

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DATA SHEET

1. TRANSACTION CODE C A = Add
 C = Change D = Delete
 Amendment Number 2

DOCUMENT CODE 3

2. COUNTRY/ENTITY Worldwide

3. PROJECT NUMBER 936-5517

4. BUREAU/OFFICE S&T/FNR 10

5. PROJECT TITLE (maximum 40 characters) Environmental Planning & Management

6. PROJECT ASSISTANCE COMPLETION DATE (PACD)
 MM DD YY
09 30 89

7. ESTIMATED DATE OF OBLIGATION
 (Under 'B' below, enter 1, 2, 3, or 4)
 A. Initial FY 88 B. Quarter 4 C. Final FY 88

8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY <u>80</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(250)	()	(250)	()	()	(6,865)
(Loan)	()	()	()	()	()	()
Other U.S.						
1.						
2.						
Host Country						
Other Donor(s)						
TOTALS	250		250			6,865

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1)FN	149	090		250				750	
(2)SD	750	877		1898		2,615		6,115	
(3)									
(4)									
TOTALS				2148		2,615		6,865	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
876 879

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	ENVR	INTR				
B. Amount	6,865	6,865				

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen the ability of LDC institutions to better manage and conserve their natural resources for long-term sustainable development.

14. SCHEDULED EVALUATIONS

Interim	MM	YY	MM	YY	Final	MM	YY
	<u>3</u>	<u>84</u>				<u>9</u>	<u>89</u>

15. SOURCE/ORIGIN OF GOODS AND SERVICES
 000 941 Local Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

This amendment will change the LOP from \$4.25 million to \$6.865 million, the PACD date from 9/30/87 to 9/30/89 and the final obligation from FY 86 to FY 88. The elements of the original PP will be restructured to allow for a thematic approach.

17. APPROVED BY

Signature John D. Sullivan

Title Director S&T/FNR

Date Signed 09/26/85

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION

MM DD YY

PROJECT AUTHORIZATION AND ALLOTMENT
OF FUNDS

Name of Country: Worldwide

Number and Name of Project: 936-5517 Environmental Planning
and Management

1. Pursuant to Section 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the second amendment to the Environmental Planning and Management Project, to be implemented through a Cooperative Agreement with the International Institute for Environment and Development (IIED), involving planned obligations not to exceed \$2.615 million in Selected Development Activities funds subject to the availability of funds in accordance with the A.I.D. OYB/Allotment process. The life of project funding for this Project will increase from \$4.25 million to \$6.865 million. Final obligation will occur in FY 1988, and the Project Assistance Completion Date will be changed from August 30, 1987, to September 30, 1989.

2. The purpose of this amendment is to restructure the elements of the original project to provide for a thematic approach to achieving the Project's purpose. Implementation of this approach through IIED is appropriate. That organization has an international reputation for policy-relevant work in the environmental areas, has considerable knowledge of AID and other donors' practices, and has the ability to balance conservation with sustainable development. The major areas of focus will be:

- a) The relationship between natural resources management and agriculture,
- b) techniques for complex natural/social systems,
- c) the role of non-governmental environmental organizations in LDC development activities, and
- d) national sectoral planning, including the role of resource assessment, data collection, etc., in planning.

3. Source Origin of Goods and Services: Permission granted in the original project authorization to provide services from free world countries (Geographic Code 935) remains in effect for this amendment along with all other agreements in the original project authorization regarding the sources and origin of goods and services and regarding technical experts. This amendment, like the original project, requires obtaining the most experienced and technically qualified persons available for providing technical assistance to AID Missions, and authorization to provide experts from free world countries will allow experts in our client countries the opportunity to participate in the development of their own and LDC institutional capacity, which are objectives of the foreign assistance program

Approved: *Julius W. Anderson*

Disapproved: _____

Date: 5-16-85

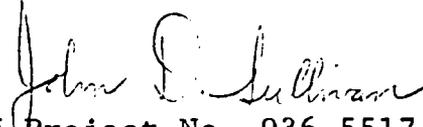
Clearance:
S&T/PO:GEaton Kmfr Date 5/17/85

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10 MAY 1985

ACTION MEMORANDUM FOR THE AGENCY DIRECTOR FOR ENVIRONMENT AND NATURAL RESOURCES

FROM: S&T/FNR, John D. Sullivan



SUBJECT: Approval for Revision #2 of Project No. 936-5517
Environmental Planning and Management (EPM)

Problem: Your approval is needed to revise and extend the EPM Project. Also, your clearance is required on an Advice of Program Change for Congress. The proposed revision restructures the elements of the original Project to provide a thematic approach to achieving the Project's purpose.

Background and Discussion: The EPM Project began in FY 82 with an LOP of \$3.5 million for activities over a four-year period. The International Institute for Environment and Development (IIED) implemented this Project through a Cooperative Agreement. The Project was evaluated and revised in FY 84, raising the LOP to \$4.25 million over five years. The purpose of the first revision was to add \$750,000 FN funds to provide technical assistance to A.I.D. Missions for the planning phase of the natural resources assessment process.

The purpose of the second revision, which will raise the LOP cost to \$6.865 million, is to permit IIED to continue providing short-term technical assistance for field activities developed cooperatively with Missions and Regional Bureaus and to restructure the elements of the original Project to provide a thematic approach. The major areas of focus will be:

1. The relationship between natural resource management and agriculture,
2. Techniques for planning of complex natural/social systems,
3. The role of non-governmental environmental organizations in LDC Development activities, and
4. National sectoral planning, including the role of Resource Assessment, data collection, etc. in planning.

