
Teddy Penaherrera	Peru	WWF/Peru
Michael Valqui	Peru	WWF/Perú
Kelly Soudre Zambrano	Peru	WWF/Perú
Cesar Sebastian Bautista	Peru	FECONAPIA
Roger Rumrill	Peru	Amazon Expert
Peter Cronkleton	Peru	CIFOR
USG		
Holly Ferrette	Bolivia	USAID/Bolivia
Ricardo Roca	Bolivia	USAID/Bolivia
Alvaro Luna Terrazas	Bolivia	USAID/Bolivia
Julia Gorricho	Colombia	USAID/Colombia
Gabriel Escobar	Colombia	USAID/Colombia
Bruce Bayle	Colombia	USAID/Colombia
Camila Gomez	Colombia	USAID/Colombia
Jason Girard	Colombia	USAID/Colombia
Tom Rhodes	Ecuador	USAID/Ecuador
Monica Suquilanda	Ecuador	USAID/Ecuador
Rocio Cedeno	Ecuador	USAID/Ecuador
Amy Archibald	Ecuador	STATE/Quito Embassy
Victor Merino	Peru	USAID/Perú
Fernando Chavez	Peru	USAID/Perú
Dianna Darsney	Peru	USAID/Perú
Andrew Dowdy	USA	STATE/WHA/EPSC
Frances Colon	USA	STATE/WHA/EPSC
Tom Olszewski	USA	STATE/WHA/EPSC

Name	Country	Organization
Doug Ball	USA	USAID/LAC
Anne Dix	USA	USAID/LAC/RSD
Victor Bullen	USA	USAID/LAC/RSD
Connie Campbell	USA	USAID/LAC/RSD
Peter Keller	USA	USAID/LAC/RSD
Julie Kunen	USA	USAID/LAC/RSD
Christy Johnson	USA	USAID/LAC/RSD
Donors		
Maurice Velentijn van Beers	Colombia	Dutch Embassy
Group Discussion (35 people)	Colombia	Mesa Amazónica
Lucho Roman	Peru	GTZ

ANNEX VII: SCOPE OF WORK FOR THE ASSESSMENT

USAID/LAC/RSD/Environment

Initiative for Conservation in the Andean Amazon

Scope of Work for a Mid-Term Assessment of the Program

A. PURPOSE

The Latin America and Caribbean Bureau of the United States Agency for International Development (USAID/LAC) requires an evaluation and analysis of its investments in the Initiative for Conservation in the Andean Amazon (ICAA) from 2006 to the present. The purpose of this assessment is to determine return on investment in terms of program impact and to generate information that can be used (1) to improve the design and implementation of ongoing and planned ICAA activities and (2) to inform the design of a second phase of ICAA.

B. BACKGROUND

ICAA is the flagship regional biodiversity conservation program of USAID/LAC, complementing a long-standing history and wide array of Mission and other Agency-funded conservation and natural resource management activities in the Amazon Basin. ICAA was designed as a five-year program (FY2006-2011) with US \$35 million dollars in support from USAID and US \$10 million dollars in matching cost support from implementing partners.

Through ICAA, USAID funds 20 partner organizations, which are organized under four field consortia through Cooperative Agreements and the ICAA Support Unit (ISU) through a direct contract. The conservation consortia and the ISU work in four countries: Bolivia, Colombia, Ecuador, and Peru. ICAA is designed to work innovatively across boundaries to save one of the world's most biodiverse areas by strengthening indigenous groups, convening national and regional policy dialogues on the main drivers of forest destruction and empowering local organizations and agencies to create and manage new protected areas and indigenous territories.

To date, ICAA has expended \$15.2 million and is at the mid-point of its originally designed timeframe. The USAID/LAC team that manages ICAA has determined that it is desirable, at this midpoint in implementation, to check the validity of the ICAA strategic approach, based on expected and actual results, and to use the answers to these questions to guide decisions concerning program content, funding and management in accordance with the obligation of ICAA FY 2009 funds and beyond.

The primary objective of this assessment is to perform a collaborative assessment of the existing ICAA program and provide recommendations for its improvement. A secondary objective is to provide recommendations for USAID on investment of future resources, as available. These recommendations will include suggestions to USAID for thematic issues and/or geographic areas that could constitute the foci of future investments in ICAA, as well as related program management.

C. ISSUES TO BE ADDRESSED

Through a combination of site visits, interviews, review of materials, meetings and one or more regional workshops, the team will do the following:

1. Assess impact to date of ICAA;
2. Provide constructive guidance on the implementation of existing USAID-managed activities within ICAA;

3. Generate essential information and recommendations needed to inform and improve the programming of FY 10 and FY11 resources through current mechanisms; and
4. Provide recommendations to USAID for programming of resources FY2010-2015 for expansion of the Initiative.

