

EU Tropical Forestry Sourcebook

European Commission/ ODI



Europe: an overview

Gill Shepherd

Contents

1.	INTRODUCTION	3
2.	SETTING THE SCENE: EUROPE'S OWN FOREST HISTORY	3
3.	THE HISTORY OF EUROPEAN INVOLVEMENT WITH TROPICAL FORESTRY	4
4	THE STRUCTURE OF AID DELIVERY TODAY	4
4.1	Departments of development assistance	4
4.2	The status of aid within government structures	6
4.3	The administration of forestry assistance	7
4.4	Development personnel	7
4.5	NGOs and the forestry sector	8
4.6	Multilateral and multi-bilateral assistance	11
4.7	Assisted credit scheme	11
5.	STRATEGY	12
5.1	General development co-operation policies	12
5.1.1	Aid process and progress	12
5.2	Tropical forestry policy and strategy	13
5.2.1	Social policies in non-forestry aid	13
5.2.2	Key international conferences, meetings and reports	13
5.2.3	The early role played by Sweden	13
5.3	Public pressure on governments for commitment to forests and the environment	14
5.4	Current tropical forestry policy in Europe	14
5.5	The definition of forestry	14
6.	ENVIRONMENTAL POLICY	14
7.	POLICY IMPACTS ON GEOGRAPHIC AND THEMATIC FOCUS	16
7.1	The narrowing focus of aid	16
7.2	Geographic focus	16
7.3	Thematic focus	16
8.	PROJECT CYCLE MANAGEMENT	18
9.	DONOR COMPARATIVE ADVANTAGE	20
9.1	Research strengths	20
9.2	Other kinds of comparative advantage	20
9.2.1	Colonial period experience	20
9.2.2	Europe's own experience of people-forest interactions	21
9.2.3	Specific skills	21
9.3	Learning from programme experience	21
9.4	The contribution of the European CommunityF	21
9.5	Donor collegiality	21
10.	ISSUES AND TRENDS FOR THE FUTURE	22
10.1	Devolution	22
10.1.1	NGOs	22
10.1.2	Consulting firms	22
10.2	The relationships between budgets and outputs	22
10.2.1	The cost of forestry projects	22
10.2.2	Aid volume for forestry	23
10.3	Institutional memory	23
10.4	Effective aid delivery and donor collaboration	23
10.5	Finding a way for larger and smaller donors to work together	23
10.6	The evolving relationship between forestry and environment	23
	REFERENCES	24
	ACRONYMS	24
	ACKNOWLEDGEMENTS	25
	ANNEX 1	26

1. INTRODUCTION

This book provides an overview of the ways in which Europe offers support to tropical forests through aid and research. Each of the Member States' current programmes is examined, along with those of the various Directorates-General (DGs) in the European Commission which support tropical forestry. It is called a Sourcebook because it will probably be used more as a work of reference than as a book to read from start to finish.

Its intended audience is threefold. Above all, its authors hope that it will be of value to the developing countries with which the European Union (EU) works. The book should make it simpler to understand the way in which aid to forestry is organised from country to country and within the Commission; it will indicate each donor's target countries for the funding of tropical forestry, and will suggest the particular interests of each. Contact points have been listed at the end of all chapters.

The second potential audience for the Sourcebook is the body of donors outside Europe. Hopefully it will offer more familiarity with, and a better understanding of, European tropical forestry experience in an easily accessible form.

Finally, donors within Europe are working interactively with one another to an ever increasing extent, and are more often co-funders of the same projects and programmes than in the past. At the same time, the importance of forestry in the portfolio, aid delivery mechanisms, implementation strategies, and vision for the future may all vary greatly from donor to donor. The authors hope that European donors will find it useful, therefore, to read about one another's structures and programmes. Their combined financial strength in the tropical forestry sector represents the largest single block of aid for forestry available in the world: the European Community and Member States funded 66.5% of all bilateral aid to forestry in 1993, and just under 40% of all aid in the sector (United Nations [UN] Economic and Social Council, 1996). This book should go some way to assessing the combined comparative experience of Europe as well.

The Sourcebook has been prepared in close collaboration with the donors concerned, and each chapter represents the combined efforts of at least one in-country Research Associate, and an ODI Research Fellow. The latter has in each case taken particular responsibility for the consistency and the comparability of each chapter with the others. After a brief review of the country's own forest history, and the history of its involvement in tropical forestry, each chapter analyses the structure of aid delivery, policy, the thematic and regional distribution of forestry projects, research and training, and project cycle management. Each chapter concludes with an examination of one or two key projects, or summarises project reviews conducted in-country, and looks at future trends,

This first chapter draws out some of the interesting comparative findings from the study, attempts an assessment of the totality of Europe's comparative advantage in tropical forestry, and identifies issues for the future.

2. SETTING THE SCENE: EUROPE'S OWN FOREST HISTORY

Despite the enormous differences between temperate and tropical forests, Europe's own forest history encapsulates many of the issues which it has subsequently encountered in the tropics. At the same time, Europe took to the tropics not only its own experience in forest management, but also, hardly surprisingly, the political and institutional assumptions of the time.

Most countries in Europe have an early history of slow domestic deforestation associated with agricultural expansion, charcoal-based industries, and the increasingly commercial use of timber. In some places, such as France, Germany, Belgium and the UK, demand on the forest from different groups led, five or six hundred years ago, to the development of rules which gave use-rights of varied kinds to different categories of people, and which managed forest to meet these uses through a variety of systems. Such systems often evolved where nobility and peasantry both needed access to the same resource. In other areas, such as in the Netherlands and in parts of northern Italy, local communities demarcated their own forests and evolved local associations to manage them. In Sweden and Finland individually-owned portions of forest were common.

All over Europe, too, the opportunity to begin to restore forest cover through reforestation programmes and through natural regeneration arose only when pressure could be relieved through a switch to coal from fuelwood and charcoal, and through increasing urbanisation and agricultural intensification.

Forestry practice and forestry education, particularly in Northern European countries, have been heavily influenced from the eighteenth century onwards by the experience of German foresters, who first developed inventory methods and silvicultural techniques for sustainable-yield forestry. The Danish/Norwegian king invited German assistance with Danish forests during the eighteenth century and France drew on German methods in part when establishing forestry training at the *Ecole de Nancy* in the 1820s.

During the nineteenth and twentieth centuries these skills were put to intensive use in the tropics by those European countries which acquired colonies. One unplanned outcome of the colonial period in these countries was that a cadre of foresters grew up who specialised only in tropical forestry. The tradition continued over into the post-colonial period, and it has often been the case that those who opted for a career in tropical forestry and those who worked in forestry at home have had only limited contacts with one another. As a result, there have been periods when there have been very different sets of preoccupations in the two areas. In the tropics, key debates of the last fifteen years have centred on the conflicting needs of local communities and the State for forest products, and the management compromises needed to accommodate these. In Europe, with a far higher proportion of its inhabitants living in cities, debate and – at times – tensions between forestry professionals and the general public have centred rather on the potential conflict between forests for production and forests for recreation.

It has been interesting to see these two strands coming together, as debate since the Rio Conference in 1992 has centred on broader definitions of sustainability, and as environmental concerns have been increasingly raised simultaneously, both for forests at home and for forests in the tropics.

The European Member States currently have widely varying proportions of forest cover, from those with relatively little, such as Ireland (8%), the Netherlands (9%) and the UK (11%) through to Sweden with 55% and Finland with 75%. In all cases, in sharp contrast to the situation in developing countries, the proportion of forest cover is rising (see Table 1).

3. THE HISTORY OF EUROPEAN INVOLVEMENT WITH TROPICAL FORESTRY

Those countries with a colonial history (France, the Netherlands and the UK, and to a lesser extent Belgium, Germany, Italy, Portugal and Spain) developed an early expertise in tropical silviculture.

Initially, there was considerable reliance on German-educated foresters, as there had been in Europe itself. The Netherlands drew on German expertise in devising sustainable yield management systems for teak in Java. Britain appointed a German, Dr Dietrich Brandis, as the first Inspector-General of Forests in India in 1860. France's forestry school at Nancy based its curricula on German as well as its own experience.

The early impetus for Dutch and Spanish interest in tropical forests grew originally out of their supremacy in seaborne commerce, their large ship-building indus-

tries and the disappearance of suitable timber supplies in Europe. The Dutch shipped timbers from Java and (later) Dutch Guyana back to the Netherlands. In the case of Spain, shipyards were established in colonies such as Haiti, the Philippines and Cuba.

Colonial experience of tropical forest management can be said to have begun in South and South-East Asia, with Dutch management of teak forests in Java, German and British forest management in India and Burma, and French forest management in Indo-China. Lessons from these experiences were transferred to Malaya and East and West Africa during the British colonial period, and to Madagascar, West Africa and Equatorial Africa by the French.

After the colonies gained independence, many of the individuals who had been employed by colonial forest services transferred to work on newly emerging aid programmes. Indeed aid was seen, in the early independence years, as a temporary loaning of expertise to ex-colonies until they no longer needed it. A priority was consequently made of training in tropical silviculture, in sustained yield forest management, and plantation production. Commercial links were continued, not only in areas where the logging of hardwoods was important, but also at times where intensive plantations could be raised, as in the case of Spanish companies' investment in the tropics for pulp and paper to supply the home market.

Countries without previous involvement in tropical forests through colonies, developed an interest in tropical forestry through other routes. Both Finland and Sweden were major manufacturers and operators of forest logging and processing equipment for the home market, and became interested in the move towards industrial forestry in the tropics in the 1950s, 1960s and 1970s. Out of these commercial links grew other interests. In the case of Finland, training became a strong area of expertise. In the case of Sweden, possibly because of its own strong domestic tradition of farm forestry, as well as its traditions of social concern, came an interest in 'Social Forestry' and its funding for many years of the Food and Agriculture Organization's (FAO) 'Forests, Trees and People' programme. Denmark's experience of its own forest, which dwindled to a cover of only 3% at the beginning of the nineteenth century, and was then successfully rebuilt, led it to specialise first in domestic and then in tropical tree-seed production. Only very gradually, in the late 1970s and early 1980s did tropical forestry acquire the broader importance it has today.

Table 1: Forest Cover as a % of national land area in the European Member States

Country	% of forest cover
Ireland	8%
Netherlands	9%
UK	11%
Denmark	12%
Belgium	22%
France	27%
Italy	29%
Germany	29%
Luxembourg	33%
Portugal	36%
Spain	45%
Austria	46%
Greece	49%
Sweden	55%
Finland	75%

(Source: Sourcebook chapters, and Eurofor, 1994.)

4 THE STRUCTURE OF AID DELIVERY TODAY

4.1 Departments of development assistance

The majority of countries have a central aid administration programme. If there is a 'typical' pattern, it is that of an International Development Co-operation department located within the Ministry of Foreign Affairs. This is the pattern in Austria, Belgium, Denmark, Finland, Ireland, Italy, Luxembourg, and Sweden. It was the UK pattern until May 1997, and is

the case with interesting variations in the Netherlands (see Table 2a.)

Sometimes, by contrast, the Ministry of Foreign Affairs is given the responsibility of coordinating the aid efforts of a wide variety of other bodies as in the case of Portugal and – the most extreme example – Spain, where there are up to 19 bodies which deal with

forestry and environment aid. Spain too, is unique in the complexity of its decentralised aid. Several regional governments run substantial aid programmes of their own (especially the Basque country, Andalucia, Navarra and Cataluña). Even local councils and individual parishes run small aid programmes with towns and villages in the developing world with whom they have

Table 2a: Aid Delivery Structures for Forestry in the Member States

Country	Delivery Structure
Austria	Department of Development Co-operation located in Ministry of Foreign Affairs; + several other Ministries.
Belgium	Tripartite Federal State. Aid spread across Ministries of Foreign Affairs, Trade, Finance and Agriculture. Most forestry comes under the Secretary of State for Development Cooperation and the General Administration for Development Co-operation (AGCD).
Denmark	South Group (Danida) located in Ministry of Foreign Affairs. Two separate Ministers, one especially for Development Co-operation. Implementation organised through South Group Regional Depts. and Technical Advisory Service (TSA). The DANCED (Danish Cooperation for Environment and Development) Unit in Ministry of Environment and Energy also important for Forestry.
Finland	Department for International Development Co-operation (formerly Finnida) now within Ministry of Foreign Affairs. There is a Minister for Development Co-operation, who is also the Minister for the Environment. Depts. for bilateral aid (one for Sub-Saharan Africa (SSA) and one for other parts of the developing world), multilateral aid, and for policy and co-ordination with the EU.
France	In relation to 'concentration countries' (mainly ex-colonies) a State Secretariat delivers and implements aid. Overseas Departments and Territories have their own Secretariat. Aid to c100 other countries handled by Ministry of Foreign Affairs, Directorate for Cultural, Scientific and Technical Relations. Executive agency is the Caisse Française de Développement (CFD). Since 1994 an Interministerial Environment Fund, the Fonds Français pour l'Environnement Mondiale (FFEM) has been in existence.
Germany	Federal Ministry for Economic Co-operation and Development, BMZ, has main responsibility for budget, policy and coordination. Financial co-operation is administered by the government-owned Bank KfW, while implementation and technical co-operation is organised by the federal government-owned agency GTZ.
Greece	For forestry, the Ministry of National Economy devolves financial and management responsibility to the Ministry of Agriculture.
Ireland	Irish Aid is administered by the Development Co-operation Division (DCD) of the Department of Foreign Affairs.
Italy	Department for Development Co-operation (DGCS) within the Ministry of Foreign Affairs. Supported by a Central Technical Unit and monitored by the Interministerial Committee for Development Co-operation, and by a Consultative Committee with representation from research institutions, Non-Governmental Organisations (NGOs) and Italy's Regions.
Luxembourg	The Department of Co-operation, within the Ministry of Foreign Affairs, External Trade and Co-operation (MAE).
Netherlands	A Minister for Development Co-operation (with no ministry) works through the Ministry of Foreign Affairs. Programme is managed by DGIS (the Directorate General for International Co-operation) through country desks in the MFA, but implementation devolved to aid personnel in Embassies.
Portugal	Ministry of Foreign Affairs + 3 state bodies: the Interministerial Commission for Co-operation; the Portuguese Co-operation Institute; and the Economic Co-operation Fund.
Spain	Centralised aid: Ministry of Foreign Affairs co-ordinates efforts of up to 19 government bodies dealing with forestry and environment aid, inc. AECI, the Spanish Agency for International Co-operation. Decentralised aid (since 1990): several regional governments (Andalucia the main forestry donor), 124 local councils, and even individual villages are aid donors.
Sweden	Division for International Development Co-operation with its own Minister, located within the Ministry of Foreign Affairs. Bilateral assistance administered through Sida (Swedish International Development Cooperation Agency)
UK	Alternation between an Overseas Development Administration under the Foreign Office and, as currently, a separate Ministry. (Previously, Ministry of Overseas Development, now Department For International Development).

(Source: Sourcebook chapters)

developed twinning arrangements. Similar twinning arrangements are also encouraged in France.

France's very large aid programme is still strongly influenced by its colonial history, with distinct budgets and aid arrangements under a Ministry of Co-operation for 'concentration countries' (*pays du champs* – mainly ex-colonies), a special Secretariat for Overseas Departments and Territories, and Ministry of Foreign Affairs management of aid to other countries.

Only Greece and the UK (since May 1997), direct no aid through the Ministry of Foreign Affairs at all. Greece devolves management of its budget through the Ministry of National Economy to other appropriate Ministries (the Ministry of Agriculture in the case of forestry). The UK has a separate Ministry for aid, the Department for International Development.

In Germany arrangements are complex, with the Ministry for Economic Co-operation and Development (BMZ) being the key institution responsible for formulating federal development policies, and managing 70% of the federal aid budget. Financial co-operation (or capital assistance) and technical co-operation are administered on behalf of BMZ by the German Development Bank (KfW) and the German Agency for Technical Co-operation (GTZ) respectively.

In the case of the Commission, with its Directorates-General in place of Ministries, aid delivery is structured in a way somewhat reminiscent of France. Its arrangements for ACP (African, Caribbean and Pacific) and ALA (Asian and Latin-American) countries set the Commission apart from most of the Member States.

The sheer size of the Commission is a second notable feature. There are relatively few forestry advisers (for the volume of money being spent) and these are therefore very over-extended. The work-load, and with the fact that the buildings of the different Directorates

working in forestry are now located inconveniently far from one another, have meant that regular informal exchanges of ideas about tropical forestry are difficult to organise.

Thirdly, while many Member States are internally organised around a pattern of fund-holding geographical desks with sectoral advisers working laterally with them all, it is rare to find structures comparable to the Commission's pattern, seen in DGs IB and VIII, of vertical and horizontal budget lines, run by desks and advisers respectively. That this pattern has caused tensions is hardly surprising. It has also had the unfortunate effect of weighing down advisers with budget-line duties, so that they have little time to offer advice to the desks, and may even be seen as competitors rather than facilitators. (See Table 2b).

4.2 The status of aid within government structures

The status of the Government body responsible for aid implementation is important since it may potentially affect aid strategies, and, even more importantly, funding levels. Where, as in the majority of cases in Europe, aid is administered as part of a Ministry of Foreign Affairs or a similar body, it may be vulnerable to being used to achieve diplomatic goals as well as developmental ones.

Several countries have therefore built in arrangements to give aid a stronger 'voice' within such a structure. The Netherlands has a special Aid Minister without a ministry; Sweden's Division for International Development Co-operation has its own Minister even though it is located within the Ministry of Foreign Affairs; and the same arrangement is found in Denmark. Finland has a similar arrangement with a Minister specially

Table 2b: Aid Delivery Structures for Forestry in the European Commission

Directorate-General	Delivery structures
DG IB	Responsible for aid to Asia and Latin America. Geographical ('vertical') directorates B and C manage 2 budget lines: (B7-3000) 'Co-operation with Asian developing countries'; and (B7-3010) 'Co-operation with Latin American developing countries'. Also 2 cross-cutting ('horizontal') directorates. DGIB D4 co-manages 2 horizontal budget lines with DG VIII/A/1: 'Actions in Favour of Tropical Forests' (B7-6201 – 70%) and 'Environment in developing countries' (B7-6200 – 50%).
DG VIII	Responsible for aid to African, Caribbean and Pacific (ACP) Countries. Controls Member States' contributions to the European Development Fund (EDF), and manages the budget lines allocated by the European Parliament. 3 geographical ('vertical') and 4 cross-cutting ('horizontal') directorates. DG VIII/A concerns development policy. DG VIII A/1 manages forest policy and technical support, and co-manages 2 budget lines with DG IB D4: 'Actions in Favour of Tropical Forests' (B7-6201 – 30%) and 'Environment in developing countries' (B7-6200 – 50%).
DG XI	Responsible for Environment, Nuclear Safety and Civil Protection, it contains 5 Directorates. It drafts EU strategy on the environment, and takes part in the post-UN Conference on Environment and Development (UNCED) activities of the Commission for Sustainable Development (CSD), etc. DGXI D4, concerned with the Global Environment, has access to a budget line called 'International Environmental Activities' (B7-8110), used to support international conferences, workshops and publications on forests, biodiversity, climate change and global warming.
DG XII	Scientific and Technological co-operation with developing countries (known as INCO-DC), in the context of Research and Technology Development (RTD). Funded from the fourth Framework Programme, 1994-1998. Research funds available for forestry, agriculture, health and technology in the field of pure rather than applied research.

(Source: Sourcebook chapters on the Commission)

responsible for both Development Co-operation and Environment.

Other countries, such as Italy and Portugal, have interministerial committees which meet regularly to plan aid policy. The Commission has likewise established an inter-service steering committee, meeting two or three times a year both to discuss policy issues and to discuss forestry projects proposed for funding. Similarly, several bilateral aid programmes have established professional support groups for forestry. DGIS in the Netherlands relies on such a group, drawn from the National Reference Centre for Nature Management (IKC) and the International Agricultural Centre (IAC). The Department for International Development (DFID) in the UK has a Forestry Professional Coordinating Group which meets quarterly with professionals from OFI, NRI, ODI, IIED and WCMC.

An interesting feature of an increasing number of countries is the extent to which the broader public are increasingly consulted about aid priorities. This may be within the context of all aid, as is the case with Italy's Consultative Committee and Denmark's National Resource Base links. But also, after Rio, and sometimes before, several countries (e.g. Finland and the UK) established Consultative Groups for the discussion of forestry and environmental priorities between government and the general public.

4.3 The administration of forestry assistance

Most forestry assistance is the responsibility of the central aid-giving agencies of donor countries. Ninety-five per cent of Belgium's sponsored tropical forestry activities come under the office of the Secretary of State for Development, for instance, and the majority of UK-funded forestry projects come under the Department for International Development. In other countries, forestry is more widely dispersed. In the Netherlands, the Ministry of Agriculture, Nature Management and Fisheries is responsible for policy development, but the Ministries of Economic Affairs and of Housing, Spatial Planning and the Environment also have responsibilities for international forestry. France's aid structure also inevitably means that many different, relatively unrelated bodies are involved in forestry assistance.

In countries with smaller aid programmes, responsibility for sector aid often lies with the appropriate domestic ministry. The General Forestry Directorate in the Ministry of Agriculture is Portugal's main forestry aid representative, for instance, and Greek forestry aid is managed by the Department of Agriculture. Spain's tropical forestry is managed through a great diversity of government bodies.

A further feature of funding often available to forestry, which reflects shifting priorities since UNCED in 1992, is that a number of countries have recently established separate budget lines to deal with global environmental issues such as biodiversity. These are often administered by departments other than those dealing with overseas development assistance to forestry. In Denmark the Environment and Disaster Relief Facility is administered by agencies in the Ministry of Environment and Energy, in collaboration with the

Ministry of Foreign Affairs. France's '*French Fund for the Global Environment*' is administered by an inter-ministerial Committee, and in the UK, the Darwin Initiative is administered by the Department of the Environment, Transport and the Regions (DETR).

In the past, aid agencies often located forestry within agriculture departments. More recently, the trend has been for it to become more closely linked with the environment, as the previous paragraph attests. A second trend suggested by an analysis of country spending is that countries with smaller aid budgets have focused on the more agricultural aspects of forestry, while those with larger budgets have been able to tackle the larger and longer-enduring natural forest management issues. These have led inevitably to environmental considerations as well.

The integration of forestry with other sectors sometimes makes it difficult to detect trends in forestry policy, and the level of forestry aid commitments. The exception occurs where countries have decided to dedicate a fixed sum to forestry and have to monitor disbursement rates. This occurred in Germany from 1991, in the UK from 1989 to 1994 and in Austria from 1993-95. A similar process is seen in the case of the European Commission's Tropical Forests Budget Line.

The relative importance of forestry overall varies widely across the EU. The country with the largest proportionate contribution to forestry by far is Finland, followed by the Netherlands, Germany and Sweden. In volume terms the largest donors are Germany, the EC, the Netherlands, the UK, France and Sweden (see Table 3).

Aid to the forestry sector has generally increased over the last decade, though this may not be a continuing trend. In Germany the proportion of state funding which goes to forestry and environmental activities has seen a fourfold increase since 1988. There was also a fourfold increase in the UK as a result of the Forestry Initiative (from 1989 until 1994) and funding rose in the early 1990s in the Netherlands. Portugal, on the other hand, has seen a decline in aid to the agriculture sector including forestry, from 3.7% in 1991 to 2.2% in 1994.

Overall forestry spending through the European Community aid programme has remained steady, with the exception of the Tropical Forestry Budget line itself, which grew from ECU 2 m. in 1991 to ECU 50 m. in 1992, and will remain at this level until at least 1999.

The over-riding reason for the increased funding made available to forestry has been public concern about tropical forests within the donor countries. In the case of EC aid, it was primarily the concern of the European Parliament about tropical forests which increased the funds made available through the budget line created in 1991.

4.4 Development personnel

Tables 4a and 4b present information about the advice and arrangements for project implementation available to support forestry within each donor agency.

Several of the larger donors are still able to maintain a cadre of specialist advisers in forestry and environment at headquarters level, as Table 4a indicates. These are Denmark, Finland, France, Germany, the Netherlands, and the UK. Sweden had such an adviser until 1997.

Other countries, such as Austria, Italy, Ireland Spain and Portugal, rely on advice from universities, specialised research organisations, the national forestry service, consulting firms and NGOs.

Those countries with tropical forestry programmes appear to make increasing use of their embassies in the developing world. Sometime this means simply attaching staff from the specialist agency at headquarters to aid divisions at embassies (Belgium, Germany, Ireland, Italy, Sweden, the UK) but some countries have gone further and are now experimenting with the devolution of many aid management functions directly to the diplomatic service (Denmark, Finland). The Netherlands is experimenting with the devolved management of the aid programme at embassy level. In the case of the EU, Country Delegations play an important role in the selection and monitoring of projects.

Few countries still maintain large numbers of technical co-operation employees, apart from France (500 for natural resource issues in concentration countries, of whom 25 specialise in forestry); Germany (115 GTZ employees working on forestry and conservation issues); and the UK (about 80 in forestry in recent years).

The others rely on NGOs, consulting firms and universities, for the most part. Some countries have been able to retain specialist applied research bodies for tropical forestry implementation, such as Tropenbos in

the Netherlands and CIRAD-Forêt and ORSTOM in France. Other important components of the cadre of tropical forestry implementers in Germany, Ireland, Italy and the Netherlands, are the volunteer services. Finally a few countries have made strong efforts to involve wider civil society (what Denmark calls its 'National Resource Base') in aid delivery: businesses, trade unions, local government, parishes and villages. Germany's political and church foundations are also of interest here.

³ The European Commission, apart from its small number of forestry advisers, relies heavily on commercial European consulting firms for project implementation, in coordination with counterpart national co-directors, and also on universities, NGOs and research bodies.

4.5 NGOs and the forestry sector

Several of the European Member States have found that NGOs in general have qualities and capabilities which cannot readily be matched in their bilateral aid programmes. Austria and Denmark note the ability of NGOs to educate the domestic public about aid issues. Italy runs a developing country volunteer service as an alternative to military service. Countries such as Belgium, Denmark, Ireland, Spain and the Netherlands have found, too, that NGOs can help them to simplify aid delivery. They may be able to work faster and more

Table 3: Official Development Assistance in Europe to the Forestry Sector in 1995 (US\$ million)

Country/Agency	Total budget ¹	% Forestry ²	Forestry budget in US\$ million
Austria	767	1.10 (1993–95 only) 0.11 (usually)	8.4 0.84
Belgium	1 034	0.17 ³	1.7
Denmark	1 623	1.00	16.2
Finland	388	4.6	17.9
France	8 443	0.45	37.7
Germany	7 524	2.21	166.3
Greece	152 ²	n.d ⁴	n.d
Ireland	153	0.25 ³	0.4
Italy	1 623	0.30	4.9
Luxembourg	65	n.d ⁴	n.d
Netherlands	3 226	2.47	79.7
Portugal	271	0.2	0.5
Spain	1 348	0.4	5.4
Sweden	1 704	2.10 ³	35.8
UK	3 157	1.55	49.0
EC	3 860	2.2	86.0

(Sources: ¹ Organisation for Economic Cooperation and Development (OECD), 1996, p. 125

² data from Sourcebook chapters except where indicated

³ data from Paper E/CN.17/IPF/1996/... presented to the Inter-Governmental Panel on Forests (IPF) II of the CSD, UN Economic and Social Council, 1996. (The percentages used in this paper were calculated in 1993. The same percentage has been assumed for 1995 to produce the figure in column 3.)

⁴ Forestry cannot be disaggregated from general oda (official development assistance) spending)



Table 4a: Sources of sectoral advice and of specialists for project implementation in the Member States

Country	Sources
Austria	Work of Department of Development Co-operation (DDC) sector specialists now contracted out to 74 different implementing agencies including universities, consulting firms and NGOs. Regional offices in each programme country staffed by DDC, embassy personnel or NGO staff.
Belgium	AGCD has no implementing agency. Co-operation sections located in 30 Belgian Embassies abroad. Projects implemented by NGOs, consulting firms, universities.
Denmark	In the TSA, 1 agroforestry specialist, 7 environmental specialists. Assistance also provided directly by embassies – who can choose projects and allocate funds up to DKK 3 m. Strong commitment to involving Danish Civil Society in aid delivery: NGOs, consulting firms, trade unions, universities.
Finland	Thirteen sector advisers, including a forestry adviser, located in the Policy and EU Relations Department. Twenty Development Co-operation professionals are based in Finnish Embassies. NGOs and consulting firms important implementers.
France	Ministry of Co-operation employs 5 forestry specialists in Paris. 500 Technical Co-operation officers work on environmental and economic issues in 'concentration countries'. Other partner agencies include research institutes such as the Office de la Recherche Scientifique Outre-Mer (ORSTOM), the Centre de Coopération Internationale en Recherche Agronomique pour le Développement (CIRAD) and the Centre National de Recherche Scientifique (CNRS), French NGOs (especially in the Sahel) and consulting firms.
Germany	GTZ has 1,300 HQ staff, (10 Forestry and Conservation Advisers) + offices in over 50 countries. 115 GTZ field staff implement forestry and conservation projects. BMZ employs at least two foresters. There are 60 German volunteer foresters. NGOs undertake few tropical forestry projects, but consulting firms are growing in importance.
Greece	Involvement with tropical forestry is limited except for Greek technical assistance in multilateral projects. NGOs have not worked in forestry, consulting firms have been only incidentally involved.
Ireland	No Natural Resources Adviser. Development Co-operation Officers are attached to Irish embassies in priority countries. NGOs, some Irish APSO (Agency for Personal Service Overseas) volunteers, and a few consulting firms including Coillte (the Irish Forestry Board) are involved in tropical forestry.
Italy	No forestry adviser in DGCS. (Central Technical Unit two-thirds under-strength). Local Technical Units exist in some embassies in developing countries. NGOs and consulting firms have some role.
Luxembourg	Lux-Development implements most of the MAE's bilateral aid. There are also 68 recognised NGOs.
Netherlands	Netherlands-based DGIS (Directorate-General for International Co-operation) staff are to be responsible for policy and support, and tropical forestry advice at this level will be strengthened. Aid personnel in embassies manage projects locally (from 1997), from identification to evaluation. NGOs and other bodies are important implementers of projects, with counterparts in the recipient country.
Portugal	No Forestry Co-operation advisor. Expertise and implementation capacity is located mainly with the National Forestry Station (EFN), the Portuguese Forest Directorate and the Tropical Scientific Research Institute (IICT). No NGOs or consulting firms in Portugal focus on tropical forestry.
Spain	Centralised aid: no forestry or environmental expertise in AECl. Instead, Ministry staff, university researchers, NGOs and consultants are relied on. Decentralised aid: Spanish NGOs and universities the main actors, with local-level partners in recipient countries.
Sweden	The Department for Natural Resources and the Environment is responsible within Sida for the administration of forestry projects and programmes. Development Co-operation Officers in Swedish Embassies are responsible to Sida for projects in their countries. Much of the project cycle is in the hands of consultants.
UK	The Natural Resources Division of DFID contains 10 advisers, 3 in forestry. Additional professional staff located in 8 key regional and country offices, while embassy staff provide support in other countries. DFID continues to employ Technical Co-operation Officers in Forestry (about 80 over the last five years). It also relies on specialist consulting firms, and NGOs.

(Source: Sourcebook chapters)

flexibly than bilateral processes can, especially where large capable NGOs have been given block grants or framework agreements by the countries they belong to. NGOs are also valued where they have good local representation on the ground in developing countries,

for their ability to respond innovatively and monitor closely, and for reaching the poorest effectively.

In response, many of the European Member States are now spending increasing percentages of their total bilateral aid budget through NGOs – indeed, Ireland's

Table 4b: Sources of sectoral advice and of specialists for project implementation in the Commission

Directorate-General	Sources of Sectoral Advice
DG IB	Two foresters manage the Tropical Forest Budget Line (one a seconded National Expert) under the Environment and Tropical Forests sector head. There is a specialist on timber certification and trade; a forestry project specialist in the Asia Technical Unit, and a forester in the Latin-America Technical Unit. Small projects are implemented by NGOs, universities or others. Large projects are usually implemented by European consulting firms.
DG VIII	1 Forestry Adviser, (seconded National Expert). 1 Environment Adviser. Project management by desk officers (among whom 2 or 3 have some forestry competence) and delegations overseas (with few professional foresters among their numbers). Implementation by consulting firms, NGOs, universities, sometimes with local partner organisations.
DG XI	Unit D4 has a technical officer (a forester). Implementation is mainly by universities, NGOs, research organisations.
DG XII	Funds managed by 1 officer (successively an economist, a microbiologist, a forester). Research executed by universities and research organisations, through the mechanism of North-South partnerships.

(Source: Sourcebook chapters)

NGO budget is larger than its modest bilateral budget. Apart from Luxembourg (30%), Denmark (17%), and Sweden (11%), however, typical NGO contributions still hover at under 10% with Finland, the Netherlands and the UK spending about 7–8%; Germany, Spain and Italy 5–6%; and France around 2%. But overall percentages continue to rise and several countries plan to increase allocations to NGOs. The DAC (Development Assistance Committee of the OECD) average as recently as 1990 was only 2.8%. NGO projects tend also to be financed or co-financed at generous levels in many parts of Europe. Italy offers up to 100% funding; Austria, Belgium, Denmark, Finland, Germany, Ireland and Sweden fund at a 75–80% level; France and the UK offer co-funding at 50%.

NGOs are beginning to have a more official role, in line with their growing institutionalisation as conduits for aid. Countries as diverse as France, Ireland, and Italy now give NGOs a seat at the table on national level Development Co-operation Committees. As a result, perhaps, several countries note tensions between NGO desires for independence and the government's desire to implement its own policies through their agency.

Most NGOs tend to work in health, education, social services and general rural development. Although there are active lobbying NGOs such as Friends of the Earth raising environmental and forest issues in many countries in Europe, NGOs seem mainly to have avoided implementing forestry (except for farmer tree-nurseries in rural development projects) because they see it as too long-term and expensive. Even those countries with strong forestry traditions and relatively large forestry programmes, do not necessarily have extensive NGO involvement in the sector. For example, 80% of funding to Finnish NGOs was used for health, education and social services projects, and out of 348 projects implemented through co-operation with Finnish NGOs, only 20 dealt with forestry issues. However, Denmark, Ireland, Germany, the Netherlands and the UK seem to have NGOs which are a key part of bilateral forestry implementation. In the UK, 17% of all bilateral forestry funding is channelled through the

NGO sector, while in the Netherlands the figure in 1995 was 31%.

Yet this only presents part of the picture. Many more countries in Europe mention the importance of NGO advice in the forestry sector than would appear to be funding much NGO forestry. The explanation no doubt lies partly in the fact that NGOs which specialise in rural livelihoods and rural development may offer forestry advice. It is also the case that many of the NGOs which campaign on behalf of tropical forests, and meet with aid donors at various national fora, do not implement forestry projects. Sometimes European NGOs rely more on EC funding than on bilateral funds. The World Wildlife Fund (WWF), Belgium, for instance, works on Congo basin conservation, forestry and certification issues through DGVIII-funded contracts, issues with which the current Belgian bilateral aid programme has not been concerned.

In the case of the European Community Aid, the Tropical Forests and Environment budget lines (B7–6201 and B7–6200 respectively) managed by DG IB and DG VIII tend to prefer larger projects to fund because of their technical and administrative constraints. Average project size is over ECU 1 m.: suitable for consulting firms, but much too large for most NGOs. Projects of under ECU 1 m. and over ECU 250,000 are handled by these budget lines as 'small' projects.

Project proposals below that figure, go to the NGO budget line, 'Community participation in actions in favour of developing countries, carried out by NGOs' (B7–6000). Here, average grant sizes are under ECU 100,000 – a tenth the size of the projects funded under B7–6200 and B7–6201. This budget line is managed from inside DG VIII, and covers all countries. The NGO budget line funded 42% of all tropical forestry projects between 1992 and 1996 (140 out of 333) though the total sum expended under these projects was only 4%. The trend since 1993 is for individual NGO forestry projects to become larger, and for fewer of them to be funded.



4.6 Multilateral and multi-bilateral assistance

In many Member States, the proportion of the aid budget which is disbursed through multilateral agencies is increasing. Nevertheless, the proportion of funding which goes to multilateral programmes varies quite widely across the EU, as Table 5 shows. Greece's bilateral commitments are abnormally low, leaving multilateral commitments to take up 76% of the total budget. Seven countries contribute between 40–50% multilaterally (including Finland, Denmark, UK and Belgium), while seven contribute 24–36% (including France, Netherlands, Sweden and Germany). Those countries which have relatively low aid:GNP ratios have proportionately higher multilateral commitments, as would be expected. But more generally, as the multilateral component of the aid budget has increased, countries have become more concerned to influence the policies of multilateral organisations. Denmark calls it 'active multilateralism'. Spain has often tried to make sure that its multilateral EU contributions are mainly channelled to Latin America; DFID in the UK has seconded three social development advisors and two forestry advisers to multilateral organisations (including the Commission) to assist in policy development; and the Netherlands, Germany and Finland have all in turn also seconded a forestry adviser to the Commission. Donors who fund the Global Environment Facility (GEF), or CGIAR (Consultative Group on International Agronomic Research) centres such as the Centre for International Forestry Research (CIFOR) and the International Centre for Research in Agroforestry (ICRAF) maintain close links with their programmes.

In the context of this understandable desire to see

substantial multilateral contributions well-spent, it is difficult to understand why the OECD has recommended the phasing out of 'multi-bilateral' or 'funds-in-trust' arrangements. They offered important benefits for both larger and smaller donors. Larger donors such as Sweden and the Netherlands made major contributions to the FAO on these terms, as did Denmark to the United Nations Sudo-Sahelian Organization (UNSO), and were able to help shape the thinking of these multilateral organisations in important ways in the process. Some smaller donors such as Italy have in turn been able to gain exposure to current tropical forestry approaches through their multi-bilateral involvement with FAO.

4.7 Assisted credit scheme

Some form of assisted credit scheme operates in several donor countries. Austria offers subsidised export credits to developing countries, to the benefit of Austrian exporters; Finland has its 'pre-mixed concessional credit' scheme; Portugal has an economic co-operation fund, and the UK ran its Aid and Trade Provision in co-operation with the Department of Trade and Industry for many years. In Denmark and France, 50% of aid has been tied to the provision of the country's own goods and services; in Germany, 52%; and, topping the list, 67% in the UK. Soft financial co-operation loans are made by Germany, Spain and Italy to countries with per capita incomes of under \$2,800 p.a. Finland's credit arrangements (40% of the total) mainly benefit forest industries in Asian countries. Swedfund, in Sweden, puts up risk capital for joint ventures between Swedish and local companies, in countries with per capita incomes of under \$3,000 p.a.

These measures have been criticised both by the DAC

Table 5: Aid Percentages spent bilaterally and multilaterally in Europe, 1995 (\$ millions)

Aid percentages	Bilateral oda	Multilateral	Total
France	6429 (76%)	2015 (24%)	8443 (100%)
Austria	560 (73%)	207 (27%)	767 (100%)
Netherlands	2245 (70%)	981 (30%)	3226 (100%)
Sweden	1189 (70%)	515 (30%)	1704 (100%)
Luxembourg	43 (66%)	22 (34%)	65 (100%)
Portugal	179 (66%)	92 (34%)	271 (100%)
Germany	4815 (64%)	2709 (36%)	7524 (100%)
Spain	816 (60%)	532 (40%)	1348 (100%)
Finland	220 (57%)	168 (43%)	388 (100%)
Ireland	88 (57%)	65 (43%)	153 (100%)
Denmark	895 (55%)	728 (45%)	1623 (100%)
UK	1670 (53%)	1487 (47%)	3157 (100%)
Belgium	514 (50%)	520 (50%)	1034 (100%)
Italy	806 (49%)	817 (51%)	1623 (100%)
Greece ¹	45 (24%)	144 (76%)	189 (100%)

¹ Data for Greece not available in OECD (1996) and taken from country chapter

(Sources: OECD, 1996, pps A21-A22)

and by the general public in many countries, on the grounds that such loans are always tied to benefits for companies in the lending country and may not be truly development-related, and stricter criteria are now used to assess the suitability of projects for this type of funding. Finland found that there was too little development content in proposals to its credit scheme, that it was poorly monitored, and that it skewed aid away from Africa towards Asia. It is now phasing out the scheme. The UK government undertook to abolish its Aid and Trade Provision in its November 1997 White Paper.

5. STRATEGY

5.1 General development co-operation policies

Most of Europe's donors currently have development co-operation policies which prioritize poverty reduction, sustainable livelihoods, social equality, the rights of women, and progress. Some, such as Austria, Denmark, Finland, Germany, Portugal, Sweden, and the UK seek for respect for human rights in the countries to which they offer official development assistance, along with attempts to promote democracy, good governance, and popular participation in the political process. Some too, (e.g. Austria, Portugal and Spain) explicitly seek to promote peace through aid. Forces which shape policy congruence include DAC, the

Development Assistance Committee of the OECD; UN and Bretton Woods institutions, and the Lomé Conventions. Since the UNCED Conference in Rio in 1992, almost all countries have, in addition, added an explicit policy commitment to environmentally sustainable development and resource protection. The European Union has had a formal policy towards developing countries only since 1992 (in the Maastricht Treaty of European Union). Three objectives are listed: sustainable economic and social development; the gradual integration of developing countries into the world economy, and the reduction of poverty. The Treaty also makes it legally obligatory to promote measures to deal with environmental problems.

Several countries have produced Aid White Papers in recent years: the Netherlands in 1990 and 1996; Denmark with the goal of assessing aid in the post Cold War period; Finland in 1993 when, in a context of dramatic budget cuts, it was necessary to defend and justify the very existence of aid; and the UK in 1997, after the election of the first Labour Government for eighteen years. The production of such documents demonstrates a continuing active engagement in development co-operation.

The other measure of commitment to development co-operation has conventionally been the percentage of GNP spent on official development assistance. There has been a general reduction in aid budgets during the 1990s, and currently only three countries attain or pass the 0.7% ideal (see Table 6).

5.1.1 Aid process and progress

Initially, in the 1960s, the aid process, for those countries with a responsibility towards newly independent ex-colonies, was conceived as a gap-filling exercise – providing personnel and other kinds of help until they were no longer needed. The 'trickle-down' theories of the 1960s and 1970s, which assumed that aid would supply missing investment and that industrialisation was the inevitable development path, fitted well with this view. Aid strategies were not evolved until the 1970s and 1980s, whereupon country strategy papers were gradually developed which laid down what a particular donor's priorities were, and what perhaps recipient country priorities might be as well.