On January 22, 1985, the Sector Council strongly supported this Project revision and recommended that a sentence be inserted in the Cooperative Agreement directing IIED to address "fragile lands", being careful not to duplicate the fragile lands activity soon to be undertaken by the LA Bureau. Also, IIED should be encouraged to document how short-term responses by IIED have had an impact on what the Missions and Regional Bureaus are trying to accomplish.



A substantive Congressional Notification is required so funds will not be obligated for this revision until the notification process has been completed.

Recommendations:

1. That you sign the attached Project Authorization and Allotment of Funds document.
2. That you clear the attached Advice of Program Change.

Attachments:

1. Project Authorization and Allotment of Funds document
2. Advice of Program Change
3. Project Paper Revision #2

Clearance:

S&T/PO:GEaton Kha for Date 5/14/85

S&T/FNR: RFLynj:mf:4/24/85:58956

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Evaluation Summary

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Advisory Service Activities to March, 1984

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ENVIRONMENTAL PLANNING AND MANAGEMENT PROJECT
(936-5517)

PROJECT REVISION #2

I. SUMMARY

This project amendment will extend the project to FY 1988, adding \$2.615 million in S&T/FNR funds, for the purpose of improving the ability of LDC institutions to better manage and conserve their natural resources for long-term sustainable development. To achieve this purpose, S&T/FNR proposes to:

1. Focus on four areas which, from the experience of the project to date, represent areas of highest importance to the A.I.D. assistance programs in developing countries: (1) supporting host country Non-Governmental Organizations (NGOs), (2) promoting the collection and use of resource assessments and data in national sectoral policies, (3) linking natural resource management to agriculture programs, and (4) developing integrated planning methodologies.

2. Allow the present cooperating institution, the International Institute for Environment and Development (IIED) to continue working with Regional Bureaus and field Missions through 1988. There is an increasing interest in environmental and natural resource planning issues in the field. Through joint activities with Regional Bureau field Missions, IIED gains experience in the kinds of on-the-ground activities commonly supported by assistance agencies. IIED's track record of timely and significant environmental expertise in turn can help donors and developing countries to see their programs in terms of the underlying resource base.

3. Provide additional funds for IIED to address the issue of linking research elements with ongoing A.I.D. projects. In its initial years of operation EPM has encountered numerous areas which offer opportunities to improve or contribute de novo to research required for planning and conduct of country development projects (see p. 12 for examples). In this way EPM can put to use experience and insights derived from over 60 field projects in very applied areas of development assistance not addressed by universities or other organizations.

4. Provide additional funds for National Conservation Strategies (NCS), which IIED pursues jointly with the International Union for the Conservation of Nature and Natural

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Resources (IUCN). This, combined with a previous amendment which provided funds for Environmental Profiling, constitutes a significant attack on the problems of developing country data deficiencies and the integration of such environmental information into country planning.

5. Provide additional funds for analyses of country activities - Country Environment Profiles (CEPs) and National Conservation Strategy (NCS) experiences. Recent profiles of Jamaica, Haiti and Paraguay as well as the regional environmental profile for Central America have indicated approaches which can be of use in every region while fulfilling the intention of the Administrator's memorandum encouraging profiles and National Conservation Strategies.

6. Permit IIED to use its network of researchers, academics and private sector actors to organize a series of meetings and seminars on environment and natural resource management. These meetings would be designed to expose LDC and donor agency personnel to the latest thinking in these areas. They would be further designed to focus the attention of outside experts on the need to develop hard, practical solutions that can be used by project and program planners operating within the constraints of the AID system.

II. PROJECT BACKGROUND

A. Description and History of the Project

The EPM project began in FY82 with an estimated LOP of \$3.5 million over four years using Selected Development Activities funds (\$1.85 million from S&T/FNR and \$1.65 million from Regional Bureaus and Missions). A.I.D. implements the project through a Cooperative Agreement with the International Institute for Environment and Development (IIED). IIED is strengthened through its involvement in: country activities (formerly advisory services), a pilot activity to help develop national or regional (subnational) natural resources strategies, and preparation and dissemination of occasional analyses of LDC environmental issues based on field experience and conservation strategies. Regional Bureaus and Missions can undertake larger-scale activities using their own funds, though the total of all such activity was limited to \$1.65 million under the past approved LOP. Project Activities are undertaken with guidance from the Project Advisory Committee (PAC), consisting of representatives of all four Regional Bureaus and PPC. IIED also receives guidance from field environmental officers in Missions and regional offices.

Due to the Administrator's message to the field in December of 1983, AID/W anticipated increased planning of natural resources information gathering efforts in LDCs that could influence their national policy planning process, including Country Environmental Profiles (CEP's), Natural Resources Surveys (NRS), Natural Resource "Sector Assessments" (NRSA), and other similar activities. Therefore, the project was amended in FY84 to add \$750,000 in Food and Nutrition Funds, transferred from PPC, to support a new program of resources assessment within the EPM project.

B. Mid-Term Evaluation

A Mid-term evaluation was completed in April, 1984. (Summary in Appendix A). It was conducted by Peter Freeman, an independent consultant who was assisted by David Runnalls, Director of IIED-Washington, and Barbara Ormond, AID/NE. The evaluation recommended extension of the project on the following grounds:

C. Reasons for Project Extension

1. The continuous flow of requests for expertise from Bureau Environmental Coordinators and Regional Environmental Advisors indicates that the project is an important tool in the implementation of the agency environmental strategy. IIED was involved with approximately 50 separate field activities in the first year. S&T/FNR funded activities had an average cost of \$10,000 while Mission-funded activities ranged from \$50,000 - \$100,000.