Specifically, the evaluation will address:

- How are program elements **performing** toward achieving results?
- How is the **management structure** of both the Initiative overall and the individual awards affecting program performance?
- How effectively is the **overall strategic design** of the Initiative leading to results that will ensure long-term conservation of natural resources in the Andean Amazon?

D. DELIVERABLES

1. A work plan in English to be discussed with and reviewed by USAID. The work plan shall be approved by USAID prior to implementation.
2. Interview USAID/LAC/RSD/E staff, Mission staff, implementing partners and host country counterparts in Washington and in each of the four ICAA countries' capital cities.
3. Conduct site visits to ICAA implementation projects in the field in the four ICAA countries, as feasible and appropriate given the time and resources available.
4. A draft report in English and Spanish with Executive Summary.
5. One or more Spanish-language workshop(s) in the region for presentation to USAID, ICAA partners and key stakeholders on the draft assessment findings and recommendations.
6. A Final Report in English and Spanish, including an Executive Summary, which incorporates USAID written and verbal comments on the draft report and input from the regional workshop. Fifty copies in English and twenty in Spanish of the final report shall be provided to the ICAA Coordinator with an electronic copy in PDF format in both languages.
7. A ½ day session in English in Washington to present and discuss the final assessment with USAID and other stakeholders.

E. QUALIFICATIONS AND REQUIREMENTS OF TECHNICAL STAFF

A team of senior experts and local experts, with logistical/administrative support, is envisioned that would include expertise on the following:

- Program design, implementation, and evaluation;
- USAID-funded program management and Agency policies;
- Andean Amazon biodiversity conservation;
- Cross-cutting issues;
- Spanish fluency (written and verbal skills at FSI 3 minimum) is required of the majority of the team members;
- Spanish proficiency is required for all team members (sufficient for strong verbal comprehension and effective verbal communication with implementing program partners and other regional stakeholders); and

- The desired number of years experience in similar evaluations should be no less than 8 years.

ANNEX VIII: ASSESSMENT QUESTIONS AND INSTRUCTIONS

1. How are the program elements progressing towards achieving their results?
 - What overall impact has ICAA had to date?
 - How can the Initiative's impact be increased?
 - What has been the respective impact of individual consortia and the Support Unit?
2. How is the management structure of both the Initiative overall and the individual awards affecting program performance?
 - With respect to USAID management, what improvements could be made to enhance current program performance?
 - Is the management structure of any ICAA partner(s) significantly supporting or impeding their success?
 - Anticipating an expanded Initiative, should USAID continue to manage ICAA from the LAC/RSD office in Washington with a region-wide team approach, or are there other management options (e.g. basing the regional program in one of the Missions, different configurations of management responsibilities, etc.) that USAID should consider to enhance the effectiveness of ICAA as a regional program?
 - What does the evaluation recommend in terms of the original design-and-implement approach of ICAA, which included a nine-month period in which the consortia had time to develop internal relationships and governance processes and develop their full life-of-program work plan?
 - Should this approach be repeated, or is it just as effective for consortia to develop workplans and get right to work upon award?
3. How well is the overall strategic design of the Initiative leading to results that will ensure long-term conservation of natural resources in the Andean Amazon?
 - Has ICAA been effective in building capacity for conservation constituencies, land management and policy implementation, and in leveraging USAID and partner investments?
 - Does the program's regional approach add value in addressing transboundary and regional conservation problems and opportunities? How can the Initiative's effectiveness be improved?
 - What cross-USAID, USG, multi-donor or other partnerships have enhanced ICAA's regional impact to date?
 - Should ICAA develop more formal relationships with regional governments or bodies (e.g., CAN) and, if so, what would the relationships look like?
 - With particular regard to indigenous issues and biodiversity conservation, has ICAA been effective in building capacity and effective working relationships among indigenous organizations as well as between such organizations and other conservation stakeholders within and across the geographic and thematic areas where ICAA has made investments?

4. Provide recommendations to USAID for programming of resources FY2010-2015 for expansion of the Initiative.
 - Is it advisable to extend any current agreements either in duration or scope of work?
 - If so, are there particular activities within these agreements that should be considered for expansion?
 - If not, what are recommended exit strategies as current programs close out as scheduled in 2011?
 - What role should current partners have in potential future investments in ICAA?

ANNEX IX: ICAA PERFORMANCE AGAINST PROGRAM INDICATORS

ICAA Indicator Definitions, Targets and Achievements, as of 30 September 2009

[Note: All targets and results listed in this table are cumulative, *except* each year's hectares numbers represent annual scoring of all managed parcels.]

Indicator 1: Number of hectares under improved natural resources management as a result of USG assistance.
(USAID Program Element Indicator)

Unit of Measurement: Numbers of hectares, disaggregated by type of area

Definition of Indicator: "Improved NRM" includes activities that promote enhanced management of natural resources *for one or more objectives, e.g., sustaining soil &/or water resources, mitigating climate change, &/or promoting sustainable agriculture, etc.* Management should be guided by a stakeholder-endorsed process following principles of sustainable NRM, improved human & institutional capacity for sustainable NRM, access to better information for decision-making, &/or adoption of sustainable NRM practices.