Aid orthodoxy for many donors (Finland and Sweden describe this path) was initially to put individual experts in line functions (1960s); to support assistance through free-standing projects (1970s); and finally to move to larger programmes combining several projects or focusing on particular sectoral interests (1980s). In the 1990s, these donors have encouraged a further shift in the aid relationship, to recipient country primacy in decision-making, and donor support only as requested with technical assistance and policy development.

While sectoral preferences for funding still vary from country to country across Europe, certain broad aid trends in funding can be discerned. In recent years, many donors have reported a shift away from the provision of training, infrastructure, and support for agricultural intensification in high potential areas, towards a more profound engagement with poverty alleviation, and resource conservation. Projects have got smaller and more diverse as many donors have moved away from the funding of capital-intensive projects, and

Table 6: Per cent of GNP spent on official development assistance by EU Member States 1994–5

Country	% of GNP
Denmark	0.96
Netherlands	0.81
Sweden	0.77
France	0.55
Belgium	0.38
Luxembourg	0.36
Austria	0.33
Finland	0.32
Germany	0.31
Ireland	0.29
UK	0.28
Portugal	0.27
Spain	0.24
Italy	0.15
Greece	0.13
EU Members:	mean – 0.41%
	median – 0.32%

(Source: OECD, 1996, p. 125)

Note: since data for Greece is unavailable in OECD, 1996, it is taken from the Greek country chapter.

towards social and institutional capacity-building goals. Those who fund forestry note that it requires long-term commitment, however. (Germany's average is seven to ten years for technical co-operation projects.)

A further important shift has been the broader inclusion of social analysis into all kinds of projects, in acknowledgement that early projects did not always achieve development objectives, even where physical targets were reached. Several donors now incorporate social analysis into all project assessment. DFID (UK) social development advisors are involved from the earliest stages of the project cycle, and DIDC (Finland) requires institutional and participation analysis, as well as gender analysis, as part of baseline information collection. The degree to which this extends to forestry varies between countries, to some extent depending on the type of forestry project favoured. Efforts to integrate social considerations into forestry projects are being tried throughout Europe. So far, Finland and the UK are the only donors to have undertaken reviews or evaluations of the effectiveness of these attempts.

5.2 Tropical forestry policy and strategy

The earliest forest policies and strategies in Europe were concerned with what would now be regarded as a very narrow definition of forestry. Belief in industrialisation as the key to forest development and better livelihoods for the rural poor followed the FAO's Jack Westoby (Westoby, 1985) for much of the 1960s and 1970s. French, Dutch, Swedish and British policies in this period all stressed production, forest industry, inventory, plantations, logging and the training of workers. A re-orientation to tropical forestry policies which addressed local livelihoods more effectively came later, the impetus for change coming from several different directions.

5.2.1 Social policies in non-forestry aid

Firstly, social policies and changes in development theory have been very significant. Forestry moved later than many other sectors from models of industrialisation as the source of wealth, towards theories based on sustainable livelihoods and the inter-linkage between social and ecological sustainability. Nevertheless, these shifts in tropical forestry thinking occurred far earlier in aid institutions, where the theories shaping aid in other sectors influenced forestry, than they did in forestry research institutions, where the discipline as a whole has been more isolated.

5.2.2 Key international conferences, meetings and reports

The second important sources of new strategy, cited by several donors, were various international conferences, meetings and reports. The most important for many of those interviewed for the country chapters, are set out in Box 1.

5.2.3 The early role played by Sweden

Sweden was a key actor in the shift towards a broader brief for forestry. It had seconded foresters to FAO in the 1960s to deal with tropical forestry issues, and had supported bilateral projects in Ethiopia, Tanzania and Vietnam in the 1970s. It consequently became aware

Box 1: Change in the Tropical Forestry Sector: Influential Conferences, Meetings and Reports, 1972–1992

The UN Conference on the Human Environment, Stockholm (1972) was important for putting environmental affairs onto the international agenda, and for the creation of the United Nations Environment Program (UNEP).

The World Bank Meeting (1973) first identified rural poverty and development as priorities for bank lending. For the first time the issue of livelihoods was put high on the agenda.

The 8th World Forestry Congress at Jakarta (1978) focused explicitly on people and forests for the first time. The Dutch were among the earliest donors, following this meeting, to incorporate a social dimension into forestry aid. Wageningen Agricultural University, probably the first in the world to do so, reorganised its teaching to include agroforestry and people's participation in its courses.

The 1980 FAO assessment of Global Forest Cover (FAO, 1985) brought deforestation, the woodfuel crisis and approaches to trying to deal with it into the aid thinking of Finland, France, Sweden, the UK and no doubt most other European donors.

The TFAP process (Tropical Forestry Action Plan, 1985–1995) gave many donors their first opportunity to act together in the tropical forestry sector, and to make preliminary analyses of the causes of forest problems in developing countries. It can be argued that TFAP came too early, when the forest sector had only just begun to orient itself towards working with local people on-farm and in forest management, and when best practice was still poorly understood. The process might have approached issues differently five years later. Yet the increased donor collaboration and financial commitment which it encouraged would probably not have occurred without it.

The International Tropical Timber Agreement (1985) and the creation of the *International Tropical Timber Organisation* were cited by several countries as events which drew them more deeply into tropical forestry interests.

The Brundtland Report, 'Our Common Future' (1987) was crucial for a reorientation of aid in response to poverty, and for the explicit recognition that environmental degradation could not be addressed without simultaneous attention to economic development. The Netherlands, the UK, and several other European donors published responses to it. The report laid the ground for Rio in many ways.

The United Nations Conference on Environment and Development in Rio (1992) strongly influenced greater interest in conservation and sustainable development, and in tropical forests in general, even though no convention was signed. Virtually all European donors increased their funding to forestry and some also committed special funds to the environment.

earlier than many other donors of the limitations of an industrial strategy for forestry, if benefit to local people was, at least in part, the aim. As a result, it committed Funds in Trust for the FAO/SIDA Forestry for Local Community Development Programme (FLCD), and helped to initiate the social, community and farm forestry projects of the 1980s.

5.3 Public pressure on governments for commitment to forests and the environment

An important influence on policy has been public pressure on governments for commitment to forests and the environment, often articulated through campaigning NGOs. These groups have by no means always prioritised sustainable livelihoods.

Pressure for government support to tropical forests would seem often to have been triggered initially by events affecting the environment at home, which then led to concern for forests and the environment internationally. Public pressure for better nature conservation and management came about in Spain, for instance, because of the public's demand for better state control of forest fires, and more protected areas. The Nordic interests in the environment which led to the 1972 Stockholm Conference and to the Brundtland Commission, emerged from two directions – the consciousness of forest dependence in countries such as Sweden and Finland, and the consciousness of past forest loss in Denmark. In Germany, a government report on damage to domestic forests greatly sensitised the public, and also led to boycotts of tropical timber. The link is not always clear, though. In France, energetic debate about the use of domestic forests for recreation or production has not produced an equally general interest in the fate of tropical forests. In Italy, interest in tropical forests preceded interest in domestic forests.

Several countries have responded to public interest in tropical forests very directly. In Austria, substantial funds were committed for a fixed period after Rio, which were focused above all on the rights of indigenous people, on small-scale timber extraction and on ecotourism. The funds were spent bilaterally because the Austrian people wanted 'ownership' of funds and outcomes. Public pressure in Spain generally pushes for aid funds to be spent first in Latin America, and then in response to international events such as the Rwanda crisis. The majority of the larger funders of tropical forestry in Europe have established a regular Forum or Committee, at which NGOs and other members of the public can comment on tropical forestry strategy and policy and be involved in the planning process, and where they may be challenged on their failures.

At one level, donors would argue that these pressures are healthy and helpful. At another, they exacerbate the tension between conservation and production priorities already seen in the Environment and Forestry debate. Because forests in Europe are increasingly used for recreation, the general public may be reluctant for the production needs of the developing world to be given due weight. For instance, the main author of the Sweden chapter notes that while in Sida '... assistance shall be targeted at the sustainable use of biodiversity', this is at variance with the valuing of biodiversity that prevails in forestry within Sweden. More dialogue with the public on these issues is clearly needed.

This area is one where the Commission itself is as yet almost entirely in a vacuum. It hardly experiences public pressure on its activities in forestry or in anything else, dialogue is limited, and the need to respond to diverse concerns quickly is correspondingly minimal.

5.4 Current tropical forestry policy in Europe

Despite their interest in, and in some cases considerable commitment to tropical forests, Austria, Belgium, Greece, Ireland, Italy, Luxembourg, Portugal and Spain currently lack formal forest policies. Box 2 presents brief summaries of the forest policies of those Member States which have policies, together with the Commission's most recent policy position.

5.5 The definition of forestry

Varied attempts to define forestry underlie the figures for volume of forestry funding found in each country in Europe (see Table 3), and in each Directorate-General. Researchers have arrived at the best figures they were able using results generated by local coding systems, and by making judgements based on project title. In some cases there was no substitute for a project-by-project estimate of the percentage of forestry activity each had contained, kindly carried out by an individual with a long institutional memory. It was rare to find anything comparable to the EC Tropical Forests Budget line where all projects funded within the envelope could be counted as forestry.

In the case of Denmark, agroforestry, multipurpose tree-planting, soil and water conservation and forest management all come partly or wholly under forestry within the Ministry of Foreign Affairs. Forestry and other environment projects are also found under a separate budget in DANCED in the Ministry of the Environment. France counts environment, forest conservation, nature reserves, wildlife, and biodiversity projects within its aid to forestry. Spain, on the other hand, uses the Spanish equivalent of the word forestry only to mean reforestation, and groups many of the activities which France classifies as forestry under an environment heading.

Classification problems have a threefold origin. Firstly, forestry itself has changed and continues to change. Most countries that fund forestry projects now fund a broad array of activities which would not have been counted as forestry at all twenty years ago, but which are now in the tropical forestry mainstream. Secondly, what constitutes 'forestry' can occasionally be a contentious political matter as far as developing country partners are concerned: sectoral divisions can result in situations where important forest impacts are not acknowledged. Finally, it is quite clear that when funding expanded, as it did for forestry, it caused the definitions to expand as well.

6. ENVIRONMENTAL POLICY

Environmental issues came to prominence in the early 1990s for most countries, before and after the United Nations Conference on Environment and Development in Rio de Janeiro in 1992. How high these issues have subsequently stayed on the agenda has varied from country to country. Countries such as Denmark and Germany, where public opinion on global environmental issues has been a constant political factor, have devoted much more of their aid budgets to the environment than those where such pressure is absent. This can be seen in a number of initiatives developed in

Box 2: Tropical Forestry Policy in Europe today

Denmark Current key policies are an emphasis on Natural Resource Management in the context of rural development forestry; watershed management and soil and water conservation; better revenues for local people; forest seed procurement, gene conservation and tree-improvement; forest conservation and the conservation of biodiversity (1995). Denmark also seeks 'active multilateralism' and the exploration of trade-offs between poverty alleviation and environmental improvement.

Finland Finland's recent policies were enunciated in a 1991 statement (Finnida, 1991) which stressed the removal of institutional, legal and political constraints to development, afforestation, small forest-based industries, and protected area management. This is augmented by a 1995 document (DIDC 1995) which underlines the responsibility of partner countries for their own National Forest Programmes, and the need for aid to support their expressed will. At the same time, the paper highlights key forestry topics for Finland – the sustainability of forest products and services, conservation, the importance of water catchments, bio-energy, and the mitigation and control of climate change. Key social targets are also mentioned: participatory formulation and implementation and poverty alleviation through economic development.

France France's tropical forestry policies have prioritised long-term commitments to partner countries and a strong research emphasis, covering both drylands and tropical moist forests, and focusing on natural forest management, plantations and agroforestry. Institutional support to forested countries and the conservation of protected areas through local development have been very important. France's 1980s *gestion des terroirs* approach (which combined sustainable natural resource management and local participation) has now evolved into looser more people-oriented 'local development'. In recent years France has also made major investments in the development of SPOT satellite imagery. France is a signatory to the anti-desertification convention, and gives strong support to the African Timber Organisation (ATO) and its certification programme.

Germany Germany began to commit DM 300 m. annually to tropical forests from 1988 onwards, and it currently contributes well over 15% of all international bilateral forestry aid. In 1992 it produced its most recent Sector Concept on forestry principles and guidelines (BMZ, 1992). These stress support to partner countries in the goals of protecting national forests for the benefit of the population and the economy, bearing conservation in mind. The policies look at forests in context of both development and resource protection; at external impacts; at the strengthening of national level policies and institutions in partner countries, and at the active participation of local people.

Netherlands The Netherlands' most recent forest policies are enunciated in its Policy Document on tropical rain forests,

1991 (Ministerie van LNV, 1992) and in its International Programme on Nature Management, 1996–2000 (Tweede Kamer, 1995). These recognise the rights of sovereign states over their rainforest; the responsibilities of all nations in the face of global problems; the relationship between rain forests and vulnerable forest dependent people. Appropriate responses include monitoring the possible negative impact of other projects on rain forests; controlled harvesting and well-planned timber production and afforestation; the empowerment of local people and the need to strengthen national level research and institutions.

Sweden Sweden's latest natural resource policy statements are contained in 'Sustainable Management of Renewable Natural Resources' (SIDA, 1992) and 'Guidelines on Biological Diversity' (SIDA, 1994). Sida's Forestry Adviser also wrote a key document for the IPF Process, 'Back to National Realities!' (Fröling and Persson, 1997). A strategy document for forestry is currently under preparation. Sweden has committed itself to including both biodiversity and participation in all projects. It encourages a new relationship with partner developing countries, stressing each country's own responsibility for forests, and the support role that a donor must adopt. Sweden has maintained its dryland focus.

UK The UK's most recent policy shifts began with a review of previous forestry projects (Flint, 1992), which clarified the development purposes of forestry projects and the multi-disciplinary skills they called for. The 1996 Participatory Forest Management review highlighted the diversity of forest stakeholders, the need for greater devolution, and the complexity of managing forest processes as a result. The 1997 DFID Forest Strategy highlights shared forest management; capacity building for better forest harvesting; conservation with development and the conservation of biodiversity through sustainable use; and support for policy frameworks which encourage tree-planting. The last Biodiversity Strategy was drawn up in 1991, and a Manual of Environmental Appraisal was produced in 1992 and updated in 1996.

The European Commission The Commission has been extremely active in the tropical forestry policy arena in recent years. (The full picture is presented in the chapter 'Common elements of EC Tropical Forestry Aid'). The Commission Communication of 1989 entitled, 'The Conservation of tropical forests: the role of the Community' was the first that recognised that the Commission was prepared to take on a direct role in the protection of tropical forests, independent of the Member States. Various documents appeared before and after UNCED, most importantly the Commission Communication of 1993, 'Proposal for a Council Regulation on Operations to promote Tropical Forests', and the Regulation itself in 1995. In 1996/7 DG VIII published its technical Manual, 'Guidelines for Forest Sector Development Co-operation' which combines current policy and assistance with the project cycle and project implementation.

support of the global environment. After the UNCED meeting, several countries established independent funds for the global environment, and also contributed to GEF directly.

- France committed substantial funds to the GEF after Rio (FF 807 m.), and also endowed its own parallel fund. Since 1994 the Interministerial

Environment Fund, the FFEM has been in existence with funds of FF 440 m.

- The Environment and Disaster Relief Facility of Denmark is expecting a commitment of 0.5% of GNP annually by the year 2002. The facility has a broad brief: it spends half its funds in developing countries, and half on 'green' rather than 'brown' environment issues.

- The Netherlands intends to create a fund of 0.1% of GNP for activities related to international environmental policy by 1999.
- The UK's Darwin initiative is one of the smaller funds with a budget of £3 m. per year for collaborative projects to help conserve global biodiversity.

Countries with budgets too small to set up independent funds, have nevertheless usually been able to contribute to the GEF.

UNCED explicitly linked northern and southern environmental issues, and several European countries have also made commitments to increase forest cover, or to undertake conservation monitoring. These initiatives are not directly considered here. However, they have perhaps had an impact on aid programmes in two ways. Firstly, as section 5.3 indicated, the public has tended to link concerns about environmental issues at home to pressure for particular kinds of actions in the tropics. Secondly, there has been a move by several donors to increase support for conservation projects through the aid programme. The Netherlands increased its funding for the conservation of tropical forests from 2% in 1986 to 29% in 1992. Spain has increased spending on conservation at the expense of forest management initiatives and Germany also has an increasing number of conservation projects. This pressure is also reflected in the rainforest-oriented commitments of DG IB and DG XI. The environment, in short, is now a high aid priority for many countries.

7. POLICY IMPACTS ON GEOGRAPHIC AND THEMATIC FOCUS

7.1 The narrowing focus of aid

Many donors, faced with a reduction in overall funding capacity, have in recent years reviewed their policies and now focus more sharply on strategy objectives. In so doing, they have reduced the total number of countries to which they give funding, and their number of primary co-operation countries (also known as programme, priority, 'pays de champ' or concentration countries) as the DAC Committee of the OECD has recommended.

The criteria used for target country selection have also been formalised in many cases, and these now frequently include issues of democracy and human rights as well as the traditional poverty criterion. A further aspect of targeting being used by some aid agencies is only to support particular sectors within priority countries. Forestry remains a priority in all those Member States where it was important before.

The degree of concentration on primary co-operation countries nevertheless varies. Portugal and Italy spend 80% of bilateral aid on their concentration countries, but Finland only 44%. In the UK, 74% of forestry aid was disbursed in priority countries. The trend is likely to be for the increasing concentration of assistance on priority countries.

The main countries currently (1995) funded by each of the Member States in Africa, the Mediterranean and

Middle East, Asia, and Latin America and the Caribbean, are presented in Tables Ai, Aii, Aiii and Aiv.

7.2 Geographic focus

The tables in Annex I show several clear patterns. Firstly, poverty criteria are important: there are very few LLDCs (least developed countries) which do not have at least one European donor in this list. However, these criteria lead inexorably to a concentration on funding in Africa (Table Ai), followed by the poorer countries of other areas. Secondly, democracy and human rights criteria are having a major impact on the selection of countries to fund. Thirdly, there is strong donor loyalty to ex-colonies in the cases of France, Italy, the Netherlands, Portugal and to some extent the UK, and a strong loyalty to Latin America in the case of Spain. Fourthly, natural resource interests are clearly driving the wide-ranging donor interest that such countries as Indonesia and Brazil receive. Finally, Member States in southern Europe take a particular interest in the countries of the southern Mediterranean and the Middle East (Table Aii).

The problem which donors may need to address in due course is that the same poverty criteria and human rights criteria lead to the same set of countries. The paradox may well be that the very countries with the least institutional capacity and fewest trained professionals are having to work with five to nine donors from the European Member States alone. Here is a case where better donor complementarity might well engender better effects, for more recipient countries, with more successful outcomes.

The countries where the overlap is greatest are as follows:

West Africa:	drylands – Senegal, Burkina Faso, Niger
	tropical moist forest – Cameroon
NE + E Africa:	Egypt, Ethiopia, Tanzania
Southern Africa:	Mozambique, Zambia and Zimbabwe
Asia:	Bangladesh, China, India, Indonesia and Vietnam
Latin America:	Nicaragua and Bolivia

While India, China or Indonesia can no doubt absorb diverse donors, smaller countries may find it more difficult.

Countries which have, overall, maintained the strongest interest in Africa are Belgium, Denmark, Finland, France, Ireland, Italy, the Netherlands, Portugal, Sweden and the UK (see Table 7a). Latin America has in recent years been a particular focus for Austria, Belgium, Germany, the Netherlands and Spain, while Asia continues to engage the particular commitment of Denmark, Finland, Germany, the Netherlands and the UK. France, in addition to its support for Africa, Madagascar and Mayotte (Comoros) makes substantial commitments to its Pacific Island Departments, and to Vietnam and Indonesia in Asia. The picture for the EC is set out in Table 7b.

7.3 Thematic focus

Most donors in Europe have shifted the thematic focus of the issues they choose to fund, as the individual



Table 7a: The regional distribution of forestry aid for each European Member State (% of funds)

Country	Regional Distribution			
	Africa	Asia	Latin America	Global or Other
Austria 1993–95 (% of projects)	22	14	61	3
Belgium 1996	58	18.5	19.5	4
Denmark 1995	63	17	13	7
Finland 1995	50	26	11	13
France 1995	Africa and Indian Ocean 38% DOM-TOM 25% Other 37%			
Germany 1995	25	23	39	13
Ireland 1984–96 (% of projects)	74	6	10	—
Italy 1985–1997	49	4	5	42 (Med)
Luxembourg 1995	1 project	—	—	—
Netherlands 1995	31	24	26	19
Portugal 1989–96	100	—	—	—
Spain 1995	— 7 (env)	— 3 (env)	74 (for) 85 (env)	26 (for) 5 (env)
Sweden 1994/5	41	24	11	24
UK	38	38	8	16

(Source: Sourcebook chapters)

Table 7b: The regional distribution of aid within the Directorates General of the Commission

Directorate-General	Regional distribution
DG IB 1992–96	Averages show 55% of DG IB forestry funding going to Asia, 43% to Latin America and 2% to global issues
DG VIII 1992–96	ACP countries received 22.3% of all EC aid for forestry in this period.
DG XI 1991–6	Global (7%) Regional (17%) Latin America (29%) Africa (12%) Asia (5%)
DG XII 1994–8	Spread of collaborating research partners: Africa (51%) Latin America (20%) Asia (19%) Mediterranean (7%) other (3%)

(Source: Sourcebook chapters)

chapters in this book show, in line with the changes of approach and policy outlined in Section 5. The shift away from industrial production and processing and towards increased support to forestry with local people has been all but universal. Afforestation and agroforestry receive less support than they did, while sustainable forest management, collaborative forest management, and an interest in non-timber forest products have all increased. Since 1992, donors have also made a substantial financial commitment to conservation projects and rainforests.

A further interesting shift is the extent to which support to forestry now consists of much more than mere implementation. It also involves support for the evolution of a forestry sector with the capacity to respond to the social and economic, as well as the biological conditions for sustainability. Table 8a

illustrates current priorities among Member States. Institutional and policy development is currently the lead issue being funded by these donors, followed by rural development forestry, conservation, research, and sustainable forest management. Afforestation and agroforestry, which might have led the list a decade ago, now come well below these other priorities in terms of donor interest.

Most donor plans for the immediate future continue to prioritise a very similar ranking of issues, with strong strategic support at national level, more management roles for those who live near forests, more integration of forestry and sustainable livelihoods, and more conservation. Some recognise potential conflicts of interest between poverty alleviation criteria and interests in tropical moist forest and environmental conservation objectives.



Table 8a: The Thematic distribution of forestry aid among the European Member States

Country	Themes
Austria 1993–95	NTFPs (28%) land rights for forest dwellers (22%) conservation (17%) ecotourism (14%) rural development forestry (14%) agroforestry (5%)
Belgium 1996	afforestation (28%) research (24%) rural development forestry (20%) training (16%) sustainable forest management (9%) other (3%)
Denmark 1995	land management programmes with a forestry component (58%) tree seeds (14%) agroforestry (14%) conservation (6%) sustainable forest management (4%) other (4%)
Finland 1995	research and institutional development (55%) conservation (28%) sustainable forest management (17%)
Germany (1995)	afforestation (24%) rural development forestry (21%) conservation (21%) institutional development (19%) sustainable forest management (15%)
Ireland 1984–96	afforestation; rural development forestry (no percentages given)
Italy 1993–97	rural development forestry (56%) afforestation and sustainable forest management (26%) institutional development (18%)
Netherlands 1995	institutional development (39%) rural development forestry (35%) conservation (17%) other (9%)
Portugal 1989–96	institutional development (45%) research (37%) forest industry (15%) conservation (1%) other (2%)
Spain 1990–96	'forestry': agroforestry (30%) afforestation (24%) cork cultivation (12%) fire protection (9%) other (25%) 'environment': parks (22%) environmental education (18%) conservation (14%) sustainable forest management (11%) other (35%)
Sweden 1994/95	rural development forestry (29%) conservation (18%) research and training (18%) policy development (17%) sustainable forest management (8%) industry (5%) other (5%)
UK 1993–94	institutional development (48%) Sustainable forest management and conservation (34%) rural development forestry (18%)

(Source: Sourcebook chapters)

Notes:

The percentages given here are based on financial commitments.
 France does not present thematic data in a way comparable with this figure.
 Luxembourg has only one project (forest management).
 Greece has no bilateral forestry projects.

Table 8b: Thematic distribution of forestry aid management within the Directorates General of the Commission

Directorate-General	Themes
DG 1B 1992–96	(By financial commitment) Conservation (35%) forest management (27%) capacity building (18%) research (6%) buffer zones (6%) forest peoples (5%) other 3%
DG VIII 1996	(By financial commitment) For the tropical forests budget line: sustainable forest management (48%) capacity building (18%) conservation (12%) research (9%) certification (6%) other (7%)
DG XI 1991–96	(By number of projects) Sustainable forest management (37%) environmental protection (23%) training (9%) participation (8%) indigenous peoples (8%) timber/trade issues (8%) other (7%)
DG XII 1994–98	(By number of projects) Numbers too small to be significant, but a clear shift from 'pure' single tree species research to 'applied' research on whole forest ecosystems can be observed over time.

(Source: Sourcebook chapters)

Table 8b depicts the position for the EC, where an even stronger focus on sustainable forest management, conservation, buffer zones and the like can be observed, together with some interesting funding for forest peoples, certification and timber issues.

8. PROJECT CYCLE MANAGEMENT

Shrinking donor funds have led not only to the concentration of resources, but also to a determination to ensure greater effectiveness and impact. At the same time – and this has especially been true of the forestry sector since it began to move into unfamiliar territory in order to try collaboration with local people in forest

management and protected area management – blueprint projects have constrained timely and innovative responses to challenges as they appear. The response of most donors in Europe has been to adopt the logical framework approach to project planning, which sets clear objectives, but allows evolution and adaptation of the means by which they are reached, and the indicators which will be used to monitor progress.

Objectives-Oriented Project Planning (ZOPP) is closely associated with Germany, and has been used there since 1983. The methodology has been adapted to fit the needs of a variety of other countries, the UK using TEAM-Up, Belgium, *Planification des interventions par objectifs* (PIPO), and so on. Germany, and some of the other countries which have used the method for some time are already working on redesign to streamline and

simplify the process, and make it less costly, more flexible and a better communication and participation tool.

Others are only just beginning to adopt the method in all projects. They have found the EC Project Cycle Management Manuals (Commission of the European Community, 1993) of great value for materials development in their own countries. The *Forest Sector Development Co-operation Guidelines* (EC, 1996) are also beginning to be used and promoted, both inside and outside the Commission.

Logical frameworks have proved to have a strong potential for harmonising donor inputs, and pairs of bilateral donors in Europe have already used them to simplify aid delivery to particular countries in the forestry sector.

Box 3: Europe and tropical forestry research for development

Major donors

Denmark's key contribution to tropical forestry for many years was the Danish/FAO Tree Seed centre (from 1965) which became the Danish Forest seed centre in 1981. Its interest in tree-seed and genetic resources grew out of the threats to domestic forests which had occurred in the past. Its main tropical forest interests centre on Africa and Asia.

Finland's research strengths are in afforestation techniques, community forestry, dryland forest management, rainforest ecology, research training and planning. Its main tropical forest interests centre on Africa and Asia.

France's very strong commitment to forestry research focuses on both tropical moist and tropical dry forests, encompassing natural forest management and timber issues, plantations and agroforestry. France also pioneered the 'gestion des terroirs' (village land-use planning) approach from the early 1980s, and its evolution into a broader, more flexible 'local development' approach more recently. Its main tropical forest interests centre on Africa and S.E. Asia and on its overseas Departments and Territories.

Germany's early supremacy in forest science gave assistance first to other countries in Europe, and then to the tropics in the colonial period. In addition to the tropical ecology research going on in universities, it has established two forestry research initiatives for applied research and information for the aid programme. These are the Tropical Ecology Accompanying Programme and the Programme of Research into Tropical Ecosystems. Its main tropical forest interests centre on Asia and Latin America.

Netherlands Tropical forestry research has been a major strength since colonial times, and supports current rain forest and biodiversity research. The Netherlands' drylands experience in the Sahel has also fostered research into local people's management of existing vegetation as well as tree-planting. It has a strong tradition of research on community forestry, and its tropical forest interests are in Africa, Asia and Latin America.

Sweden Sweden has maintained a very strong interest in both farm forestry and community forest management. Other research priorities have been biodiversity and food security, and land management in dry areas. Its main tropical forest interests centre on Africa and Asia.

The **UK's** substantial research strengths in tropical forestry were established in the colonial period, and have been steadily developed since. These strengths are based on

experience in both tropical dry and tropical moist forest, in forest management, and plantations. The DFID Forestry Research Programme complements strategic research with applied and policy-oriented research which supports forestry in the aid programme more directly. The UK's main tropical forest interests centre on Africa and Asia.

The European Community supports formal forestry research through DG XII. It is from here that the ETRN, the European Tropical Forestry Research Network is funded. More policy-oriented and aid-focused research may if appropriate be funded by the Tropical Forestry budget line managed by DG VIII (ACP countries) and DG IB (ALA countries).

Medium-size donors

In **Belgium**, the University of Gembloux and the Free University of Brussels are involved in EC-funded forest conservation and ecosystem research in the Congo basin, and in research on the future of rainforest peoples. The National Botanic Garden has maintained taxonomic research links with the Congo basin since the colonial period. Its main tropical forest interests centre on Africa and Latin America. **Italy** has a colonial tradition of research in N.E. Africa on dryland tree species and techniques, and a comparative advantage in forestry for the Mediterranean, and Middle East. These remain its strongest areas of interest. Other research of relevance to its aid programme is research on poplars, and on wood technology.

In **Spain**, the universities organise research and training programmes and exchanges in forestry and environment with Latin America, such as the Latin American Science and Technology Development Department Programme, and several natural resource research networks. Its main tropical forest interests centre on Latin America and North Africa.

Smaller donors

Austria's early experience in the field of timber certification has led to its support for research on criteria and indicators. It funds the headquarters of IUFRO (the International Union of Forest Research Organisations) in Vienna. At the time of the Rainforest Initiative, its chief area of interest was Latin America.

Ireland fosters the interaction of Government, NGO and University forestry research partners through the National Council for Forest Research and Development. Its main tropical forest interests centre on Africa.

(Source: Sourcebook chapters)

9. DONOR COMPARATIVE ADVANTAGE

Europe's donors may be divided into three groups as far as their contributions to tropical forestry are concerned. The largest donors are Denmark, Finland, France, Germany, Netherlands, Sweden, UK, and European Community Aid. Belgium, Italy and Spain are medium-sized forestry donors, while smaller programmes of support are provided by Austria (since the end of its Rainforest Initiative), Ireland, Luxembourg and Portugal. Greece funds forestry almost entirely multilaterally.

9.1 Research strengths

Universities which offer degrees in which tropical forestry forms all or a substantial part of the degree exist in the UK, Sweden, the Netherlands, Finland, France, Germany and Spain. A brief summary of some of the main areas of country research expertise for development, and the main regional foci for this research, are given in Box 3.

9.2 Other kinds of comparative advantage

The eighty three countries in which the Member States

currently fund aid programmes are tabulated in Annex I. Member State and EC funding priorities, and thus the areas in which they are currently increasing their capacity and experience, are set out in Tables 8a and 8b.

There are a number of other general and specific areas of European comparative advantage worth mentioning here.

9.2.1 Colonial period experience

A powerful factor in encouraging continuing support to tropical forests for some countries, has been a tradition to draw on which has continued since the colonial period. The strongest colonial experience is found among the French, the Dutch and the British, with some experience in the case of Italy, Belgium and Portugal. Spanish links with Latin America are still strong. France has maintained the most stable and long-term commitment to its old colonies. Germany is a special case. Although it did not have colonies after the first World War, its early expertise in forestry, and the important role of individual German experts in the evolution of British and Dutch colonial forestry practice, have been one factor encouraging Germany's continuing commitment to tropical forestry.

Box 4: Donor Reviews in the Forestry Sector

Denmark Two recent reviews have been important.

- The *1993/4 Agricultural Sector Evaluation* (Danida, 1994) was critical of Denmark's successes in low agricultural potential areas, and recommended shifting support to high potential areas, with subsidies for food transfers to low potential areas as an alternative strategy.
- The *Environment and Development Evaluation, 1995-6* (Danida, 1996) was more optimistic. It was of the opinion that forestry's contribution to GDP is often underestimated, identifying both increased income and decreased labour time for women's fuel-gathering in one forestry project. Commenting on the first review, it suggested that working only in high potential areas would be detrimental to the environment, and to Denmark's commitment to poverty reduction.

Both reviews note the difficulty of monitoring benefits from natural resource and forest management projects, but the latter found hydrological changes a good proxy indicator.

Finland A *Synthesis Study of Finnish Aid from 1988-1995* (DIDC, 1996), including six forestry projects, concluded that these projects were quite good at reaching stated short-term objectives, but that physical targets had been reached more readily than others. However, project impacts were modest given Finland's expertise in the forestry sector, and had not slowed deforestation. The economic efficiency of projects was found difficult to measure, and post-project sustainability difficult to be sure of.

Germany Recent forestry reviews conducted by GTZ and KfW (Sepp and Haase, 1993; GTZ n.d.; KfW n.d.) contain the following key findings.

- Most sustainable forestry projects need at least a ten year donor commitment. More political, economic and

institutional analysis is needed during project preparation. There is a need to shift away from training individuals and towards capacity building for institutions. GTZ plans a greater devolution of planning and implementation to local GTZ offices and to projects themselves.

- KfW found that agriculture and forestry projects are more vulnerable than those of other kinds to extra-sectoral impediments in the shape of poor policies or unhelpful partner country interventions in the sector.

Sweden A *Review of Social Forestry Projects in India* (Chaffey et al., 1992) observed that forestry projects gradually broaden till they are like rural development projects in a natural resources context. This review made it clear how vital institutional development and relevant policies are for success.

UK Three reviews are of relevance.

- a recent *Review of the DFID Forestry Research Programme* (ODA, 1995) stresses that *how* research is done (demand-led, with local institutions, to a multidisciplinary design, and with a commitment to dissemination) is at least as important as *what* is researched.
- *Forestry synthesis evaluation study* Six forestry project evaluations conducted 1989-92 were synthesised (in Flint, 1992) the study concluding that forestry projects need multidisciplinary skills, process-project design, better-designed and monitored outputs, and more focus on institutional issues.
- *Participatory Forest Management Review* (Bird, 1996) Project attempts to give local stakeholders more share in forest management were reviewed, and best practice identified. The review noted the need for pre-project preparation, multi-disciplinarity, clearer goals, and the early planning of exit strategies.

9.2.2 Europe's own experience of people-forest interactions

A second factor of importance is the experience European countries can bring to forest-people interactions in the developing world. All have experienced forest loss, the generation of legislation to curb it, conflicts between local people and the State and the solutions adopted, and much is well-documented. Other experience is relevant here too. There is, for instance, a strong democratic and participative tradition in the Netherlands, fostered in the past by the village canal and dyke-management associations, which have been such an essential part of the country's survival.

Europe's most densely populated countries have had to incorporate many of their trees into farm landscapes. Less densely settled countries such as France have strong traditions of farmer and community management of patches of forest. Countries with more extensive forested areas such as Finland and Sweden have, in addition to these, complex systems of permits for forest use rights for non-timber forest products and hunting; shifting cultivation was still practised in some areas until the 1930s.

9.2.3 Specific skills

Some of the country chapters indicate highly specialised home-based experience – such as Austria's in the fields of ecologically friendly timber extraction on steep slopes; mountain hazard mapping, and the biological stabilisation of erosion and its prevention in mountain areas, for instance.

A few programmes offer specific implementation lessons. For instance, Ireland's support to a cluster of food security and environmental rehabilitation issues in Tanzania over a 10–18 year period, and its decade of support to forestry in the Sudan, offer an excellent example of a small donor with limited resources using them well in the natural resource arena. It achieved this by choosing only a few countries, by small, steady, long-term investments, and by a clear topic focus. The inputs have led to strong experience in drylands forestry.

9.3 Learning from programme experience

Donor funding has little meaning, however generous, if no efforts are made to draw the lessons of success and failure from what is funded: they are the only means by which the link between the implementation of field projects and global-level policy processes can be forged. Ideally, field projects are the testing ground for new ideas and approaches, and the results, like research results, are made public and can affect policy in due course. But this does not always happen in every case.

However, feedback mechanisms have been improving steadily in many of the Member States. Logical frameworks and the objectives-oriented planning process have been in use for several years. The result has been robust process project methodologies which facilitate better monitoring and evaluation practice, and lead to better outcomes. The production of Guideline documents has been excellent in several countries and within the Commission itself. On the evidence from the individual chapters in this book, one of the most illuminating mechanisms for learning has been the comparative reviews undertaken by donors from time

to time, where a selection of completed projects are examined. Usually only the bigger donors have the resources to conduct these commendably frank reviews, but the insights they yield are important for everyone working in tropical forestry. Box 4 gives some examples of these.

9.4 The contribution of the European Community

The European Community's comparative advantage in tropical forestry is potentially immense. It has substantial financial resources, and aid delegations all over the world. That its ability to deliver high quality aid in the forestry sector has limitations is to do with the rapid build-up of aid funds in the early 1990s, unmatched by an adequate increase in technical or administrative support. Nevertheless, there have been some important achievements.

DG VIII has made great progress in recent years in developing a strategic orientation for the Tropical Forestry budget line. Its increased funding for policy studies has been valuable (e.g. a paper on logging in the Congo basin by Pacific rim countries) and has heightened the budget line's profile. Work on certification and on the operationalisation of the EU commitment to complementarity, coordination and coherence are also important. Finally, the recently produced *Forest Sector Guidelines* are being widely used.

DG IB's strategy for the future is to programme its share of the Tropical Forest budget line in more detail, concentrating more on participation, natural forest management, and trade and certification issues, and less on conservation. More consideration of equity issues may lead to a wider selection of countries for funding in Asia and Latin America in future.

DG XI, too, is planning the development of a forestry strategy by the end of 1998. It has so far mostly funded small forestry and environment projects, many in the Amazon, on civil society issues.

Research funded from DG XII currently lacks a tropical forestry research strategy to focus limited funds more effectively. A recent evaluation highlighted the problems of overloaded staff, with no time to assist with project preparation, or build links to other forestry funders in the Commission. It also noted the many research problems caused by financial delays.

9.5 Donor collegiality

Forestry donors probably first began to debate issues together and act in concert through the TFAP process and through International Tropical Timber Organization (ITTO) meetings. In more recent years the Forestry Advisers' Group (FAG) has met regularly. Out of these initiatives, indirectly, came the formation of the European Tropical Forestry Advisory Group (ETFAG) in 1990. At first annually, and now biannually, forestry advisers meet as individuals to update one another about current initiatives, and to debate broader issues. The forging of informal working relationships through initially formal meetings has made it far more common for pairs of donors to share research under way at an early stage, or plan joint activities. As donors experiment with different aid delivery mechanisms, they consult others, invite comment, learn from one

another's mistakes. At one level, there is a constant donor tendency towards convergence; at another, comparative advantage is constantly being recreated, and there is little danger from over-homogenisation of approach. The outcome has been, rather, an excellent learning environment.

10. ISSUES AND TRENDS FOR THE FUTURE

Issues of aid management strategy with which the European Member States and the Commission are currently grappling, or which they will shortly need to address, are dealt with in this final section. All have important implications for the future, and for Europe's contribution as a whole to support for tropical forests.

10.1 Devolution

Firstly, almost all governments have reduced the number of government employees who are involved in aid delivery, and are seeking partners for implementation among NGOs, consultancy firms, universities, and through other arrangements. These changes are usually more to do with budget constraints and privatisation ideologies than with a belief that others will manage aid delivery better. Some countries have a strong commitment to the involvement of civil society in aid, however, with aid delivery through region-to-region or town-to-town twinning mechanisms, through trade unions, through support from small businesses in the north to similar small businesses in the south and from church to church. Nevertheless, the main mechanisms are NGOs and consulting firms, and each of these present particular problems in the aid context.

10.1.1 NGOs

The country chapters in this book make it clear that few NGOs, on the whole, have a strong track record in managing forestry projects other than rural development projects with a small forestry component. Forest management projects are difficult practically – they demand very specific skills, they are costly, and they must endure for longer than most NGOs would choose to be involved. More importantly, development NGOs are regarded with hostility and suspicion in some developing countries, and it has been easier for them to work in sectors such as mother-and-child health where they do not challenge government directly. In the case of forests (almost always state property), NGO approaches which prioritise local people's needs have often been seen as an unacceptable political challenge to the State, and proposals from them for institutional or policy change would be out of the question. It has been easier for donors with more money and more authority to make these challenges, or to experiment within a project context.

The exception has been environmental NGOs such as WWF, whose approach has, paradoxically, sometimes strengthened government's ability to exclude local people from access to forests, and who often manage particular protected areas for long periods of time.

10.1.2 Consulting firms

Consulting firms manage many, probably the majority,

of the tropical forestry projects which currently exist. But often their management model – that of timely delivery of physical outputs within budget – is more suited to a civil engineering firm building roads, than to support for what is currently a rapidly evolving and innovating sector.

The themes which this chapter shows European donors are currently funding in tropical forestry – policy and institutional development; collaborative forest management; sustainable forest management for a wider range of benefits than before; and the blending of conservation and development issues – require good facilitation skills, the capacity to implement flexibly and an interest in local people. Yet often consulting firms are conservative and old-fashioned. Their employees do not get time to read, and they are often among the last to be exposed to new ideas and policies. Preoccupied with the need to secure the next contract, they may not be well placed to challenge the structures within which they work. In an era where flexible logical frameworks are becoming a more and more powerful tool, they need to be encouraged not to implement in the old blueprint way.

There are ways round these problems, but they require much more investment from donor agencies in the form of training, briefing documents, seminars, and close interactive monitoring, than is usually offered at present. In the Nordic countries, an effort has been made to train consultants, and make them more familiar with government policies. A few consulting firms have a close relationship with in-house advisers, and are involved in all parts of the project cycle: not just implementation but often identification and evaluation as well. They effectively become additional advisers. But even they would say that there are problems with the current pattern, especially for field managers.

The reality is that devolution to other implementing bodies has been seen as a cheaper option for government development agencies than it really is. To be effective, more effort will have to be put into the planning and management of implementation by multiple diverse parties, and to their continued exposure to new thinking in forestry.

10.2 The relationships between budgets and outputs

There are several issues here relevant to the management of aid for forestry.