2. Considerable additional demand for joint IIED-field activities is expected, once Missions and host countries become fully aware of IIED's interests, programs, and capabilities. While some themes have emerged, from IIED's interaction with Field Missions, the final profile of demand is not yet set, and the Agency would benefit from an additional effort to establish what issues have the most significance to field priorities. IIED has already capitalized on its experience to date, and a number of potential jointly-developed field activities are awaiting funding.

3. The long term nature of environmental problems requires stability and steady growth in concepts and methods to bring protection of the natural resource base into the design considerations of A.I.D. supported country projects. If assistance of the kind that EPM represents were to end in 1985, A.I.D. achievements to date would be severely set back.

The evaluation was discussed with the Regional Bureau Environmental Officers who act as a Project Advisory Committee. There was

unanimous agreement that the project should be extended, with some logistical streamlining if possible. Additional reasons for extending the project include:

Proven Field Participation - The project has been able to seed additional natural resources activity in the field, even beyond jointly designed activities. So far, every dollar of S&T/FNR funds has been indirectly related to \$273 of additional spending by Missions in closely related activities.

Flexibility - The EPM project has allowed for activities that are in one sense "smaller" than project size. The average cost of over 40 country assistance tasks is about \$10,000. These small efforts have been responsible for expenditures of over \$250 for each EPM dollar spent. It also allowed for activities that formed crucial linkages between larger efforts. For example, the incorporation of integrated coastal resource considerations into a \$20 million fisheries development project in Indonesia resulted from field work from EPM that demonstrated the need for this.

III. DESCRIPTION OF EXTENSION

The proposed extension of the Environmental Planning and Management project is consistent with its original goals; that is, to assist LDCs with improving their capability to conserve and manage their natural resources and environment. Consistent with the spirit of a cooperative agreement, EPM will continue applying the International Institute for Environment and Development's (IIED) expertise to carry out field activities developed cooperatively with Missions and Regional Bureaus. The joint field activities will contribute to improved understandings of technical issues, testing of innovative intervention techniques, increased host country capacity, or studies of significant problems in any of the four areas outlined below or other priority areas as added. IIED will draw on its staff and extensive worldwide network to ensure that the EPM field activities are developed and directed by the most competent and credible professionals.

The life of project will be extended to FY 1988, and the LOP costs increased from \$4.25 Million to \$6.865 Million. A Cooperative Agreement with the IIED will be used to implement this project. Under this revision A.I.D. will restructure the elements of the original project, to provide for a thematic approach. The elements "pilot activity" and "advisory services" are hereby abolished. The project will be implemented in part through "Field Activities" which will be developed jointly with Regional Bureaus and Missions. Additional funds will be provided for "Information and Analysis Activities" to allow for dissemination of field activity reports,

for analyses and reporting of trends found in field activities, and analysis and definition of new environmental planning and management priorities for A.I.D.-supported country development projects. To ensure that the EPM project Field Activities produce long term understandings and capabilities for conservation and management of natural resources and environment in LDC's, the EPM project through the Information and Analysis component will, whenever appropriate, complement its activities with workshops, seminars, follow-up research, guidelines, and publications. Depending on the activities, LDC host countries' audiences are targetted in these programs through A.I.D. field missions, regional bureaus, centralbureaus, bilateral and multilateral aid institutions and U.S. Government and private agencies dealing with environment/development issues. In all cases such programs will be developed cooperatively with A.I.D.

A. Thematic Approach

As to be expected in a Cooperative Agreement, the first years of activities were of an exploratory nature for both parties cooperating in the EPM project. IIED through the EPM project became familiar with the challenges specific to A.I.D. Field Missions and Regional Bureaus as they work to address natural resource/environment conservation and management issues in LDC's. A.I.D. became familiar with the types of expertise available through a private non-profit environment and development organization and how it can be applied effectively to A.I.D. programs. Several trends have emerged from the cooperative relationship to date. Nearly half the field work dealt with national and regional data gathering and analysis (CEPs and NCSs). Another 15 percent dealt with institution building, closely identified with an additional 8 percent in environmental educational activities; 17 percent of IIED's field work was focused on ways of integrating environmental and natural resources concerns with other disciplines such as agriculture, and with research. The final 10 percent is made up of a number of miscellaneous requests, such as environmental law and zoo management. (Appendix B contains a list of activities to date). On the basis of this experience, IIED and A.I.D./S&T/FNR have evolved a statement of thematic interests, that will guide the project, and our continuing relationship with the Regional Bureaus. These themes represent what both cooperators feel are the important areas to address, given past requests for collaboration and likely future programs, projects and activities in A.I.D. field Missions. The major areas of focus are:

1. Role of non-governmental environmental organizations in development activities
2. National Sectoral planning, including the role of Resource Assessment, data collection, etc.

3. Relationship between natural resource management and agriculture
4. Techniques for planning of complex natural/social systems

These themes will guide the selection of joint ~~Field~~ ^{Field} Activities as well as the Information and Analyses Activities under the Cooperative Agreement. Identification of the four major themes described below is the result of IIED's work with the field Missions and Regional Bureaus to date, and future refinements and/or additions are expected.

1. The Role of Non-Governmental Environmental Organizations

Increased capability on the part of Host Governments will come when local public interest demands it. This is indicated by the success of the U.S. environmental movement, in which private voluntary groups played an important role in raising the consciousness of the public, and in doing the necessary research to explore environmental issues. The educative public awareness function they provide is important to the acceptance by government of its role, and can be an early-warning system for the environmental concerns of the population.