Baseline Value	FY07		FY08		FY09		FY10		FY11		Cumulative Total	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
2,287,842	2,413,321	1,256,379	2,550,950	2,810,413	2,872,248	2,763,246	3,119,724		3,358,385		3,358,385	

Indicator 2: Number of hectares in areas of biological significance under improved management as a result of US Government assistance.
(USAID Program Element Indicator)

Unit of Measurement: Numbers of hectares, disaggregated by type of area

Definition of Indicator: "Improved Management" includes activities that promote enhanced management of natural resources *for the objective of conserving biodiversity in areas that are identified as biologically significant through national, regional, or global priority-setting processes.* Mgmt. should be guided by a stakeholder-endorsed process following principles of sustainable NRM & conservation, improved human & institutional capacity for sustainable NRM & conservation, access to better information for decision-making, &/or adoption of sustainable NRM & conservation practices.

Baseline Value	FY07		FY08		FY09		FY10		FY11		Cumulative Total	
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
453,723	808,916	1,040,790	1,236,411	966,023	1,414,119	2,084,906	2,779,076		3,027,431		3,027,431	

Indicator 3: Number of people trained in NRM &/or biodiversity conservation as a result of USG assistance.
(USAID Program Element Indicator)

Unit of Measurement: Number of people, disaggregated by sex, ICAA partner & consortia or other instit..., type of training

Definition of Indicator: New USAID environmental indicator under Program Element 8.1. NRM and/or Biodiversity Conservation include organizational development & inter-institutional topics. Number trained is cumulative.

Baseline Value	FY07		FY08		FY09		FY10		FY11		Cumulative Total
	Target	Actual									
0	1,514	1,662	5,980	6,904	7,752	34,476	31,362		36,072		36,072

Indicator 4: Numbers of policies, laws, agreements or regulations promoting sustainable NRM and conservation that are implemented as a result of USG assistance.
(USAID Program Element Indicator)

Unit of Measurement: Number of policies, laws, agreements or regulations implemented

Definition of Indicator: New USAID environmental indicator under Program Element 8.1. NRM and/or Biodiversity Conservation. ICAA field partners will be influencing the implementation of numerous policies, laws, regulations and agreements. Working at the Basin-level, the ISU is most able to influence implementation of agreements or regulations, rather than policies and laws. The target numbers represent each year's achievements.

Baseline Value	FY07		FY08		FY09		FY10		FY11		Cumulative Total
	Target	Actual									
0	5	4	18	17	72	61	109		133		133

Indicator 5: Number of co-sponsored, stakeholder dialogue activities, focused on policies, laws, agreements or regulations for more sustainable Amazon resource use, initiated as a result of assistance.

Unit of Measurement: Number of stakeholder activities.

Definition of Indicator:

- "Co-sponsored" refers to sponsorship by at least one partner that is directly receiving USAID funds through the five ICAA consortia. It does not refer to ICAA Support Unit small grant recipients who receive no other ICAA funding. Co-sponsoring partners can include other ICAA consortia members and/or other organizations, agencies who do not receive ICAA funds and ICAA small grant recipients.
- "Stakeholder dialogue" refers to an exchange of views, among those affected by PLAR.
- "Activities" refers to a range of activities that include formal invitations to stakeholders and the creation of social space for PLAR-related dialogue that is tied to an annual PLAR agenda that is determined by each consortium and includes regional-level items (Form 4.1). There should be a minimum of six participants. Activities encompass meetings, workshops, courses, seminars, events & observational study tours.

Baseline Value	FY07		FY08		FY09		FY10		FY11		Cumulative Total
	Target	Actual									
	0	15	22	87	98	126	167	196		236	236

Indicator 6 (Revised 8/09): Amount of leveraged resources for Andean Amazon activities increased.

Unit of Measurement: Total funds in \$ U.S. dollars raised each year (Category 2 funds from Table 4 of the Annual Performance Reports of each consortium).

Definition of Indicator: The data reported for this indicator are the Category 2 resources (i.e., financial and in-kind) which have been received **because of the presence of ICAA funds** during each year of the ICAA project period. Category 2 funds are reported each year by every consortium in Table 4 of each consortium's Annual Performance Report. Financial & in-kind resources leveraged must pertain to activities wholly or partially within the Andean Amazon Basin.

Baseline Value	FY07		FY08		FY09*		FY10		FY11		
	Target	Actual	Target	Actual	Target	Actual	Target**	Actual	Target**	Actual	
	N/A	N/A	N/A	N/A	N/A	N/A	1650499	250,000		250,000	

* This indicator was changed in FY 2009 by decision of USAID. No targets were set.

** Only one consortium, Indigenous Landscape, has defined its targets for these years.