10.2.1 The cost of forestry projects

Firstly, the evidence from several countries in this book is that support to forestry in tropical moist environments is usually a long-term and complex business, expensive in terms of both money and aid management processes. Germany doubts that useful forestry projects can be delivered in less than 7–10 years. Not only do social economic and biological issues have to be addressed locally, but inevitable stakeholder conflicts involve both local and national-level issues simultaneously as well. Good quality field managers and a close donor advisory relationship with both the partner country and project managers is essential.

The less costly, but no less long-term alternative is to fund integrated rural development projects in which

tree-planting or forest management plays only a minor part, or to fund forest management in dryland areas where national and international interest in the forest resource is less, and complexities fewer. This is the path that Ireland has taken successfully.

10.2.2 Aid volume for forestry

A second issue is the volume of funds available and the organisational and administrative structures available to deal with them. In the case of Italy the Ministry of Foreign Affairs acknowledges that the country's aid budget grew too fast in the 1980s for its internal management structures to be able to keep up. Its control of aid quality was weak in consequence. Like other donors such as Finland and the UK, Italy has found that financial constraints have led to better quality aid because they brought aid volume back within the scope of good quality administration.

The European Commission has had to deal with these issues as well. Its aid budget for forestry grew rapidly in the 1990s, but it has not been allowed to recruit more professional staff to help with the administration of these funds. Consequently, understanding of complex tropical forestry issues may be poor. These limitations in turn have led to the weak monitoring and evaluation of projects, limited opportunities to learn from previous projects, and thus a weak information base for future project selection.

The Member States have tried to help by seconding National Experts to DG IB and DG VIII. DG VIII has decided to tackle some of its aid management problems in the forestry sector by contracting out aspects of project selection and management of the budget line to consultants. While this will lighten the work-load of over-burdened individuals within the Directorate, it is no alternative to a properly staffed, professional in-house team which can develop funding strategically. And as section 10.1.2 showed, consultants themselves may not be able to deliver the most effective tropical forestry outcomes without a great deal more support than they usually get.

Ideal project size is much debated inside the European Commission. Large projects are appraised, implemented and evaluated by consultancy firms, and thereby deal in a very satisfactory way with in-house staff shortages. While smaller projects are more effective, and use funds better, they are too management-intensive at current staffing levels. More redesign for aid effectiveness may be needed.

10.3 Institutional memory

Poor institutional memory is a major problem in some agencies. Sometimes this may be the result of poor archiving of project documents. But in reality most of the chapters in this book relied for important information on the memory of individuals who had been in post for some years. For although some countries now have their projects on a database, little information may be recorded beyond the title, date, type and total budget of the project.

Yet there may be fewer of these individuals in the future, who can remember what went on before, because of changes in the way many European countries are currently organising aid delivery. This is sometimes because of over-frequent internal changes, but is also

increasingly structural. In the case of Finland, the fusing of the diplomatic and Co-operation streams in DIDC, and the alternation of individuals between one kind of job and another, may spell the end of institutional memory. The Netherlands is currently experimenting with the decentralisation of project cycle management in its entirety to its embassies. This model may succeed in the short run, while there are still individuals who can remember the old structure, and make the new work on that basis. But in due course there is a risk that programme coherence and mechanisms for institutional learning may weaken.

10.4 Effective aid delivery and donor collaboration

There are a variety of practical aid delivery issues which currently present obstacles to effective donor collaboration. While country variation in choice of Ministry for forestry aid delivery does not present any difficulty, other choices require more adaptability. Projects funded by several donors often find that the heterogeneous payment schedules, reporting timetables and formats of different donors present them with time-consuming management tasks. It was railway timetables in the nineteenth century which provoked the need for governments to standardise time-zones rather than leaving every village to set its own time by the sun. Harmonisation of some quite minor details could greatly smooth the path of donor collaboration.

10.5 Finding a way for larger and smaller donors to work together

Looking at the country chapters, it is clear that the funding of tropical forestry has tended to be for the wealthier donors, for those with strong previous experience, or for those with strong forest industries inside their own countries. Yet several countries with smaller means and less experience would like to take more part in forestry initiatives – responding in part to the interests of the general public in their countries – and would welcome and benefit from the co-funding of projects with larger donors. Such arrangements would make particular sense in countries where both parties already have some comparative advantage – such as language, or strong colonial experience in the case of the smaller donor, and strong recent tropical forestry experience in the case of the larger. Donor complementarity and coordination would improve greatly from such initiatives.

10.6 The evolving relationship between forestry and environment

The most important problem of all for donors is how to manage the as yet imperfect marriage between forestry and environment policy, and aid delivery. It is only six years since the Rio conference, and both theory and practice are still evolving. For the moment, the environment is the dominant partner, and donor funding has been pulled in the direction of conservation, to the potential detriment of livelihood and sustainable use issues in forestry. It is interesting to wonder whether the balance would have been the same if a forestry

convention had been signed at the same time as the Biodiversity and Climate Change Conventions.

Several countries in our sample currently keep tropical forestry issues, as of old, in the Ministry which deals with tropical agriculture. But at the same time the Ministry of the Environment deals with both domestic and tropical environmental issues, inevitably including conservation aspects of tropical forests. In the case of EC aid there are currently parallel forestry and environment budget lines.

It is clear that many of the issues currently being dealt with in this way will have to be harmonised in due course. Meanwhile, their separate handling in the aid mechanisms of the north sends the wrong signals to the developing country partners with whom they work – where separate ministries and structures have in many cases also been established.

Where the forestry sector might have been leading the way forward, it has too often been fighting a rearguard action. It has been slow to exploit its importance to changing values in society, even though it has accepted a constantly increasing role for local people, NGOs and other stakeholders. The need now is for dynamism and flexibility in both research and field practice, to utilise new environmental awareness in forestry, and to tackle issues in a more integrated and international way. The important opportunities for synthesis still lie ahead.

REFERENCES

Note: This chapter is largely based upon summaries of the data available in the other chapters of the book. Since references to named countries or Directorates of the EC always make it obvious which chapter contains the data in question, individual chapters have not been referenced each time data are used.

- Bird, P. (1996) *ODA's Review of Participatory Forest Management. Synthesis of Findings. Review Working Paper 6.* ODA London, UK.
- BMZ (1992) *Sektorkonzept Tropenwald. Entwicklungspolitik-aktuell 14.* BMZ, Bonn, Germany.
- Brundtland, G. (1987) *Our Common Future.* The report of the World Commission on Environment and Development, OUP.
- Chaffey, D., Aziz, A., Djurfeldt, G., Haldin, G., Pranjape, J., Sunder, S.S., Svanqvist, N., Tejwani, K.G. (1992) *An Evaluation of the SIDA supported Social Forestry Projects in Tamil Nadu and Orissa in India.* SIDA, Stockholm, Sweden.
- Commission of the European Community (1993) *Project Cycle Management: integrated approach and logical framework,* Evaluation Unit, European Commission, Brussels.
- Danida (1994) *Evaluation report. Agricultural Sector Evaluation (3 volumes).* Report No. 1994/8, MFA, Copenhagen.
- Danida (1996) *Evaluation report. Environment and development (2 volumes).* Report No. 1996/2, MFA, Copenhagen.
- DFID (1997) *Forestry Strategy.* DFID, London, UK.
- DIDC (1995) *Internal Strategy paper.* MFA, Helsinki, Finland.
- DIDC (1996) *Effects or Impacts? Synthesis study on evaluation and reviews 1988-1995.* Prepared by J. Koponen and Päivi Mattila-Wiro, for MFA, Helsinki, Finland.
- Eurofor (1994) *L'Europe et la Forêt.* Parlement Européen, Strasbourg.
- European Commission, Directorate General for Development (1996) *Guidelines for Forest Sector Development Co-operation. Volume I: Strategic Approach; Volume II: Tools for Project Cycle Management,* The European Community, Brussels and Luxembourg.
- FAO (1985) *Forest Resources 1980.* FAO, Rome.
- FINNIDA (1991) *Finnish Development Co-operation in the Forest Sector in the 1990s.* MFA, Helsinki, Finland.
- Flint, M. (1992) *Forestry Synthesis Evaluation Study.* ODA Evaluation report EV541. ODA London, UK.
- Frühling, P. and Persson, R. (1997) *Back to National Realities! Rethinking International Assistance to Forestry Development.* Sida, Stockholm, Sweden.
- GTZ (no date) *Erreicht die technische Zusammenarbeit die gesetzten*

- Ziele? Projektergebnisse der GTZ und ihrer Partner.* GTZ Eschborn, Germany.
- KfW (no date) Results of financial co-operation: third evaluation report on projects promoted in developing countries. KfW, Frankfurt am Main, Germany.
- MINISTERIE VAN LNV, (1992) *The Dutch Government's Policy on Tropical Rainforests.* The Hague, Ministry of Agriculture, Nature Management and Fisheries, Netherlands.
- ODA (1991) *Biological Diversity and Developing Countries: issues and options.* ODA, London, UK.
- ODA (1992, revised 1996) *Manual of Environmental Appraisal.* ODA, London, UK.
- ODA (1995) *Review of Forestry research supported by ODA Natural Resources Research Department, during the period 1990-1993.* ODA, London, UK.
- OECD (1996) *Efforts and Policies of the Members of the Development Assistance Committee.* Development Assistance Committee, OECD, Paris
- Sepp, S. and Haase, G. (1993) *Inventur und Kategorisierung der Tropenwald-relevanten Vorhaben der Entwicklungszusammenarbeit.* Report by ECO for GTZ, Germany.
- SIDA (1992) *Sustainable Management of Renewable Natural Resources – Action plan for SIDA,* Naturbruksbyran, Stockholm, Sweden.
- SIDA (1994) *Biological Diversity – guidelines for SIDA support for the sustainable use and conservation of biodiversity.* Natural resources Management Division, SIDA, Sweden.
- TWEEDE KAMER DER STATEN-GENERAAL (1995) *Programma Internationaal Natuurbeheer (PIN) 1996-2000. Vergaderjaar 1995-1996,* The Hague, Netherlands.
- UN Economic and Social Council (1996) *Paper E/CN.17/IPF/1996/.. presented to the Second Session of the Intergovernmental Panel on Forests of the Commission for Sustainable Development.*
- Westoby, Jack (1985) 'Foresters and Politics'. *Commonwealth Forestry Review* 64(2).

ACRONYMS

ACP	African, Caribbean and Pacific
AECI	Spanish Agency for International Co-operation
AGCD	General Administration for Development Co-operation (Belgium)
ALA	Asia and Latin America
APSO	Agency for Personal Service Overseas (Ireland)
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (German Federal Ministry for Economic Co-operation and Development)
CFD	Caisse Française de Développement
CIRAD	Centre de Coopération Internationale en Recherche Agronomique pour le Développement
CSD	Commission for Sustainable Development (DG XI)
DAC	Development Assistance Committee of the OECD
DANCED	Danish Cooperation for Environment and Development
DDC	Department of Development Co-operation (Austria)
DFID	Department for International Development (UK)
DG	Directorate-General
DGCS	Department for Development Co-operation (Italy)
DGIS	Directorate-General for International Co-operation (The Netherlands)
DKK	Danish Kroner
DM	Deutschmark
DOM	Département d'Outre-Mer (French Overseas Department)
EC	European Community
EDF	European Development Fund
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FFEM	Fonds Français pour l'Environnement Mondial
FINNIDA	Finnish Development Agency (now known as DIDC)
GDP	Gross Domestic Product
GEF	Global Environment Facility
GNP	Gross National Product
GTZ	Deutsche Gesellschaft für technische Zusammenarbeit (German Agency for Technical Co-operation)

IIED	International Institute for the Environment and Development
IPF	Inter-Governmental Panel on Forests
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
LLDC	Least Developed Countries
MAE	Ministère des Affaires Etrangères, du Commerce Extérieur et de la Coopération (The Ministry of Foreign Affairs, External Trade and Co-operation – Luxembourg)
NGO	Non-Governmental Organisation
NRI	Natural Resources Institute
oda	Official Development Assistance
ODI	Overseas Development Institute, UK
OECD	Organisation for Economic Cooperation and Development
OFI	Oxford Forestry Institute
ORSTOM	Office de la Recherche Scientifique Outre-Mer
PIPO	Planification des interventions par objectifs (Planning and Interventions by Objectives – Belgium)
SIDA	Swedish International Development Agency
TOM	Territoire d'Outre-Mer (French Overseas Territory)
TFAP	Tropical Forestry Action Plan
TSA	Technical Advisory Service (Denmark)
UN	United Nations
UNCED	United Nations Conference on Environment and Development
WCMC	World Conservation Monitoring Centre
WWF	World Wildlife Fund
ZOPP	Zielorientierte Projektplanung (Objectives-Oriented Project Planning)

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: John Hudson and John Palmer, DFID; and Mike Arnold, David Brown, Michael Richards and Kate Schreckenber, ODI. It also relies, as is very evident, on the research efforts of all the other authors of the book and those who assisted them.

Note on currencies: on 1 September, 1997, US\$ 1 was equivalent to:

Austria	Sch 12.75.
Belgium	BEF 37.40.
Denmark	DKK 6.90.
Europe	ECU 1.09.
Finland	FIM 5.45.
France	FF 6.10.
Germany	DM 1.81.
Greece	Dr 284.79.
Ireland	IR£1.49.
Italy	L.1767.00.
Luxembourg	LUF 37.40.
Netherlands	NLG 2.04.
Portugal	Es 183.54.
Spain	Ptas 152.71.
Sweden	SEK 7.87.
UK	£1.61.



ANNEX 1

Table A i: Main countries funded by European Member States in Africa, 1995

S-S AFRICA	Au	Bel	Den	Fin	Fra	Ger	Ire	Ita	Lux	Nth	Port	Spa	Swe	UK
W and Central														
Benin	◆		*			*								
Burkina Faso	◆	**	*	*		**				**				
Burundi	◆		**						**					
Chad	◆				*									
Cameroon	◆		**		**	*								**
Congo (Braz)	◆◆				**									
Congo (Za)	◆		**											
Côte d'Ivoire	◆				**									
Gabon	◆◆◆		*		**									
Gambia	◆								*					
Ghana	◆		*							**				**
Guinea-Bissau	◆									**	**			
Mali	◆									*				
Niger	◆		**	*		**			**	**				
Nigeria	◆													*
Rwanda	◆		**				*		*	*				
Sao Tomé	◆										**			
Senegal	◆◆	*	**		*	**			**	**	(*)			
Togo	◆		*											
Cape Verde	◆	**							**	**	**			
N-E and East														
Djibouti	◆								*					
Egypt	◆	*		*	**	**	*	**		**	(*)			
Ethiopia	◆	**	*		**		*	**	**	**			**	*
Eritrea	◆		*							*				
Kenya	◆	*	*	*	**		*	*		**			*	
Sudan	◆			*			*			*				
Somalia	◆				**		*	**		*	(*)			
Tanzania	◆	*	*	*	**		**			**	*		**	*
Uganda	◆	**		*			**			**			*	*
Southern														
Angola	◆									*	**		*	
Comoros	◆				*									
Lesotho	◆						**							
Madagascar	◆				**									
Malawi	◆		*											**
Mauritius	◆◆◆								**					
Mozambique	◆	**		*	**	*	*	**	**	**	**		*	*
Namibia	◆◆	*			**				**				*	
South Africa	◆◆			*			**						*	**
Zambia	◆		(*)	*	**	*	**			**			*	*
Zimbabwe	◆	*	*	*	*		*			**			*	**
missing LLDCs: Central African Republic, Equatorial Guinea, Guinea, Liberia														

(Sources: (i) OECD 1996, Table 42 'Major recipients of Individual DAC Members' Aid, 1994-95' Statistical Annex pps A70-A84; (ii) Data in Sourcebook Chapters)

** Donor Concentration or Programme countries

* Other countries mentioned in the OECD top 15 aid recipients for each donor and in country chapter

(*) Countries mentioned in the OECD top 15 aid recipients for each donor, but not in country chapter

Country status by per capita income (from OECD 1996, Statistical Annex p. A101)

◆ Least Developed Countries – per capita GNP < \$675 in 1992

◆◆ Lower Middle Income Countries – per capita GNP \$676-\$2 695 in 1992

◆◆◆ Upper Middle Income countries – per capita GNP \$2 696-\$8 355 in 1992



Table A ii: Main countries funded by European Member States in the Mediterranean and Middle East, 1995

MEDITERRANEAN + MIDDLE EAST	Au	Bel	Den	Fin	Fra	Ger	Ire	Ita	Lux	Nth	Port	Spa	Swe	UK
Algeria	◆◆	*			*			*			*	*		
Iraq	◆◆												*	
Iran	◆◆	*												
Malta	◆◆◆							*						
Morocco	◆◆	**			*	*		*			*	*		
Palestinian adm. /occ areas	◆◆									*		*		
Tunisia	◆◆	**							**		*			
Yemen	◆									**				
missing LLDCs: Mauritania														

(Sources: (i) OECD 1996, Table 42 'Major recipients of Individual DAC Members' Aid, 1994–95' Statistical Annex pps A70-A84; (ii) Data in Sourcebook Chapters)

** Donor Concentration or Programme countries

* Other countries mentioned in the OECD top 15 aid recipients for each donor and in country chapter

(*) Countries mentioned in the OECD top 15 aid recipients for each donor, but not in country chapter

Country status by per capita income (from OECD 1996, Statistical Annex p.A101)

◆ Least Developed Countries – per capita GNP < \$675 in 1992

◆◆ Lower Middle Income Countries – per capita GNP \$676–\$2 695 in 1992

◆◆◆ Upper Middle Income countries – per capita GNP \$2 696–8 355 in 1992

Table A iii: Main countries funded by European Member States in Asia, 1995

ASIA	Au	Bel	Den	Fin	Fra	Ger	Ire	Ita	Lux	Nth	Port	Spa	Swe	UK
Bangladesh	◆	*	*	**		**	*			**			*	*
Bhutan	◆	**								*				
Cambodia	◆	*					*			*				
China	◆	(*)	*	*		*		*			*	*		*
India	◆		*			*			*	**			**	**
Indonesia	◆	(*)	**		*	*		*		**		*		**
Korea	◆◆	*												
Laos	◆	*		*									**	
Myanmar	◆			*										
Nepal	◆	*	*	**		*				**				**
Pakistan	◆◆	*				*				**				*
Philippines	◆◆	*								**				
Sri Lanka	◆	**		*						**				**
Thailand	◆◆	(*)	*	(*)	*									
Vietnam	◆	*	*	**	*	*		**	**				**	
Missing LLDCs: Afghanistan, Maldives														

(Sources: (i) OECD 1996, Table 42 'Major recipients of Individual DAC Members' Aid, 1994–95' Statistical Annex pps A70-A84; (ii) Data in Sourcebook Chapters)

** Donor Concentration or Programme countries

* Other countries mentioned in the OECD top 15 aid recipients for each donor and in country chapter

(*) Countries mentioned in the OECD top 15 aid recipients for each donor, but not in country chapter

Country status by per capita income (from OECD 1996, Statistical Annex p.A101)

◆ Least Developed Countries – per capita GNP < \$675 in 1992

◆◆ Lower Middle Income Countries – per capita GNP \$676–\$2 695 in 1992

◆◆◆ Upper Middle Income countries – per capita GNP \$2 696–8 355 in 1992

Table A iv: Main Countries funded by Member States in Latin America and the Caribbean, 1995

LATIN AMERICA + CARIBBEAN	Au	Bel	Den	Fin	Fra	Ger	Ire	Ita	Lux	Nth	Port	Spa	Swe	UK
Nth Antilles	◆◆◆									*				
Argentina	◆◆◆							*			*	*		
Belize	◆◆													*
Bolivia	◆◆		*							**		*	*	**
Brazil	◆◆◆					*			*		*			**
Chile	◆◆								*					
Colombia	◆◆								*			*		
Costa Rica	◆◆									*				
Ecuador	◆◆		*							**		*	*	*
El Salvador	◆◆								*					
Guatemala	◆◆	*								**				
Guyana	◆													*
Haiti	◆									**	*	*		
Honduras	◆							*		**		*		
Jamaica	◆◆									*				
Mexico	◆◆◆											*		*
Nicaragua	◆	*		*	*	*		*	*	**		*	**	
Peru	◆◆			*					*	**				
Surinam	◆◆◆									*				
Uruguay	◆◆◆											*		
missing LLDCs: none														

(Sources: (i) OECD 1996, Table 42 'Major recipients of Individual DAC Members' Aid, 1994-95' Statistical Annex pps A70-A84; (ii) Data in Sourcebook Chapters)

** Donor Concentration or Programme countries

* Other countries mentioned in the OECD top 15 aid recipients for each donor and in country chapter

(*) Countries mentioned in the OECD top 15 aid recipients for each donor, but not in country chapter

Country status by per capita income (from OECD 1996, Statistical Annex p.A101)

- ◆ Least Developed Countries – per capita GNP < \$675 in 1992
- ◆◆ Lower Middle Income Countries – per capita GNP \$676-\$2 695 in 1992
- ◆◆◆ Upper Middle Income countries – per capita GNP \$2 696-\$8 355 in 1992

Common Elements of EC Tropical Forestry Aid

David Brown and Michael Richards



Contents

1.	INTRODUCTION	31
1.1	The structure of the European Union	31
1.2	EU Legislation and associated terminology	31
2.	OVERVIEW OF DEVELOPMENT POLICY IN THE EUROPEAN UNION	31
3.	THE EVOLUTION OF EC TROPICAL FORESTRY AID	32
3.1	Forms of financial aid	32
3.2	Early efforts to develop strategic thinking	33
3.3	Pre-UNCED tropical forestry aid strategy development in the EC	33
3.4	Post-UNCED tropical forestry aid strategy development in the EC	35
4.	THE EVOLUTION OF FINANCING INSTRUMENTS IN TROPICAL FORESTRY AID	37
	REFERENCES	38
	ACRONYMS	38

1. INTRODUCTION

1.1 The structure of the European Union

European Community (EC) aid to tropical forestry, like all forms of EC development assistance, is strongly influenced by the structure of the European Union and by its political and financial procedures. Before discussing the manner in which tropical forestry aid is managed within the various Directorates-General, we need to review the structure and procedures of the Union and consider the ways in which these features affect the definition and administration of aid policy.

The centre of power in the EU is the *Council of the European Union*. This consists of representatives of the European Member States and the Commission, the actual attendance varying according to the issue under debate. The highest-level body is the Council of the Heads of Government which meets twice yearly and formally approves the policies of the Union. The Council also meets periodically at Ministerial level. For example, the *General Affairs Council* deals with external affairs and is attended by the Foreign Ministers of the Member States, while *Ecofin* is attended by the Ministers of Finance (Bright, 1995: Chapter 2).

The *European Commission* is the executive body, and is responsible for the drafting of legislation and resolutions in all areas, including development co-operation, as well as the implementation of the major treaty obligations, and the administration of the annual budgets and funds. The *European Parliament* influences policy, supervises the work of the Commission, votes on its proposals, adopts the annual budgets and monitors, at a relatively high level, the management of EU policies.

The normal work of the Commission is managed by *Directorates-General* – effectively, ministries – of which there are currently twenty-four. Development co-operation is largely in the hands of *DG IB* (created in September, 1995, as an amalgam of four established DG I directorates, and dealing with ‘External relations and co-operation with Southern Mediterranean countries, the Near and Middle East, Latin America, South Asia and South East Asia’) and *DG VIII* (‘Development, external relations and co-operation with ACP countries, the Lomé Convention’). However, the activities of other Directorates-General may have relevance to development issues (for example, the EC’s sizeable food aid budget is partly managed by *DG VI* [Agriculture]).

Structures for aid to tropical forestry

Aid to tropical forestry does not fall squarely within any single Directorate-General, and is covered by several as part of their wider expertise. The relevant Directorates-General are:

- DG IB External Relations (External relations and co-operation with Southern Mediterranean countries, the Near and Middle East, Latin America, South/SE Asia)
- DG III Internal Markets and Industrial Affairs (Timber trade issues)
- DG V Employment, Industrial Relations and Social Affairs
- DG VI Agriculture (European agricultural policy)
- DG VIII Development (Development, external relations and co-operation with ACP countries,

the Lomé Convention)

DG XI Environment, Nuclear Security and Civil Protection

DG XII Science, Research and Development

DG XVI Regional Policy

In the case of *DG IB* and *DG VIII*, tropical forest activities form part of the wider programme of development co-operation; in the case of *DGs V, VI* and *XVI*, involvement is limited to tropical forestry activities pertaining to the overseas departments of European Member States, particularly French Guiana. Since 1983, *DGXII* has had a fund specially allocated to science and technology development in the developing countries.

1.2 EU Legislation and associated terminology

The legislation of the Union is promoted through a series of legal instruments, including *regulations, directives, opinions, communications, resolutions* and *recommendations*. Each of these has a different level of legal authority, and is appropriate to a particular stage in the legislative process (see Box 1).

2. OVERVIEW OF DEVELOPMENT POLICY IN THE EUROPEAN UNION

A variety of institutions within the Union play a role in the formulation of policies on development co-operation. The European Council issues general directives on development co-operation policies. Decisions on the implementation of such policies are taken by the Council of Development Ministers. Other Councils – for example, the General Affairs Council – may also be involved in relevant instances.

Only since the Maastricht Treaty of European Union (1992) has the development policy of the Union been formally defined. The objectives of the Maastricht Treaty relating to developing countries are to foster:

- sustainable economic and social development of the developing countries and of the most disadvantaged;
- the smooth and gradual integration of developing countries in the world economy;
- a campaign against poverty in the developing countries (Article 130u).

It is a formal requirement for the EU to take account of these principles in forming all policies which are likely to affect developing countries. The Maastricht Treaty provides the primary policy tool by which the political goal of sustainable development can be addressed by the Union. Integration of environmental action became a legal obligation under the Treaty, which specifies that:

Community Policy on environment shall contribute to ... promoting measures at international level to deal with regional or worldwide environmental problems ... (Article 130r1). Environmental protection requirements must be integrated into the definition and implementation of other Community policies (Article 130r2).

Box 1 Legal Instruments of the European Union

EU legislation is mostly effected through the issue of *regulations* and *directives*. These are initiated by the Commission and adopted by the Council of Ministers. *Council Regulations* are the strongest legal instrument, and are usually precise and narrow in purpose. They are binding on all Member States in their entirety, once they have been published in the *Official Journal of the European Communities*, and do not require any process of integration into the national laws of the Member States. *Directives* are binding on the Member States to whom they are addressed at the level of end-results, though the means are left to the discretion of the national authorities; normally, legislation would be enacted by national parliaments based on the aims of the directive, in conformity with a time-frame contained therein. They are usually fairly general, indicating a broad policy goal or a date for the harmonisation of a particular set of standards.

Decisions of the Council or Commission are based on Treaty obligations, regulations or directives, and are binding in their entirety, though a particular decision is valid only for a limited and specified public (possibly even an individual), not for the population at large. They are usually quite specific, and have administrative rather than legal implications.

Recommendations and *opinions* (for example, those offered by the Parliament or the advisory body, the Economic and Social Committee) are not binding and lack the force of law. *Communications* are the names of documents transmitted by the Commission to the Council and Parliament (the *Green Paper*—a consultative and non-binding document—is one class of *Communication*). Unlike in the Member States, where legislation is the responsibility of parliament, the legislative role of the EC is performed by the Council of Ministers, not the Parliament, whose legislative functions are largely advisory. There is, however, a statutory requirement for the Council to seek the opinion of the Parliament before

adopting most of its proposals, and this would require the Commission to account for the non-adoption by the Council of any opinions of Parliament. *Parliamentary opinions* may be expressed in various ways, including written and oral questions to the Council or Commission, reports and resolutions of the Parliament, reports and letters from Committees, delegations or intergroups, and as personal letters (European Alliance with Indigenous Peoples, 1994).

European Parliament Resolutions are non-binding and declaratory (for example, a resolution condemning a particular state or a resolution embodying the opinion of Parliament on the Common Agricultural Policy). Public opinion in Europe influences the Union partly through the vehicle of the Parliament, whose resolutions and reports provide a pressure point for the definition of EU legislation. An additional class of *resolutions* is *Council Resolutions* which are texts that are not defined in the European Treaty but which are nevertheless binding on the EU and Member States—for example, the 1991 Resolution of Council on Human Rights, Democracy and Development.

Proposals tend to emanate from the Commission, in the form of a *Communication*. This is the first step towards the creation of a Directive or Regulation. Whilst the Parliament and the Council can make requests to the Commission to initiate legislation, the Commission has monopoly powers over the official legislative process. Directorates-General issue *internal documents* which may be taken up as *Proposals* by the Commission (ie. the body of twenty Commissioners). Internal documents may be binding (when, for example, they specify internal rules of procedure, in conformity with some superior EU law) though most are merely indicative of general policy, without the power of law.

See: Bainbridge and Teasdale, 1996; Weatherill and Beaumont, 1995.

Separate components of the development co-operation programme may also have their own distinct policy frameworks, as is the case with tropical forestry.

Since Maastricht, it has been a formal requirement that the Union and its Member States seek complementarity in the execution of their aid policies. The meaning of complementarity is a matter of controversy, with some actors interpreting it to mean that the Commission should not attempt to intervene where Member States are already competent, others that the Commission should adopt a coordination role, while yet others advocate that Commission intervention should be confined to new areas of development aid such as the environment (Hewitt, 1994, p.20).

3. THE EVOLUTION OF EC TROPICAL FORESTRY AID

3.1 Forms of financial aid

External relations between the Commission and its developing country partners are supported with a variety of forms of financial aid, but especially:

- The budget lines voted by the Parliament and administered by the directorates general, particu-

larly, in the context of tropical forestry aid, DG IB and DG VIII.

- Funds allocated to the European Development Fund (EDF) under the provisions of successive Lomé Conventions. The Lomé Convention is the major multilateral co-operation agreement between the EU and the developing world, and its co-signatories are seventy-one countries in the Africa, Caribbean and Pacific (ACP) regions. EDF funding commitments made under the respective Lomé Conventions are the mainstay of co-operation with ACP countries. Included in the EDF arrangements are 'programmable' and 'non-programmable' aid. The former refers to recipient country entitlements, as laid down in the national and regional indicative programmes, and the latter discretionary payments by the Commission on a case-by-case basis (Koning, 1997:130). Non-programmable aid includes STABEX (intended to stabilise the incomes of developing countries from key primary export commodities) and SYSMIN (which performs a similar role for minerals), as well as emergency aid, aid to refugees, interest rate subsidies and risk capital. About one-third of all EC development funds pass through the EDF. The goal of the Lomé Convention is to promote the economic, cultural and social development of ACP

states. Each successive Lomé Agreement is given a particular thematic and sectoral emphasis. Among the objectives of the current Lomé agreement (Lomé IVbis, 1995–2000) is protection of the environment.

3.2 Early efforts to develop strategic thinking

Expenditure on tropical forestry activities within the European Union, as within the development community in general, has been strongly influenced by international concerns and events.

The first attempts to develop thinking on forestry issues in a coordinated way arose out of the discussions leading to the publication, in 1979, of a draft document 'Forest Policy in the European Community' (*Bulletin of the European Communities* Supplement 3/79). While this document did not lead to the formulation of an EC Forest Policy Resolution, as had been the original intention (Germany and the UK are said to have blocked the attempt, for fear that this might lead to a common forestry policy parallel to the Common Agricultural Policy [CAP] and infringe national sovereignty over forestry matters), it was agreed that a set of common principles and objectives would form part of each Member State's national policy.

In the late 1970s, the EDF was the major source of funding for tropical forestry interventions, which were thus confined largely to members of the ACP group, through the channel of DG VIII. The EDF is, however, conditioned by its corresponding Convention, which meant that forestry initiatives tended to be components of programmes focusing on other concerns such as agriculture, trade or infrastructure, rather than a central focus of interest. This paralleled the situation in DG VI, in which forestry was dealt with as a sub-directorate of Agriculture, an institutional basis which followed the standard country-level model in the European Community.

In the 1980s, interest in tropical forestry was initiated by a number of Member States, particularly Germany. This interest can be related to events on the international scene, most notably the influential 1978 World Forestry Conference in Jakarta. In the 1980s, the European Community and its Member States were heavily involved in the development and support of two major international forestry initiatives: the International Tropical Timber Agreement (ITTA) and the Tropical Forestry Action Programme (TFAP).¹ By 1986, pressure within the Community for the recognition of forestry concerns was such as to encourage the formation of a forum of interested professionals within DGs I, VI, and VIII aiming to establish a 'general forestry framework'. In 1989, a set of tropical forestry

sector guidelines was drawn up by the DG VIII Forestry Advisor, and this led to the publication of an 'Introductory Guide to Tropical Forestry Project Preparation'; this was not, however, widely distributed until 1992.

3.3 Pre-UNCED tropical forestry aid strategy development in the EC

Starting in the mid-1980s, a series of Communications, Resolutions and Reports began to be issued by the Council and Commission, signalling growing concern within the Community about the environment, and the growing political importance of tropical forestry issues. The main policy and legislative landmarks are discussed below and summarised in Table 1.

Council Communication, 1986: '*Conservation des ressources naturelles et sur la lutte contre la désertification en Afrique*'

This Communication called for increased aid delivery for tropical forest activities in the African region.

Commission Communication, 1988: 'Community Strategy and Action Programme for the Forestry Sector related primarily to actions to be taken in Member States' (COM 88/255)

This Communication primarily focused on European forests but referred to 'technical and financial support of the Community for forestry projects in developing countries, which should be integrated into development programmes in a manner consistent with the principles and aims of the Community action programme for the conservation and rational utilisation of natural resources'.

Council Resolution, 1989: 'The Greenhouse Effect' (COM89/C 264/ 1.3)

This Resolution 'underlined the global dimension of the greenhouse effect and the need for the Community and the Member States to play their full part in the definition and implementation of a global response to the problem'.

Commission Communication of 1989: 'The Conservation of Tropical Forests: the role of the Community' (COM (89) 410)

This was the first major initiative in the specific area of tropical forests, and signalled the Commission's willingness to adopt a role in tropical forest conservation and management, independent of the activities of its Member States. A comprehensive document of 21 pages, the Communication outlined the context, causes, and consequences of deforestation, reviewed past and current efforts to combat deforestation, suggested remedies to improve the situation of tropical forests, and set out elements of a Community conservation strategy, including issues of development aid/co-operation, the timber trade, debt relief and the environment, and research/development. It recognised the urgency of the deforestation crisis, and stated that 'the deforestation crisis is complex and not susceptible to simplified solutions. Actions must be taken simultaneously on many

1. The EC mandate to intervene on international trade matters is enshrined in the Treaty of Rome, Article 115 of which states: 'Member States shall, in respect of all matters of particular interest to the common market, proceed within the framework of international organisations of an economic character only by common action'. This provision has allowed the Community to become a signatory to the International Tropical Timber Agreement (Decision 424 of 1985), where it is represented by the Commission, acting alongside the Member States (WWF, 1991:7).

Table 1: Main landmarks in the development of tropical forestry strategy development in the European Commission

Year	Type of communication	Name/title
1986	Council Communication	Conservation des ressources naturelles et sur la lutte contre la désertification en Afrique
1988	Commission Communication	Community Strategy and Action Programme for the Forestry Sector related primarily to actions taken in Member States (COM 88/255)
1989	Council Resolution	The Greenhouse Effect (COM 89/C 264/1.3)
1989	Commission Communication	The Conservation of Tropical Forests: the role of the Community (COM (89) 410)
1990	Council Resolution	Tropical Forests: development aspects (COM (89) 410-final)
1990	Council Summit	Dublin European Heads of State Summit
1992	Council	Lisbon Council of European Heads of State
1992	Memorandum to the Commission	Tropical forests: measures in the field of trade, co-operation and the promotion of investment and technology
1993	Commission Communication	Proposal for a Council Regulation (EEC) on Operations to Promote Tropical Forests (COM (93)53)
1995	Council Regulation	Operations to Promote Tropical Forests (Regulation No 3062/95)
1996/97	Technical manual published by DG VIII	Development and publication of The Guidelines for Forest Sector Development Co-operation

fronts'. It spoke in favour of investment and technical assistance priorities (in line with the TFAP project criteria), and of the need for institutional and fiscal reform within the forestry sector. FAO (through the TFAP) and the International Tropical Timber Organisation were identified as lead agencies in the implementation of a coordinated strategy at international level.

The Communication also stated that investment and technical assistance priorities should be 'forestry in land use', forest-based industrial development, fuelwood and energy, conservation of tropical forest ecosystems, and strengthening institutions. Under economic policies and national development planning, priority areas were listed as land reform, correcting inappropriate policy incentives both within and outside the forestry sector, aid agency investment (including the development of strict policy guidelines) and integrating forest resource management into national development planning. Under research, the priorities were to raise the generally low political and financial support for forestry research, to focus on 'rural forestry needs and alleviate rural poverty', and to ensure more effective integration of forestry and agricultural research.

A later (1992) Communication adopted by the Commission from DG 1 K2 (External Relations) refers to the 1989 Communication as the starting point for discussions and actions to protect tropical forests. To the regret of the environmental lobby, however, the Communication failed to acknowledge the limitations of the TFAP, did not address issues relating to the impact of European trade and industrial policies on tropical forest management, and made little reference to the rights of indigenous and forest-dependent populations (WWF, 1991:4).

Council Resolution, 1990: 'Tropical Forests: development aspects' (COM[89] 410-final)

This Council Resolution ratified the Commission Communication of 1989, and endorsed the need for a 'world-wide coordinated strategy for tropical forest resources', stating that 'the success of this strategy requires increased attention to forestry aid policies in the donor countries, appropriate policies and institutions in developing countries, and better coordination and additional resources from all donors'. The Resolution noted the need to double the level of donor resources devoted to forestry, and listed ten strategic priorities:

- responsibility for tropical forests to rest at the national level, but donors should help countries develop their institutional capacity to engage in conservation strategies;
- the TFAP was to be the basic framework for action;
- support to countries adopting appropriate conservation policies, especially concerning land use policies, and legal, fiscal and institutional measures;
- coherence and coordination of activities of the Member States and the EC;
- geographical allocation of forestry aid to be coordinated through the TFAP mechanism, with priority to the poorest countries;
- thematic support to be in accordance with TFAP priorities, especially concerning the integration of forestry activities with agriculture, fuelwood supply, protective reserves, sustainable forest management (SFM), and capacity building;
- the importance of the social dimension of forestry, especially indigenous forest peoples;
- involvement of NGOs in the TFAP process;

- support to ITTO objectives, especially as contained in the ITTO 'Guidelines for the Sustainable Management of Natural Tropical Forests';
- forestry research, especially in areas of SFM, non-timber forest products, biodiversity, valuation of environmental services, and reinforcing research capacities of developing countries.

While these documents indicate the potential role of the EC and some priority areas, they stop short of an operational strategy concerned with criteria for country selection, project type, etc. Although some of the 'new' dimensions appear (for example, the social dimensions, forest valuation and the potential of the timber trade), much faith was placed in the TFAP process in prioritising projects and countries, and forestry was still largely seen as part of a wider rural development or land use planning process.

A study of tropical forestry activities in the Commission by International Forest Science Consultancy (IFSC) in 1991 commented on the generally ad hoc response in the DGs to requests for assistance. It noted:

It could be assumed from this that the projects which have been implemented have represented, to some extent, the priorities of the recipient countries. However, closer investigation suggests that this may not be the case, and that projects have been selected not for their relevance to the forestry sector, but *for their relevance to other sectors which have been of priority to the Commission, such as agriculture or rural development*. (IFSC, 1991:17 – italics in original).

A view that there was an 'absence of a clearly detailed policy and strategy', and that 'much of the assistance took the form of forestry components within integrated rural development projects without being truly integrated in the activities – often being limited to the establishment of tree nurseries' (p.3) was put forward in the DG VIII Tropical Forestry Work Plan drawn up in 1991 by two national expert tropical foresters seconded to the Commission (Kriek and Robbins, 1991:3). They recommended a series of measures aiming to strengthen the planning, implementation, training and research capacity of the tropical forestry programme, relating to ACP collaboration, international action (TFAP, FAO, ITTO, FAO, UNCED), organisation of the Commission (inter-service co-operation) and specialist staffing.

Dublin European Heads of State (Council) Summit, 1990

The Dublin summit advocated the implementation of a Community action programme in favour of tropical forests and called for the Commission to elaborate proposals with regard to tropical forests, particularly in the Amazon region. The German Government, in particular, was instrumental both in Dublin in June and at the Houston G7 summit the following month, in pushing for common action on tropical forests, as a result of which the World Bank, in close co-operation with the EC, prepared a major pilot project in Brazil (the Brazil Pilot Programme). The extent of Germany's concern was reflected in the

production of a 1,000-page report by the Bundestag (Enquete-Kommission, 1990) on the state of tropical forests.

Parliament Resolutions, 1991

In 1991, the European Parliament adopted a number of resolutions on tropical forestry, which led to the creation of a tropical forestry budget line (see section 3.4).

Commission Working Paper, 1992: IB/205/96

Prepared for the UN Conference on the Environment and Development (UNCED) in Rio de Janeiro, this commented that 'the central role of tropical forests in the sustainable development strategy gave new impetus to co-operation in the [tropical forestry] field' (p.1).

3.4 Post-UNCED tropical forestry aid strategy development in the EC

Lisbon European Heads of State Summit, 1992

The Council of European Heads of State held in Lisbon in 1992, shortly after the Rio de Janeiro Conference, confirmed the Community's commitment to carry out the decisions of UNCED, including the integration of Agenda 21 and the (non-legally binding) statement of Forest Principles into appropriate policies of the Community and its Member States, as a matter of urgency. In particular, the UNCED Conference stimulated the consultative process which led to the ultimate allocation of a specific tropical forestry budget line.

The Community and its Member States adopted the UNCED Forest Principles, the Agenda 21 action plan and the Conventions on Biodiversity and Climate Change. According to the agreed principle of shared but differentiated responsibilities, they were committed not only to implement the UNCED agreement themselves, but also to provide financial and technical assistance to developing countries to help them to fulfill their own UNCED commitments.

Memorandum to the Commission, 1992, 'Tropical forests: measures in the fields of trade, co-operation and the promotion of investment and technology' (Ade V/191 en)

This was an internal document of the Commission. It made reference to the 1990 Dublin European Council and noted (p.2) that 'a considerable body of European public opinion is urging the Community to take action to protect the tropical forests. Parliament has issued numerous reports and resolutions calling for more active involvement on the part of the Community'. This Communication marked an increasing emphasis on the use of the timber trade and new technology (such as geographic information systems and improved logging/processing methods) to 'send a positive signal' to encourage sustainable management. The idea was mooted in the Memorandum of using the Generalised System of Preferences to encourage sustainable management (ie. preferential tariffs for 'progressive' countries). It proposed the allocation of funds from the new tropical forests

budget line to promote conservation of existing tropical forests (protected area management, fire prevention, etc.), improved logging techniques, sustainable farming methods, and improved forest management. Overall, the Communication indicated something of a shift away from social and rural development forestry towards a more sectorally specific approach oriented to sustainable management of closed forest areas.