Under the EPM project, IIED has collaborated with Missions and host country non-governmental environmental organizations (NGO's) in Honduras, Peru, Costa Rica, Panama, Ecuador, Jordan and Turkey. The EPM activities to date have enabled IIED to work with NGO's in a variety of capacities: advising Missions and NGOs in the development of collaborative programs; analyzing the status of NGOs and their potential for self sustainability; and providing technical assistance to NGOs in fundraising, administration, management and program development. Based on these experiences, IIED, through the EPM project intends to collaborate with A.I.D. Missions and host country NGOs to assist the NGOs in developing the capabilities to bring about conservation and management of natural resources and environment in their countries.

IIED's experiences through the EPM Project, working with A.I.D. Missions and NGOs has provided the raw material for a comparative analysis of the role donors play in making non-governmental organizations a more effective force in bringing about improved natural resources and environmental management in developing countries. Through the Information and Analysis component of EPM, IIED will take a systematic look at A.I.D. and other donor activity falling into this category. These experiences will be synthesized into a meaningful set of strategies, guidelines, and insights that will be useful to NGOs in their strategic planning, organization,

accounting, management and fund raising. This will in turn feed into the planning of National Conservation Strategies and Environmental Profiling supported in part by the EPM Project.

2. National Sectoral Planning and The Role of Resource Assessment and Data Collection

This theme combines two formerly separate elements. The "Pilot Activity" in support of National Conservation Strategies, and the Profiling Activities for which the project was amended in FY 84. The sustainability of the resource base depends to a large extent upon how national governments set the policy parameters for development. For example; how land-use, export/import policies or environmental laws result in an incentive structure which in turn governs the choices of individual farmers or industrialists. In order to achieve Sector Policies which are sensitive to the protection of the resource base, it is necessary to ensure both the existence of reliable, up-to-date and complete information about the natural resources of the country, and the appropriate use of this data at the highest levels of national planning. IIED has been looking at the full range of resource assessment and data collection activities both in and about developing countries. They are also concerned about national environmental policy-making legislation and the institutionalization of the data-collection function in appropriate country ministries so as to integrate natural resources data into five-year plans, sector plans, and national strategies.

3. Relationship Between Natural Resources Management and Agriculture

Considering the importance of agriculture in the A.I.D. portfolio, and the dependence of much of development planning on the economic success of the agricultural sector, the sustainability of agricultural programs is an extremely important issue in resource management. Many A.I.D. environmental projects in one way or another are linked to agricultural production goals and IIED is attempting to increase its skills in this area. S&T/FNR is supportive of this effort. The number of field activities in such areas as grazing systems development in Nepal, range management in Jordan, aquaculture in Indonesia, and agricultural modelling in Sri Lanka have indicated that the sustainability of agricultural programs is of importance to the Missions and host countries, and that environmental expertise is desired in order to address this problem. Under the present cooperative agreement, IIED has begun to look more closely at the opportunities for cooperation between agricultural planners and natural resource managers, and the extension will allow for joint field activities in this area.

4. Techniques for Complex Systems

Many of the field activities on which IIED and the Agency have collaborated focussed on very large and complicated systems such as large watersheds and river basins involving a variety of interacting sectors. This implicitly involved the search for ways in which environmental and natural resource concerns could be brought successfully into development planning. There is need for a broader range of techniques to address the question of sustainability, such as: how to set values on the contribution of natural resources and ecological processes in a conventional cost/benefit analysis; and how to adapt the insights of complex systems modelling to the natural resource interactions implicit in development. IIED is looking at a number of different areas of investigation where field activity would be appropriate, for example; the refinement of the Holdrige land use classification system, the work of the East-West Center on environmental valuation, and work by Odum at the University of Florida, on energy accounting. Cooperation with the Forestry and Fuelwood Research and Development (F/FRED) Project is expected.

The EPM project will support the development of integrated techniques, linking them closely with on-going project activities in Missions and Regional Bureaus. For example, the linking of generic natural resources modelling techniques to the Asia Bureau's Bioresources Systems Project, and to the Africa Bureau's efforts to develop a strategy for river basin development will ensure that the EPM activities in this theme are applicable to A.I.D. interests.

B. Method

The EPM project will have two main components -- Field Activities and Information and Analysis Activities. The Field Activities will allow IIED to work directly with host country institutions and A.I.D. Missions in joint programs consistent with the EPM project goals. To ensure balance of global objectives, and for planning purposes, target levels of spending on the four regions will be established, but would not be interpreted rigidly -- toward the end of each fiscal year, targets may have to be revised. The estimated expenditures, by region will be based on past funding experiences for field activities. The Information and Analysis Activities will enable IIED to further develop the four thematic areas and define new ones, as well as publish the EPM project activities to encourage replication of successes.

The thematic areas will vary in their balance of Field and Information and Analysis Activities. For example, the NGO program theme is based on IIED's extensive knowledge of what is needed in the field and therefore will concentrate on Field Activities. Information and Analysis Activities will concentrate on the

comparative analysis study identified on page 6 and dissemination of the findings to donors and host countries working with LDC environmental NGO's. On the other hand, the theme area of sustainable agriculture, because of its pioneering nature, will begin with an emphasis on Information and Analysis Activities. IIED will draw on its network of experts to research the issue, prepare technical reports, and present the analyses in seminars, workshops and other fora. As the theme area becomes more developed, Field Activities will be undertaken in the nature of case studies and analyses of ongoing programs that demonstrate the need for natural resource management to sustain agricultural production in developing countries.