The Fifth Environmental Action Plan, 1993: 'Towards Sustainability'

This was an EC-wide Environmental Action Plan, prepared by the 'global environment' unit in DG XI. While tropical forests are mentioned several times, they are not a major focus of the document.

Commission Communication, 1993: 'Proposal for a Council Regulation (EEC) on Operations to Promote Tropical Forests' (COM(93)53)

In January 1993, a 'Seminar on European Community Actions in favour of Tropical Forests' was held in Brussels to decide on the follow-up to the Rio Conference, to develop an EC tropical forest strategy, and to improve operational aspects of EC activities. Based on this Seminar and the earlier Commission Communication of 1989 and the Council Resolution of 1990, this Communication was presented to the European Council and Parliament. It proposed five main priority areas:

- conservation of forests supported by analysis of the underlying causes of deforestation and measures to address them;
- sustainable management of forests for the production of timber and other products;
- involvement of local populations, including forest dwellers, in planning and implementation;
- capacity building to address the needs for training, legislation and institutional strengthening in support of forest conservation;
- strategic, adaptive and policy research in support of the above actions.

The coordinating roles of TFAP and ITTO were again mentioned.

Internal report on forestry, 1994: 'Draft Report on Forestry From the European Community to the Commission on Sustainable Development International Co-operation' (VIII/A/1/GD/D(94)10.16CSD Report)

Written by the DG VIII forestry adviser, this report stated that the Commission should follow two main objectives:

- to strengthen the foundations of sustainable development through building capacity to create an enabling framework for actors and processes involved in the forestry sector, through actively integrating the forestry issue into EU co-operation policy, and by accelerating on-going discussions at the international level;
- to make substantial investments in the forestry sector to achieve sustainable forest management, contribute to biodiversity conservation, fight

climate change and create forest resources, improve timber marketing and trade from sustainable resources (especially through certification), and to alleviate the conditions of indigenous and other forest-dependent peoples.

The report goes on to discuss in greater detail several principles regarded as central to EU policy including the tracing and certification of timber, trade preferences for sustainable sources of timber, efficient harvesting and processing of timber, economic diversification, support for indigenous peoples and local communities, institutional strengthening, capacity building and research. It also indicates the shift to a more sector-specific focus, and can be seen as a forerunner of the 1996 *Guidelines for Forest Sector Co-operation* (see below).

Council Regulation, 1995: 'Operations to Promote Tropical Forests' (Regulation No. 3062/95)

The Council's response to the 1993 Communication arrived in December 1995, and provided a legal basis for the Tropical Forests budget line (see below). Article 2 laid down criteria for the definition of key terms, such as 'tropical forests' (to include all forests between the 30 degree latitudes, dry and secondary forests, as well as tropical moist forests), 'conservation', 'forest peoples', 'sustainable management' and 'sustainable development'. The Regulation supported strategic country-level processes, giving priority to eight main lines of action to promote forest management:

- conservation and renewal of primary forest;
- sustainable forest management 'but excluding commercial logging operations in primary tropical forests, except those which are community-based';
- timber certification systems;
- provision of information to forest people to facilitate their participation;
- capacity building for local forest management and legislation;
- strategic and adaptive research for conservation and sustainable management;
- development of buffer zones;
- development and implementation of forest management plans.

The need for special emphasis on environmental services (ranging from local watershed protection to global effects such as climate change and loss of biodiversity) was also established in the Regulation. Again, the shift towards natural forest management and conservation was marked, and support for plantations and industrial forestry was explicitly excluded. From about 1992, this shift in the environment and development debate to a prioritisation within the forest sector and an increasing emphasis on tropical forests was partly the result of the influence of concerned MEPs, pressures from Member States (especially Germany and the Netherlands), and the growing influence of the European Tropical Forestry Advisers' Group (ETFAG).

Lomé IV bis, 1995

Lomé IV bis was signed in 1995 and gave formal recognition to the threat of deforestation, as well as to the need for joint intergovernmental action. Environmental objectives were listed as basic aims to be pursued by the ACP states with Community support. The Convention carried a requirement that all future projects should be subject to an environmental assessment. It also included an important new Protocol (Protocol 10) on the sustainable management of forest resources, similar to those laid down in the 1995 regulation.

Guidelines for Forest Sector Development Co-operation, 1996

This three-volume set of publications, known in the Commission as the 'Manual', was coordinated by DG VIII and drafted by PARTICP GmbH, a German consultancy firm, based on discussions with a range of experts from different Member States including LTS International, SGS Forestry and the International Institute for Environment and Development (UK), Indufor Oy and Finnish Training Partners (FTP) International (Finland) and CIRAD-Forêt (France), as well as workshops in the EU, a widely distributed questionnaire, inputs from ETFAG and an informal steering group of forestry experts in the EC. For a discussion of the *Guidelines* see DG VIII Chapter, Section 3.5.

4. THE EVOLUTION OF FINANCING INSTRUMENTS IN TROPICAL FORESTRY AID

The creation of a new budget line in 1982, 'Ecology in Developing Countries' (Article 946), provided one of the earliest sources of funds for tropical forests, through a budget line managed by DG VIII/DG I. Actions on tropical forests were also funded under the 'Anti-desertification' budget line (Article 958).

Growing recognition of the environmental crisis and of the importance of tropical forests in environmental management led to the creation of two important budget lines in the early 1990s. In 1990/1, B7-5040 'Environment in Developing Countries' replaced Article 946, and was placed under the joint management of DG I and DG VIII. While not dedicated solely to the forestry sector, this budget line was an important source of finance for forestry projects until the development of the Tropical Forests budget line. In 1996, it was renumbered as B7-6200.

In 1991, the sectorally specific budget line B7-5041 'Operations to Promote Tropical Forests' was opened with a budget of ECU 2 m., again under the joint management of DG I and DG VIII. In 1992, an annual allocation of ECU 50 m. was assigned to it and in 1996 it was renamed 'Actions in Favour of Tropical Forests' and renumbered as B7-6201. Creation of this budget line (which owed much to the influence of the European Parliament) was the most significant event in the

Table 2: Major EU funding sources for tropical forestry

Budget Line	Title	Formerly numbered as	Directorate(s)-general (reporting responsibility in bold)
B7-6201	'Actions in Favour of Tropical Forests'	B7-5041 ('Operations to promote tropical forests')	DG IB and DG VIII
B7-3000	'Aid and co-operation with Asian developing countries'	Article 930 'Financial and technical co-operation with Latin America and Asia developing countries'	DG IB
B7-3010	'Aid and co-operation with Latin American developing countries'		
B7-6200	'Environment in Developing Countries'	B7-5040 prev. Article 946 ('Ecology in Developing Countries')	DG VIII and DG IB (co-managed)
European Development Fund (Lomé)	presently EDF 7 (<i>LoméIV bis</i>) National and Regional Indicative Programmes	EDF 1-6 (Lomé 1-4)	DG VIII
B7-6000	'Community Participation in actions in favour of developing countries, carried out by NGOs'	Article 941 'Co-financing with NGOs'	DG VIII
B7-8110	'Contribution to international environmental activities'	B4-3046 'Global environment'	DG XI
Frameworks INCO-DC	Currently 4th. Framework Programme for Research and Technological Development	Framework Programmes for Science and Technology for Development (STD)	DG XII

Table 3: Forestry Aid by Directorate-General 1992–6 and as a Percentage of EC Aid to Tropical Regions^a 1992–5 (ECU m. committed)

	1992	1993	1994	1995	1996
Forestry aid					
DG 1B ^b	60.7	53.2	84.5	73.5	29.5
DG VIII ^c	44.3	22.3	20.8	17.7	33.7
DG XI ^b	0.72	1.2	1.06	1.08	0.6
DG XII ^c	3.67	3.72	5.41	1.41	4.22
Total forestry aid	109.4	80.4	111.87	93.7	68.0
Total EC Aid to Tropical Regions ^d	4025	3956	4672	4207	n/a
Forestry Aid as % Total Aid	2.7	2.0	2.4	2.2	n/a

^{a)} Comprises aid commitments to ACP countries, South Africa, Asia and Latin America, and excluding the Middle East.

^{b)} Source: data presented in this Sourcebook.

^{c)} Planistat, 1996

^{d)} Cox and Koning, 1997

evolution of tropical forest activities and signalled a clear recognition by the Union of the centrality of tropical forests in both conservation and development.

Another very important budget line for tropical forestry activities has been the geographically-based 'Aid and co-operation with Asian developing countries' (B7–3000), and to a much lesser extent 'Aid and co-operation with Latin American developing countries' (B7–3010). These budget lines are managed by the geographical directorates in DG IB.

In DG XI, the annual budget line 'Contribution to international environmental activities (B7–8110) is thematically based, focusing on support for international conventions and other fora, workshops, conferences, publications and small field projects in four main areas of global environmental action: forestry, biodiversity, climate change and the ozone layer.

Funding under the research budget line of DG XII operates rather differently from the other budget lines. DG XII funds are made available periodically under 'frameworks'. Under the present (4th.) framework (1994–8), support for tropical forestry is potentially available under the sub-rubric INCO-DC ['Scientific and Technological Co-operation with Developing Countries' (DC) of the rubric 'Co-operation with Third Countries and International Organisations' (INCO)]. There is, however, no budget earmarked for tropical forestry projects which must compete with other projects in the agriculture/natural resources sector.

Funds for tropical forestry projects may also be made available through the National and Regional Indicative Programmes of the various phases of the European Development Fund.

The tropical forestry aid commitments of the four main Directorate-Generals involved in forestry aid are presented in Table 3 for the period 1992–6, as well as the estimated total EC aid commitments to tropical regions (excluding the Middle East). During the 1992–5 period, forestry aid varied between 2.0% and 2.7% of total aid commitments. For the period 1976–90, the average annual tropical forestry expenditure was ECU 33 m., also about 2% of total EC aid (IFSC, 1991).

REFERENCES

- Bainbridge, T. and Teasdale, A. (1996) *The Penguin Companion to European Union*, Penguin Books, Harmondsworth.
- Bright, C. (1995) *The EU: Understanding the Brussels Process*, John Wiley & Sons, Chichester.
- Cox, A., Healey, J. and Koning, A. (1997) *How European Aid Works: A Comparison of Management Systems and Effectiveness*, Overseas Development Institute, London.
- Cox, A. and Koning, A. (1997) *Understanding European Community Aid: Aid Policies, Management and Distribution Explained*, Overseas Development Institute, London.
- Enquete-Kommission "Schutz der Erdatmosphäre" des Deutschen Bundestages (1990) *Schutz der tropischen Wälder. Eine internationale Schwerpunktaufgabe*. 2nd report submitted by the 11th German Bundestag's Enquete Commission "Protecting the Earth's Atmosphere". Economica Verlag, Bonn.
- Hewitt, A. (1994) 'The European Union: Fundamental Change Without Crisis', in Hewitt, A (Ed.) *Crisis or Transition in Foreign Aid*, Overseas Development Institute, London.
- IFSC (1991). Review of the European Economic Community. Tropical Forest Sector Activities 1976–1990. International Forest Science Consultancy. Edinburgh, Scotland
- Koning, A. (1997) 'The European Commission: EDF Aid Management' in Cox *et al.*
- Kriek, W. and Robbins, M. (1991) 'DG VIII Tropical Forestry Work Plan', Internal EC document, Brussels.
- Planistat (1997) *Analyse statistique des projets financés par la Commission Européenne dans le domaine des forêts tropicales*, Planistat-Europe, Paris.
- Weatherill, S. and Beaumont, P. (1995) *EC Law*, Second edition, Penguin Books, Harmondsworth.
- World Wide Fund for Nature (1991) *European Community Policy and Tropical Forests*, WWF International, Gland, Switzerland.

ACRONYMS

ACP	African, Caribbean and Pacific
CAP	Common Agricultural Policy
CIRAD-Forêt	Centre de Co-opération Internationale en recherche agronomique pour le développement (Forestry Department), France
DG	Directorate-General
EC	European Community
EDF	European Development Fund
EIB	European Investment Bank
ETFAG	European Tropical Forest Advisory Group
EU	European Union
FAO	Food and Agriculture Organization of the United Nations

FPT	Finnish Training Partners International, Finland
GIS	Geographic Information System
IFSC	International Forest Science Consultancy
IIED	International Institute for Environment and Development
ITTA	International Tropical Timber Agreement
ITTO	International Tropical Timber Organization
LTS	LTS International, Edinburgh, UK
NGO	Non-Governmental Organization
NTFP	non-timber forest product
SFM	Sustainable Forest Management
SGS	SGS Silviconsult, Oxford, UK
STD	Science and Technology for Development
TFAP	Tropical Forestry Action Programme
UNCED	United Nations Conference on Environment and Development
WWF	World Wide Fund for Nature

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to ECU 1.09.

DG IB

Catherine Ghyoot and Michael Richards

Contents

1.	EVOLUTION OF DG IB'S INVOLVEMENT IN TROPICAL FORESTRY	43
1.1	Evolution and present structure of Directorate General IB	43
1.2	Development of EU forestry interest in the ALA region	43
2.	STRUCTURE OF AID DELIVERY	43
2.1	Evolution and management of horizontal budget lines	43
2.2	Evolution and management of geographical budget lines	45
2.3	Aid delivery mechanisms	45
2.4	Ratio of forestry budget to in-house forestry advisory staff	45
3.	STRATEGY AND POLICY	46
3.1	Tropical Forests budget line	46
3.1.1	Legal basis: the 1995 Council Regulation	46
3.1.2	An emerging strategy in Unit D4	46
3.2	Strategic viewpoints from the geographical Directorates	47
3.3	Policy on project size	48
4.	GEOGRAPHIC AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	48
4.1	Definitional issues	48
4.2	Overview of tropical forestry aid before 1990	48
4.2.1	Geographical budget line 930	48
4.2.2	Horizontal budget lines	48
4.2.3	Geographical spread	48
4.3	Overview of tropical forestry aid 1990–6	49
4.4	Projects funded by geographical spread 1992–6	49
4.4.1	Distribution by region	49
4.4.2	Distribution by country	50
4.5	Projects funded by type	52
4.5.1	Before 1990	52
4.5.2	1992–6 period	52
5.	PROJECT CYCLE MANAGEMENT	54
5.1	Project identification and appraisal	54
5.1.1	Tropical Forests budget line	54
5.1.2	ALA geographical budget lines (B-3000 and B-3010)	55
5.2	Project implementation	56
5.3	Monitoring and evaluation	56
5.4	Constraints on more effective project cycle management	56
6.	PROJECT REVIEWS	57
6.1	The Pilot Programme to Conserve the Brazilian Rain Forest (PPB)	57
6.2	The COAMA Project	59
6.3	Evolution of the Indonesia portfolio of forestry projects	60
7.	CONCLUSIONS AND TRENDS	61
	REFERENCES	62
	KEY CONTACTS	62
	ACRONYMS	62
	ACKNOWLEDGEMENTS	63

1. EVOLUTION OF DG IB'S INVOLVEMENT IN TROPICAL FORESTRY

1.1 Evolution and present structure of Directorate General IB

The evolution of DG IB's involvement in tropical forestry aid reflects both its short history and the relatively recent attention given by the EC to non-ACP countries – especially Latin America. Formerly, Unit 2 of Directorate K ('North-South Relations') in DG I ('External Economic Relations') dealt with the environment as well as economic relations with international organisations. The first tropical forestry activities in Asia and Latin America (ALA) were thus initiated in DG IK 2. Since 1993, DG I has been gradually subdivided into three Directorates General. In 1993, DG IA ('External Policy Relations') was established to deal specifically with Eastern Europe, and in September 1995, DG IB was created with the title 'External Relations: Southern Mediterranean, Middle and Near East, Latin America, South and South-East Asia and North South-Co-operation'. In 1996, DG I was itself renamed 'External Relations: commercial policy and relations with North America, the Far East, Australia and New Zealand', while DG 1A became 'External Relations: Europe and the new independent States, common foreign and security policy and external missions'. Thus there are now three distinct but related Directorates General, DG I, DG IA and DG IB, each with a series of Directorates. The new DG IB is an amalgam of four of the original DG I Directorates and the new Directorate E – Finance and Resources.

Figure 1 presents the main Directorates (rather than a complete organogram) of DG IB, with the sections of most significance for forestry capitalised. Directorates A, B and C are geographically based, while Directorates D and E are thematically or 'horizontally' based. Under the Geographical Directorates B and C, the two Technical Units (B4 and C4), and some of the 'Geographical Desks', especially Unit C3, are most important for forestry. The Technical Units, interacting with the country desk officers, manage the projects funded under the Asia and Latin America (ALA) budget lines 'Financial and Technical Co-operation with Asian developing countries' (B7-3000) and 'Financial and Technical Co-operation with Latin American developing countries' (B7-3010) – referred to here as the ALA or 'geographical' budget lines. Most of the comments about the geographical budget lines in this chapter refer to the South and South-East Asia Directorate¹, or Asia for short, given the relatively low level of forestry commitments under the Latin American budget line (see section 4.2). Unit D4, under the 'horizontal' Directorate of North-South Relations, manages the 'horizontal' budget lines 'Actions in favour of Tropical Forests' (B7-6201) and 'Environment in Developing Countries' (B7-6200).

1.2 Development of EC forestry interest in the ALA region

Until the international initiatives of the late 1980s and early 1990s, non-ACP countries appeared to be of secondary importance for EC forestry aid. However, a shift in regional priorities occurred at the end of the 1980s. For example, the June 1990 European Council meeting in Dublin mandated the Commission to draw up concrete proposals for the Amazon region. The 1990 Council Resolution suggests an important shift in sectoral priorities for the ALA region: 'in its future consideration of co-operation with developing countries in Asia and Latin America, the Council feels that greater emphasis must be placed on the conservation of tropical forests. ... The Council notes with interest the Commission's intention to propose a programme for forest conservation with eight Amazonian countries' (COM (89) 410 final, p.3).

Furthermore, the February 1992 Council Regulation on aid and economic co-operation with Asia and Latin America stated that 'protection of the environment and natural resources, and sustainable development, shall be long-term priorities. 10%, being the average of the necessary financial resources of the aid, for the period 1991 to 1995, shall be set aside for projects specifically aimed at protecting the environment, in particular tropical forests' (EEC 443/92, Art. 5, p.2). A revised version of this Regulation (also 1992) confirmed that protection of the environment and tropical forests should be regarded as a specific component in aid and economic co-operation, rather than being subsumed under the term 'rural development'.

2. STRUCTURE OF AID DELIVERY

2.1 Evolution and management of horizontal budget lines

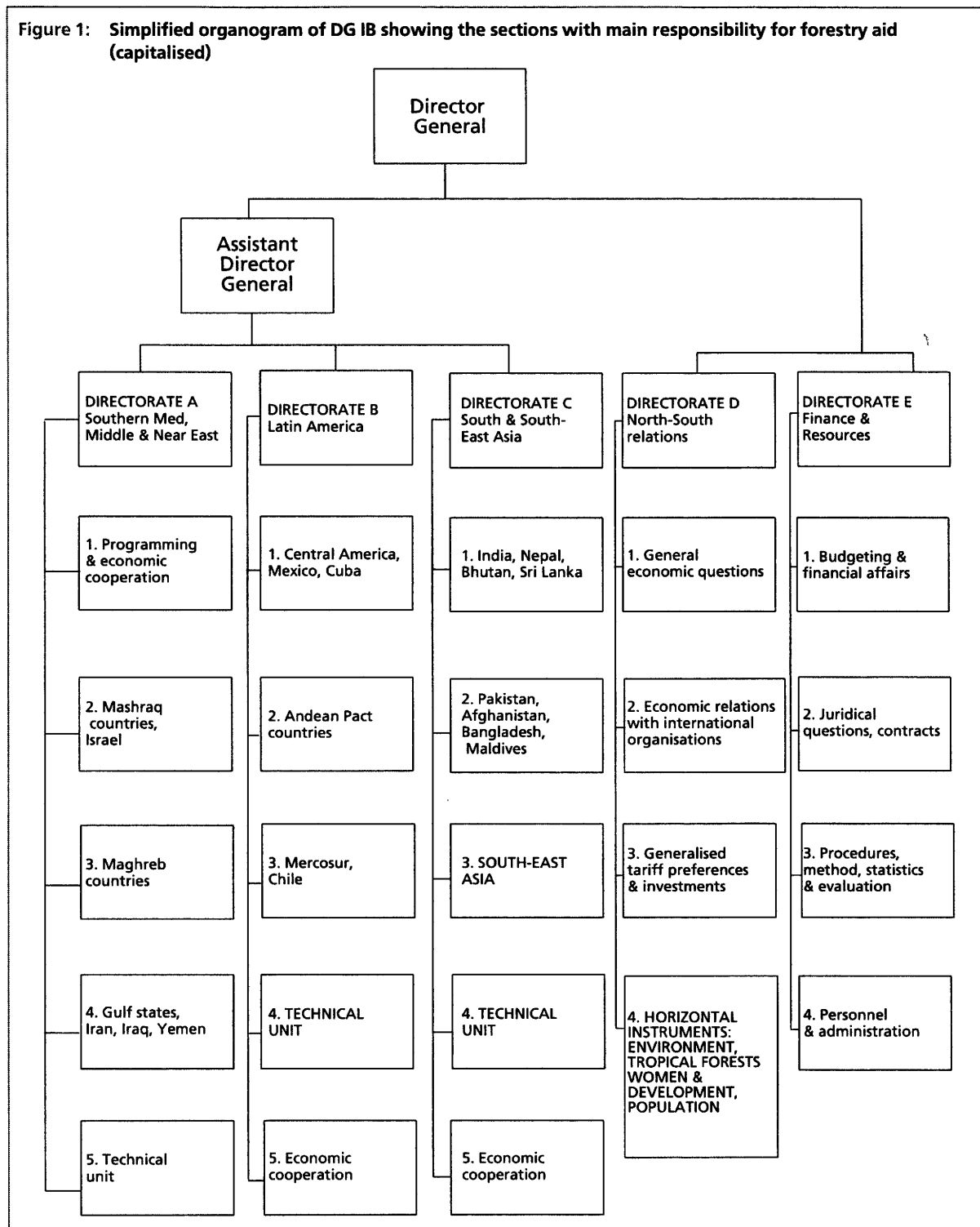
The first actions in favour of tropical forests were implemented and financed under budget line 946 'Ecology in Developing Countries' created in 1982. This budget line was relatively small and, up to 1993, was co-managed by DG VIII (the main manager), DG I K2 and DG XI. DG I K2's role was principally at the project identification stage, with some participation in monitoring and evaluation. Many of the projects funded were pilot projects, environmental studies and actions to stimulate international dialogue.

In 1990, budget line B7-5040 'Environment in Developing Countries' replaced budget line 946. Biodiversity conservation was the main priority, but it was the main source of finance for forestry projects until ECU 50 m. were put into the Tropical Forests budget line in 1992. In 1996, budget line B7-5040 became B7-6200, as shown in Table 1.

The budget line entitled 'Operations to promote Tropical Forests' (B7-5041) was created in 1991 with ECU 2 m. assigned to it. At first it was still mainly managed by DG VIII. In April 1992, a further ECU 50 m. was added, and thereafter ECU 50 m. a year was shared between the two DGs – a level to be continued at least until 1999. The legal basis of the Tropical Forests budget line was developed in the 1995 Council Regulation 'Operations to promote Tropical Forests'

1. This excludes China, Japan, Korea, Hong Kong, Macao and Taiwan, which come under DG I Directorate F.

Figure 1: Simplified organogram of DG IB showing the sections with main responsibility for forestry aid (capitalised)



(see section 3.1.1), and in 1996 it was renamed 'Actions in favour of Tropical Forests' (B7-6201). This chapter deals only with DG IB's share (about 70%) of this budget line.

There is an important distinction between large (over ECU 1 m.) and small (less than ECU 1 m.) projects, and between the appraisal and management stages of projects financed under B7-6201. All projects are appraised in Unit D4, but most large, predominantly public sector projects are managed by the Technical

Units of the geographical Directorates. The two exceptions to this have been the projects coming under the umbrella Pilot Programme of Brazil (PPB) and the second phase of an indigenous peoples' project in Colombia²: in these cases, D4 has assumed responsibility for the whole project cycle.

2. The *Conservación de la Amazonía y de su Medio Ambiente* (Conservation of the Amazon and its Environment - COAMA) project.

Small project applications, mainly from NGOs and universities, but sometimes also from public sector institutions, are both appraised and managed by Unit D4, unless they are for less than ECU 300,000, in which case they are sent to the NGO budget line in DG VIII. The Tropical Forests budget line is very flexible in terms of who can apply for funding: national or regional governments, Northern or Southern NGOs, universities, and regional organisations.

The Tropical Forests budget line is managed principally by two technical officers, both foresters with tropical experience, located in Unit D4 under the Head of Sector (Environment and Tropical Forests), who is a lawyer/economist by training. A further technical officer, a lawyer, manages two timber trade and certification projects. This officer is responsible for DG IB's 'timber certification dossier'.

2.2 Evolution and management of geographical budget lines

Budget line 930 financed the main proportion of tropical forestry activities in ALA countries until 1990, when it was sub-divided into B7-3000 'Financial and Technical Co-operation in Asian developing countries' and B7-3010 'Financial and Technical Co-operation in Latin American developing countries', henceforth called the Asian and Latin American budget lines respectively (see Table 1). A review of EC forestry aid in 1991 (IFSC, 1991) identified 15 projects over the period 1976-90 from budget line 930 with a total commitment of ECU 72 m. (ECU 4.8 m. per project). As already mentioned (Section 1.2), it was stipulated in 1992 that 10% of the total ALA budget should be committed to environmental projects.

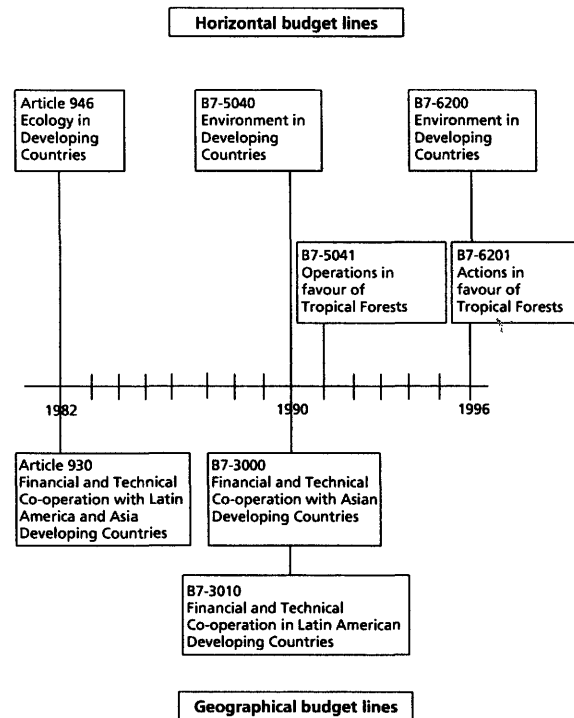
In the case of the ALA or geographical budget lines, a process of consultation and negotiation based on country strategy papers drawn up by the country desk officers may lead to the inclusion of forestry projects. The ALA country desk officers, grouped into Units 1 to 3 of Directorates B and C, deal with political and trade issues, inform and respond to the European Parliament and other DGs, develop country strategy papers, and play a consultative role in the development of projects with the Technical Units and the national or regional (in the case of Central America) EU Delegations.

The main role of the Technical Units in the geographical Directorates is to manage the project cycle, support the country desk officers, and organise major mid-term reviews and evaluations. The Asia Technical Unit has an officer assigned to forestry projects, a biologist by training, while the Head of Social Development in the Latin America Technical Unit is a forester.

2.3 Aid delivery mechanisms

In the case of 'small' projects coming under Unit D4, aid delivery is in the hands of the funded NGO, university or state/private sector institution. 'Large' projects, whether from the geographical or horizontal budget lines, are appraised and evaluated by one of five (one for each main region) European consultancy consortia³,

Table 1. Timeline showing evolution of DG IB budget lines



which competed successfully to form part of the 'Framework Agreement'. For a specific task, the consultancy group has to submit several candidate experts for the Commission technical officer to decide between them. The Framework Agreement system applies only to short-term consultancy inputs.

Large projects are normally implemented by European consultancy firms, selected following a public tendering process, in partnership with counterpart institutions (normally government departments). The main exceptions to this are the Brazil Pilot Programme (see section 6.1), and some of the Amerindian projects on the Tropical Forests budget line which are executed or coordinated by European NGOs such as Ibis of Denmark and the UK Gaia Foundation.

Field project management is shared by an EC co-director (recruited by the consultants) and a counterpart co-director. The co-directors share the decision-making and accountability to the executing agency (the counterpart ministry), the project steering committee, and the EC (including the EU Delegation). Each large project has a steering committee, composed of EC and national representatives, which approves the annual work plans and budgets, and provides institutional coordination and overall direction.

2.4 Ratio of forestry budget to in-house forestry advisory staff

Three technical officers provide most of the forestry advice in DG IB, leaving aside the forester in the Latin American Technical Unit, given the (relatively) insignificant level of 'forestry' aid from B7-3010 (see section 4.1). Total committed funds to 'tropical forestry' from 1992 to 1996 from the four budget lines to ALA

3. The current five consortia of consultants are Euragri 2, ACE, EURONET, ARCA and CEPT

countries amounted to about ECU 300 m., or ECU 60 m. per year. Thus tropical forestry budgetary commitments averaged about ECU 20 m. per annum per technical officer. It should be noted that one of the forestry technical officers in Unit D4 was a 'national expert' seconded to the Commission by the British aid programme. DG IB also uses voluntary *stagiaires* as a means of supplementing staff resources.

3. STRATEGY AND POLICY

3.1 Tropical Forests budget line

3.1.1 Legal basis: the 1995 Council Regulation

As described in Chapter 2 (section 3.4), the December 1995 Council Regulation 'Operations to Promote Tropical Forests' (Regulation 3062/95) stemmed from a number of earlier communications, especially the 1993 Commission Communication (to the European Council and Parliament) 'Proposal for a Council Regulation on Operations to Promote Tropical Forests' (COM (95) 53). Section 3.4 of Chapter 2 also describes the main contents of the Council Regulation, but in view of their fundamental importance for this chapter, the eight priority action areas are repeated here:

- conservation and renewal of primary tropical forest and biodiversity;
- sustainable forest management 'excluding commercial logging operations in primary tropical forests, except those which are community-based';
- definition and development of timber certification systems;
- provision of information and support to forest peoples;
- capacity-building, especially strengthening the legal, policy, social and institutional basis for forest management and conservation;
- strategic and adaptive research for conservation and sustainable forest management;
- development of buffer zones;
- development and implementation of forest management plans.

The Regulation suggests a shift (from earlier legislation) to a more sector-specific focus which emphasises the promotion of natural forest management, while maintaining the importance of 'defensive' biodiversity conservation.

3.1.2 An emerging strategy in Unit D4

Within DG IB, Unit D4 has the main responsibility for strategic thinking in the forestry aid programme. Initially project identification and selection on the Tropical Forests budget line was on the whole reactive or demand-driven. D4 responded to requests from governments and NGOs, rather than setting geographical and thematic criteria. This partly explains the bias to Latin America, where local capacity to present projects has been greater than in Asia. In the early years of the budget line, and in the absence of a legal basis, 'strategy' tended to reflect the development philosophies of the technical officers. In the 1991-2 period, two technical officers were recruited to manage the new Tropical Forests budget line, an agricultural economist and an

ecologist. The economist tended to promote larger public sector and multi-institutional projects, while the ecologist concentrated on smaller 'bottom-up' NGO-based projects.

Several factors should be taken into account when considering the lack of an identifiable operational strategy, at least until 1996, in DG IB's tropical forestry aid programme. First, this situation was common across the DGs; for example, Kriek and Robbins (1991) point out the 'absence of a clearly detailed policy and strategy' for tropical forestry in the EC in general. Secondly, the adoption of forestry aid responsibilities by DG IB and its forerunner DG IK has been a very recent development – it only took over the overall management of the Tropical Forests budget line from DG VIII in 1993. Thirdly, the Tropical Forests budget line was launched in haste in 1992 with the minimum of operational procedures, and the constant pressure of project cycle management on the D4 technical officers has resulted in little time for strategic thinking and systematisation. But the situation is changing, and it can be argued that an operational forestry strategy is in the process of emerging, based on the 1995 Council Regulation and various instruments associated with it.

Also, by 1996 two foresters had replaced the economist and the ecologist and, in consultation with the Head of Unit, had split up the ALA region geographically – one dealing with Asia and Brazil, the other with the rest of Latin America. They have been keen to systematise project cycle methodology, and to develop a more pro-active approach to project identification. An indication of this is an on-going initiative to clarify forest sector priorities in India. There are also moves to develop greater regional coordination and coherence among projects, for example through regional meetings bringing together EC projects.

Various reports and internal papers from Unit D4 indicate the direction of strategic thinking on the use of the Tropical Forests budget line. The Commission's 1996 Working Paper (European Commission, 1996a), reporting to Parliament on the progress of the budget line, highlighted four main areas of activity over the 1992-5 period:

- sustainable management of protected areas;
- support for indigenous forest peoples;
- actions to promote timber certification;
- information management and research (although this referred more to DG XII).

It listed as future priorities: conservation and regeneration of primary forests, sustainable management, timber certification, winning the backing of local communities, developing operational capacities, and strategic and applied research. Two particular areas for future focus were singled out: the timber trade and certification, and biotechnology. The report expected a shift in European demand to 'sustainably managed' tropical timber, stating that this could be 'a testing ground for environmentally compatible trade ... from 1998 the new scheme of generalised preferences will be backing up tropical countries' efforts by giving timber imported from sustainably managed forests improved access to the European market' (p.11). Central to this strategy would be the design and development of certification systems, and a more central role for the private sector.

The private sector was also seen as having a key role in the area of biotechnology development: it was stated that 'certain Community instruments – among them European Community Investment Partners (ECIP) – should be able to help develop synergies between European firms and partners in the tropical countries' (p.12). The report also highlighted the importance of improved coordination with EU Member States, the evaluation of the budget line in 1997, and the development of a tropical forestry strategy in association with the 1996 Guidelines for Forest Sector Development Co-operation (see Chapter 4, section 3.5).

An internal paper written by the D4 technical officers in 1996 (European Commission, 1996b) was of the opinion that the budget line had been too demand-driven in the past, and that there was a need for a set of strategic objectives based on the 1995 Council Regulation and for more systematic evaluation of projects. Outputs from this process should include a policy paper, the Financing Guide (see below) and a set of selection criteria for the aid programme. This paper identified some possible strategic priorities, involving modification of existing (unformalised) priorities:

- a more balanced geographical spread than the 75%:25% Latin America:Asia division over the period 1992–6, taking account of the more severe deforestation and demographic pressures in Asia. It pointed out that past allocation had been biased because of 'the ability of certain regions or countries to comply with administrative requirements set by the Commission', coupled with the higher density of NGOs and EU Delegations in Latin America, and suggested that a strategy paper be commissioned to redress the balance;
- clearer prioritisation of project type. The 1992–5 spread of projects showed 'strict conservation initiatives and agroforestry' as the main priorities, while actions to promote natural forest management had 'not been significant.' It argued that more attention should be given to the issues of logging and non-timber forest products (NTFPs), given the strong links to the welfare of local people, as well as to reforestation to reduce the pressure on natural forests;
- addressing the neglected potential for providing tropical countries and forest peoples with the capacity to make use of biotechnology applications, particularly in the fields of nutrition, pharmacology and pest control;
- rectifying the absence of the local private sector in DG IB's actions, particularly in the area of timber certification;
- providing more policy and institutional support to improve state organisational efficiency (often a key constraint to sustainable management);
- increased funding of small projects in view of the desirability of working with local organisations before scaling-up, and as a way of working with isolated populations not covered by the larger projects;
- increased funding of thematic projects with global significance (for example, the CIFOR 'criteria and indicators for sustainable forest management' research project).

The 'Guide for the Financing of Projects Undertaken in Developing Countries' (European Commission, 1996c), also developed in Unit D4, lists five main types of projects to be financed:

- initiatives and pilot projects likely to contribute to sustainable forest management and conservation;
- analysis of the effects of projects, programmes, strategies and policies on forests;
- preparation of guidelines and instruments for sustainable development and environmental integration;
- evaluation of the 'conformity' of projects, strategies and policies with sustainable development and conservation objectives;
- institutional strengthening and capacity development.

This appears to place a strong emphasis on the development of a firmer conceptual, methodological and institutional basis for tropical forestry interventions.

Finally, the 'Tropical Forest in Developing Countries Project Screening Form for the Technical Committee' (European Commission, 1996d) is a project selection checklist which aims to assist officials in screening projects coming through the Tropical Forests budget line. The checklist covers whether the project falls within the terms of the 1995 Council Regulation; its 'technical quality', including a log framework-style analysis of the logical connections between the problem, objectives, outputs, activities and inputs; the quality of stakeholder, social, gender, risk and sustainability analysis; and a set of 'characteristics for prioritising' based on the project's potential in terms of its replicability, how much of a catalyst for other activities and how innovative it is, whether it tackles key forest issues, etc. Other factors to be considered include complementarity between EC and Member State actions, the poverty of beneficiaries, and the visibility of EC actions.

3.2 Strategic viewpoints from the geographical Directorates

The geographical desks and Technical Units do not have a sectoral policy or strategy development role; this is, or should be, provided by the horizontal Directorate (i.e. Unit D4). Rather, the country desk officers in the geographical Directorates write the country strategy papers, with (since mid-1996) considerable inputs from the Technical Unit in the case of the Asia Directorate. The country strategy paper defines the sectoral scope for aid.

Project identification on the Asia budget line has been more pro-active than on the other budget lines in DG IB (at least in the case of forestry). The Director and Unit Heads in Directorate C decide on country priorities, and then, within the boundaries of the country strategy papers, allow different sectoral interests to compete for the country's budget. The technical officer responsible for forestry in the Asia Technical Unit regarded helping to influence the share of forestry in the country budgets as an important role.

Some country desk officers have also been able to encourage a more strategic and coordinated approach in forestry aid delivery. For example, the Forest Liaison

Bureau in Indonesia was set up to provide coordination and overview in the EC-Indonesia Forestry Programme, to encourage positive forest policies by the Indonesian Government, and to improve links with EU Member State bilateral programmes.

3.3 Policy on project size

In DG IB there is considerable backing for large projects. Several aid officials, in both the geographical and horizontal Directorates, mentioned the expediency of larger projects because project management by Commission staff was not cost-effective for small projects. A 'threshold' project size in relation to staff requirements was mentioned in a 1996 D4 internal circular.⁴

The largest forestry projects have been on the Asia budget line; for example Indonesia has benefited from three projects in excess of ECU 25 m. (see section 6.3). D4 has also witnessed several large programmes in recent years, most obviously the Brazil Pilot Programme, the Central America Agricultural Frontier Programme, protected area projects in Peru and Venezuela, and the Treaty for Amazon Co-operation. While such projects are favoured because of their potential for a more strategic and intersectoral approach, D4 technical officers pointed out that smaller (less than ECU 1 m.) and more flexible NGO projects have tended to be most successful in the past, and play an important pilot or experimental role for larger projects.

4. GEOGRAPHIC AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

4.1 Definitional issues

In the absence of an in-house definition of 'forestry', the definition of a forestry project has largely followed the classifications used by ERM (1996) and Planistat (1997), resulting in a narrow definition of forestry in the case of the geographical budget lines, and a relatively broad definition in the case of the Tropical Forests budget line.

In the case of the latter, it could be argued that many of the projects funded have had relatively minor 'forestry' components. For example, several projects with Amerindian groups have been based on the hypothesis that their stability is key to forest conservation; thus the main emphasis has been on social and institution-building activities, although the project purpose is usually phrased in terms of forest conservation. There have also been one or two more purely 'environmental' projects, such as a 1992 project to tackle mercury toxicity associated with gold mining in a forested area of Brazilian Amazonia. At first there was a somewhat fluid division between the tropical Forests and Environment budget lines, so that some 'forestry' projects were financed under the latter. It was a case of expediency as to which budget line had the finance available for a worthwhile project.

The narrow and more traditional definitions used by ERM and Planistat of 'primary' forestry projects in the

regional ALA budget lines result in the exclusion of some important 'forestry' projects, which were classified as falling under other 'primary' environmental categories, such as 'land resource management', 'combating diversification' and 'biodiversity conservation'. For example, the ECU 23.3 m. 'Afforestation of wastelands and agroforestry in Haryana' project (B7-3000) was classified as 'land resource management'. There were also 17 projects with significant forestry components under the Latin America budget line (B7-3010), mostly integrated rural development-type projects in the ECU 1-3 m. range, that did not fall into the primary category of forestry. Here the main exception to the Planistat/ERM classification is for the Environment budget line B7-6200; the budget line manager in D4 identified a number of small and clearly identifiable forestry projects managed by DG IB

4.2 Overview of tropical forestry aid before 1990

According to the review of 'Tropical Forest Sector Activities 1976-90' (IFSC, 1991), total EC expenditure on 'tropical forestry' amounted to about ECU 400 m. divided between 256 projects; in 1988, tropical forestry represented about 1.7% of total EC development aid (ECU 2.2 billion). Before 1990, projects in ALA countries were financed mainly under the budget lines 930 'Financial and Technical Co-operation with Latin America and Asia Developing Countries' and 946 'Ecology in Developing Countries' (see Table 1).

4.2.1 Geographical budget line 930

Under the ALA budget line 930, about ECU 71 m. were committed to 'tropical forestry' activities among 15 projects, with an average of ECU 4.77 m. per project. This represented about 1.5% of the total budget (about ECU 400 m. per annum) in this budget line (IFSC, 1991). IFSC (1991) point out an important contrast to DG VIII projects - their longer time frames. Under budget line 930, the average length of project was six years as opposed to three years for Lomé Convention projects.

4.2.2 Horizontal budget lines

Over the same period, the Ecology budget line 946 financed some 17 tropical forestry projects with an average cost of only ECU 120,000 per project, representing about 15% of the overall budget. Another horizontal budget line in existence before 1992 was 'Co-financing with NGOs' (Budget line 941), co-managed with DG VIII and DG XI. IFSC (1991) reported that ECU 6 m. were expended on 50 tropical forestry projects over the period 1986-90. Unfortunately there is no regional breakdown of this, but the same source comments (p.15) that there was a 'greater [than other horizontal budget lines] geographical spread of projects in Africa, South America and Asia'.

4.2.3 Geographical spread

Before 1990, Asia received considerably more tropical forestry aid than Latin America (see Table 2), while Kriek and Robbins (1991) reported that some 15% of total EC forestry aid went to 'Asia' and 4% to Latin America.

4. 'Criteria to determine priorities for Tropical Forest projects' (based on the 1995 Council Regulation), Chief of Unit, D4.

4.3 Overview of tropical forestry aid 1990–6

Table 3 presents the number of forestry projects and the budget committed to ALA countries in the four budget lines managed by DG IB (or its predecessors) over the period 1990–6.

Figure 2 shows how rapidly DG IB's tropical forestry financial commitments increased in 1992, because of both the introduction of the Tropical Forests budget line and the increase in the Asia budget line. The other two budget lines have financed a few small projects but have been relatively insignificant in terms of 'primary' forestry projects, according to the ERM and Planistat definitions. From 1992 to 1996, almost ECU 300 m. were committed to forestry projects in ALA countries from the four budget lines.

4.4 Projects funded by geographical spread 1992–6

4.4.1 Distribution by region

Figures 3 and 4 graph the number of projects and

Table 2: EC forestry aid to Asia and Latin America 1976–90

REGION	ECU m.	% of Total
Asia excluding Pacific	53.82	13
Pacific Asia	21.94	5
Central America	1.24	<1
South America	3.37	1
Caribbean	8.97	2
Regional Latin America	17.17	4
TOTAL	398	100

(Source: ISFC (1991))

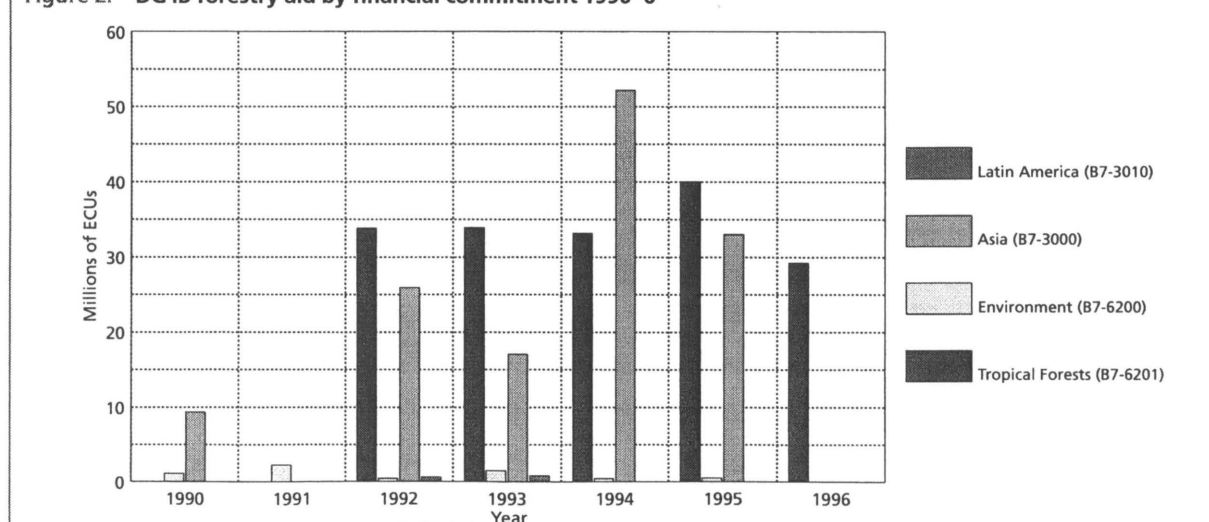
financial commitments to Latin America, Asia and 'global' projects (ie, not destined for a particular region) over the period 1990–6. They show that while Latin America has dominated in the number of projects since 1991, Asia received a higher financial commitment in

Table 3: DG IB forestry aid by financial commitments and number of projects 1990–6

	ECU m. (no. projects)							Total
	1990	1991	1992	1993	1994	1995	1996	
B7-6201 Tropical Forests			33.8 (19)	33.9 (20)	33.1 (40)	40.0 (26)	29.5 (20)	170.3 (99)
B7-600 Environment	1.1 (4)	2.2 (5)	0.4 (1)	1.5 (3)	0.4 (1)	0.5 (1)		6.0 (15)
B7-3000 Asia	9.3 (1)		25.9 (1)	17.0 (1)	51.0 (3)	33.0 (2)		136.2 (8)
B7-3010 Latin America			0.6 (1)	0.8 (1)				1.4 (2)
Total	10.4 (5)	2.2 (5)	60.7 (22)	53.2 (25)	84.5 (19)	73.5 (28)	29.5 (20)	314.0 (124)

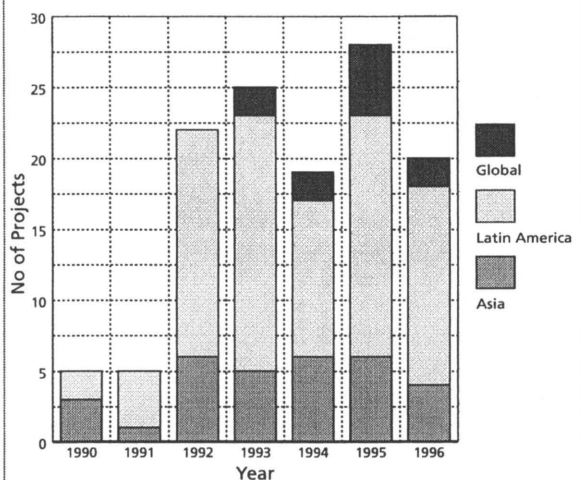
Note: there are some minor discrepancies with the figures reported by Planistat (1997) due to the inclusion here of some Environmental budget line forestry projects, and an additional Asia budget line project 'Forest conservation and development of rural areas in Laos' (ECU 950,000 in 1995).

Figure 2: DG IB forestry aid by financial commitment 1990–6



DG
1B

Figure 3: Regional distribution of DG IB forestry projects over time 1990-6



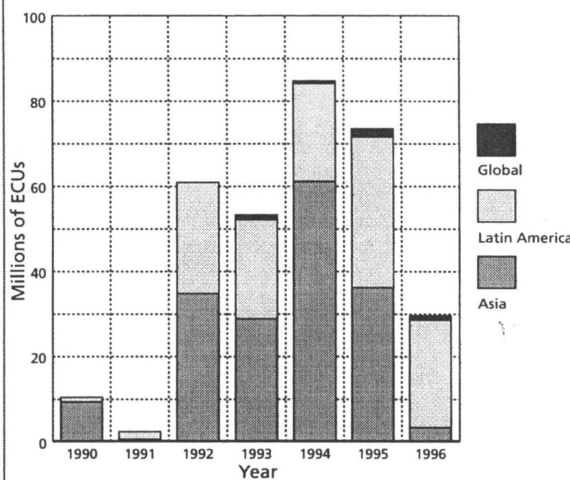
all years except 1991 and 1996. This is because the average size of the Latin American projects was much smaller (ECU 1.65 m) than the Asian projects (ECU 5.6 m.). Most of the projects on the Tropical Forests budget line have gone to NGOs, which tend to be more numerous in Latin America; hence the average project size on the Tropical Forests budget line was ECU 1.72 m. compared with ECU 17.03 m. on the Asia budget line.

Figures 5 and 6 present the distribution of projects and financial commitments among Brazil, Spanish-speaking South America, Central America (including Mexico), Asia, and the global projects managed by DG IB in the four budget lines over the 1992-6 period. Figures 7 and 8 present the same for the Tropical Forests budget line. While Latin America had most projects and its share of the Tropical Forests budget line commitments was over 75%, with Brazil alone absorbing 38% of the budget line, about 55% of DGIB's overall financial commitment went to Asia.

4.4.2 Distribution by country

Figures 9, 10, 11 and 12 present the country distribution of forestry financial commitments to South America, Central America, Asia and overall respectively. Figure 9

Figure 4: Regional distribution of DG IB forestry financial commitments over time 1990-6



shows that Brazil has dominated the South American region, mainly because of the PPB. Most of the other countries in Figure 9 belong to the Amazon region; these countries have also benefited from the regional Treaty of Amazonian Co-operation programme (ECU 4.3 m. from B7-6201 and two small projects under B7-3010). After Brazil, Colombia and Peru have been the main beneficiaries both in terms of projects (7 each) and financial commitments (over ECU 10 m.).

Figure 10 shows the importance in the Central American region of the regional ECU 11.6 m. Agricultural Frontier Programme (PFA) approved in 1994. Costa Rica has had most projects (4) and funding (ECU 6.9 m.), followed by Guatemala, Nicaragua and Mexico. Figure 11 shows how Indonesia (ECU 106 m. and 9 projects), Philippines (ECU 28 m. and 3 projects) and Vietnam (ECU 21 m. and 5 projects) have benefited most in the Asia region. The low representation of the Indian sub-continent is noticeable. This country distribution partly reflects the distribution and strength of the EU Delegations; for example, the absence of Delegations in the past in such countries as Sri Lanka, Malaysia and Cambodia, and the difficulties of working at the State level with a centralised Delegation in a country the size of India.

Figure 5: Distribution of DG IB forestry projects by region 1992-6

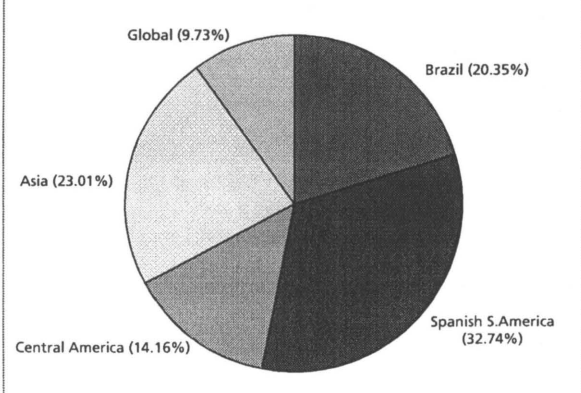


Figure 6: Distribution of DG IB forestry financial commitments 1992-6

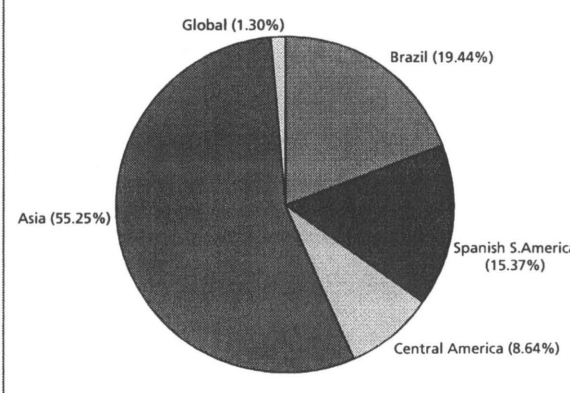


Figure 7: Distribution of DG IB Tropical Forests budget line projects by region 1992-6

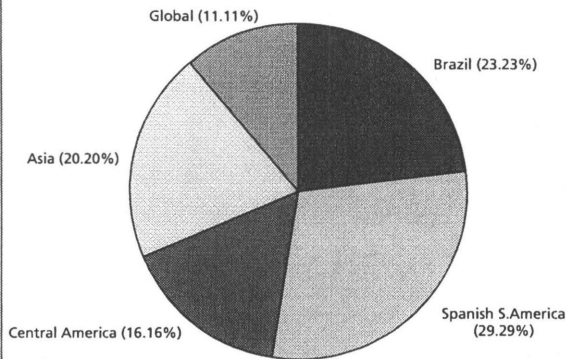
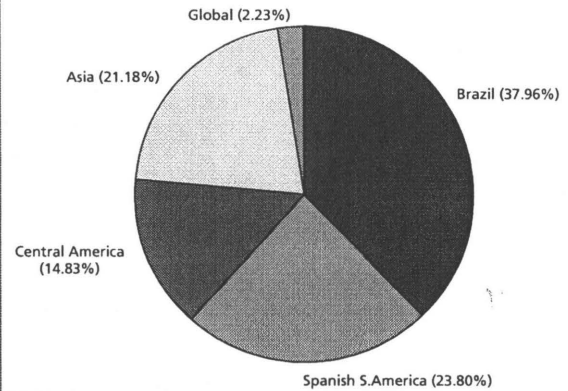


Figure 8: Distribution of DG IB Tropical Forests budget line financial commitments by region 1992-6



DG
1B

Figure 9: Country distribution of DG IB forestry financial commitments to South America 1992-6

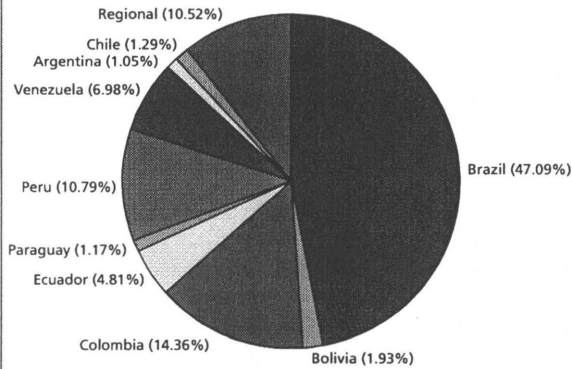


Figure 10: Country distribution of DG IB forestry financial commitments to Central America 1992-6

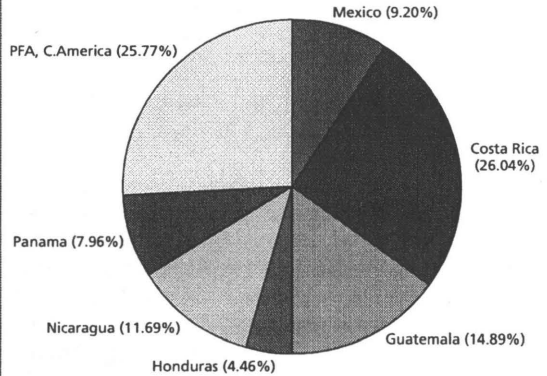


Figure 11: Country distribution of DG IB forestry financial commitments to Asia 1992-6

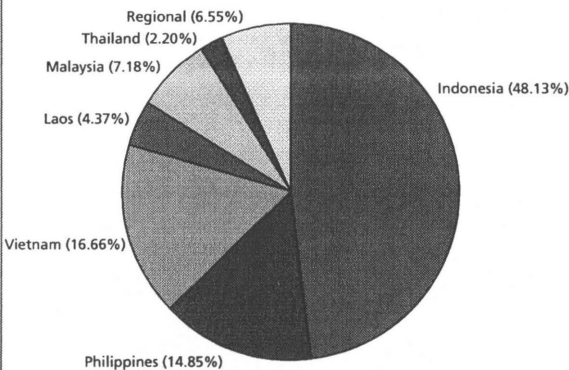


Figure 12: Overall country distribution of DG IB forestry financial commitments 1992-6

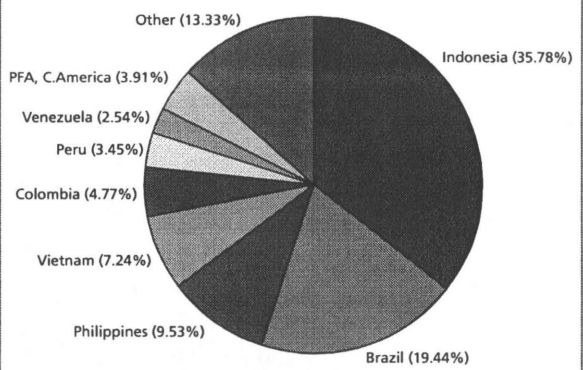


Figure 12 indicates that about 36% or ECU 106 m. of DG IB's overall forestry aid was committed to Indonesia over the period 1992-6. As well as five projects from the Tropical Forests budget line, 4 very large projects were approved from the Asia budget line. Almost 20% was committed to Brazil over the same period. Thus the two countries with the largest tropical rainforest areas in their respective continents absorbed

well over half DG IB's forestry aid. The next most important beneficiaries in terms of financial commitments were the Philippines (10%), Vietnam (7%), Colombia (5%) and Peru (3%).

4.5 Projects funded by type

4.5.1 Before 1990

Using the TFAP classification system, the IFSC review (1976–90) divided up overall EC tropical forestry aid expenditure as follows:

Forestry in land use:	44%
Forestry-based industrial development:	29%
Conservation of tropical ecosystems:	15%
Institutions:	9%
Fuelwood/fuel energy:	3%

Kriek and Robbins (1991:3) reported that 'much of the assistance took the form of forestry components within integrated rural development projects'. IFSC (1991) also reported that most of the projects funded by the ALA geographical budget line were orientated to forestry in land use, forestry-based industrial development and research. For example, the projects in India were mainly orientated to agroforestry and watershed management, although a more sectorally specific project was the ASEAN Timber Technology Centre in Malaysia (IFSC, 1991). Projects funded under the Ecology budget line 946 were typically conservation area studies, technical assistance in conservation and public awareness (IFSC, 1991). The majority of NGO projects funded under budget line 941 were orientated to rural/community development or forestry in an agricultural context.

4.5.2 1992–6 period

Codification of forestry projects

All the projects were coded, for convenience of analysis, against the eight priority 'fields of action' defined in the 1995 Council Regulation (see section 3.1). In abbreviated form the classification was as follows (with the Regulation sub-section letter in brackets):

- forest conservation (a);
- (natural) forest management (b), including forest management plans (h);
- certification (c);
- forest peoples (d);
- capacity-building (e);

- research (f);
- buffer zones (g); and
- other, including reforestation and 'integrated forest development'

The coding here follows, with one or two exceptions, that used by the ECO consultancy team in its 1997 evaluation of DG IB's tropical forestry aid programme (ECO, 1997), as it was felt that this coding was more accurate than that used by Planistat (1997). However, any categorisation is necessarily arbitrary, as the projects could often be fitted into two or more categories. For example, some of the Amerindian 'forest people' projects could have been classified under conservation, and *vice versa*. The aim was to find the classification which best fitted the main thrust of project activities. This was not always obvious from the project title, or even the project purpose.

Figures 13 and 14 present the distribution of project type by the number of projects and financial commitments among the four budget lines, while Figures 15 and 16 give the equivalent breakdown for the Tropical Forests budget line. They show that the most important area of forestry aid has been in what might be termed the 'defensive' conservation approach, centring on the development and management of protected areas. This represented 40% of expenditure under the Tropical Forests budget line. If buffer zone projects are added, the conservation priority becomes even clearer.

In a second rank of importance, at least in terms of the number of projects, have been capacity-building or institutional development projects, forest management projects, forest peoples (especially Amerindian projects in Spanish-speaking South America) and research. While there were relatively few natural forest management projects, the high share (27%) of the financial commitments reflects the ECU 28 m. South/Central Kalimantan (Indonesia) Forest Production Programme funded under the Asia budget line. Taking only the Tropical Forests budget line (Figure 16), funding of forest management projects has been more modest (13%), while relatively little has been spent on timber certification initiatives.

Figures 17 and 18 show the thematic distribution of the 73 'small' (average size about ECU 600,000) and 26 'large' (average size a little under ECU 5 m.) Tropical

Figure 13: Distribution of all DG IB forestry projects by theme 1992–6

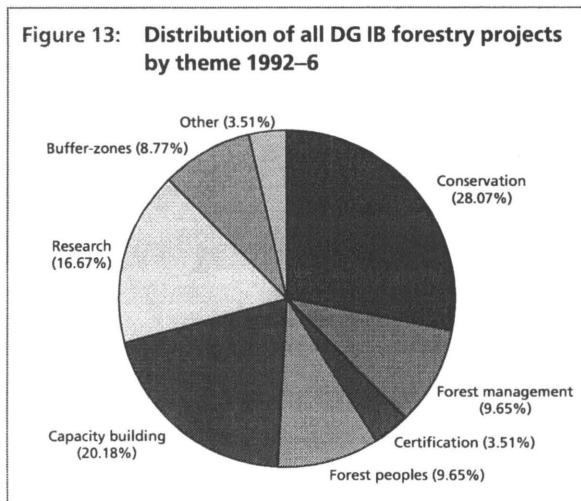


Figure 14: Distribution of all DG IB forestry financial commitments by theme 1992–6

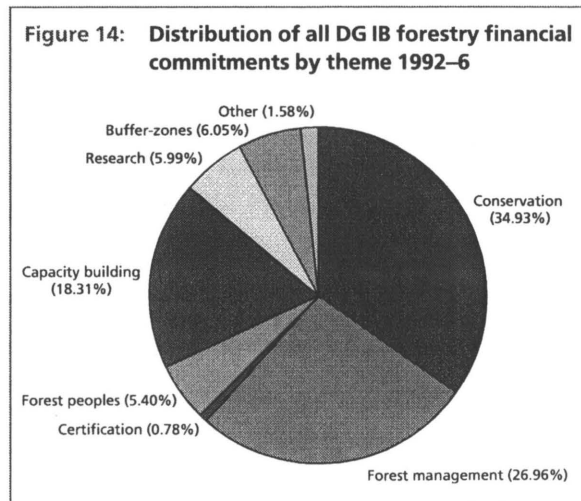


Figure 15: Distribution of DG IB Tropical Forests budget line projects by theme 1992-6

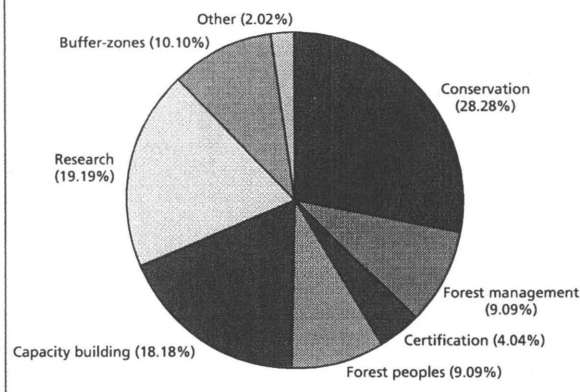
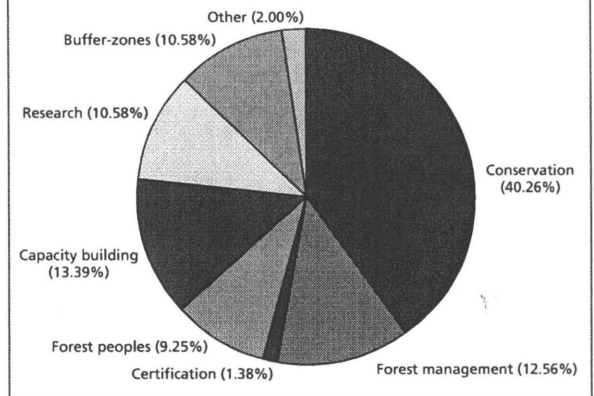


Figure 16: Distribution of DG IB Tropical Forests budget line financial commitments by theme 1992-6



Forests budget line projects by theme. Further observations can be made about the institutional basis and project type according to project size. Small projects tend to be managed by north and/or south-based NGOs or university departments, while most large projects are in the public sector or come under multilateral organisations, except for some large Amerindian forest peoples' projects managed by European NGOs.

The NGO projects in Latin America can be broadly divided into two main types:

- larger projects (although generally not in excess of ECU 2 m.) aimed at conservation and sustainable development through a broad-based livelihoods, social and institutional approach, often with indigenous groups (as for example, the Integrated Programme for Indigenous Self-development in Ecuador);
- smaller, more sector-specific, projects working in conservation, natural forest management, technical research (such as botanical studies), capacity-building, policy oriented projects including the tackling of legal issues surrounding indigenous land rights, environmental education projects, etc.

Several of the large public sector projects have been oriented towards the more 'defensive' conservation approach involving protected areas and institution

building. There has also been a preference for large regional projects involving the coordination of activities in several countries oriented towards information exchange and policy debate (such as the Treaty of Amazonian Co-operation and the Agricultural Frontier buffer zone project in Central America).

Figures 19 and 20 present the trend in project themes over time for the four budget lines and the Tropical Forests budget line respectively. These tables show that, while trends are erratic, the number of conservation projects has fallen slightly over time, and that buffer zone projects, although not represented in 1995, assumed an equal importance to conservation projects in 1996, possibly indicating a shift towards more participatory conservation strategies. The number of forest management projects rose to a peak in 1994 before falling off; forest people projects peaked in 1993; and capacity-building projects have been consistently important and, like research projects, peaked in 1995.

Figure 17: Distribution of small DG IB Tropical Forests budget line projects by theme 1992-6

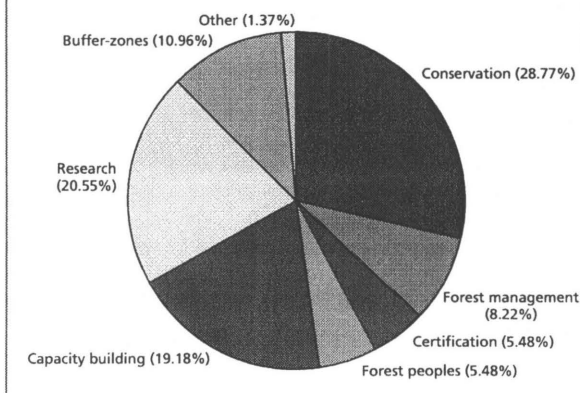


Figure 18: Distribution of large DG IB Tropical Forests budget line projects by theme 1992-6

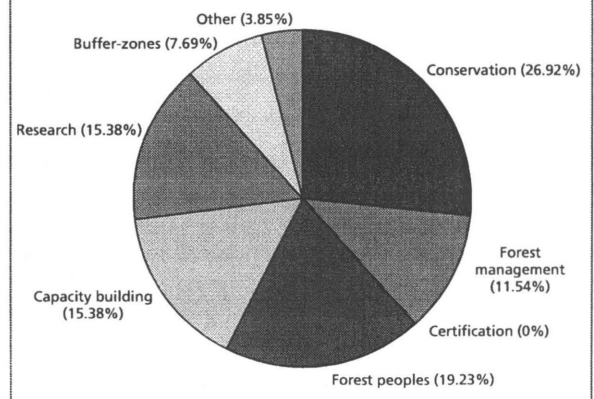


Figure 19: Thematic distribution of DG IB forestry projects over time 1992–6

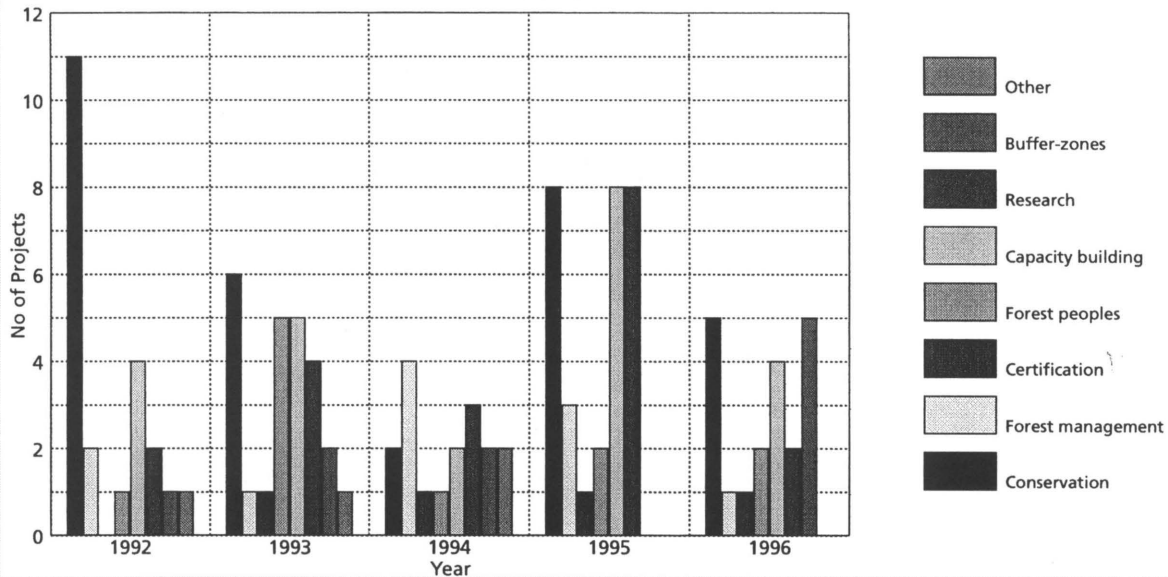
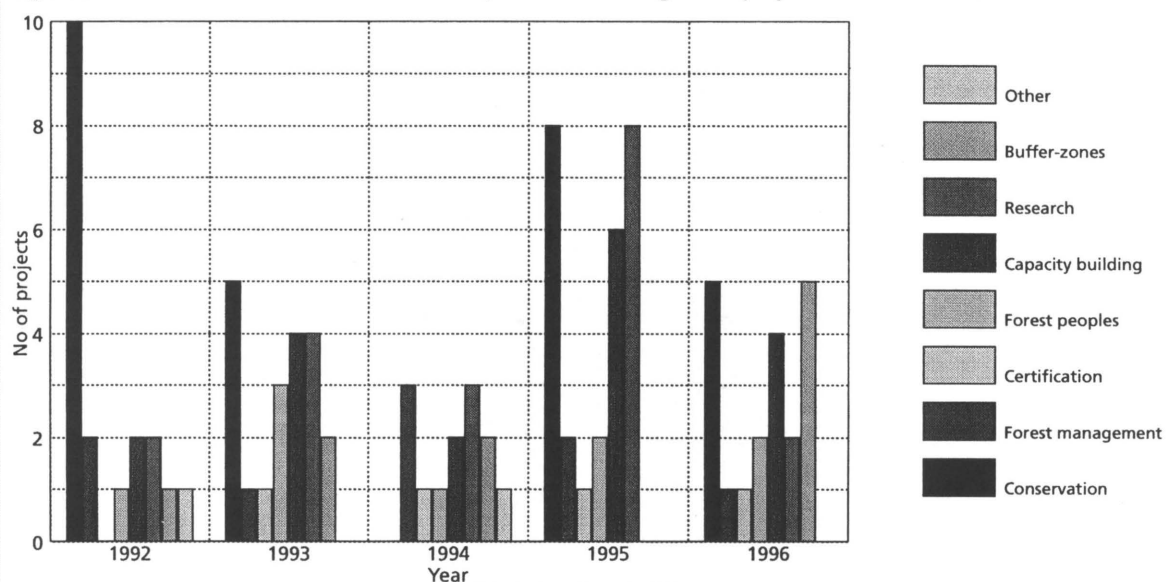


Figure 20: Thematic distribution of DG IB Tropical Forests budget line projects over time 1992–6



5. PROJECT CYCLE MANAGEMENT

5.1 Project identification and appraisal

5.1.1 Tropical Forests budget line

Small projects

The project preparation process (identification and appraisal) is very different for small (less than ECU 1 m.) and large projects. Small projects are normally written, presented and carried out by the applying NGO, university or other institution, but can also be proposed by country desk officers and EU Delegations.

In the past there was considerable flexibility in the format and process of presenting a project for funding, but this has now been standardised with the Financing Guide. The applicant should first present a two-page concept note with a draft logical framework and

indicative budget to Unit D4. The technical officers check the suitability of the projects against the 1995 Regulation and its strategic objectives, and give the go-ahead to the applicant to prepare a full proposal according to the *Financing Guide*. This stipulates that the proposal should include a logical framework; a context section (socio-economic, environmental, beneficiaries, etc.); the project background (problem identification); objectives; expected results; a plan of implementation; a budget (according to a prescribed form); justification; and monitoring arrangements. The proposals are then sent to the national or regional EU Delegation, and to the relevant country desk officer for comments and approval.

Small projects are selected and approved by a 'Technical Inter-Service Committee' which meets once or twice a year. This is composed of staff concerned with tropical forestry issues in DG IB, DG VIII, DG XI

and DG XII, the appropriate country desk officers, and external experts. Following modification in consultation with the applicants (which can take up to six months), a revised project proposal is drawn up and, when it is formally included in the annual programme, the D4 technical officer prepares a 'financial proposal' which is circulated for approval in DG IB. This includes a brief description, terms of reference, budget, Curriculum Vitae, timetable and logical framework. About 10 signatures (four from Directorate E) are then required to approve the financial proposal, spanning three DGs. The process of obtaining the necessary signatures normally takes about three months during the first half of the year, but is reduced to a few weeks towards the end of the year.

Large projects

The main differences between the treatment of large and small projects on the Tropical Forests budget line have been the use of consultants to appraise the projects, the division of project cycle management between the horizontal unit (D4) and the geographical Directorate Technical Units, and the project selection procedure. When the D4 Technical Officer identifies or receives a project idea or proposal of over ECU 1 m., which he deems to be within the scope of the 1995 Council Regulation, he selects a team of consultants from the consultancy consortia in the EC Framework Agreement to:

- carry out a project identification mission to investigate the basic idea; and
- undertake a project design mission, using the project cycle methodology set out in the 1993 *'Methods and Instruments for Project Cycle Management (PCM)'* manual. The latter places considerable emphasis on the use of the logical framework.

Another approach has been to fund a 6–12 month project preparation phase (for example, for the Agricultural Frontier Project in Central America and the Pilon Lajas buffer zone project in Bolivia).

In most cases, responsibility for large projects then passes to the appropriate Technical Unit in the geographical Directorates, which draws up a financial proposal. This is translated into the languages of the Commission (currently 11), and sent to the EU-based 'Permanent Representative' of each Member State. The Member States have three months to give an opinion on the project, and a summary table of these opinions is sent to the relevant technical officer. Experts from Member States can ask written questions at this stage, obliging the Commission to make a written response. According to these responses, Member States are given the opportunity of changing their opinions.

The proposal is then submitted to the ALA Committee, which has to provide a majority favourable opinion for the project to go ahead. The ALA Committee meets monthly and is composed of representatives of the Member States, the Director of DG IB D, the (temporarily co-opted) relevant technical officer and, as a non-voting chair, the Director-General of DG IB or, in his absence, the Director of one of the Geographical Directorates. The ALA Committee will often decide that more discussion or information is needed about a

particular project to approve it. Once the project is approved, a financial memorandum is drawn up and checked by the Directorates-General with financial responsibilities (XX and XIX), the specifications for technical assistance are developed by the Technical Units, and the tendering process for consultants can be started.

The increasing tendency to co-fund projects with EU Member States has brought with it the advantage of wider consultation at the appraisal and design stages, for example with Austria and Denmark for COAMA III.

5.1.2 ALA geographical budget lines (B-3000 and B-3010)

Almost all the forestry projects financed by the geographical budget lines have been large public sector projects. There are three main processes or instruments leading to project identification on the geographical desks:

- country strategy papers: these have been introduced gradually since 1992. They include a political, social and economic overview, and a set of sectoral priorities. The country desk officer takes the lead in preparing the country strategy paper, with support from the Technical Unit officers (at least in the case of the Asia Directorate), the EU Delegation and the host government. In the case of Latin America, some strategic guidance is contained in a document prepared by the Head of DG IB B 'The European Union and Latin America: The Present Situation and Prospects for Closer Partnership 1996–2000' (COM (95) 495 final).
- Joint Commissions (Latin America) and Joint Co-operation Committees (Asia): these take place on average about every 18 months, and tend to alternate between the recipient governments and Europe. In the case of Central America there is a Regional Joint Commission. These are essentially fora for project identification and negotiation between the Commission and the country's (or region's) 'civil society' as represented by Ministers, prominent NGOs, etc. In the case of Asia, there is a system of sub-Committees including forestry. These fora are backed up by annual 'inter-Ministerial' (Commission and host country) meetings, at which further dialogue on policies and projects can take place.
- direct contact between ALA country institutions and Commission country desk officers, EU Delegation officers, or technical officers in the Technical Unit. In the case of the most important ALA country programme with Indonesia, the first projects came out of a TFAP meeting attended by the country desk officer in 1992.

In the case of the Asia Directorate, an important change took place in mid-1996 in the roles of the country desk officers and the Technical Unit officers. Up to 1996, country desk officers were primarily responsible for the project preparation stage with the Technical Unit taking over once a decision to finance a project was taken. The Technical Unit is now primarily responsible for the whole of the project cycle – in the same way as D4 is responsible for the smaller projects on the Tropical

Forests budget line – and now takes the lead in the project preparation stage, although the country desk officer is still primarily responsible for preparing the country strategy paper and is associated with project cycle management decisions.

The project selection procedure then follows that described above for larger projects under the Tropical Forests budget line.

5.2 Project implementation

Projects stemming from the geographical budget lines are coordinated by the Technical Units in direct contact with the EU Delegations. Projects have both a European and national co-director, the latter selected by the counterpart institution (usually a Ministry). In the case of India there has been some resistance to European co-directors. Each large project must also have a steering committee which is representative of the stakeholders, and is expected to promote inter-institutional coordination. The steering committee, EU Delegation and Technical Unit must all approve the Overall Work Plan, and the first two have to approve the Annual Work Plans (see also section 2.3).

5.3 Monitoring and evaluation

For larger projects, except those managed by D4, responsibility for monitoring lies with the Technical Units, while for the smaller projects on the Tropical Forests budget line, the D4 technical officers are responsible. For all projects, the project management unit must send in six-monthly reports, as well as a final report. These should report on activities and outputs, and on the achievement of project objectives. In the case of D4, these reports are forwarded to the country desks and EU Delegations. Several on-going Tropical Forest budget line projects have received a monitoring mission, or have one planned. Projects are sometimes visited by the better-staffed EU Delegations, but generally speaking the monitoring system is passive. A particular problem for the portfolio of projects under the PPB is that relatively little project management information returns to Brussels; limited human resources in the Brazil EU Delegation mean that most project monitoring is delegated to the World Bank and Brazilian institutions. Monitoring missions are regularly sent to the Asia budget line projects.

A mid-term review or evaluation by a team of independent consultants can take place at the request of technical officers or project management units. Before 1996, few Tropical Forests budget line projects had been evaluated, but some evaluations took place in 1996, and several more were programmed for 1997. In the case of the Asia budget line, all finished projects have been evaluated.

While the Technical Units were reasonably satisfied by the quality of these evaluations, the D4 technical officers felt that the evaluations carried out by the Framework Agreement consultancies have been only moderately useful, with the reports tending towards a 'politically correct' stance and sometimes lacking technical rigour. It also appears that some reports have not been well understood or widely read beyond a few individuals, and thus the main lessons have not been internalised across the Directorates. One of the problems for effective evaluation has been that most

projects have lacked a logical framework, baseline data or quantifiable objectives.

In the case of the Tropical Forests budget line, Unit D4 is legally bound to make an annual report to the European Parliament and the Council with 'an assessment of the implementation of this Regulation' (Council Regulation, 1995, Art.12), and to make regular evaluation reports to the ALA Committee. The emphasis in the legislation on accountability has increased the difficulty for D4 of keeping up with the demands of project cycle management, strategic thinking and other practical actions. It should also be noted that DG IB has an evaluation unit with its own budget to carry out project evaluations.

5.4 Constraints on more effective project cycle management

The main constraints on more effective management of the project cycle, identified through discussions with technical officers in DG IB (especially those in unit D4), are inter-related.

- Lack of human resources

Insufficient time to devote to each project has sometimes resulted in hastily prepared proposals and minimal monitoring and evaluation, at least on the Tropical Forests budget line. Minimal administrative support has meant that basic tasks like filing are sometimes neglected. Country desk officers also said that they were over-burdened by their range of tasks and had found it difficult to commit sufficient time to project cycle matters. This is compounded by lack of support staff. For example, in 1992 the Indonesia Desk Officer had an assistant and full-time secretary. This was subsequently reduced to a part-time secretary. Following a period without secretarial support, he currently (early 1997) has 25% of a secretary's time.

- Centralisation of project cycle management

At present, project cycle management is highly centralised, thus placing great pressure on the technical officers. Decentralisation of parts of the cycle to the regional level is favoured by most officers, but staffing levels in the EU Delegations are also inadequate; for example the Central America Delegation in San José, Costa Rica, has two technical staff covering some 200 projects. Depending on the Heads of Delegation, there is scope for recruiting national staff, but this has not happened in some key countries like Brazil. Another possibility is to sub-contract some project cycle management activities to an outside organisation or a consortium of NGOs. One experience being monitored with interest by Unit D4 is the sub-contracting of the Dutch small forestry project portfolio to IUCN.

- Poor understanding of technical issues by some staff

Lack of technical understanding by some administrative staff is regarded as a significant constraint in Unit D4. Senior DG IB and DG XI staff expressed the need to provide accessible information to those taking decisions at a higher level, so that they can be more aware of the likely impacts of their decisions. Also, within DG IB it was stated that there was a need for

seminars to help staff think and work together, for example by focusing on the lessons of experience from the implementation of forestry projects. A 1996 series of seminars by D4 on environmental impact assessment has apparently proved useful in improving staff understanding and motivation.

- Over-regulation and inflexibility

The trend in the Tropical Forests budget line has been towards increasing standardisation of procedures and reduced flexibility. Until 1995 there were few rules or regulations; the technical officers who managed the tropical forests budget line from 1992 to 1995 were able to work in quite separate ways (systems, methodology, procedures, etc). Up to 1995, it was possible for a small project to be approved on the basis of relatively little evidence, eg a 3–4 page proposal. This flexibility had both positive and negative aspects, as the lack of rigour and standardisation. Following a 1995 audit, D4 introduced more rigorous and systematic project cycle procedures.

In the case of the Asia budget line, the former flexibility in the system allowed the Indonesia country desk officer to put out tenders, commission studies by consultants and get project personnel appointed quickly. He was able to promote at least one major process-type project – the Leuser Development Programme project (see section 6.3). While there is considerable support for process-type projects in DG IB, the increase in procedures by Directorate E (Finance and Resources) works against them. For example, there is limited financial flexibility once the financial proposal has been adopted: budgetary adjustments should not exceed 10% of the funding. Major modifications in project design can only take place with a reappraisal – as happened in 1996 with a Philippines project. However, good relationships between technical and financial officers allow some flexibility in the system.

While greater regulation of the Tropical Forests budget line was clearly necessary, some think this process has gone too far. There is a view that technical tasks might have been better facilitated by increasing administrative support to existing Directorates. Specific concerns include the separation of different parts of the project cycle between the horizontal and geographical Directorates (in the case of large Tropical Forests budget line projects), the number of signatures required for approving the financial proposal, and the time involved in translating financial proposals and other key documents into 11 languages.

- Reliance on consultants in aid delivery

Views on the effectiveness of the consultancy-based aid delivery mechanism are mixed, partly since the experience from project to project varies so much. One view is that the use of consultants can cause major delays in implementation, and that there have been problems caused by the conflicting opinions of European experts working on the same project. This view holds that the Commission should move towards giving greater responsibility for project execution to national institutions, using European experts in an advisory rather than executive role, whilst ensuring thorough monitoring and financial control.