The general approaches the EPM project will implement for each area are outlined below. It is not intended that each of these areas should be of equal importance in either budget or staffing terms.

1. Role of Non-Governmental Organizations in Development Activities

IIED staff or experts drawn from IIED's network will carry out initial assessments of LDC Environmental NGO needs and in collaboration with A.I.D. Missions provide the NGOs with assistance in addressing these needs. IIED will rely on its own field staff, its network, and close working relationships with A.I.D. Regional Environmental Officers to identify countries for work in this theme area. IIED will limit its full-scale program working with environmental NGOs to 4 countries. Candidate countries are: Bolivia, Indonesia, Kenya, Zimbabwe, Thailand, Nepal, Jordan, Turkey and Dominican Republic. IIED feels that the NGOs in these countries can make the best use of the EPM project's assistance. In addition, they are countries where links can be made to A.I.D.-funded Environmental Profiling and National Conservation Strategies. However, IIED does not intend to ignore requests for assistance which fall within the NGO theme area focus from countries outside the four to be identified for participation in the complete program.

IIED has found that A.I.D. missions working with NGOs are not familiar with the other Missions' different experiences. The opportunity to learn from one another does not exist for those A.I.D. staff involved in environmental NGO programs. IIED intends to develop guidelines describing appropriate strategies for working with the groups. They will be based on the four country experiences and for the use of funding agencies such as A.I.D. A workshop is planned to present the guidelines.

Specifically the EPM project will have the following Field and Information and Analysis activities:

- a. Background information will be gathered on: the citizen environmental groups in the countries; activities of other organizations like IIED and A.I.D. that already have programs working with the groups; and possibilities for linkages with other A.I.D., other donors, and IIED programs taking place in the countries.
- b. IIED will travel to the country to become familiar with the following:
 - the types of private environmental groups in existence,
 - the history of the groups' experiences, the strategies they have implemented, their successes and failures,
 - the credibility of the groups with their governments and the public,
 - the general needs of the groups -- technical assistance in programming, administration, management or fundraising; specific resources, equipment or information; and/or funds;
 - A.I.D. Mission interest in the program and potential for follow-up support.
- c. In each country IIED will work with appropriate citizen groups to identify: the critical environment/development issues the country faces, those issues the groups wish to address; and the appropriate strategies to undertake. IIED assistance will also help the groups identify the personnel, financial, administration, management and programmatic needs of the groups. This information will determine what types of technical assistance will be provided over the long-term.
- d. IIED will provide support that does not create dependency. IIED assistance will encourage long-range planning and will provide the groups with measurable objectives for evaluating their progress.
- e. Developing self-sustaining institutions requires considerable time. In each country IIED will record baseline information about the initial status of the environmental movement and the particular private groups.

Realistic indicators of progress towards effectiveness and self sufficiency will then be established and monitored throughout the project.

The IIED intends to document this information to prepare guidelines for organizations interested in providing financial and technical assistance to LDC environmental groups. It is intended that the publication will identify the types of assistance most commonly needed, the approaches used most effectively to provide this type of assistance, and approaches to avoid and how to do so. The IIED will offer a seminar to introduce the guidelines and report on its experiences in the four participating countries. The seminar will provide the opportunity for A.I.D. project managers working with environmental groups to meet to share their experiences.

2. National Sectoral Planning and the Role of Resource Assessments and Data Collection

Through its work with environmental profiles, IIED has developed its own approach to the national or other large data collection forms of resource assessments. This approach begins with detailed preliminary work in coordination with host country institutions and donor agencies in a developing country to determine the precise scope of an assessment including technical and institutional capacity to perform the assessment. Performance of the assessment relies as much as possible on technical and institutional support from within the country. This often means allocating more time to perform an assessment than if it were done entirely by outside consultants. IIED maintains close contact with national and international specialists throughout the performance of an assessment. Finally, the Institute spots opportunities for appropriate follow-up to assessments and fosters the performance of this follow-up.

IIED intends to generate interest in resource assessments by making presentations at A.I.D. about activities under way and products of their earlier work. This will entail some travel by IIED staff to various A.I.D. countries where they identify significant opportunities for resource assessment.

Actual assessments will be carried out in part directly by IIED staff. Nearly all staff members have direct experience in development coupled with technical competence in one or more aspects of environmental science. Most of the work will also require complementing IIED's expertise with other specialists from the

Institute's network. Specifically through the EPM, IIED will do the following:

- a. IIED anticipates performing at least six country environment profiles under the EPM project during the next three years. Because almost all of the A.I.D. countries in Latin America have profiles, but hardly any profiles have been performed in other regions, IIED anticipates doing profiles in Asia, Africa, and the Near East, but perhaps not in Latin America. In Latin America, IIED will look for opportunities to build on existing profiles by linking with new initiatives such as that designed to deal with fragile lands. Preliminary IIED plans call for profiles in Egypt, Oman, Thailand, Pakistan, the Philippines, Cameroon, Senegal, and Kenya. These are obviously subject to confirmation by Missions.
- b. IIED, through discussions with A.I.D. regional and mission personnel and continuing analyses of EPM work and its effect, will identify opportunities for resource assessments other than environmental profiles.
- c. IIED will promote this theme area through travel to various A.I.D. countries to explore general prospects for resource assessments in the light of experience and the needs that exist in the field. The budget confines expenditures for promotion to the first year on the assumption that the record of performance will obviate promotion in subsequent years.
- d. Environmental profiles always produce at least one document for publication. IIED feels, however, that more resource assessment results should be published. Toward this end they intend to review the existing series of environmental profiles with an eye toward reprinting them. We also intend to develop resource assessments to contain specific publication goals.
- e. Within resource assessments IIED proposes to carry out two case studies. One will diagram and comment upon the environmental profile process from start to finish. It will show how the idea for a profile turns into the process that eventually results in an environmental profile document and other products. They will probably choose the Paraguay environmental profile for emphasis in this case study because IIED has been closely involved with it from inception through completion.