- Delays in implementation

Following project approval, there can be considerable delays in implementation, especially (but not exclusively) for larger projects. First, large projects are subject to financial negotiations with recipient countries which can take more than a year. The largest single case of ‘frozen funds’ has been the Brazil Pilot Programme, where negotiations were complicated by their tripartite nature (EC – World Bank – Brazil). Secondly, the tendering process and recruitment of acceptable European consultants for project management can be quite time-consuming, and setting up the project can take 12–18 months. Thirdly, some large projects on the Tropical Forests budget line were hastily prepared in order to achieve commitment targets, resulting in financial or technical flaws that delayed implementation. Sometimes the delays have made it necessary to replan and reschedule a project.

- A weak information basis

A problem for Unit D4, in particular, has been the weak information base for monitoring the Tropical Forests budget line, and the rather passive monitoring of individual projects. These problems are being partially tackled by a number of studies: the project inventories undertaken by ERM (1996) and Planistat (1997); the evaluation of tropical forestry projects by ECO (end of 1997); and the development of an EC tropical forestry projects database over the 1997–98 period (Overseas Development Institute). One particular constraint is the lack of ‘objectively verifiable indicators’ for the Tropical Forests budget line to monitor policy implementation.

6. PROJECT REVIEWS

6.1 The Pilot Programme to Conserve the Brazilian Rain Forest (PPB)

EU interest in the PPB originated from a German proposal at the June 1990 Dublin Summit that the EC should ‘analyse and prepare proposals for an appropriate Community programme to deal with the threat to the tropical rain forests, in consultation with the countries concerned, and in particular Brazil.’ The Houston G-7 Summit in July 1990 then expressed its readiness to ‘cooperate with the Government of Brazil on a comprehensive pilot programme to counteract the threat to tropical rainforest in that country. We ask the World Bank to prepare such a proposal, in close collaboration with the CEC [the Commission], which should be presented at the latest at the next economic summit.’ These developments arose partly as a response to Brazilian requests for assistance, but also as a result of the resurgent green movement in Europe – especially Germany. Chancellor Kohl played a major role in pushing the PPB through these political processes and ensuring compliance of the Commission.

Following several high-level meetings and technical field missions, a proposal for a US \$1.6 billion programme over 5–6 years was made to the G-7 Heads of State at the London summit of July 1991. The World Bank and the Commission then formalised this into a first phase five-year project of \$250 m. and the

establishment of a trust fund to ensure the main activities of the programme would be implemented, with the understanding that a second phase of the PPB would be negotiated once the first has been evaluated. This was approved at a meeting in Geneva in December 1991, and the Rain Forest Trust Fund (to cover about 20% of the expected costs over the first three years) was set up in March 1992 to be administered by the World Bank, which also had the task of coordinating the PPB. At the Geneva meeting, it was also agreed that projects recently launched or planned by several bilateral donors should be included as part of the PPB.

The overall objective of the PPB is 'to maximise the environmental benefits of Brazil's rain forest consistent with Brazil's development goals, through the implementation of a sustainable development approach that will contribute to a continuing reduction in the rate of deforestation.' Specific objectives are to:

- demonstrate the feasibility of harmonising economic and environmental objectives;
- help preserve genetic resources;
- reduce global carbon emissions;
- provide a new model of co-operation between developed and developing countries on global environmental issues.

It is further stated that preservation of biodiversity, reduction in carbon emissions, and new knowledge about sustainable activities in tropical rain forests are global benefits which justify financial and technical transfers from the international community to Brazil.

The PPB promotes 'structural' and 'demonstration'

projects. Structural projects aim to:

- address the institutional weaknesses which inhibit the consolidation and implementation of environmental policy by strengthening public agencies involved in the conservation and management of natural resources, encouraging economically and ecologically appropriate investments, and monitoring environmental impacts; and
- respond to the need to improve knowledge of Amazonian ecosystems and the sustainable use of their resources, by strengthening the region's scientific and research base and enhancing environmental education.

Demonstration projects aim to develop or disseminate alternative methods of natural resource management with high potential for replication, especially through the participation of local communities and NGOs in innovative local approaches. Support for extractive reserves is included in this category.

Table 4 indicates the contributions of a range of donors to the PPB up to mid-1996. It shows that the EC contributed about 23% of the overall \$252 m., and the EU altogether 79%. Germany was the biggest donor with 49%. Brazil's counterpart funding amounted to about 11% of the total cost, while local project partners also made some contribution, for example in the form of labour. After an initial contribution of ECU 12 m. to the Rain Forest Trust Fund, the EC announced an annual contribution of ECU 10 m. over the first five-year phase. Table 5 details EC contributions to the end of 1996. The largest single commitment was to the

Table 4. Donor commitments to the PPB to mid-1996 (US \$ millions)¹

Donor	Rain Forest Trust Fund ²	Co-financing	Total	
	\$ mill.	\$ mill.	\$ mill.	%
Germany	19.4	105.4	124.8	29.4
EC	14.1	43.4	57.5	22.8
UK	2.3	7.6	9.9	3.9
Netherlands	3.2	—	3.2	1.3
Italy	3.9	—	3.9	1.5
Sub-total EU	42.9	156.4	199.3	78.9
Brazil	—	26.9	26.9	10.7
USA	5.5	2	7.5	3.0
Japan	6.8	—	6.8	2.7
Canada	0.7	—	0.7	0.3
Not yet identified	—	9.3	9.3	3.7
Interest earned	9.1	—	9.1	3.6
Expenses ³	-7.1	—	-7.1	-2.8
TOTAL	57.9	194.6	252.5	100

¹ excluding bilateral funding for associated projects

² contributions to 22 July 1996

³ includes coordination, administrative and International Advisory Group expenses and pre-investment studies

Natural Resources Policy project in 1995. It involved strengthening state environmental agencies, ecological and economic zoning, environmental monitoring, and environmental law enforcement and control.

An important aspect of the PPB is the system of governance and organisation. The World Bank plays a lead role in coordinating the preparation of projects through its Brasilia-based Rain Forest Unit. Project implementation is the responsibility of the Brazilian Government, primarily through the Ministry of the Legal Amazon, and there are various mechanisms for the participation of NGO groups in decision-making and monitoring. An International Advisory Group, composed of 15 international experts including three Brazilians, provides technical guidance and monitoring, and the Participants' Annual Meeting brings together donors, Brazilian representatives, NGOs and the World Bank to review progress and make recommendations.

However, an area of some dissatisfaction is that, while the EC considers it has, or should have, an important role (together with other major EU donors like Germany) in the running of the PPB, almost all the consultancy inputs have been handled by the World Bank, which has had a minimal financial input.

Progress of the PPB and the Commission viewpoint

A report from the EU Delegation in Brazil (Vasconcelos, 1996) expresses considerable optimism about the PPB, for example claiming that 'the first success of the PPB has been to open the door to previously marginalised groups to take part in what was previously a closed technocratic exercise. The benefits will be felt not only in (the) Amazon forest but will permeate the development of the democratic process in Brazil as a whole.' One of the reasons for this optimism is the more supportive policy environment emerging under President Cardoso. For example the recent government paper, 'National Policy for the Integrated Development of the Amazon', includes a commitment to sustainable development as a 'new paradigm' for the Amazon Region; support for decentralisation, especially increasing the role of the States, Municipalities and civil society; and the linking of social and environmental issues so that local communities can benefit. However, Unit D4 made the observation that conflicts between federal and State policies have complicated the decentralisation process.

After a slow start, the PPB appears to be making reasonable progress in terms of project implementation. By the end of 1995, six projects representing about two-thirds of the Programme in terms of finance had been appraised, negotiated and put into operation. One view was that this progress has been due to strong on-the-ground organisational capacity. Another factor has been the frequency of meetings between the main interested parties; according to the World Bank (undated), they meet more or less monthly in Brasilia to share information and exchange views on the PPB and project issues. DG IB claims that 'one of the programme's first achievements has been to inspire a new strategy for the development of Amazonia and to offer a practical example of international co-operation' (Commission Working Paper IB/205/96, p.3). At the same time there is some dissatisfaction about the level of EC visibility in the PPB.

Table 5. EC contributions to the Brazil Pilot Programme 1992-6

Year	Project	Commitment ECU m.
1992	Rain Forest Trust Fund	12
1993	Direct Research and Centres of Scientific Excellence	4.8
1993	Demonstration Projects	4
1994	Extractive Reserves (4)	5
1995	Natural Resources Policy	16.7
1995	Management, Monitoring and Evaluation of the PPB, and Formulation of New Public Policies	2.6
1995	EC Technical Assistance	0.23
1996	Environmental Education	5
1996	Directed Research	5
1996	EC Technical Assistance	2.3

6.2 The COAMA Project

The *Conservación de la Amazonia y de su Medio Ambiente* (Conservation of Amazonia and its Environment - COAMA) project is one of only two (the other is the PPB) large projects managed, as well as appraised, by the horizontal unit (D4). This is because it is considered to be particularly important as an innovative grassroots approach to sustainable forest management and conservation by indigenous people. It is also an example of several projects financed under the Tropical Forests budget line, which (a) has very little in the way of forestry activities, and (b) is based on the assumption that supporting and strengthening indigenous societies is an effective means to forest conservation.

The project purpose is forest conservation through support of Amerindian culture and institutions, micro-project development, and provision of basic social services in order to provide a basis for indigenous demarcation and management of the rainforest. This process started by identifying urgent needs and supporting cultural identity in three small projects from 1989 to 1992 (just over ECU 1 m.) which became known as COAMA 1. It continued through a series of micro-projects with NGOs in the areas of education, health and legal support during COAMA II (1993-6) at a cost of ECU 2.5 m. Following an evaluation in April 1996, COAMA III (ECU 2.5 m. over three years) was approved in July 1996. It works with some 120 communities representing 20 ethnic groups in six Colombian Departments, mostly located along the main rivers.

Among the key strategies of COAMA have been:

- support to and consolidation of the Indigenous Territorial Entities, created as political-administrative units as part of Colombia's policy

of decentralisation, and which have given indigenous communities a significant level of political participation;

- the multiple-agency (NGO) approach involving an 'operational network of foundations', and coordinated by Gaia-Bogota, whose Director is also the COAMA Director, and Gaia-London;
- technical assistance methodology in which field officers 'accompany' indigenous communities in problem analysis and development of solutions.

The recent evaluation of the project (Brackelaire and Rodriguez, 1996) presents a positive picture of progress achieved since 1990:

- the 'big impact' of the micro-project development sub-programme was partly attributable to the confidence established with technical officers;
- the legal support programme, with its educational emphasis, has been in great demand by indigenous organisations and has also had a 'big impact';
- the indigenous cultural education programme has made good progress in moving away from an 'integrationist' public education system;
- the health programme, by emphasising traditional medicine and community-based schemes of health promotion, 'has shown State bodies a clear alternative [to conventional approaches] to intervene at the level of nutritional problems, this time from a traditional context that has also stimulated a process of cultural recuperation connected with farming practices.'

This report had few criticisms of the project, except that relationships with state agencies and national indigenous bodies have been mixed. It claims that 'the COAMA strategy has demonstrated its validity' and that 'the COAMA Foundations have developed participatory methods which deserve to be shared with indigenous community initiatives in neighbouring countries.' Above all, 'the wealth of COAMA resides in its inter-institutional coordination ... in an area of the world where the work is generally carried out in an atomised way' (Brackelaire and Rodriguez, 1996).

The importance of the COAMA project as a model for indigenous development and biodiversity conservation is noted in the wider literature, for example in a detailed study by Bunyard et al (1993). It demonstrates an 'alternative' approach to biodiversity conservation in indigenous areas to the market route (market-orientated forest management), which is being promoted by several donors in Latin America, with disappointing results due partly to conflicts of incentives between indigenous and market economy institutions (Richards, 1997). Martin von Hildebrand, the COAMA Director and ex-Minister of Indian Affairs, believes that COAMA represents an approach more in tune with indigenous reciprocal logic (as well as with ethical arguments stemming from environmental economic theory): namely indigenous commitment to biodiversity conservation for national and international beneficiaries, in exchange for legal, scientific and social support

by the international community (Bunyard et al, 1993).

6.3 Evolution of the Indonesia portfolio of forestry projects⁵

Over the 1992–6 period some ECU 106 m. were committed to Indonesia, 86% of it from the Asia budget line. This represented about 36% of DG IB's forestry aid to ALA countries, and about 72% of the Asia budget line's forestry commitments. Following attendance at a TFAP meeting in Indonesia in February 1992, the Indonesia desk officer identified several projects he felt were worth supporting. He also initiated a close dialogue with the Ministry of Forestry, leading in May 1993 to a set of 'Agreed Minutes' (signed by the Minister) setting out some general principles for EC-Indonesia forestry co-operation, including a government commitment to promote supportive forestry policies.

The first project prepared and implemented was the multiple-project Forest Sector Support Programme approved in December 1992 at a cost of ECU 26 m. to the Asia budget line. The first project component (ECU 6.3 m.) involved introducing forest inventory and remote sensing into all the Provinces of Indonesia to complete the mapping of the country's forest resources, and to develop early warning fire alert systems. The second component was to develop a radio communications network in five provinces of Sumatra (ECU 19.6 m.). A third component, financed this time from the Tropical Forests budget line, was the development of a fire prevention and control model in Sumatra's Selatan Province (ECU 4 m.). This involved analysis of the causes of fires and the development of conflict arbitration machinery, once it was diagnosed that providing fire fighting equipment was inappropriate – an example of the benefit of close monitoring and flexibility in the system.

Following a planning phase funded under the Tropical Forests budget line, which was critically important in identifying a sound institutional basis, the Leuser Development Programme project (ECU 32.5 m.) was approved in December 1994 under the Asia budget line. In an area of outstanding biodiversity importance and tourism potential, the Leuser Development Programme strategy is based on a two-pronged approach over an initial seven-year period: fixing and protecting the boundaries of the Gunung Leuser Park, and providing alternatives for the local population in farming, fishing, ecotourism, etc. in the buffer zones. It is regarded by the Commission as innovative for three main reasons:

- management is being undertaken through a process of wide stakeholder consultation involving the Leuser Management Unit, national and local government, and local communities;
- the development of a 'conservation concession' established by Ministerial decree; and
- a financially autonomous management unit has been established to raise revenue from ecotourism, log royalties and other buffer zone projects, thereby ensuring the financial sustainability of the conservation initiatives.

To complement the conservation emphasis in the Leuser project, it was decided to develop a sustainable forest management project to tackle some of the problems in

5. Based on interviews with the Indonesia Country desk officer, and the pamphlet 'The EC/Indonesia Forest Programme', DG 1J, 1996.

the commercial logging sector. Following a preparation phase (ECU 568,000), the South/Central Kalimantan Production Forest project was approved at a cost of ECU 28 m. in 1995. A major aim of the project is to develop sustainable forest management techniques through such activities as silvicultural research and demonstration, developing forest management plans, pilot projects with concessionaires and wood producers to increase local value-added from a smaller cut, reduction of wood waste, market research and product design development. Other activities involve developing audit systems, community participation in forest management, making progress towards timber certification and labelling, and a series of training, extension and communication activities. An innovative aspect of this project is the involvement of the (European and Indonesian) private sector, not least in joint-financing of some of the project activities. Another is the mechanism which has ensured broad consultation among a wide range of stakeholders – especially the private sector and local communities.

The Kalimantan project is also linked to the 1994-approved Berau Forest Management Programme in East Kalimantan (ECU 9.2 m.), initiated and funded by the Tropical Forests budget line. This project aims to transfer natural forest management silvicultural research results to an operational scale. Finally the Forest Liaison Bureau project was approved under the Asia budget line in November 1995 as a forum for policy dialogue, to coordinate the EC Indonesia programme, raise awareness and facilitate donor (especially EU Member State) co-operation.

There are several positive aspects to the Indonesia programme. First, it was based on policy dialogue at the highest level, culminating in the 'Agreed Minutes' which provided a sound political basis for the programme. Secondly, the relative flexibility in the system allowed the development of a process project approach which has facilitated an innovative design (for example, in the Leuser Development Programme), and permitted important changes of direction when it was realised that the original project design was inappropriate (as in the case of the Sumatra fire control project). A third aspect of the Indonesia programme has been the considerable financial contribution of the host government. For example, the Indonesian Government has committed ECU 18 m. to the Leuser Development Programme, and ECU 6 m. to the South/Central Kalimantan project. A fourth aspect is the general complementarity of actions that have been taken under the Asian and Tropical Forests budget lines.

7. CONCLUSIONS AND TRENDS

The history of tropical forestry aid in DG IB is a relatively recent one. Tropical forestry projects in Asian and Latin American (ALA) countries are mainly financed from two budget lines, the Tropical Forests budget line, which was started in 1991 following considerable pressure from the German green lobby and the G-7, and the 'Asia' budget line. The total budget committed to tropical forestry in ALA countries from 1992 to 1996 was almost ECU 300 m., some 56% of this from the Tropical Forests budget line, and 43% from the Asia budget line.

The aid delivery mechanism varies with project size. For smaller projects (less than ECU 1 m.) on the Tropical Forests budget line, the NGOs, universities and other private or public sector organisations requesting the funds are responsible for project implementation. For larger projects, the consultancy consortia in the Commission's Framework Agreement provide short-term appraisal and evaluation inputs as requested by technical officers, and European consultancy groups carry out the project (following a public tender process) with counterpart public sector institutions. Technical officers managing the Tropical Forests budget line consider that the consultancy-based aid delivery system has had mixed results, and favour a move to more control by counterpart institutions, but with strict auditing and EC project advisers in a more advisory and less executive role. However, this position is not shared on the Asia budget line.

It could be argued that the Tropical Forests budget line has lacked a clear operational strategy in the past, with mainly reactive project and country selection and a marked influence of key individual officers. However, based on the 1995 Council Regulation, which gave a legal basis to the Tropical Forests budget line and set out eight priority action areas, and the instruments being developed to support it, a more pro-active strategy is now emerging. This involves a shift away from viewing forestry mainly as part of a wider land-use system (as promoted, for example, in the TFAP process), 'defensive' conservation approaches, and agroforestry (these three areas dominated EC 'forestry' aid in the 1980s), towards a more participatory and sectorally specific approach in which increasing emphasis is placed on natural forest management, related trade and certification issues, and buffer zone management. However, the 1992–6 project portfolio was still dominated by conservation-based projects. An emphasis on indigenous peoples has been fairly constant throughout the recent period. Another important trend has been towards large multiple-agency programmes like the Brazil Pilot Programme.

The geographical distribution of DG IB forestry aid has slightly favoured Asia (about 55% of the financial commitments), but Latin America's share of the Tropical Forests budget line to ALA countries was about 76%, rising in 1996 to 90%. Country distribution was skewed towards the two countries with the largest tropical rainforest areas in their respective continents: Indonesia received about 36% of all DG IB's tropical forestry aid and Brazil about 18%. There is a concern in DG IB, mainly on the Tropical Forests budget line, about the equity aspects of tropical forestry aid. The 1995 Council Regulation encourages local organisations to apply for funding, and other legislation⁶ states that aid should go mainly to the poorest, but it has been the wealthier Latin American countries, and within them the organisations best able to articulate demand and comply with procedures, which have secured most funding. A programmed study of forest

6. For example, Article 4 of the 1992 Council Regulation 443/92, which governs the geographical ALA budget lines, states that 'financial and technical assistance should be targeted primarily on the poorest sections of the population and the poorest countries in the two regions.'

sector needs in India, a country which had not previously benefited from the Tropical Forests budget line, indicates a move to a more pro-active project identification strategy and a desire to address the equity and regional imbalances.

Another important trend has been towards larger projects, although the Asia budget line projects have been large throughout the 1990s. While larger projects are preferred by some because they may permit a more strategic sectoral (or cross-sectoral) approach to be adopted in a given country, it was clear that an important factor working against small projects (which some technical officers think represent a more cost-effective aid strategy) has been a shortage of technical staff resources.

On the Tropical Forests budget line, weak monitoring and evaluation, and the associated weak information base, were part of several interlinked factors constraining effective project cycle management. Specific constraints included the level of both technical and administrative human resources; centralisation of project cycle management; poor understanding by some staff of technical issues; and over-regulation of procedures leading to increasing inflexibility. On the positive side, project appraisal methods have become more systematised. In spite of these constraints, there have been some important success stories among the projects supported by DG IB, as is evident from the projects reviewed in Indonesia, Colombia and Brazil. The general level of satisfaction with these larger projects implies that there will be an increasing trend to large multiple-donor or agency projects. Finally, the size of the forestry aid programme demonstrates a strong commitment to forestry in DG IB.

REFERENCES

- Brackelaire, V. and Rodriguez, C. (1996). 'Programa de Consolidación de la Amazonia Colombiana' COAMA 2. Misión de Evaluación del Contrato B7-5041/93/05. European Commission. Brussels.
- Bunyard, P., Maresch, S. and Renjifo, J.M. (1993). *New Responsibilities: the indigenous peoples of the Colombian Amazon*. The Ecological Press. Withiel, Cornwall, UK
- ECO (1997). Draft Report. Evaluation of the Forestry Component of EU Programmes in Developing Countries. Desk Evaluation Report Volume II: Annexes. ECO, Gesellschaft für Sozialökologische Programmberatung, Oberaula, Germany.
- ERM (1996). Inventory of Environment and Tropical Forests Programmes. Environment Resources Management. London.
- European Commission (1993). Project Cycle Management: integrated approach and logical framework. Evaluation Unit, European Commission. Brussels.
- European Commission (1996a). Initial report on co-operation activities financed under Budget Item B7-6201 (formerly B7-5041) for tropical forests. EC Working Paper IB/205/96. Brussels.
- European Commission (1996b). Orientation Paper about the Use of the Tropical Forest Budget Line B7-6201 in 1996. DG IB D4 Internal Paper. Brussels
- European Commission (1996c). Guide for the Financing of Projects Undertaken in Developing Countries. DG IB D4. Brussels.
- European Commission (1996d). Tropical Forest in Developing Countries Project Screening Form for the Technical Committee. DG IB D4. Brussels.
- IFSC (1991). *Review of the European Economic Community Tropical Forestry Sector Activities 1976-1990*. International Forest Science Consultancy. Edinburgh.
- Kriek, W. and Robbins, M. (1991). DG VIII Tropical Forestry Work Plan. Internal document. Brussels.
- PLANISTAT. (1996). Analyse statistique des projets financés par la Commission Européenne dans le domaine des Forêts Tropicales. Draft Report. Paris
- Richards, M. (1997). Common Property Resource Institutions and Forest Management in Latin America. *Development and Change* 28 (1): 95-117
- Vasconselos, J. (1966). Pilot Programme to Conserve the Brazilian Rain Forests (Briefing). Brazil EU Delegation (PPB/brief0296). Brasilia.
- World Bank (Undated). Pilot Programme to Conserve the Brazilian Rain Forest. Rain Forest Unit, World Bank. Brasilia and Washington, DC.

KEY CONTACTS

Tropical Forests Budget Line Technical Officers (DG IB Unit D4)
Rue de la Loi/Wetstraat 200
B-1049 Bruxelles
Belgium

Brazil and Asia:
Tel: +32 2 990765
Fax: +32 2 2990914
e-mail: andy.robby@dg1b.cec.be

Spanish speaking Latin America:
Tel: +32 2 2991096
Fax: +32 2 2990914
e-mail: joost.vandeveldde@dg1b.cec.be

Technical Officer (Forestry)
South and South East Asia Technical DG IB Unit C4
Rue de la Loi/Wetstraat 200
B-1049 Bruxelles
Belgium
Tel: +32 2 2951806
Fax: +32 2 2991062

Technical Officer (Social Development Group)
Latin America Technical DG IB Unit B4
Rue de la Loi/Wetstraat 200
B-1049 Bruxelles
Belgium
Tel: +32 2 2990698
Fax: +32 2 2991080

ACRONYMS

ACP	African Caribbean Pacific
ALA	Asia and Latin America
ASEAN	Association of South-East Asian Nations
CIFOR	Centre for International Forestry Research
COAMA	Conservación de la Amazonía y de su Medio Ambiente (Conservation of the Amazon and its Environment)
DG	Directorate General
EC	European Community
ECIP	European Community Investment Partners
ECO	Gesellschaft für Sozialökologische Programmberatung
EEC	European Economic Community
ERM	Environmental Resources Management
ETFAG	European Tropical Forestry Advisers Group
EU	European Union
IFSC	International Forest Science Consultancy
ITTO	International Tropical Timber Organization
IUCN	International Union for the Conservation of Nature
MEP	Minister of the European Parliament
NGO	Non governmental organisation
NTFP	Non-timber forest product
ODI	Overseas Development Institute
PCM	Project Cycle Management
PPB	Pilot Programme to Conserve the Brazilian Rainforest
TFAP	Tropical Forestry Action Plan
UNCED	United Nations Conference on Environment and Development

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following:

Andy Roby and Joost van de Velde, Technical Officers in Unit D4; Alban de Villepin, Head of Environment and Tropical Forests Sector in Unit D4; Oscar Mascagni, Technical Officer in the South and South-East Asia Technical Unit C4; Martin Kroeger, Trade and Certification Adviser (D4); Paulino Corda, Head of Social Development Group, Latin America Technical Unit B4; Richard Arndell, Adviser to the Director of Asia and South-East Asia (ex-Indonesia Desk Officer); Michel Lucas, Brazil Desk Officer; Karin Huybens, Honduras Desk Officer; and Nicholas de Joncheree, Principal Administrator, Central America Desk, Unit B1.

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to ECU 1.09.

DG VIII

Catherine Stoneman and David Brown

Contents

1.	DG VIII – EVOLUTION OF INVOLVEMENT IN TROPICAL FORESTRY	67
1.1	The aid mandate of DG VIII	67
1.2	Structure of the Directorate	67
1.3	The place of the ACP countries in the evolution of forestry aid	69
2.	SYSTEMS OF AID DELIVERY	69
2.1	The Lomé agreements	69
2.2	Aid delivery through the EDF	69
2.2.1	National and Regional Indicative Programming under the Lomé Conventions	69
2.2.2	Focal areas of co-operation	70
2.2.3	Participation of ACP states	70
2.3	The budget lines	70
2.4	Staffing and ratio of forestry advisers to financial commitment	71
2.5	Management of NIPs/RIPs	71
2.5.1	Channels and beneficiaries of DG VIII funds	71
2.6	Strengths and weaknesses of the DG VIII approach	72
2.6.1	Integration of sectoral priorities	72
2.6.2	Tropical forestry in DG VIII	72
2.6.3	Tropical forestry – the definitional issue	73
2.6.4	Strategic use of the budget line	73
2.6.5	Procedural innovations	73
3.	STRATEGY AND POLICY	73
3.1	Past strategy	73
3.2	Tropical forestry in the period 1992–1995.	74
3.3	Forestry and the programming of NIP/RIPs	74
3.4	The Tropical Forestry budget line	75
3.5	Present strategy on tropical forests	75
4.	PROJECTS FUNDED BY REGION, TYPE AND SIZE	76
4.1	Analysis of projects supported in the last two decades	76
4.1.1	Questions of classification	76
4.1.2	Total expenditure on forestry projects	78
4.1.3	Geographical spread of projects (DG VIII – all sources)	79
4.2	Non-budgetary funding	80
4.2.1	European Development Fund (EDF) – financial allocations	80
4.2.2	EDF projects – type and geographical spread	80
4.3	Non-programmable aid	81
4.3.1	STABEX	81
4.3.2	SYSMIN	82
4.4	Budgetary funding	83
4.4.1	B7–6201 (ex-B7–5041) Actions in favour of tropical forests	83
4.4.2	Funding under other budget lines	84
5.	PROJECT CYCLE MANAGEMENT	86
5.1	Phases of the project cycle	87
5.2	Evaluation	88
6.	PROJECT REVIEWS	88
7.	CONCLUSION	89
	REFERENCES	91
	KEY CONTACTS	92
	ACRONYMS	92
	ACKNOWLEDGEMENTS	92

1. DG VIII – EVOLUTION OF INVOLVEMENT IN TROPICAL FORESTRY

1.1 The aid mandate of DG VIII

As the Directorate-General responsible for Development Co-operation with the African, Caribbean and Pacific (ACP) countries, DG VIII occupies an unusual position with regard to development aid. Not only does it control 'budgetary allocations' voted by the European Parliament to the respective development-related budget lines, but it also has access to the so-called 'non-budgetary funds' in the form of the periodic pledges which are made directly by the Member States to the European Development Fund. Unlike the budget lines, the EDF does not form part of the EC Budget and is thus outside direct Parliamentary control.¹ Unusually, therefore, DG VIII action is conditioned not only by Commission-wide influences such as the Maastricht Treaty, but also by the bilateral and extra-budgetary financing arrangements associated with the multi-annual Lomé Conventions.

DG VIII's geographical mandate reflects the history of the European Union and the colonial history of several of its Member States. The ACP versus non-ACP distinction is entrenched within the structure of the Commission's aid management (DG VIII vs DG IB), and was restated in the Maastricht Treaty, Article 130w of which affirms the special status of the ACP countries, in the framework of the ACP-EC Convention. While the future of the EU-ACP association is currently a subject of considerable debate (a Green Paper on this theme was published in 1997), the ACP countries remain important partners for the Commission, and are likely to remain so, in one form or another, well into the next century.²

1.2 Structure of the Directorate

DG VIII is divided into directorates, some of which are geographical and some technical (see Figure 1). There are three geographical (or 'vertical') directorates, and four directorates concerned with 'horizontal' (ie. technically-oriented and geographically cross-cutting) themes.

(i) Geographical:

The geographical directorates of DG VIII are: VIII/D West and Central Africa; VIII/E East and Southern Africa; and VIII/F Caribbean, Pacific and Indian Ocean.

Each geographical directorate is divided into Divisions (or 'units') with narrower geographical responsibilities. Desk officers are responsible for relations with

1. The lack of parliamentary scrutiny of the EDF leads to complaints of a 'democratic vacuum' in the management of the Fund.
2. The main issue of contention is the system of trade preferences given to ACP states, which is challenged both by competitor nations outside this grouping and by many economists who view the system as encouraging inefficiency. Post-Lomé arrangements are likely to lead to modification or abandonment of preferential trading arrangements, possibly combined with a review of aid partnerships, to focus EC aid on the most needy countries of the developing world, regardless of their present affiliations.

individual ACP countries or (where country commitments are individually too small) groups of countries. The geographical directorates also include geographically-specific technical divisions. For example, each of the two Africa Directorates has two technical divisions covering 'Infrastructure' and 'Agriculture and Rural Development'. There is no technical division devoted to forestry for any geographical area.

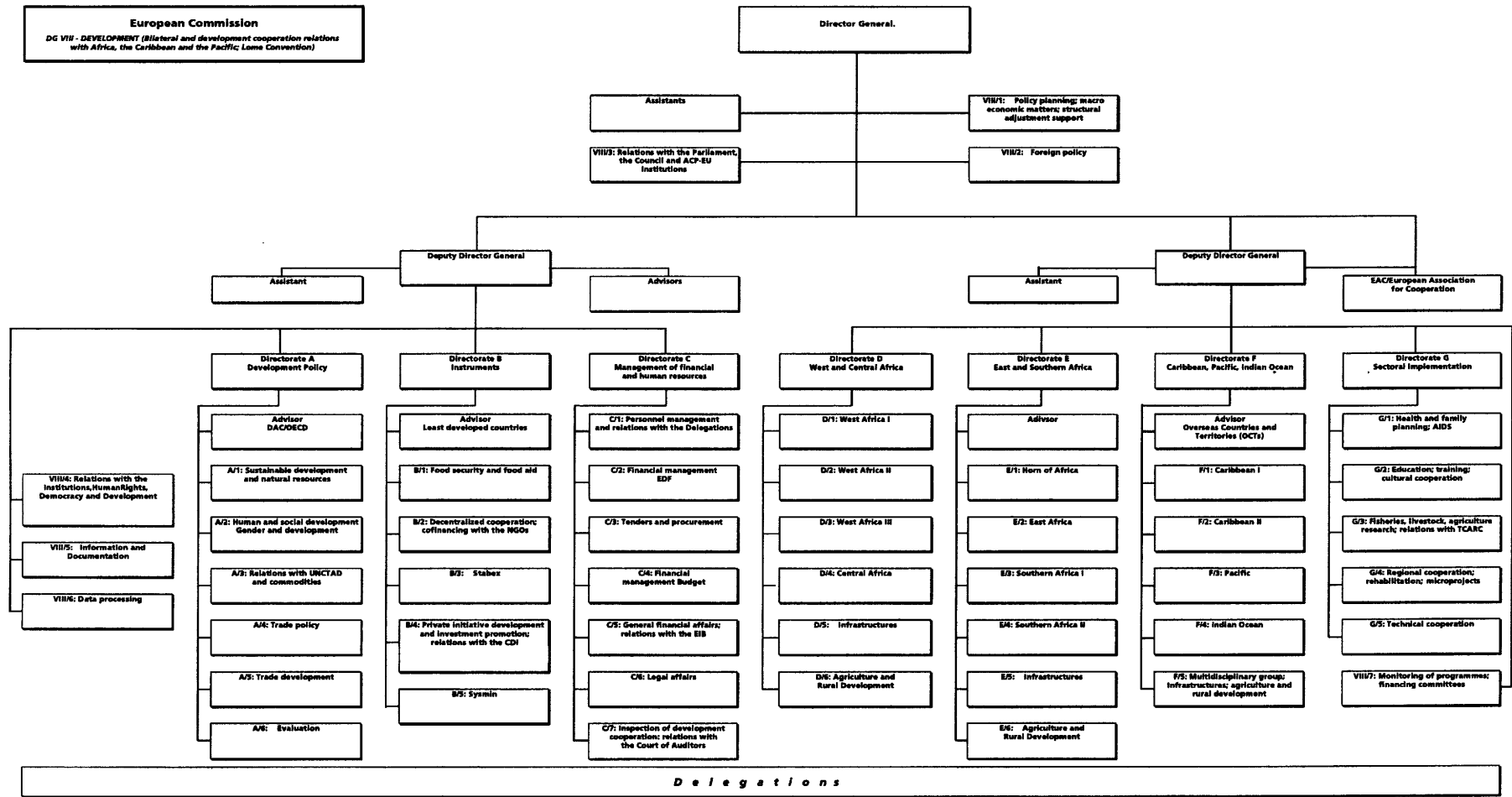
(ii) Horizontal:

The horizontal directorates of DG VIII are: VIII/A Development policy; VIII/B Management of instruments; VIII/C Finance; and VIII/G Sectoral implementation. The horizontal directorates are also divided into Divisions. The primary responsibility for tropical forestry policy is held by Division VIII/A/1 ('Development Policy, Sustainable Development and Natural Resources'). Although there is no career Commission official responsible for tropical forests, there is a tradition of appointing a forester to the Division from one or other of the Member States as a 'National Expert' (that is, a national civil servant seconded as a tropical forestry adviser). The occupant of this post is a key player in the development and implementation of the tropical forestry policy of DG VIII. Responsibilities of the post include: sectoral policy development; international representation and liaison; sectoral co-ordination; documentation and information; project technical support; and budget line management (particularly the tropical forestry budget line). The Adviser is not involved in the direct field-level management of EDF projects, this being the responsibility of the Desks in Brussels and the Delegations overseas.

Forestry is also covered by a number of other 'horizontal' divisions, including those dealing with the environment and the STABEX fund, and features as a component of other technical sections such as agriculture and research. However, the informing principle of DG VIII operations is an unequivocally geographical one, as is implicit in the Lomé Convention signed with individual countries. As a result, horizontal issues such as forestry tend to be less well integrated into the functioning of the Directorate-General than are 'vertical' (ie. geographical) concerns.

Division VIII/A/1 has responsibility for tropical forestry policy and also for guidance to desk officers and Delegations on priority sectors for allocation of funds from the EDF with regard to forestry and other sectors (environment, transport, habitat, etc.). Since 1995, it has also been responsible for part of the expenditure under the budget line B7-6201 (formerly B7-5041) 'Actions in Favour of Tropical Forests'. This budget line was created in 1992. Previously, funding for tropical forestry was covered by the budget line B7-6200 (formerly B7-5040), 'Environment (formerly 'Ecology') in Developing Countries'. Access to funds under this rubric allows DG VIII to implement forestry-related activities without having to pass through the relatively bureaucratic and slow-moving EDF procedures. Formal responsibility for the management of the budget line (including reporting to the European Parliament) lies with DG IB.

Figure 1 Structure of DG VIII – Development



Delegations

1.3 The place of the ACP countries in the evolution of forestry aid

In the 1970s, the financial protocol of the Lomé Convention, the European Development Fund (EDF), provided the main source of funding to tropical forestry. As other sources of funding have become available to tropical forestry through the budget lines, so the EDF's relative importance has diminished. However, it still has important implications for tropical forestry, both in terms of funds earmarked for activities in key sectors of the national programmes of the partner countries, and, more generally, in terms of the forestry impacts of interventions in other sectors.

2. SYSTEMS OF AID DELIVERY

An understanding of the ways in which tropical forestry is handled within DG VIII requires consideration of the two different types of fund – the EDF, which has a long history and operates according to institutionalised, if rather complex, procedures, and the tropical forestry budget line, which has a much shorter history, and operates more flexibly. Management of the EDF involves close collaboration between the Commission and its ACP partners, while DG VIII/A/I has a fair degree of independence in its management of the tropical forestry budget line.

2.1 The Lomé agreements

The first three Lomé Conventions provided multi-annual financial allocations, on a five-year cycle. The present Lomé Convention, Lomé IV, covers two successive funding periods (Lomé IV and IV *bis*, each of five years) of ten years' overall duration (1990–99).³

The introduction of phased programming into Lomé IV was partly the result of problems in disbursing EDF funds. Slow and inadequate disbursement of funds has characterised previous generations of EDF protocols, in part because of the time-consuming and complex process of policy dialogue needed to identify country priorities and sectoral emphasis (Koning, 1997:132). Lomé Conventions form contractual agreements between the EU and the ACP group. The EDF does not operate a deadline for spending its funds, so that if funds committed are not spent during the life of a particular EDF, they can be carried over into the next. Taking into account the programming of successive EDFs, it is thus possible to have a number running concurrently. All EDF funding, apart from funds managed by the European Investment Bank (EIB), is in the form of grants.

2.2 Aid delivery through the EDF

Aid delivery through the mechanism of the EDF

3. The full list of the respective Yaoundé (predecessor to Lomé) and Lomé agreements and their associated EDFs is as follows:

Yaoundé I	(1963)	EDF 1.	
Yaoundé II	(1969)	EDF 2.	
	(1970–75)	EDF 3	
Lomé I	(1975–80)	EDF 4.	
Lomé II	(1980–85)	EDF 5.	
Lomé III	(1985–90)	EDF 6.	
Lomé IV	(1990–2000)	EDF 7 and 8	(Lomé IV bis 1995–2000).

involves two levels of action: the programming exercise which defines the overall character and level of funding of the various *national indicative programmes (NIPs)* and *regional indicative programmes (RIPs)*, and the project formulation which converts each programme into a set of viable projects. Both of these form part of a single process of EDF project cycle management.

For the purposes of this chapter the two stages can usefully be separated. The present section reviews the EDF programming exercise, indicating its main points of difference from budget line management, while a later section (Section 5) considers the remaining phases of project cycle management for both the EDF and the tropical forestry budget line.

2.2.1 National and Regional Indicative Programming under the Lomé Conventions

During the process of ratification and signature of the Lomé Convention, a programming exercise is carried out between the EU and each ACP government. The method of programming set out in the Convention involves several steps:

- (i) notice is given by the Commission of the amount of resources (both programmable and non-programmable⁴) available to the country in question;⁵
- (ii) a strategy paper is then drawn up between the Commission and the ACP government, which is the basis for the negotiation of an aid agreement known as the *National Indicative Programme (NIP)*;
- (iii) a contract document is signed on completion of the negotiations.

The *National Indicative Programmes* for the individual signatories to the Lomé Convention and the *Regional Indicative Programmes* for regional and sub-regional groupings fulfil a number of functions. They lay down development priorities, define focal areas of co-operation, allocate the resources for meeting objectives, earmark projects and programmes and set out the timetables for implementation.

There are currently 56 EU Delegations covering the 70 ACP states. The Delegations act in a coordinating capacity in the negotiation of the NIPs. Each Delegation provides the Commission with a draft strategy paper based on its discussions with its associated ACP government. This covers the specific constraints and difficulties of the country in question, and recommends sectors or particular areas for EC intervention.

4. Programmable aid includes a country's entitlements in the form of NIP, RIP and the Structural Adjustment Facility. Non-programmable aid is allocated at the discretion of the Commission, on a case-by-case basis. It includes grants for STABEX and SYSMIN, risk capital, interest rate subsidies, refugee aid and emergency aid. It accounted for 65% of EDF6 and 57% of EDF7 (see Koning, 1997: 129–30).
5. The amount of programmable aid allocated to each country is based on a formula which takes into account criteria such as population, GNP per capita, external debt, and special circumstances (whether landlocked, an island state, a least developed country, etc.).

Initiation of the NIP has traditionally been a rather complex and opaque process, involving inputs from the host government, the Delegation and the Brussels desk. Pressure has been growing to increase the transparency of the negotiations, in order to generate a greater sense of host country ownership.⁶

Once the first draft has been agreed by the host government, it is passed by the Delegation to the Country Desk Officer in Brussels. There are likely to be several exchanges of views between the desk, the Delegation and the applicant government, and several revisions of the draft. Each programme is screened by a committee which includes representatives of the main fields of co-operation in DG VIII (the horizontal departments, sectoral experts, technical experts, relevant geographical desk officers). The resulting pre-programming document is then formally presented to the EDF Committee, which has responsibility for financial decisions and is made up of representatives of the EU Member States. Once approved, the pre-programming document forms the basis for the official negotiations between the Commission and the relevant ACP government, leading to the preparation of the National Indicative Programme. Negotiations on the NIP usually take place during an overseas programming mission by officials from Brussels.

2.2.2 Focal areas of co-operation

Decisions concerning financial allocations to individual ACP states are made by the Commission and communicated to the recipient country governments. The latter are not directly involved in the determination of the financial commitments, such decisions being the sole responsibility of the Commission. A period of dialogue with each ACP partner then ensues concerning the character of the programme to be developed within the given financial envelope. According to the fundamental principles of the Lomé Convention, it is through the programming exercise that each ACP government decides on the sectors that the NIP should support. The main areas of priority are known as the *focal areas* (sometimes referred to in the Commission as *focal sectors* or *concentration sectors*⁷). The programming exercise also identifies the instruments or types of development assistance that are most appropriate to the country's development needs. Article 281 of Lomé IV *bis* sets out the implementation procedures for the NIP and the information that the ACP partner must provide as regards the resources needed both for focal sector and support activities.

Normally, there are not more than three focal areas of co-operation per country. These tend to be rather broadly defined; for example – to cite a number of recent cases – ‘balanced and regular delivery of transport services’, ‘decentralised local community development’, ‘to address the needs of the majority

with regard to health and education’, ‘to develop agriculture while simultaneously protecting the environment’.⁸ Focal areas tend to be those in which the recipient government wishes to see funds spent, and are not necessarily ones which the Commission or Delegation would see as priorities. A variety of factors enter into the decision-making process, including the overall aid profile of the country in question, and the areas in which other donors are either already active or, alternatively, under-represented. The NIP Framework of Co-operation agreement for each country identifies the focal sectors, and indicates the percentages of the overall funding envelope to be devoted to each of them. It also identifies the percentage allocation to operations outside the focal areas.⁹

Focal areas are not to be confused with ‘cross-cutting themes’¹⁰ which all EDF programmes are required to take into account. There are four of these: sustainable social and economic development; the fight against poverty; integration into the world economy; and the observance of human rights and fundamental freedoms.

2.2.3 Participation of ACP states

In the early years, negotiations between the Commission and ACP states were largely restricted to consideration of the individual merits of the projects which the latter wished to see financed. In recent years, particularly since Lomé III, the Commission has adopted a more policy-oriented approach in its relations with ACP partners, encouraging the use of EDF funds for sectoral development and reform. The Structural Adjustment facility, which was introduced in 1987 and offers additional aid funds in response to certain performance criteria, has reinforced the policy focus.¹¹ This has increased the demands placed on the Commission with regard to the fostering of policy dialogue, though there have been criticisms that the Delegations and country desks lack the necessary capacity to ensure that this occurs.

2.3 The budget lines

Projects funded from the Tropical Forestry budget line are handled quite differently from EDF programming. DG VIII has a considerable amount of discretion over the use of that portion of budget line funds which it controls. By and large, this discretion is exercised without reference to ACP governments. Creation of the budget line has allowed the Directorate-General to fund activities it regards as relevant to ACP forestry development but which recipient governments have proved unwilling to see funded from their own EDF allocations. Introduction of the budget line has also greatly increased the freedom of action of the Tropical Forestry Adviser, and, as will be discussed later, has allowed for the creative use of the DG VIII allocation in

6. Among the changes mooted has been the proposal that the first draft of the programming document should emerge from a joint Commission/government seminar.

7. The equivalent term in French is *domaine de concentration*.

8. The focal areas for regional programmes would be likely to have a clear regional focus – eg. ‘regional economic integration and, in particular, increased intra-regional trade’.

9. To give one example of the relative allocations: the NIP for Cameroon under Lomé IV *bis* allocates 50–55% of total funds to Focal Area No. 1 (Transport sector policy), 25–30% to Focal Area No. 2 (Decentralised local community development), and a maximum of 20% to Operations outside the focal sectors.

10. Known in French as *thèmes transversaux*.

11. The criteria of positive performance are both economic and political (for example, democratisation) – see Koning, 1997:133.

support of a strategy aiming to heighten the profile of tropical forestry in EDF programming.

2.4 Staffing and ratio of forestry advisers to financial commitment

The Tropical Forestry budget line in DG VIII is managed by the Forestry Adviser (national expert) located in A/1, under the Head of Division. Currently, one-third of the overall budget line is managed by this individual (at present (1997) ECU 19 m. per annum). Environment is also handled by a single Adviser, with responsibility for half of the overall environment Budget line allocation (currently ECU 15 m., shared equally between DG VIII and DG IB). Both of these are supported by two accounts officers with financial (budgetary) responsibilities.

A number of other Units within the Directorate-General may have competence over forestry matters, and deal with forestry as part of their wider brief, without being formally designated as such. At present, these include one staff member within the Division G3 ('Fisheries, livestock, agriculture research'), who manages that part of the forestry budget line dealing with wildlife and protected areas; D6 ('Agriculture and rural development' Division of the Directorate for West and Central Africa), the brief of which inevitably impinges on forestry matters; E6 (the parallel Division to D6 within the Directorate for East and Southern Africa); and F5 (a multi-disciplinary group 'Infrastructure, agriculture and rural development' within the Directorate for the Caribbean, Pacific and Indian Ocean). There is also a small number of professional foresters in the Delegations.

With only one professional officer to promote and manage the forestry brief for the whole Directorate-General, the staffing constraint which is apparent throughout the Commission is particularly evident in the area of tropical forestry. There is no explicit fund earmarked for tropical forestry under Lomé (nor does a percentage rule apply to the ACP countries, unlike the regional budgets for Asia and Latin America which have a 10% environment allocation [see the chapter on DG IB]). Lomé IV *bis* stands at ECU 14 billion (one-third of all EU development funds). Expenditure on tropical forestry projects within the Lomé envelope varies markedly from year to year. One recent estimate puts expenditure on tropical forestry from the EDF, over the period 1992–6, at ECU 46.22 m., though varying widely from year to year, with ECU 23.28 m. expended in 1992, but only ECU 889,321 expended in 1993 (Planistat, 1997:28). Average expenditure under Lomé in this period was ECU 9.24 m. Overall tropical forestry related expenditure by DG VIII in the period 1992–6, including EDF and three budget lines (tropical forestry, environment and NGO) has been estimated at ECU 138.73 million (*ibid*). Using this figure, the professional responsibility of the Tropical Forestry Adviser can be said to be of the order of ECU 28 million per year, of which about half has been under the Tropical Forestry budget line, B7–6201. However, much of the responsibility for the non-B7–6201 expenditure is indirect.

2.5 Management of NIPs/RIPs

The National Indicative Programme defines the overall framework of EDF funding to a particular country. Realisation of the Programme is through the vehicle of individual projects. Identification of projects is the joint responsibility of the recipient government and the EC desk officer, supported by the EU in-country Delegation. Project proposals are screened by the EDF Committee which meets monthly. There is no internal review procedure at present, although DG VIII is in the process of introducing a new committee, the Quality Support Group (QSG), which will screen projects prior to their presentation to the EDF Committee. The mandate of the QSG will be to help officials improve preparation and appraisal of EDF operations, and thus improve the 'quality, relevance, viability and sustainability' of EC aid. The Group will have eleven members, representing the various sectoral and geographical Divisions of DG VIII, and it will be chaired by the Head of Directorate A (Development Policy). Previous attempts to introduce similar screening bodies met with rather limited success, due, it is said, to opposition from country desk officers opposed to the heightened influence which such a grouping would give to the policy units (Koning, 1997:139).

Management responsibility within the Commission for all phases of NIP and project identification rests with the Geographical Country Desk. Feasibility studies and financing arrangements are also the responsibility of the desk. During the implementation phase, responsibility within the Commission for supervision of project execution passes from the desk to technical units. Where appropriate technical units exist within the geographical directorates (*viz.* 'Agriculture and rural development' and 'infrastructures'¹²), authority will normally be retained within the directorate. In other cases (for example, 'health' and 'education and training'), responsibility passes to another directorate, normally Directorate G; 'Sectoral implementation'.

In-country supervision of projects (for example, tendering procedures and drawing up contracts) is the joint responsibility of the Delegation and the recipient government. An important role in such procedures is played by the *National Authorising Officer* (NAO), a Minister of the recipient government, who acts as the contact point with the Commission, and represents the government in matters concerning the EDF programme.

2.5.1 Channels and beneficiaries of DG VIII funds

As outlined in Article 3.2 of the Council Regulation 3062/95 of 1995 (see Section 3.4, below):

The recipients of aid and partners in co-operation may include not only states, regions and overseas countries and territories but also decentralised authorities, regional organisations, public bodies, local or traditional communities, private industries and operators, including cooperatives and non-governmental organisations and representative

12. These two sectoral units are separate entities within Directorates D and E, though combined as one 'Multidisciplinary group' within Directorate F.

associations of forest peoples, which include the conservation of tropical forests among their objectives or regular activities.

The types of partners engaged in budget line activities tend to reflect the European dimension of the Commission's work. A range of European consultancy firms, national and international NGOs and charitable organisations, and universities/consortia has received funding, sometimes in partnership with counterparts in the recipient countries and regions. Horizontal projects are not necessarily linked to any one country or region.

The range of partners under EDF co-operation tends to be very broad and may include small, medium and large private sector organisations, banks, NGOs and community associations, as well as government departments and agencies, and public services. Management may involve local and expatriate consultancy firms and direct contract staff. Selection of partners is subject to strict tendering and contract procedures, as laid down in the EDF financing regulations.¹³ As a general rule, only EU and ACP persons, companies and public or semi-public agencies can participate in EC/ACP tenders under the EDF, and equipment and plant must also be of EU or ACP origin. Tendering procedures vary according to the size of the contract, with the largest contracts involving international calls for prequalification. For smaller projects or provision of services, rules of restricted tender are likely to apply, with invitations being restricted to consultancy companies on the official EC/ACP registers. Primary responsibility for the tendering procedure, as well as for project management lies with the ACP country, particularly the National Authorising Officer, acting in association with the EC Country Delegation (see section 5).

2.6 Strengths and weaknesses of the DG VIII approach

The strengths of the DG VIII approach, as it now operates, derive from its relative freedom from political influence. Aid delivery by DG VIII is less influenced by national foreign policy or commercial interests than are the bilateral EU aid programmes (Bainbridge and Teasdale, 1996). Once the size of the EDF has been established, DG VIII has relative autonomy over the programme on the EC side.

2.6.1 Integration of sectoral priorities

At the level of sectoral integration, however, existing structures and procedures present a mixed picture. While the more established development objectives are reasonably well accommodated in EDF aid, integration of the newer sectoral priorities (such as forestry and the environment) is arguably rather poor (Koning, 1997: 142). This can be attributed to a number of factors: the time lag between priority identification and the disbursement of aid (so that the newer aims have not yet been fully taken on board); the demanding nature of the emerging themes; and also the tendency to concentrate attention on deliverable outputs, such as infrastructure,

at the expense of complex and cross-cutting social objectives. The consultancy mode in which most EC aid is managed similarly encourages a conservative bias, as does the complexity of EDF aid management. The principle of partnership which is central to the Lomé Conventions also means that recipient governments have considerable discretion in their choice of priority sectors for their NIPs, and external concerns may thus be rather difficult to promote.

At the same time, the structure of the Directorate-General is itself uncondusive to the integration of innovative sectoral themes, including tropical forestry. DG VIII's organisation is primarily along geographical lines, and the integration of horizontal issues is inherently problematic. Neither geographical desks nor delegations are particularly responsive to DG VIII's technical priorities, and serious constraints of staffing, together with the wide geographical and thematic coverage of EC international representation, compound the difficulties.

2.6.2 Tropical forestry in DG VIII

With regard to the specific issue of the integration of tropical forestry into development priorities, DG VIII programming is unsatisfactory from a number of points of view. The major issue concerns the points of entry for forestry into EDF structures. The process of drawing up NIP/RIPs tends to be rather cumbersome, and dominated by geographical interests. The two key levels of implementation – the Country Desk Officer in Brussels and the Delegation in the ACP countries – are primarily managerial appointments, without defined sectoral competences linked to their geographical postings. EDF regulations do not commit the Directorate-General to any specific level of funding for tropical forestry, beyond those specified in the focal areas. These rarely identify forestry as a priority.¹⁴

In order for forestry matters to be adequately taken into account in the processes of project identification, there is need for early recognition of key sectoral concerns by the programming authorities. This rarely happens in practice. Delegation and desk staff have generally lacked skills in the forestry sector, and the massive workload of the sector specialists has prevented them from intervening in EDF programming either early enough or with sufficient commitments of time. Forestry is felt to have been rather poorly represented in the NIP/RIPs of the 8th EDF, even in those instances where it might have been expected to have been a major priority.

While responsibility within the Commission for project management normally transfers from geographical desks to technical units in the execution phase, the desks may hesitate to involve Division A/1 ('Sustainable development and natural resources') in day-to-day management issues, on the grounds that A/1's brief is primarily policy-oriented. Valid as this

13. See: 'The User's Guide to Tenders and Contracts Financed by the EDF', Commission Document DG VIII/151/94-EN (revised 10/96), Brussels, May, 1994.

14. For example, forestry is not a focal area for Cameroon or Uganda under the 8th EDF, despite the fact that these two countries have important forest resources, although transport sector policy is; on the other hand, forestry is a focal sector for the Comores, which is not a major timber producer. Forestry is, however, a focal sector for the RIP for Central Africa, an area which includes Cameroon.

may be, A/1 is the sole Division in DG VIII with a specific mandate for tropical forestry, and the unit best able to promote tropical forestry perspectives in EDF programming.

2.6.3 Tropical forestry – the definitional issue

The issue of the limited integration of tropical forestry, as a thematic area, into EDF procedures is important not only in its own right (in that forestry is, or should be, a major area of Commission intervention in all those ACP countries with important forest resources) but also in relation to the issue of environmental impacts. There are two particular areas of concern. In the first instance, forestry may well figure as an important, if subsidiary, component of actions in other sectoral areas, in which the proper management of the forestry component is essential for project success. And secondly, because of the extent to which forestry is influenced by extra-sectoral issues (infrastructural development, trade policy, fiscal reform, policy on land conversion and settlement, etc.), interventions in other areas may have major impacts on the forest sector. In such cases, seemingly peripheral issues of definition and classification may well prove crucial to the recognition of forestry impacts. As yet, management procedures within DG VIII are arguably some way from addressing these cross-sectoral issues. However, with the increasingly strategic deployment of a dedicated Tropical Forestry budget line, as well as certain procedural innovations, there is growing potential for a more integrated and coherent approach.

2.6.4 Strategic use of the budget line

DG VIII/A/1's response to the minor role of tropical forestry within the EDF programming procedures has been to adopt an increasingly strategic orientation. In some cases (for example, in relation to work on the evolution of the international timber trade), the budget line is being used to help define EDF policy. In other instances (for example, studies on timber certification), budget line projects are used as pilot activities, the intention being to bring them to a stage of potential replicability, at which point they can be absorbed into the funding procedures of the EDF. The aim in both cases is to heighten the profile of tropical forestry within the Directorate-General, and to ensure that forest impacts become a central concern in all of its aid allocations.

2.6.5 Procedural innovations

At the same time, DG VIII management has also recognised the need for greater harmony between policy and implementation, and recent changes in decision-making procedures reflect a desire to strengthen the policy and sectoral implementation units. However, these procedures continue to work within the constraints of staffing shortages and of the partnership principle enshrined in Lomé, and on both counts the Commission has limited ability to impose its will.

Efforts are increasingly being made to integrate EDF management and VIII/A/1 policy at the structural level, to the benefit of tropical forestry. For instance, the setting up of the Steering Committee of the Tropical Forestry and Environment Budget Lines, which com-

prises the Heads of Directorates of DG VIII and representatives of DGs IB and XI, indicates a move towards greater transparency and coordination with other services. The Steering Committee (officially the 'Inter-Service Committee') meets two or three times a year to discuss the projects proposed for funding, and representatives give views on projects that fall within their geographical/technical portfolio. The minutes of the meeting are circulated, as are details of the status of budget line programming. A Background Note was circulated in June 1996 outlining the purpose of the budget lines, and proposing further 'in house' contributions in the form of projects (Background Note of 4/6/97).

3. STRATEGY AND POLICY

As the importance of tropical forests has grown within the Commission, so have the accompanying DG VIII structures to deal with them. This section outlines the strategic approach being developed in DG VIII to promote the theme of tropical forestry, in the face of the organisational and management constraints set out above.

3.1 Past strategy

Until the early 1990s, there was a fairly *ad hoc* approach to forestry issues in DG VIII, and forestry was generally dealt with as a sub-component of broader activities, such as rural development. Tropical forest projects and interventions were supported from diverse funding sources (for example, the budget line B7-5040: Ecology in Developing Countries), without any overarching strategy or policy.

With the growth in environmental awareness in the 1980s, and especially since the UNCED Conference in 1992, there has been an increase in the capacity-building of Commission services, in terms both of increased funds and of policy orientation. There has also been an increase in strategic thinking, and policies with clearer operational/practical applications.

The period of the late 1980s, in which the awareness of environmental problems in general and tropical forests in particular, came increasingly to the fore, was accompanied by increased activity and reflection within DG VIII. Pressure from the European Green Movement was particularly influential. Commission responses tended to be high in good intentions but with only a limited operational aspect. The 1989 Communication, 'The Conservation of Tropical Forests: The Role of the Community', for example, put its main emphasis on support for programmes external to the Commission, the FAO-supported Tropical Forests Action Programme and International Timber Trade Organisation, despite pressure from the environmental movement for a greater internal policy orientation, and some misgivings as to the effectiveness of the chosen agencies (WWF, 1991:1).

The 1991 review of tropical forestry sector activities, which was undertaken by the International Forest Science Consultancy (IFSC), marked a recognition by the Commission of the growing importance of aid funding to the tropical forestry sector, and an acknowledgement of the inadequacy of its existing approach. The review made a number of recommendations,

including the need for an overall strategy and the development of guidelines for staff of the Commission and Delegations on the identification and formulation of projects so as to ensure its effective implementation.

3.2 Tropical forestry in the period 1992–1995.

The 1992 UNCED Conference led to significant changes in the overall legal and policy environment for tropical forestry aid. All signatories (the Commission included) were obliged to implement the undertakings of Agenda 21, as well as meet the legally binding provisions of the Biodiversity, Climate Change and Desertification Conventions. The Commission was also involved in ongoing discussion processes concerning, for example, the possibility of a legally binding instrument for forests to build on the (non-binding) UNCED Forest Principles. The Commission took on a number of responsibilities and legal obligations with regard to Tropical Forests, at the level of both internal policy and international processes. The former included the programme of the Fifth Environmental Action Plan, 'Towards Sustainability', launched in 1993 (EC, 1993b), which dealt with policy and actions relating to the environment and sustainable development, and the latter, inputs into the UN Commission on Sustainable Development and its offspring, the Intergovernmental Panel on Forests (IPF). These changes have led to a greater focus on monitoring and reporting activities, and to the development of more complex systems to classify project commitments and justify activities, in tropical forestry and environment.

The period leading up to, and immediately following, the UNCED Conference signalled a much-increased role of the Commission as an actor on Tropical Forest issues. The period was characterised by a proliferation of Resolutions, Communications and other legal instruments aimed at putting Tropical Forests on the agenda in practical, as well as theoretical, terms.

In terms of follow-up to UNCED, the major actions internal to the Commission were:

- (i) The 'Seminar on European Community Actions in Favour of Tropical Forests', held in Brussels in January, 1993, to take stock of the Rio Conference
- (ii) The opening of the (previously agreed but not yet active) Tropical Forestry budget line (B7–5041/6201) and the introduction of the corresponding Regulation.
- (iii) The negotiation of Protocol 10 to the Lomé Convention.

Again, in seeking to understand such developments, a separation has to be made between issues relating to the EDF and those relating to the budget line.

3.3 Forestry and the programming of NIP/RIPs

Over the years the Lomé Convention has been gradually modified to give priority to activities which are likely to promote sustainable forestry and conservation. For example, Article 4 of Lomé IV (1990) emphasises the need for development to be 'based on a sustainable

balance between its economic objectives, the rational management of the environment and the enhancement of natural and human resources'.

Article 14 indicates, among priorities in the main areas of co-operation, that:

Co-operation shall entail mutual responsibility for preservation of the natural heritage. In particular, it shall attach special importance to environmental protection and the preservation and restoration of natural equilibria in the ACP States. Co-operation schemes in all areas shall therefore be designed to make the objectives of economic growth compatible with development that respects natural equilibria and brings about lasting results in the service of man.

In the framework of efforts to protect the environment and restore natural balances, co-operation shall help promote specific operations concerning the conservation of natural resources, renewable and non-renewable, the protection of ecosystems and the control of drought, desertification and deforestation; other operations on specific themes shall also be undertaken (notably locust control, the protection and utilisation of water resources, the preservation of tropical forests and biological diversity, the promotion of a better balance between urban and rural areas, and the urban environment).

A new section on the environment was introduced into Lomé IV (Articles 33–41). Article 33 set out the objective of EU support with regard to environmental issues, including forestry. It stated that:

the protection and the enhancement of the environment and natural resources, the halting of the deterioration of land and forests, the restoration of ecological balances, the preservation of natural resources and their rational exploitation are basic objectives that the ACP States concerned shall strive to achieve with Community support, with a view to bringing an immediate improvement in the living conditions of their populations and to safeguarding those of future generations.

Lomé IV *bis* was signed in 1995 and gave formal recognition to the threat of deforestation, and to the need for joint intergovernmental action on the part of both ACP and EU Member states. Environmental objectives were listed as basic aims to be pursued by ACP states with EU support. The Convention carried a requirement that all future projects should be subject to an environmental assessment. For the first time, tropical forests were included as a specific and discrete topic in the form of a Protocol to Lomé IV *bis*: Protocol 10 'on sustainable management of forest resources'. This summarises concern for tropical forests, and states that 'special priority shall be given to actions which support and encourage the efforts of ACP States and their organisations to preserve, re-establish and use sustainably their forestry resources, including the fight against desertification' (Para 2).

Protocol 10 sets out a number of priority areas within tropical forests where efforts should be concentrated, such as:

- the conservation of endangered tropical forests and their biodiversity;

- the development of buffer zones;
- the sustainable management of forests destined for the production of timber and other forest products;
- afforestation and reforestation;
- institution building;
- strategic and adaptive research;
- improved planning at local, national and regional levels;
- the improvement of timber trade and marketing from forests under sustainable use;
- the certification of forest management and forest products;
- improved access to and transfer of technology and technical co-operation, to help attain the objective of sustainable development (Para 4).

These suggest areas favoured for joint action between the EU and the ACP states within the EDF negotiations. Protocol 10 does not, however, commit any funds specifically to forestry, nor does it oblige the signatories to the Convention to implement its aims.

Focal sectors

A new requirement was included in Lomé IV *bis*, to the effect that focal sectors should be selected to put 'emphasis on poverty alleviation and sustainable development' [Article 281 para 2(b)]. This may be expected to increase the profile of tropical forestry within EDF programming, albeit indirectly.

Tropical forests may be identified as a focal sector where indicated by development criteria. Collectively, the various forest-related Articles of the Convention and the Protocol would suggest the relevant criteria to be:

- large numbers of people relying on forests;
- unique or endangered biodiversity;
- high deforestation; environmental problems stemming from deforestation;
- danger of loss of livelihoods;
- high profile of forest revenue in national income; high-level political backing for addressing forest problems.

In principle, if one of these criteria applies, then integration of forestry into the country's NIP should be considered (*see*: 'Sector Programming of the 8th EDF').

Integration of forestry into NIPs might also be indicated even if there is no awareness or readiness in an ACP country. This is the case when there is a risk of losing unique ecosystems, areas of biodiversity or of social and cultural heritage, where preservation is of global interest. In such a situation, the desk officer in Brussels is likely to have a key role in deciding whether or not to press for an appropriate modification of the NIP.

3.4 The Tropical Forestry budget line

The creation of the Tropical Forestry budget line in 1991–2 attests to the greater recognition now being given to the problems facing tropical forests. Its aim is to 'support operations to promote the conservation and sustainable management of tropical forests and their associated biological diversity'. Its fields of application

are outlined in Article 4 of Council Regulation No. 3062/95 of 1995. Article 4(e) of the Regulation focuses on the need for actions centred on 'capacity-building to address the need for training schemes for local populations, forest managers and researchers, for legislation for increased political and social support and institutional strengthening, and for organisations and associations active in forest conservation'. There are eight priority areas:

- conservation of primary tropical forests and their biodiversity and renewal of tropical forests which have been damaged;
- sustainable management of forests designed for the production of timber and other products;
- definition and development of certification systems;
- provision of prior information to forest peoples (identification, planning and implementation of actions);
- capacity building;
- strategic and adapted research policy aimed at supplying the knowledge required for the conservation and sustainable management;
- development of buffer zones to assist the conservation or regeneration of tropical forests;
- development and implementation of forest management plans aimed at conserving tropical forests.

3.5 Present strategy on tropical forests

A series of influences has thus converged in recent years to heighten the profile of tropical forestry both generally within the Commission and specifically in DG VIII. Some of these influences have been Commission-wide. These include internal pressures (for example, the implications of the IFSC 1991 review) and external ones (the UNCED Conference, for example, and the increased public interest in tropical forestry and environmental issues over the last decade). Others have related to influences specific to DG VIII (for example, the desire to introduce sectoral expertise into the management of the EDF). Collectively, these influences have led to the formulation of the EC strategy on forest sector co-operation.

The EC strategy

The overall objective for the strategy is that 'sustainable forest development should lead to a reduction and, in the long run, to a cessation of further destruction of irreplaceable resources'.

The approach of EC Forest Sector Development Co-operation is to ensure that 'individuals and communities dealing with forests and forestry, and society at large, benefit in an equitable way from forest-related products and services which are produced on a socially, economically and environmentally-sound basis'.

This will be achieved by promoting sustainable forest management, in line with international principles, in a decentralised and participatory manner and according to a livelihoods perspective that gives due recognition of the interrelationship between forests and other land uses.

The underlying assumption behind the approach is that 'deforestation is rooted in a complex web of social, economic and institutional problems, and it is

commonly accepted that (the origins of the) problem largely lie outside the forests'.

The principles of forest sector co-operation

The need for all aid management staff to take fully into account the complexity of the influences on the condition of the forest sector, and the extent and importance of out-of-sector influences, has been underlined in a set of guiding *principles* which underpin the strategy and are intended to be applied by all EC staff involved in forest sector development co-operation. These concern the economic, social and environmental dimensions of sustainable development (see Box 1).

DG VIII Forestry Instruments

DG VIII/A/1 has developed a range of tools to support DG VIII's forestry strategy. This is based on the recognition that a sound legal framework (the Regulation, Protocol 10, etc.) is not, by itself, sufficient to result in the achievement of the key objectives, and that there is need for active engagement with priority topics

Box 1 General Principles to be applied in Forest Sector Development Co-operation

1) Policy principles

- Principle 1: Considering strategic processes and compatibility with National/Regional Forestry Programmes.
- Principle 2: Considering forests in a broader pattern of land use.
- Principle 3: Considering customary rights and ownership of land and resources.

2) Social principles

- Principle 4: Understanding social and cultural features and responding to perceived needs.
- Principle 5: Encouraging participation of all stakeholders in the development process and seeking to empower local communities.
- Principle 6: Seeking to reach poor and disadvantaged populations and seeking to integrate them into the development process.
- Principle 7: Recognising gender roles and establishing equal participation and benefits.

3) Economic principles

- Principle 8: Considering the role of the private sector.
- Principle 9: Considering the economic dimension of environmental impacts.

4) Environmental principles

- Principle 10: Seeking to avoid harmful effects on the environment.
- Principle 11: Ensuring that the environment resource base is enhanced for future generation.

(Source: Guidelines for Forest Sector Development Co-operation, 1996: 28.)

through a range of instruments. Two of these in particular – the forthcoming Communication to Council and Parliament and the 1996 Guidelines for Forest Sector Development Co-operation – will provide the context for assistance and policy dialogue in the forestry sector. The Regulation, which was due to be presented in late 1997, will review present strategy on tropical forests and seek to incorporate innovative developments. The *Guidelines* seek to heighten the profile of tropical forestry within the Commission and provide non-specialist staff with a set of accessible principles to facilitate project appraisal from the perspective of forest impacts (see Box 2). The complete range of instruments is shown in Table 1.

4. PROJECTS FUNDED BY REGION, TYPE AND SIZE

The inventories of tropical forestry projects made by IFSC (1991) and Planistat-Europe (1997) indicate that, between 1978 and 1995, a total of approximately 766 projects relating to tropical forestry and timber have been supported by the Commission, to a value of ECU 867m. A total of 256 projects to a value of ECU 397m. were supported in the period 1978–90 (IFSC), and 510 projects to a value of ECU 470m. in the period 1992–6 (Planistat).¹⁵ This section reviews the pattern of expenditure by funding source, as one indication of programme coverage.

4.1 Analysis of projects supported in the last two decades

4.1.1 Questions of classification

Since forestry can be a component of actions in other sectors, there are problems of both identification and categorisation when dealing with the analysis of interventions by the Commission in the field of forestry. Particularly problematic is the identification of a forestry sub-component of a broader programme (for example, an agricultural or road-building programme) which is coded according to the major activity codes. The coding for projects funded under EDF and budget lines is not harmonised:

- Until 1996 EDF projects were classified by economic sectoral focus, and several technical codes. From March 1996 they have been classified using DAC codes.
- In the case of the budget line, there is no consistent coding. Budget line projects tend to be coded by those who directly manage them, and are not therefore necessarily complementary one with another.

Information for this section has been drawn from two sources – the inventories of tropical forestry projects made by IFSC (1991) and Planistat-Europe (1996). These use different systems of classification of forestry projects and of what constitutes 'forestry'. Specific problems which have arisen through the use of these

15. The year 1991 is not fully covered under either classification, and data for this year are thus missing from most of the following analysis.

Table 1 Forestry Instruments

Level of Intervention	Actions
Legal basis	Protocol on sustainable management of forest resources in the Lomé Convention 1995 Regulation on Tropical Forests guiding Budget Line B7–6201 to the Council on EC Development Co-operation Strategy
Internal approach	Note for programming the 8th EFD EC development co-operation strategy for tropical forests EC discussion paper on certification of forests
Guidance to staff	Guidelines for Forest Sector Development Co-operation
Regional and country analyses	For example: Study on 'Strategy and Possible EU Activities in the field of forestry in the Pacific'
Programme monitoring	Tropical Forestry Projects Database (ODI) Statistical analysis of projects
Implementation of sectoral policy	Direct advice to Delegations and operational services Appraisal of forestry programs at country level
Management of the budget line B7–6201	Launching of studies, pilot projects, etc Programme on Sustainable Forest Management and Certification in Central and Western Africa

(Source: DGVIII/A/1)

Box 2 The Forest Sector Development Co-operation Guidelines – *Forests in Sustainable Development*

The Forest Sector Development Co-operation Guidelines – *Forests in Sustainable Development* (origin DG VIII) of October 1996 – are an attempt to close the gap between theory and practice in EC aid to tropical forestry. They build on the Regulation, Protocol 10 of the Lomé IVbis Convention, and the various post-Rio international activities in the forest sector, such as the IPF. Agreed by both DG VIII and DG IB, they were drawn up after extensive consultation involving the inter-DG group, the Delegations, and the European Tropical Forestry Advisory Group (ETFAG). Workshops were held involving a variety of interested parties (NGOs, the World Bank, etc.). The Guidelines aim to provide a comprehensive overview of the major issues in moving towards the sustainable development of forest resources in developing countries, as perceived by the European Union. They also provide a framework in which EC projects and programmes can be set up, implemented and reviewed. They aim to establish a common understanding of forest sector issues among the Commission and its partners and to achieve increased coherence, complementarity and co-ordination in their aid activities. They also constitute an important tool for problem identification, project design and evaluation.

The Guidelines are in three volumes, the first setting out

the Commission's strategic approach, and volumes 2 and 3 providing tools for project cycle management. There is also an accompanying computer disk which contains a set of support materials; these provide (respectively) guides for preparing Terms of Reference, for Social Impact Analysis and for Environmental Appraisal, as well as a matrix sheet for the Logical Framework, Action Report forms for the various phases of the Project Cycle, and a description of Programming for Forest Sector Development Co-operation.

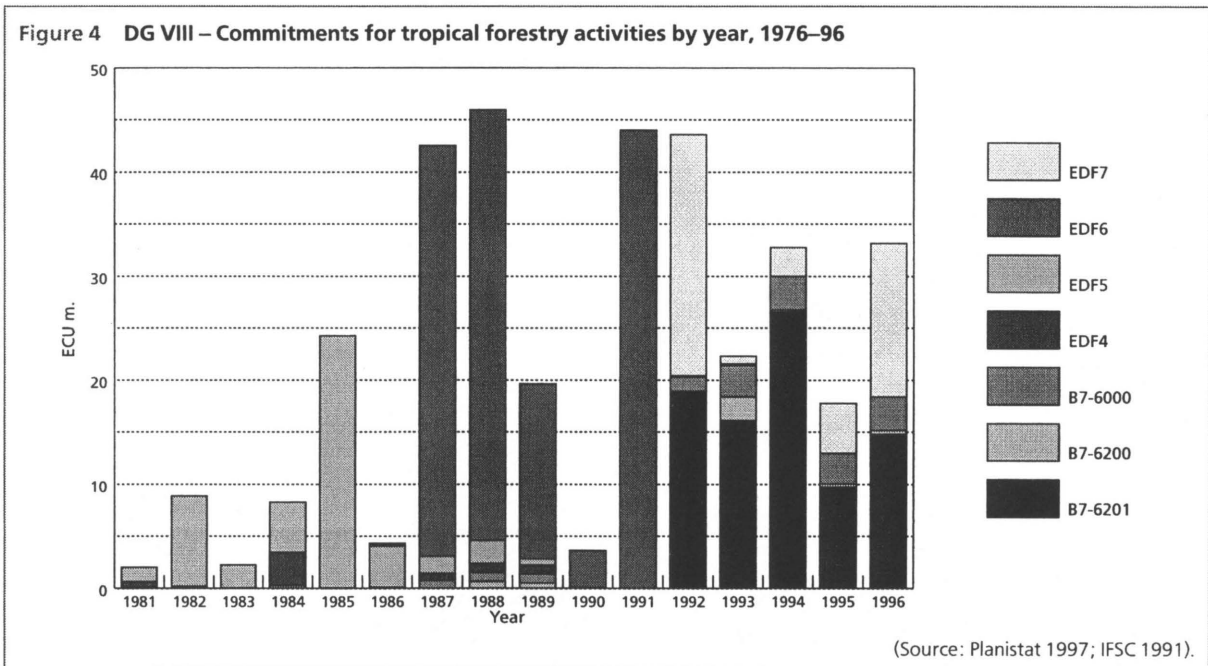
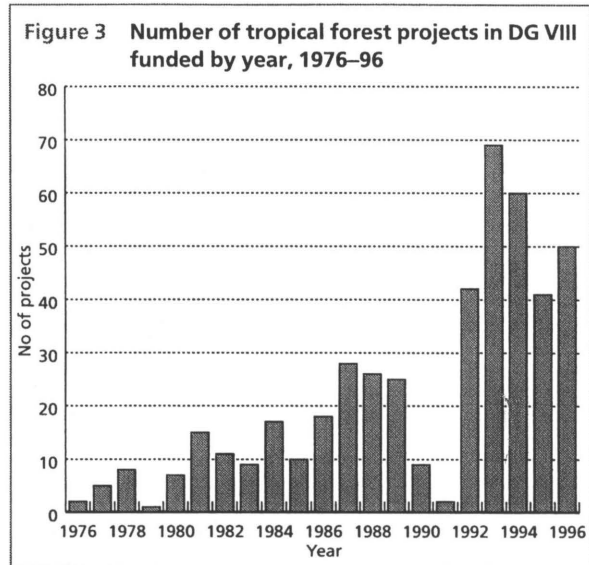
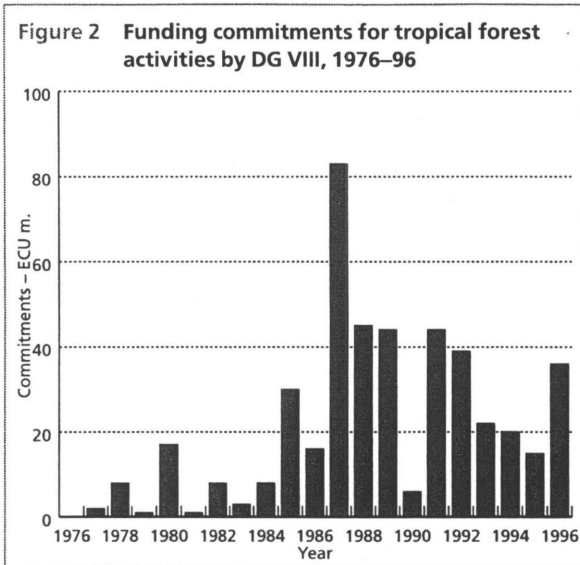
The target groups of the Guidelines are Commission headquarters staff and Delegations, and also national authorities and institutions dealing with EC forest projects in developing countries. They may also be used by project staff, technical assistants, consultants and NGOs dealing with or working in EC forest sector development co-operation.

The Guidelines were launched in early 1997 with a one year programme of training and testing with target groups, both in Brussels and the developing countries. There were to be 15 regional and national workshops, involving nearly 100 ACP and ALA partner countries. It is intended that feedback from the training programme will enable periodic adjustments to be made to future editions.

inventories have been: the fact that the year 1991 was not fully covered by either inventory; differences in the scope of the studies; inconsistency of coding; differences in approach to classification of projects with a secondary forestry component, and different ways of recording the funding of such projects. Planistat's overall estimates of forestry commitments, for example, are based on projects funded by DGs XI and XII as well as DGs IB & VIII, and also funds committed to forestry activities within projects with a different overall purpose (provided that the forestry component is evident from the project title). The IFSC study (1991) included projects in five directorates general – DGs I, VI, VIII, XI and XII. Projects were identified as

'forestry' on the basis of DG VIII's 'PIC' project information system; all projects listed in Section 37 of this system ('forestry') were included in the grouping, as were 33 other projects (from 270 potential projects) which the IFSC considered, on the basis of their PICS' classification, to have 'significant forestry activities' (IFSC, 1991:4).¹⁶

16. A third study of interest is the 1996 inventory of environment and forestry projects by ERM. However, this study excludes both DG XI or XII, and codes only by primary purpose (ERM, 1996:p.26). The ERM classification is thus more restrictive than either of the other two, as far as forestry is concerned.



4.1.2 Total expenditure on forestry projects

Figures 2 and 3 show the aggregated amount from all sources committed to tropical forest activities by DG VIII, and the total number of projects funded, in the period 1976–96.

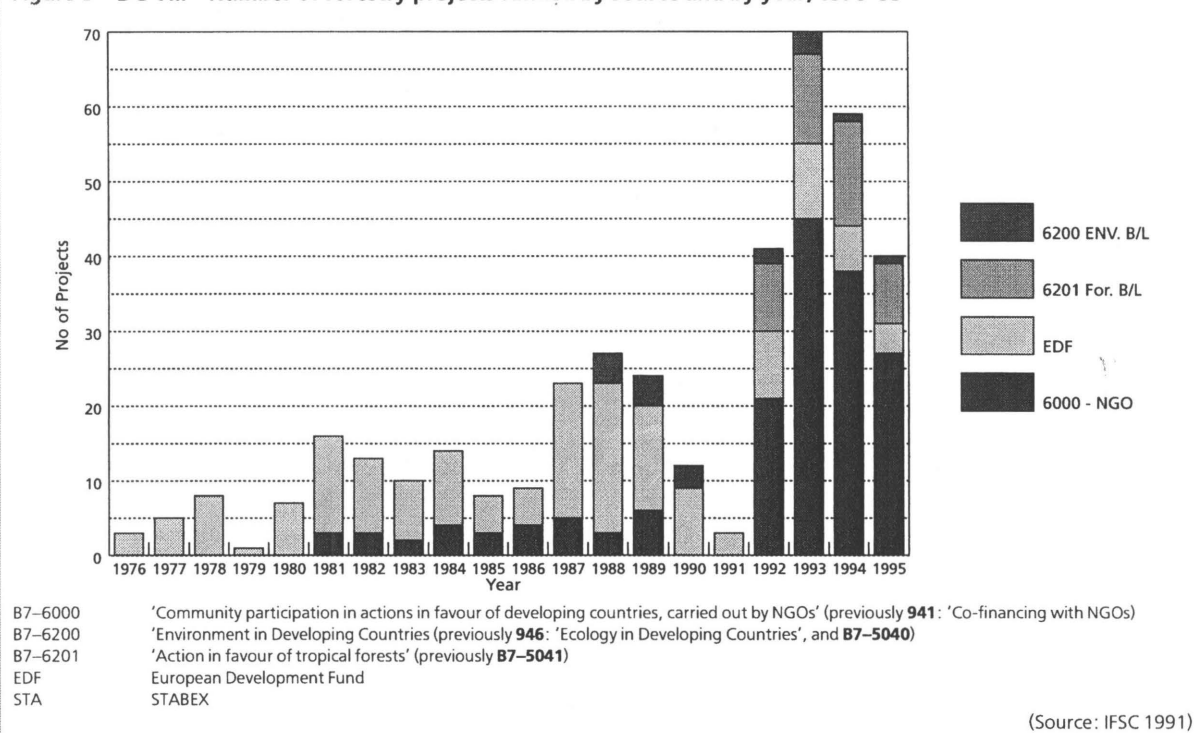
Figures 4 and 5 present the amounts of funds committed to forestry activities over the period 1976–96 and 1976–95 respectively.¹⁷ These indicate the changes in the pattern of funding over the years, with the creation of the tropical forestry budget line being the first source of funding explicitly for forestry

projects. The high variability in commitments, year on year, evident in the aggregated figures (Figures 2 and 3), is reflected in the individual commitments for the major funding sources. It is clear that the relative importance of the EDF as a source of funding for tropical forest initiatives has diminished since the introduction of the dedicated budget line. The amounts spent under the NGO and Environment budget lines have always been small, but expenditure under the NGO budget line has increased significantly in recent years, and the number of projects funded under this budget line (though not their size) is now superior to that for any other source.¹⁸

17. A distinction needs to be made between funds committed and funds spent as there is often a major difference between the two. Payment rates in the period 1992–6 vary between 7% (1996, payments to date) and 63% (1992), with an average of 37% overall. In general, the smaller the project size, the higher the payment rate (Planistat, 1997:52). Except where otherwise indicated, figures in this section concern commitments rather than payments.

18. This is partly due to the fact that the NGO budget line covers all ALA/MED as well as ACP countries; all geographical areas covered by the NGO budget line are included in the data for Figures 2–5.