The other case study will relate to successful application of environmental profiles. IIED will choose a country

which has had a completed environmental profile for a few years and trace how that country put its profile to use. They will select a country that has successfully incorporated its profile into its national development policy, strategy and programs. The Dominican Republic is one prominent candidate for this case study.

3. Relationship Between Natural Resources Management and Agriculture

Activities in this theme will begin with a preliminary study to analyze the relationship and convert the findings into a work plan such as outlined in the previous two theme areas. The basis of the planned study will be a report that identified opportunities for promoting sustainable agriculture and was prepared through the EPM project.

The study will be made up of a taxonomy of agricultural activities, the environmental inputs they require for a productive sustainable perspective, recommendations for policy and technical interventions, and the constraints to their implementation. Recognized experts in a spectrum of agricultural topics will participate in the study. When appropriate, site visits will be made to review projects identified through the study as demonstrations of the factors to consider in order to achieve sustainable agriculture. The analysis of these cases, issues and opportunities will be debated in a meeting of agriculture development policy makers, practitioners, environmental scientists, and the IIED staff. The review will then be finalized, published, and cast as proposals for further work in the topic in the field as well as with northern institutions.

Complementary to the above review are three initiatives to employ the strengths of IIED, through the EPM project, to foster the kinds of research and development recognized by the development assistance community as areas of need. They are:

- a. The integration of products recently developed at IIED (such as the agriculture optimization model) to help clarify farming systems research and practice -- systems analysis for sustainable agriculture agroecology.

IIED's work would fulfill the need for an environmental penetration of agricultural assistance in a recognizably legitimate and desirable way which has not been fully (or even well) addressed. Preliminary discussions with agricultural development experts in both AID and the World Bank indicate that there is sufficient uncertainty about the directions of farming systems research to make this a fruitful ground for EPM activity. Initial countries identified by IIED as particularly productive for

developing small-scale agroecological systems are Bolivia, Honduras, Costa Rica, Indonesia, Thailand, Kenya and Rwanda.

- b. The applications of land use capability analyses to sustainable agriculture.

Some of the previous EPM field activities, particularly in Latin America, have been devoted to helping LDC's to develop systems of land capability analysis. In fact, the fragile lands initiative, being undertaken by S&T and the Latin America Bureau, depends partly on previewing work funded by EPM in Bolivia. Accurate land use capability analysis is an important key to sustainable agriculture. Many lands do not have the capacity to sustain any agriculture. They must be used for forest, range, or protection. Attempting to farm lands that do not have agricultural capability degrades those lands for uses within their capacity. Usually, also, bad land use affects not only the land badly used, but adjoining lands as well. As an example, stream bank erosion of valley agricultural land can usually be traced to bad land use practices in the upper watershed that provoke sheet and gully erosion there. Working closely with the fragile lands initiative, IIED will help to improve land capability in a number of countries in South and Central America.

These systems of land capability analysis will also be used to identify suitable technological packages for agricultural development projects. In general, the best land will respond to higher cost, higher input agriculture with increased yields. Poorer quality land requires more effort at land protection and rehabilitation combined with lower cost, appropriate technology.

- c. The development of procedures to address and incorporate the results of practices and processes on adjoining or otherwise "linked" lands which are not the principal focus of a specific agricultural activity.

Land use on other portions of an integrated land unit such as a watershed cannot be ignored. Good land use upstream also protects downstream lands. EPM has constructed such an initial systems model for the optimization of agricultural enterprise, although the geographically adjacent elements must still be linked together.

4. Techniques for Planning the Development of Complex Natural/Social Systems

Project Planning that takes account of the environmental and natural resource management aspects of development must be interdisciplinary and holistic. This principle is now well understood and is stressed in a number of A.I.D. strategy and policy documents. The formation of A.I.D. sector councils was another recognition of these linkages. Yet this theory remains difficult to put into practice. In its analyses of the practices of various development assistance agencies, IIED identified numerous examples of complex projects which are still being planned in ignorance of many of the basic interconnections between environment, natural resource management and agriculture.

Working primarily with the Asia Bureau, IIED, through the EPM project has been developing a simulation model of the Mahaweli project in Sri Lanka. This project, one of the largest in the world, involves the construction of dams, irrigation channels, the clearing of large tracts of forests and the resettling of 100,000 families. It presents all the difficulties and challenges of integrating large amounts of data, several disciplines and a number of donors into a coherent whole. For this theme the following activities are planned:

- a. The simulation model will be the basis of activities in this theme area and will be further developed both for training of host country and A.I.D. personnel in the specific intersectoral linkages and implications of their activities and for future applications as a project design tool. IIED has undertaken discussions with the Asia Bureau's Bioresource Systems Project and the Africa Bureau's efforts to develop a strategy for river basin development. Cooperation is also expected with the Forestry and Fuelwood Research and Development project.

Specifically the model will:

- o be enhanced in scope and applicability, for example, in its ability to link upland agricultural practices to their downstream effects on coastal resources and their management;
- o be graphically enhanced to render it more easily used and understood. As the model runs, the changes in wildlife habitat or village sites will be seen in real time on maps; and
- o be integrated with economic metrics so that, for example, costs and benefits and internal rates of

return can be routinely calculated for any model scenario chosen for examination in designing the project.

- b. These tools not only exist at IIED now but will be enhanced for the particular needs of development assistance as described above. It is critical to their credibility and utility that they be examined and used by A.I.D. practitioners in the field. To satisfy this requirement, several field initiatives are planned.

IIED will be working with the East-West Center in Hawaii to organize a major symposium to examine a wide range of additional integrated methodologies in a spectrum which resource managers and project managers could profitably use. The approach will be the exposition of methods of high utility using a "generic" project's needs as a skeleton. IIED and the East-West Center will therefore undertake to review and make more useful integrated methods in networking and data-base management, project design, project management, project alternative evaluation and selection, project evaluation and monitoring. These are elements critical to the success of most projects with environmental significance.

The symposium will be designed to produce a non-technical guide to the various integrated methods available and their uses in project design methodology, project management and judgement of impacts and cost/benefits, judgement of alternatives, monitoring and evaluation. Of particular interest will be a pre-meeting review of useful methods developed in a wide variety of disciplines outside of (and often unknown to) environmental management including business, engineering and military sciences dealing with decision-making, risk and uncertainty and project management -- all critical considerations for planning natural resource management.

- c. This theme area will also address the urgent need to develop new techniques for economic evaluation and cost-benefit analysis that takes account of environmental and natural resource constraints. IIED has been in contact with a number of institutions performing pioneering work in this area -- the East-West Center, Resources for the Future and a number of universities. The Institute feels that its contribution could be to make this research more relevant to the planning needs of A.I.D. and other agencies. This would involve a series of workshops and symposia to develop planning tools for managing complex systems and testing them in the field, in cooperation with A.I.D. Missions and

host country institutions in Asia -- primarily Indonesia, the Philippines, and Thailand.

5. Additional Activities

The nature of a Cooperative Agreement requires that S&T/FNR and IIED work as partners in promoting the sustainability of development through better natural resource management. From time to time, S&T or Regional Bureaus may suggest certain issues which it feels IIED should address; similarly, we expect that IIED will do likewise. It was in this spirit that A.I.D. and IIED articulated the thematic interests that will guide the project under this amendment. IIED will continue analyzing its activities through EPM to identify trends in the natural resource management interests of LDC's and A.I.D. These trends will provide the basis for new theme areas to be agreed upon with the Project Advisory Committee.

Also planned is a study of how environmental research could be integrated with A.I.D. programs. Many of the field activities in which IIED has been involved have illustrated the fact that selected pieces of well-thought out applied research could greatly increase the knowledge base available to developing countries for policy decisions on land use and sustainable agricultural systems. The consequence of mangrove harvesting on seagrass and reef sedimentation and fisheries production, the perceptions and assessments of Mission personnel on their data gaps, the spectrum of possible degraded land rehabilitation/revegetation techniques, and the development of a variety of data-base management systems are all areas (among others) in which EPM has encountered research and development needs, has produced reports and has suggested research strategies. IIED will use Information and Analysis funds to undertake a preliminary look at how research could be integrated into A.I.D. projects. Such a study will be consistent with the goals of S&T Bureau to increase the application of research to the problems of environment and natural resources.

Discussions of research in relation to the Environment and Natural Resource programs of A.I.D. will be reviewed along with an updated survey of research needs. IIED will look at the institutional processes that support and integrate research, e.g. International Agricultural Research Centers and their linkages to local research capacity. They will analyze A.I.D. experience with research networking (such as described in the Forestry and Fuelwood Research and Development Project), germane work of other donors, common protocol experiments e.g., at the International Center for Research on Agroforestry (ICRAF) and in our population programs, peer review methods used by A.I.D. Science Advisory's program and other research funding organizations; and identify research needs.

IV. BUDGET

BUDGET FOR EPM PROJECT EXTENSION

(\$000)
Fiscal Year

	<u>FY 1985 PROFILES</u>	<u>FY 1985 IN ORIGINAL CONTRACT</u>	<u>NEW AMENDME FY 1985-88 TOTAL</u>
1. <u>Project Management</u>			
a. Salaries & Fringe Benefits	66	173	810
b. Travel & Per Diems - IIED staff	—	—	162
c. Other Direct Costs	—	—	110
2. <u>Field Activities</u>			
a. Technical Specialists	78	—	250
b. Travel & Per Diems for Specialists	25	—	100
c. Other Direct Costs	3	—	30
3. <u>Information & Analysis Activities</u>			
a. Technical Specialists	—	—	270
b. Travel & Per Diems for Specialists	—	—	40
c. Other Direct Costs	8	—	80
4. <u>Subtotal</u> — All Direct Costs	180		1,852
5. <u>Subtotal</u> — All Direct Costs Minus Travel/ Per Diem (1b, 2b, 3b)	[155]	[173]	[1,550]
6. <u>Overheads (45% of #5)</u>	70	77	698
<u>TOTAL</u>(lines 4 & 6--All Direct Costs & Overhead)	250	250	2,550
7. <u>Evaluation</u>	—	—	65
GRAND TOTAL	250	250	2,615

V. CONTRACTING MODE

A. Use of Cooperative Agreement

The project is presently implemented through a Cooperative Agreement with IIED. The project expansion will amend this relationship to restructure elements as described above. The Cooperative Agreement grant mechanism permits A.I.D. and IIED to work as partners in pursuit of the long-range goal of better natural resource management in developing countries. Through the Agreement with IIED, A.I.D. can call upon the scientific and technical expertise of the International Union for the Conservation of Nature and Natural Resources (IUCN), with which IIED developed a network of expertise. The Agreement permits A.I.D. and IIED to negotiate changes in the above planned activities for quick response to the changing needs of A.I.D.-assisted countries.

Through the cooperative process, IIED is strengthened as a major international private sector organization which can offer developmentally relevant advice on environmental problems. The Cooperative Agreement has enabled IIED, which is primarily known for policy analysis of environmental affairs, to become more attuned to the practical issues of resource management in relation to development. The agreement has up-graded their capability to bridge the gap between analysis of problems and the implementation of projects to solve those problems. Under the Agreement IIED has begun to integrate all of the various parts of their work into a body of reinforcing activity. EPM has also brought IIED into closer contact with A.I.D. environmental officers, and project managers and has strengthened their knowledge of assistance donors, such as the World Bank, and the Canadian International Development Agency (CIDA). They have also increased their cooperation with business, conservation and environmental research organizations.

IIED was judged (at the time of the original agreement) to be the most appropriate organization for the following reasons: It already had an excellent reputation for balancing conservation goals with those of sustainable development, a knowledge of A.I.D. and other donors' practices, and an international reputation for policy relevant work in environmental areas. These factors, combined with the IUCN's access to a unique data base (on protected areas, threatened species, and environmental law) and to experts in the needed disciplines that could be made available through the Joint Environmental Service (JES) between IIED and IUCN, made the IIED the best choice as the implementing institution. No other possible alternative e.g., consulting firms or academic institutions would give us the project management skills common to contractors and private consulting firms, in combination with the academic knowledge and international access that are found at IIED.

B. Cost Sharing

It has been the policy of the S&T Bureau to undertake only those projects which have a great deal of support in the field mission. A willingness to share in the costs of programs and projects provides the best evidence of such support, and there is evidence of A.I.D. Mission and Bureau support with respect to the EPM. For example, in Bolivia, through the EPM project, IIED developed with USAID/Bolivia and a host country institution a training program for introducing the Tropical Science Center's System of Land Use Capability Assessments. Follow-up training activity costs were shared jointly between USAID/Bolivia and the EPM project, and the final review of the training program was paid for by USAID/Bolivia.

In Honduras, the EPM project covered costs for IIED to work with environmental NGO's to develop capabilities in management, administration and fundraising. USAID/Honduras committed funds to cover the follow-up activities in fund-raising as a result of IIED's joint activity in Honduras. Typically, EPM field activities form only a part of a larger effort fully funded by the Mission. This was the case in Bolivia, where IIED's role was supporting training activities for Bolivians who were working with USAID/Bolivia in a 3-year program of land use capability studies for several hundred thousand dollars.

EPM frequently operates in this capacity when planning joint field activities for USAID Missions and environmental NGO's. EPM works closely with host country NGO's and USAID Missions to assess the needs of the NGO's and their potential for becoming effective in bringing about wise resource management. The USAID Mission builds on this joint field activity and, after EPM involvement, designs a long-term project supporting the NGO's development.

VI. PROJECT IMPLEMENTATION

Implementation of this extension will occur over a four-year period from FY85 - FY88. Most of the provisions of the original Cooperative Agreement apply, except in the areas discussed below.

A. Project Advisory Committee

The Project Advisory Committee (PAC) is composed of the Regional Bureau Environmental Officers, the PPC Energy and Environmental Policy Advisor, and the S&T/FNR Project Manager. The PAC meets at least quarterly to provide guidance to IIED on Regional and Mission programs in which IIED could become involved, to guide the development, alteration, or addition of theme areas; and to discuss reports of IIED field activities, or other analyses. The PAC provides general guidance to the Project Manager (A.I.D.) and the Project Director (IIED) concerning field needs and agency policy. From this, annual plans for field activities are established.

B. Reporting and Documentation

1. Monthly Reports

In accordance with the results of the evaluation and experience, IIED shall prepare monthly reports containing substantive and financial details concerning field and information and analysis activities. Monthly reports shall contain:

- a. New agreements signed.
- b. New field activities contemplated.
- c. Other activities of IIED EPM staff during the period, such as travel, informal requests for names of experts, visitors and exploratory meetings.

2. Quarterly Reports

IIED shall document its use of its register of expertise in its field activities or any other use. IIED will develop a method for evaluating the success of field activities.

Every three months, beginning with the month when the Cooperative Agreement is signed, the regular monthly report should include an expanded analysis containing:

- a. A record of field activities completed, planned, and contemplated, with budget allocated for each, by Region,

- b. Joint activities with the Regional Bureaus through Add-Ons,
- c. Status of JES activities relevant to A.I.D.,
- d. Statement and discussion of current plans (including Staff travel) for Field Activities, and Information and Analysis, focusing on the four thematic areas. A plan for the support of conservation strategies will be included in the first monthly report. It will include how the results of the NCS activity are to be assessed.

3. Briefings

IIED should continue regular briefings for AID/W by teams or individuals returning from field work, or exploring other topics of general interest to AID/W.

C. Evaluations

A final evaluation will be conducted in FY 88, after the completion of the project. S&T/FNR will withhold \$65,000 funds from the Cooperative Agreement and contract independently with an evaluation team.