Figure 5 DG VIII – Number of forestry projects funded by source and by year, 1976–95



4.1.3 Geographical spread of projects (DG VIII – all sources)

The 1991 IFSC study revealed an uneven distribution of countries receiving aid for tropical forests. The ACP group as a whole received a total for the sector of ECU 296 m. in the period 1978–91, which represents 74% of the global total. 53 ACP countries were eligible for aid for tropical forests. Within this group, aid was very unevenly distributed. For example, Senegal was allocated 11 projects over the period, Ethiopia 9 and Côte d'Ivoire, 8. Expenditure for one country, Côte d'Ivoire, was ECU 56 m. – 19% of the total – while some countries received no aid at all (see Table 3).¹⁹

By the period 1992–6, the overall distribution had changed significantly, with a total of 45 ACP countries receiving aid (out of 75 recipients, globally) although this represented only 22.3% of the overall aid volume. The largest aid recipient for tropical forestry within the ACP grouping was now Nigeria, which received a total of ECU 13.129 m. for four projects, representing 3.5% of total disbursements. In terms of numbers of projects, aid was still very unbalanced, with Burkina Faso receiving a total of 22 projects, Kenya 13 and Côte d'Ivoire 12 (against an overall average of 4.3 projects per recipient).

19. At a global level (not restricted to ACP countries only, nor to DG VIII funding): only 63 of the 115 countries eligible for EC aid in the period 1976-90 benefited from projects in the sector; 10 of these received a total of ECU 253 m. (hence, an average of ECU 25.3 m./country) whereas the remaining 53 countries received a total of ECU 90m. (ie. an average of ECU 1.7 m./country). Of the 10 largest recipients, 9 were in the ACP group (the other country was India). These 9 countries (Ivory Coast, Gabon, Nigeria, Ethiopia, Fiji, Zaire, Senegal, Tanzania, Uganda) received a total of ECU 197 m. aid (an average of ECU 22 m./country). (IFSC. 1991:9, Table 5)

Coverage by national income

Total commitments to ACP countries by GDP divide between low-income and middle-income countries as follows: low-income ACP countries – 13.4 % of total expenditures for tropical forestry (all countries); middle-income ACP countries – 8.9% of total. The relationship between geographical allocations to ACP countries and their levels of GDP in the period 1992–6 is explored further in Table 4.

These figures require some interpretation. In the first instance, account must be taken of the commitment of ECU 13m. (3.5% of total forestry expenditure) to 4

Table 2 Expenditure by region, 1978–91 (ECU m.)

Region	Total Expenditure	Region. Total	Percent of total
Africa Eastern	43.219		11
Horn of Africa	21.698		5
Africa Southern	4.537	69.45	1
Africa Regional	2.178	2.18	1
Africa Western Coastal	51.882		13
Africa Western Central	44.000		11
Africa Western Sahel	28.329		7
Africa Western West	94.758	192.97	24
Asia Pacific	21.937	21.94	5
Latin America Caribbean	8.965	8.97	2
Rest of World and Global		76.29	20
TOTAL	397.774		100

(Source: IFSC, 1991)

Table 3 Countries receiving the largest proportion of aid for tropical forestry (ACP Region), 1978–91

Country	Expenditure (ECU m.)	Number of projects	No of TFAP Categories
Regional	63.348	19	5
Côte d'Ivoire	56.094	8	2
Gabon	35.814	7	3
Nigeria	32.868	6	2
Ethiopia	20.338	9	2
Fiji	15.5	4	3
Zaire	13.788	8	5
Senegal	12.497	11	3
Tanzania	11.76	6	2
Uganda	10.918	4	
SUB TOTAL	292.925	82	
% of world total	69%	32%	

(Source: IFSC, 1991)

projects in one low-income country (Nigeria). Secondly, there are also indications of uneven distribution of absorptive capacity. Relative expenditure on low-income countries increases progressively as the average size of grants declines, and the number of projects increases proportionately.

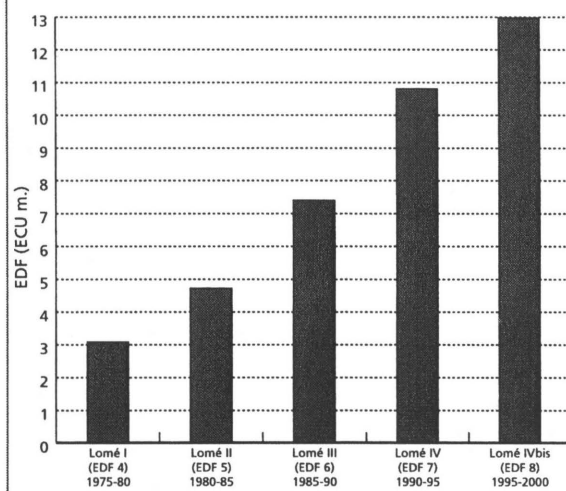
4.2 Non-budgetary funding

4.2.1 European Development Fund (EDF) – financial allocations

The total funds available under the various EDF protocols (all sectors) are indicated in Figure 6. Funds committed to tropical forestry under the EDF are indicated in Figure 7.

Figures for expenditure on tropical forests under each EDF show the importance of this source to be declining

Figure 6 Total funds available under the Lomé Conventions, 1975–2000 (all sectors)



(Source: OECD Development Co-operation Review Series).

relative to overall forestry funding by the Commission, both in terms of amounts spent, and in numbers of projects funded.

4.2.2 EDF projects – type and geographical spread

According to the 1991 IFSC study, much of the expenditure during the 4th EDF was concentrated on the development of forest-based industry (75% of total funding) either in terms of resource development/management or in the provision of ancillary services and infrastructure. Twenty-six countries benefited (41 projects), the majority being on the African mainland, at an average cost of ECU 0.83m. per project.

The 5th EDF involved 50 projects to a total of ECU 49.1m., at an average cost of ECU 0.98m. These

Table 4 Tropical forestry commitments relative to per capita national income (ACP as a proportion of global expenditure), 1992–6

	LOW INCOME COUNTRIES				MIDDLE INCOME COUNTRIES			
	A	B	C	D	A	B	C	D
ECU > 10m.	100	5.1	15.7	4/57	—	—	—	—
	3.5 (E)							
ECU 1–10m.	48.2	28.1	33.9	68/155	51.8	30.2	36.5	28/155
	15.7 (E)							
ECU < 1m.	75.5	54.7	10.5	71/114	24.5	17.8	3.4	18/114
	3.1 (E)							

(Source: Planistat, 1997)

A = % of ACP funding within the income category
 B = % of total funding within the income category
 C = % of ACP funding, overall

D = Number of projects as a proportion of total number of projects within category
 E = ACP funding, as % of total funding (all income categories), ACP and all other states

focused particularly on forestry development in the Pacific Region, especially Fiji, which received, respectively, 37% and 32% of the total volume of funding. Forestry in land use figured as a growing area of investment (38%), although forest-based industry remained important (46%). The former was represented by integrated rural development schemes or forestry in agriculture or associated with anti-desertification measures in arid regions.

In the 6th EDF, average expenditure per project increased greatly (42 projects for a total investment of ECU 145.67m., at an average cost of ECU 3.47m.), and there was a significant increase in the funding for regional projects. There were 3 such projects, amounting to 31% of the overall funding, and costing, respectively, ECU 24m., ECU 20m. and ECU 0.6m. The two large projects aimed at conservation and sustainable use, while the third was concerned with raising public awareness of deforestation. The overall trend in project funding continued to be away from forest-based industrial development towards forestry in land use and conservation. Forest in land use now figured as 55% of the total, with conservation and protection projects as 34%.

Using its rather different definition of 'tropical forestry projects', the 1997 Planistat review identifies a total of 37 projects funded under EDF7, for a total of ECU 46.22m., with an average cost per project of ECU 1.25m. In terms of the TFAP classification, the focus was particularly on strengthening institutions (31% of the total volume), followed by conservation projects (8%). The movement away from industrial development continued under EDF7. The very low showing for this (category 2) under both EDF6 (1.85%) and EDF7 (2.21%), and the prominence of conservation under EDF6 (34.39%), is perhaps surprising, given the reported low levels of concern in many developing countries for conservation issues, and the greater interest in production. However, the large component of 'uncoded' projects (58% of the total) limits the utility of the EDF7 classification. These data are summarised in Figure 10.

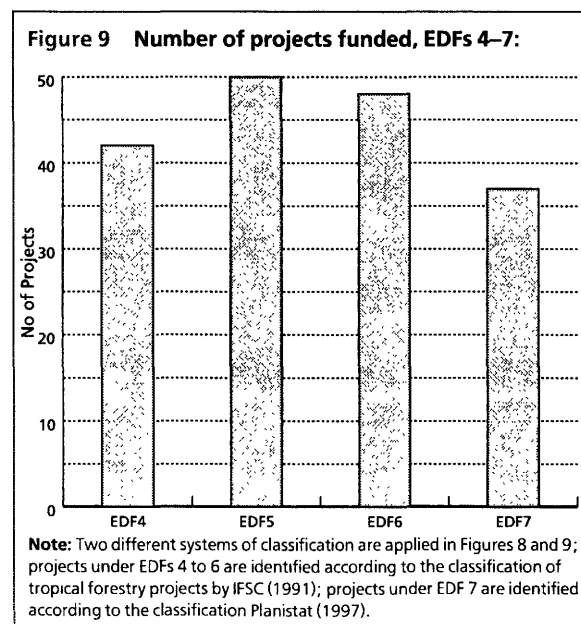
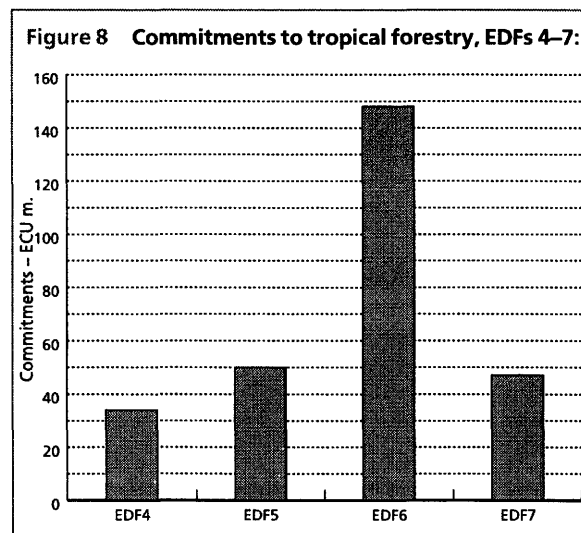
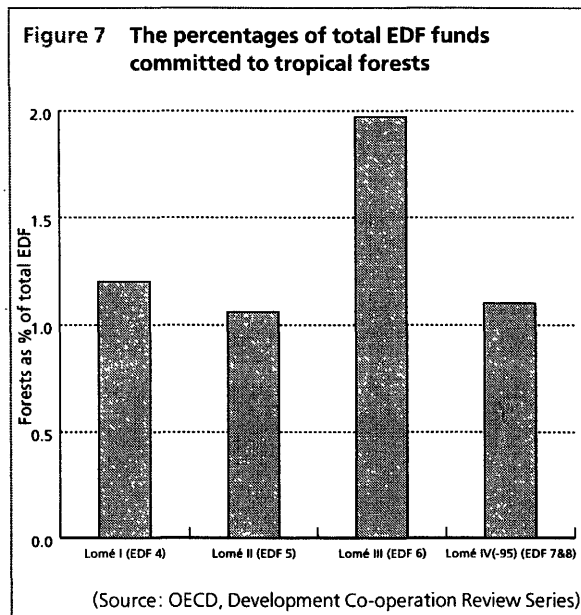
4.3 Non-programmable aid

Less important sources of non-budgetary funding for tropical forest projects are non-programmable aid funds such as STABEX and SYSMIN which fall within the EDF and which can, rather exceptionally, fund actions with a forestry component.

4.3.1 STABEX

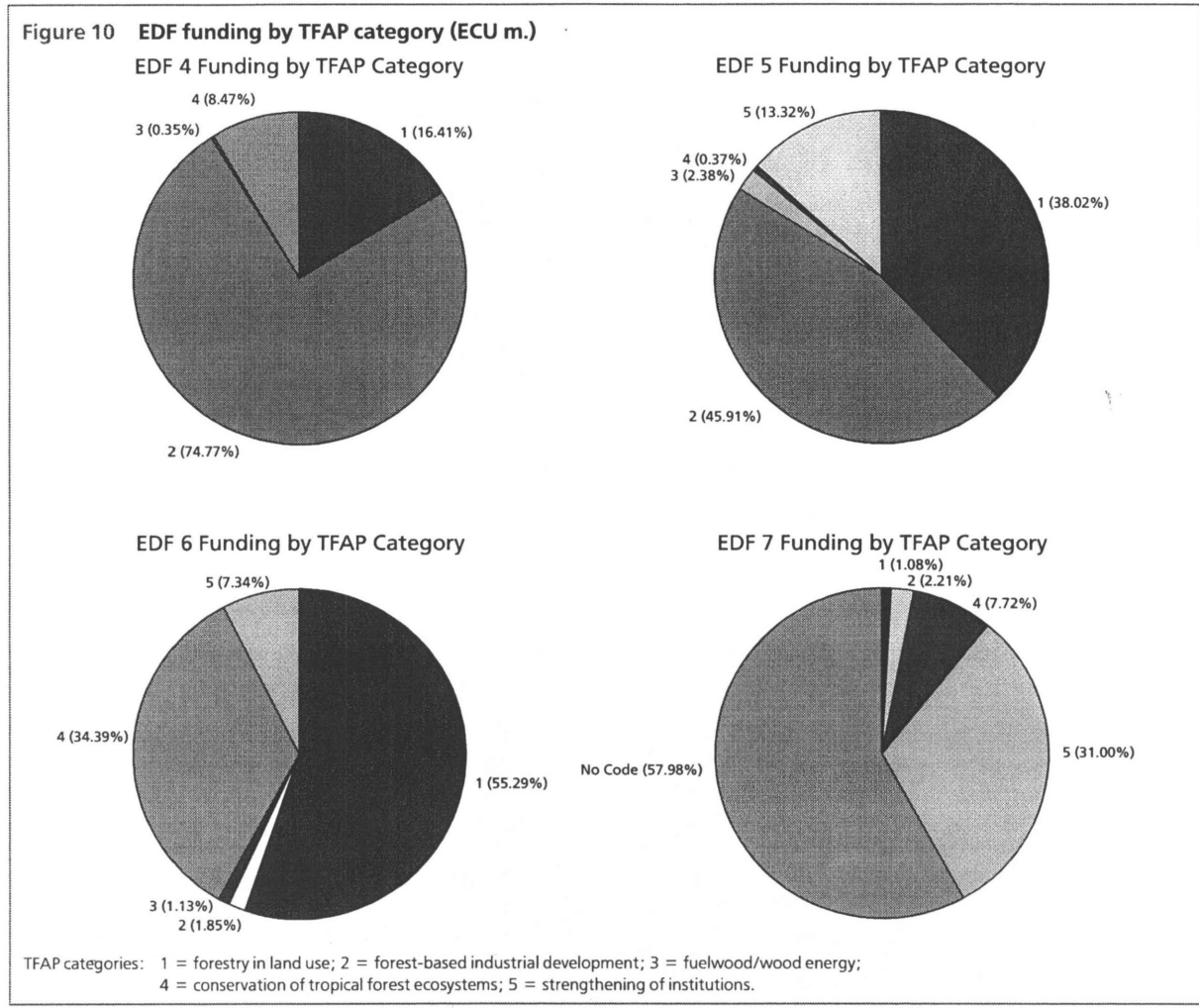
STABEX is a scheme for the stabilisation of export earnings for internationally marketed commodities. Timber is a STABEX product, but not a major one. According to IFSC (1991), 7 STABEX projects were funded in ACP countries in the period 1985-91 (all in Côte d'Ivoire or Western Samoa) as compensation for price fluctuations of wood in the rough.²⁰ In both countries, the documentation indicates that the funds were being put back into forest-based industrial development and sustainable resource use. The number

20. In line with the role of STABEX as a compensatory fund, the size of these grants relates to the estimated losses of export receipts in the wood sector in the previous year.



DG VIII

DG VIII



of forestry-related initiatives funded under these rubrics was notably small, while costs were relatively high. Average cost per project in the period stood at ECU 9.2m.

In the period 1992–6, only one STABEX operation is recorded as pertaining to tropical forests. This was a grant of ECU 4.7m. to Côte d'Ivoire (1992).²¹

4.3.2 SYSMIN

The other non-programmable ACP fund is SYSMIN. This is intended for countries depending on mineral exports and provides compensation for losses of export earnings in the minerals sector. Environmental work can be initiated under this fund although, since SYSMIN interventions are classified by their dominant mining codes, it is difficult to identify projects of this type which have a forestry component. Records do not indicate eligible SYSMIN projects for the period

Table 5 Numbers of tropical forestry projects funded under STABEX, 1985–9

	1985	1986	1987	1988	1989
No of projects	1	3	2	0	1

21. It is possible that this inventory is incomplete in relation to STABEX investments. For example, a 1995 review of STABEX in the Solomon Islands indicates that 6 projects were funded in the forestry sector in the period 1988–93, with a total value of c. ECU 6m. The funding mechanism was, however, an indirect and retrospective one (as was possible under Lomé III but not under Lomé IV), and this may account for the failure of the Planistat evaluation to register the payments. See: the report 'Solomon Islands: STABEX Evaluation Study' of the Delegation of the European Commission in the Solomon Islands (December, 1995).

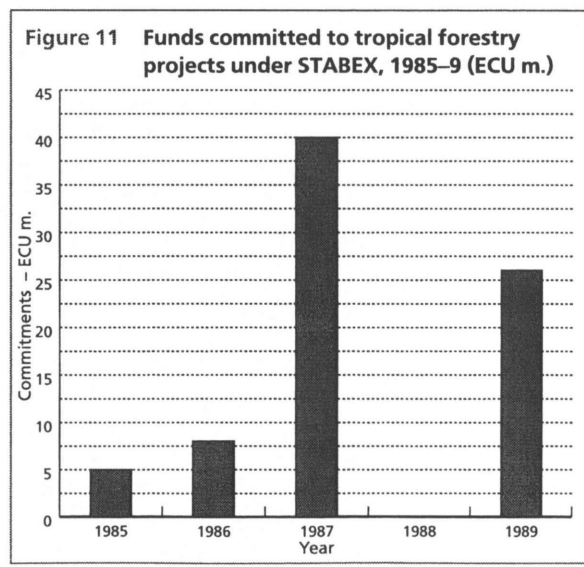


Table 6 Tropical forestry commitments by source – 1992–6 (ECU)

	Number of Projects	Average size
EDF-7 ^a	37	1,249,105
B7–6201 (tropical forestry) ^b	179	1,366,971
B7–6200 (environment) ^b	8	440,922
B7–6000 (NGOs) ^b	140	98,522

^{a)} ACP states only

^{b)} all states

1985–9. Only one eligible SYSMIN activity is recorded for the period 1992–6, for a tree planting scheme in Niger, in connection with the protection of a mining road against water and wind erosion (ECU 42,000).²²

4.4 Budgetary funding

The principal source of budgetary funding for tropical forest projects is the budget line B7–5041/B7–6201 which is tailor-made for forest projects. Other budget lines may fund tropical forest projects, or projects with a tropical forest component, but only as a sub-component or theme. These budget lines include B7–6000 (Co-financing with NGOs) and B7–6200 (Environment in developing countries).

Average size and number of tropical forestry projects funded under the three main budget lines (all Directories-General), for the period 1992–6, by comparison with EDF7 projects, are shown in Table 6.

4.4.1 B7–6201 (ex-B7–5041) Actions in favour of tropical forests

This budget line is jointly managed by DG VIII and DG IB. ECU 50m. is available annually in the period 1996–9 (according to the 1995 Council Regulation 3062/95 of 1994). The percentages of the available budget held by DG VIII in the period 1992–7 are indicated in Table 7. Trends in expenditure under the budget line by DG VIII are shown in Figures 12 and 13.

Funding priorities

The EC classification provides one indication of funding patterns. While significant year-to-year fluctuations warn against over-confidence in the identification of trends, some degree of patterning can be discerned. Conservation projects were clearly strongly favoured in the aftermath of the 1992 UNCED Conference. In 1993, 64% of all commitments under the Tropical Forestry budget line were for conservation projects, and the proportion rises to 82% if 'Buffer-zone

22. A further investment is likely in New Caledonia in 1997, supporting tree planting at sites of former mining operations (as a French overseas territory, New Caledonia is not a member of the ACP group, but is nevertheless eligible for SYSMIN grants under a parallel arrangement). A project is also under preparation in Guinea Conakry, to finance oil palm plantations. Both of these are regarded primarily as investments in the mining sector, however (both are concerned with rehabilitation of former mining areas), and not as 'forestry projects' as such.

Table 7 Commitments to tropical forestry projects by DG VIII, as a proportion of total commitments, under the Tropical Forestry budget line, 1992–7 (%)

	1992	1993	1994	1995	1996	1997
% [of ECU 50m.]	33.6	29	30.6	20	30	38

Figure 12 Commitments under the Tropical Forestry Budget Line, DG VIII, 1992–6

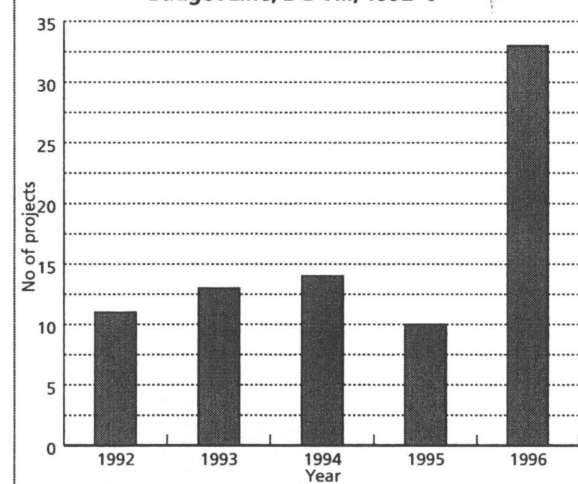
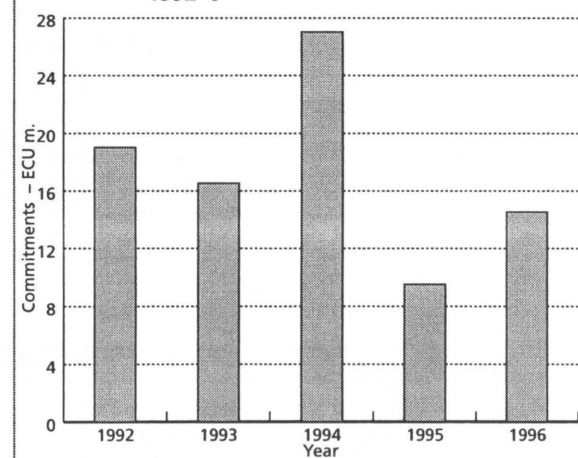


Figure 13 Number of projects funded under the Tropical forestry budget line by DG VIII, 1992–6



development' projects are included. In 1996, the proportion in these two categories fell to 12%. A high profile for conservation is not unexpected, given the importance of this interest in Europe. Conservation is reported to be a major concern of European parliamentarians, whose responsibilities include scrutiny of the budget line. 'Sustainable Management of Forests' figured strongly in 1996, though less so in previous years. 'Research' has figured strongly throughout, though account may need to be taken here of the inclusive nature of this particular code.

DG VIII

Comparison of expenditures under the EDF and the budget line is potentially of interest, in that the portion of the budget line controlled by DG VIII is said to have been used increasingly to support the development of EDF policy. However, this comparison is made difficult by the fact that the EDF is classified only by TFAP categories (see Figure 10), whilst the most detailed classification for the budget line is by the EC codes (Figure 14). In addition, a high proportion of recent projects in both instances is 'non-coded' under the TFAP codes (Planistat, 1997) – respectively, 58% of EDF7 and 38% of the budget line. In both cases, however, conservation has been well represented in recent years (EDFs 6 and 7, budget line post-1992). Capacity building figures more strongly in EDF7 than in the budget line (except for 1992). A high profile for capacity building is to be expected with the EDF, given its public service orientation, though the relatively low showing for this category under the budget line is perhaps unexpected given the perceived importance of institutional issues in European policy circles. Again, however, the fact that there are such wide variations in the patterns of expenditure, in relation to both EDF and budget line, cautions against too confident an assessment of trends.

4.4.2 Funding under other budget lines

Before the creation of the Tropical Forestry budget line, other budget lines were important sources of funding for projects focusing on tropical forests, or with an important tropical forestry component. These still retain some association with the sector.

The most important are:

- 941/6000 'Co-financing with NGOs', became B7-6000 – 'Community participation in actions in favour of developing countries, carried out by NGOs'.
- 946/5040/B7-6200: 'Ecology in developing countries' (subsequently, B7-5040 and then B7-6200: 'Environment in developing countries').

B7-6000 – Co-financing with NGOs

The B7-6000 budget line covers all developing countries, not just the ACP group. It is managed by DG VIII. Compared with other budget lines, it funds a large number of projects, but at a relatively low average cost. The overall trends in funding under this budget line are

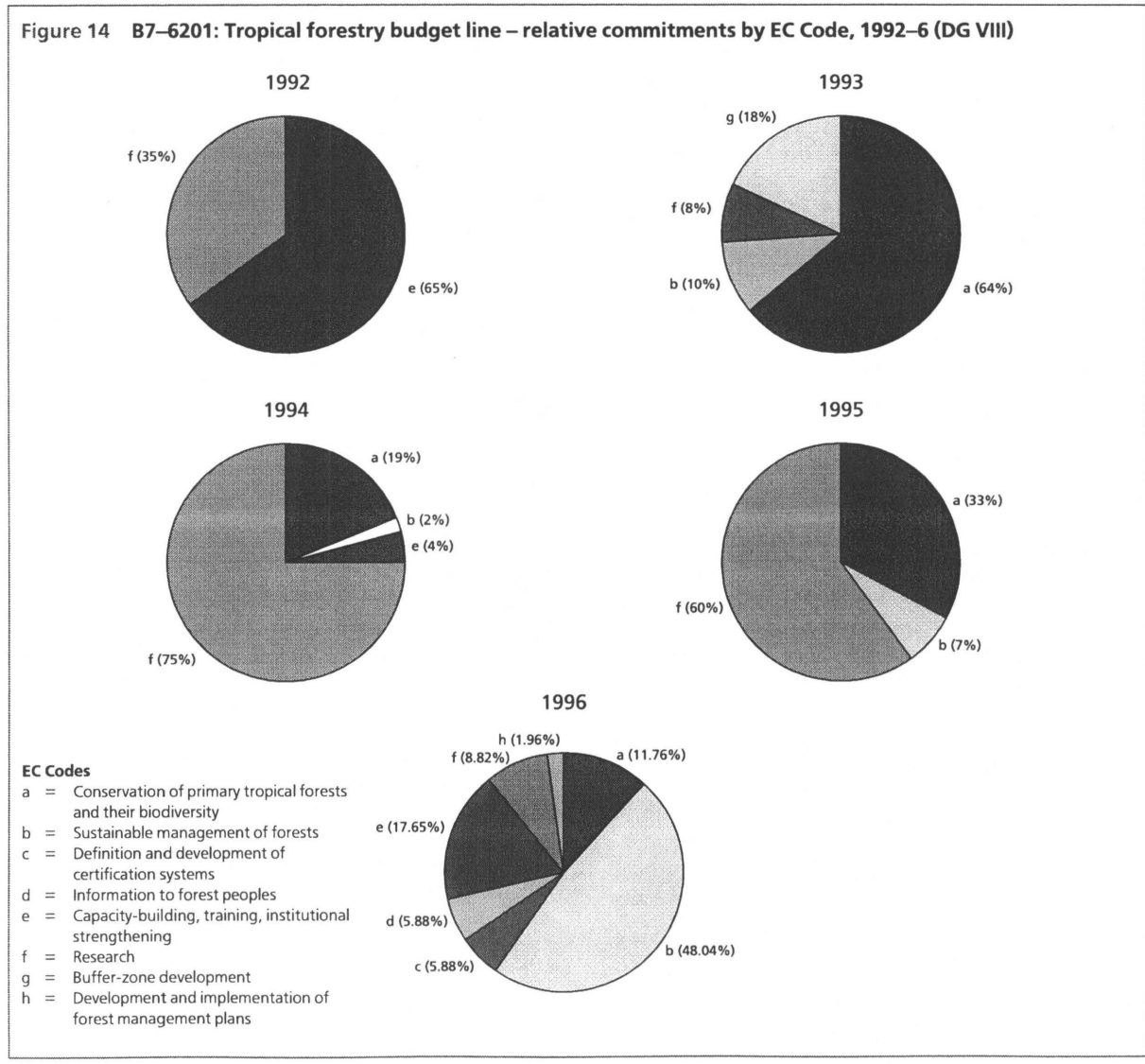
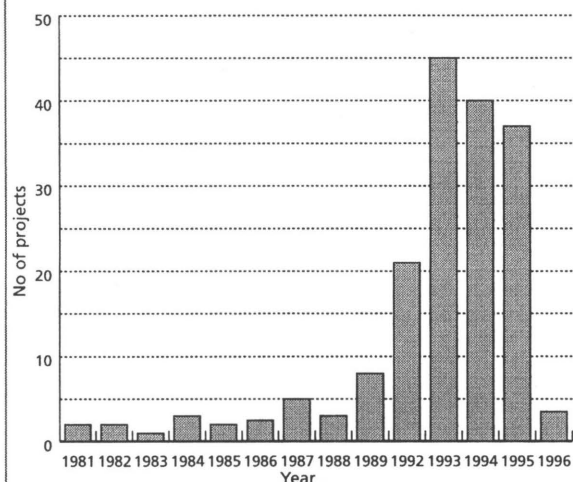
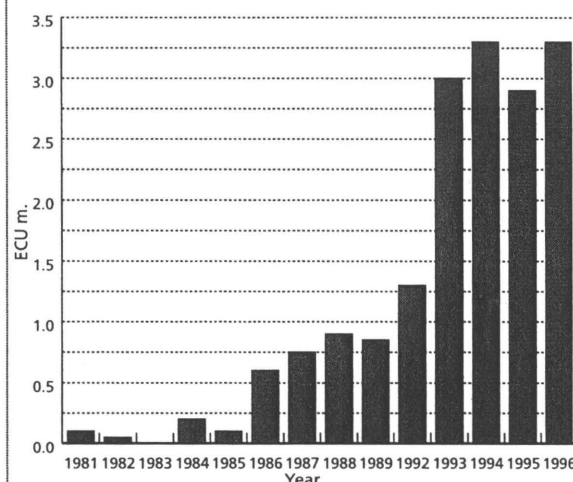


Figure 15 Number of tropical forestry projects funded (all countries) under budget line B7-6000, 1981-96



(Note: 1990, 1991 data not available)

Figure 16 Commitments to tropical forestry projects (all countries) under budget line B7-6000, 1981-96



(Note: 1990, 1991 data not available)

evident from Figures 15 and 16.²³

Since 1993, the relative size of projects funded under the NGO budget line has increased (Figure 16), while the number has progressively declined (Figure 15). The average project size has stayed modest, however, relative to other budget lines, and the number of NGO projects is still high relative to the total commitment of funds. Over the period 1992-6, the budget line funded 42% of all tropical forestry projects, in terms of numbers (140 projects out of a total of 333), though the total sum expended was less than 4% of the total (ECU 13,793,108 out of a total of ECU 359,838,435). The average grant sizes in each case were ECU 98,522 (NGO budget line) and ECU 1,080,596 (all projects) respectively – thus the average NGO grant was only 9% of the overall average for all tropical forestry projects.²⁴

In terms of geographical distribution, ACP countries have received significantly more project awards than ALA over the last 5 years. The average grant size in each case is very similar (Table 9).

In terms of commitments for forestry projects under this budget line, there has been a steady increase in funding over recent years, with a major change of scale occurring in the mid-1980s, at the time of the Africa famine and growing interest in NGO activities among the European public. Following a familiar pattern, there was also a significant increase in funding under this budget line in 1993, in the immediate aftermath of the UNCED Conference.

946/B7-6200: Ecology in developing countries/ Environment in developing countries

The EN946 (Ecology) budget line became B7-5040 (Environment in Developing Countries) in 1992. Until the creation of the dedicated Tropical Forestry budget

Table 8 Average size of tropical forestry projects (all countries) under budget line B7-6000, compared to the average size of all tropical forestry projects, 1992-96 (ECU m.)

	1992	1993	1994	1995	1996
B7-6000:	0.066	0.065	0.081	0.112	0.462
compare: all forestry projects	1.177	0.626	0.993	0.992	0.856

(Source: Planistat, 1997)

Table 9 Geographical distribution of projects, NGO budget line, 1992-6 (ECU)

	No. of Projects	Total Commitments	Ave. Project Size
ALA Region	48	4,602,800	95,891
ACP Region	92	9,190,308	99,895

(Source: Planistat, 1997)

line (B7-5041/6201), EN946 was a significant source of funding for tropical forestry projects. The 946 budget line was co-managed by DG VIII, DG I and DG XI. Since the creation of the Tropical Forestry budget line, it has funded fewer mainstream forestry projects, and focused increasingly on allied topics such as biodiversity. Funding to ACP states under this budget line is shown in Figures 17 and 18. Its annual budget has varied as follows: 1993, ECU 30m.; 1994, ECU 20m.; 1995, ECU 13m.; 1996, ECU 15m.

The new Environment budget line is jointly managed by DG IB and DG VIII, so the amounts available to DG VIII are only a proportion (currently 50%) of the overall total available.

Total commitments to tropical forestry projects in the ACP countries under these budget lines in the period 1986-96 are given in Table 11. It is evident that only a small proportion of the commitments under the budget line are nowadays used for projects which can be

23. These statistics refer to the budget line as a whole, not merely to the ACP countries.

24. The figures for overall forestry commitments in this paragraph refer to all tropical forestry projects in the Commission, not merely to DG VIII.

Table 10 BL 6000 – NGO forestry projects of ACP & ALA states (ECU)

	ACP Countries		ALA Countries	
	Commitments	No. Of Projects	Commitments	No. Of Projects
1981	17,000	2	0	0
1982	12,000	2	0	0
1983	9,000	1	0	0
1984	261,000	4	190,000	3
1985	17,000	2	63,000	2
1986	54,000	3	60,000	1
1987	712,000	6	470,000	3
1988	868,000	3	883,000	5
1989	861,000	7	270,000	3
1990	na	na	na	na
1991	na	na	na	na
1992	730,194	12	660,597	9
1993	1,586,258	30	1,424,038	16
1994	2,336,396	30	900,070	10
1995	2,423,362	16	496,622	10
1996	2,114,098	4	1,121,473	3

(Source: Planistat, 1997)

classified as 'tropical forestry'. The only significant investments in tropical forestry projects in the ACP area in recent years, under this budget line, were in 1993, in the aftermath of the UNCED Conference.

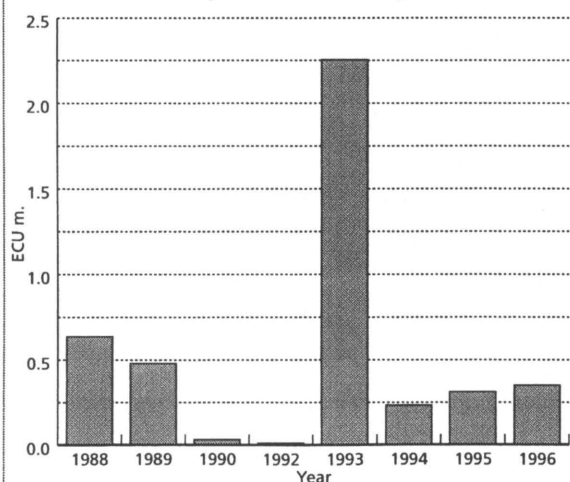
5. PROJECT CYCLE MANAGEMENT

The Commission has greatly increased the rigour of its project management procedures in recent years. An 'integrated approach to Project Cycle Management' was introduced in 1992 (EC, 1993a), and the use of the

Logical Framework is now routine. These innovations followed extensive criticism of Commission procedures, with lack of clarity of project management being frequently cited as a major cause of poor performance.

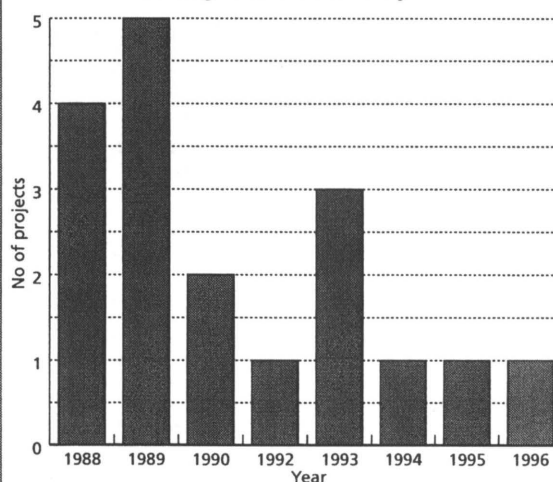
Increased efforts are also being expended on staff training in an attempt to upgrade the skills of the Commission's mainly generalist staff. Short training courses are now available for headquarters personnel, and training and applied workshop activities have also been arranged in beneficiary countries. The development of new tools – guidelines, handbooks and training

Figure 17 Ecology/Environment Budget Lines: Funding to ACP states only



(Note: 1991 data not available)

Figure 18 Ecology/Environment budget lines: funding to ACP States only



(Note: 1991 data not available)

programmes on particular sectoral issues – forms an integral part of the process. An extensive programme of staff training and awareness creation is now under way within the Commission, based on the *Forest Sector Development Co-operation Guidelines*, Volumes II and III of which are largely concerned with project cycle management and provide detailed checklists and working materials.

5.1 Phases of the project cycle

The Project Cycle involves six distinct phases: programming, identification, formulation, financing, implementation and evaluation. Procedures for each phase differ according to whether the project is funded from the EDF or the budget line.

Under EDF arrangements, the NIP negotiations are crucial, with the characteristics – and the limitations – earlier discussed (see section 2.5). Indicative programming involves the establishment of general guidelines and principles for co-operation between the Community and each ACP state. This covers sectoral and thematic matters and sets out a number of the ideas for projects which might be taken up during the term of the financial protocol. The detailed sequence of operations and responsibilities for project implementation under Lomé IV is given in Table 12.

The 1995 Regulation states that co-financing with Community Member States and other bodies is desirable to encourage greater coordination (Article 5). However, to date, Member States' inputs to EDF project proposals have been limited to information provided to the internal review committee.

Budget line arrangements are much more *ad hoc*. Proposals are submitted to the Commission by independent agencies (NGOs, research institutions, etc.), either directly or via a Delegation overseas. Less often (though increasingly), terms of reference for a project are drawn up by DG VIII staff (either within policy units or the geographical desks). Project proposals are judged partly for their conformity with the Regulation and with the norms and standards laid down in the *Guide for Financing Projects*. Projects must be presented in Logical Framework format. First selection is carried out by the Commission services, according to the criteria of the budget line. Opinion is sought from the relevant Desk, Delegation and technical services. Requests are presented to the Steering Committee for advice, and proposals are then accepted or rejected or sent back for amendment.

In the case of a project conceived in DG VIII or a project design prepared by consultants, a bid for tender is made for the selection of the implementing organisation. A contract is drawn up, outlining the terms of reference and budget, and this is signed by the Commission and its partner.

As regards forest sector development co-operation, a series of nine interlinked (and sometimes overlapping) *themes* provide an analytical framework to ensure that project cycle management is adapted to the needs of different types of forests and different actors within them. These nine themes are summarised in Table 13.

Social Impact Analysis and Environmental Appraisal procedures are both built into forest sector development co-operation. Projects are categorised into five classes as regards social impact, and four classes as regards

Table 11 Ecology/Environment budget lines (946 & B/L 6200) – tropical forestry funding (ACP states only) 1986–96 (ECU)

Year	Commitments	No. of Projects
1986		
1987		
1988	635,000	4
1989	480,000	5
1990	33,000	2
1991	na	na
1992	12,532	1
1993	2,255,300	3
1994	233,000	1
1995	313,000	1
1996	350,000	1

(Source: IFSC, 1991; Planistat, 1997)

Table 12 Lomé IV project implementation process for programmable funds

Activity	Responsibility
Draw up project dossier	Recipient government
Appraise project dossier	Jointly
Submit project dossier to EU	EU Delegate
Prepare financing proposal	EU Delegate
Submit financing proposal to EDF Committee for approval	EU Delegate
Review and decision by EDF Committee	Commission and Member States
Sign financing agreement	Jointly
Decide on tendering procedure	Jointly
Prepare tender dossier	Recipient (NAO)
Approve tender dossier	EU Delegate
Evaluate tenders	Recipient (NAO)
Approve tenders	EU Delegate
Sign contracts	Recipient (NAO)
Commence implementation	Recipient
Authorise payments	EU Delegate
Effect payments	Paying Agent
Monitor and evaluate	Jointly
Resolve disputes	Joint ACP-EU Committee

(Source: Koning, 1997: 138)

Table 13 Themes in Project Cycle Management in Forest Sector Development Co-operation

T1	T2	T3	T4	T5	T6	T7	T8	T9
Policy, Legal & Institutional Framework	Conservation of Ecosystems and of Biodiversity	Sustainable Forest Management	Creation of Forest Resources	Harvesting, Processing, Marketing, Trading	Certification	Forestry Education and Training	Forestry-Related Research	Forestry Info and Communication

(Source: Guidelines for Forest Sector Development Co-operation, *Forests in Sustainable Development*, Volume 1 Strategic Approach, 1996, European Commission DG VIII)

environment (the classes differing according to whether or not the intervention is likely to have a positive, neutral or negative impact, and the magnitude of the effect). In each instance, the classification provides a trigger to further action; this might include calling on specialist advice or specific requirements for management. Social and environmental appraisal principles and procedures are reviewed in Volume I of the *Forest Sector Guidelines* (see section 4.1).

5.2 Evaluation

Since the UNCED Conference and the introduction of Tropical Forestry budget line, the responsible services have become more and more subject to critical questions from inside and outside the Commission concerning the utilisation of funds available for forestry projects and the relevance of funded projects to the objectives of the budget line, as well as, more generally, the Lomé and Maastricht agreements. Despite considerable strengthening in recent years, the effectiveness of evaluation procedures is still widely questioned. The external orientation of the key scrutiny methods (EDF committee and in-country management within the ACP partners), as well as the lack of adequate resources and the heavy reliance on external consultants, have all been cited as weakening learning capacity.

The EDF allocates money specifically for evaluations, mid-term reviews and final reports; desk officers and Delegations are responsible for the straightforward cases, and the Evaluation Unit for the more difficult situations. All EDF projects are evaluated on completion. Impact evaluations (end-of-project plus a specified period) are not currently built into the financing agreements for individual projects, though these are occasionally undertaken using the Evaluation Department's own budgeted resources. There are also broad process evaluations at country programme level. According to the Lomé Convention, evaluations have to be done jointly with the ACP country. This has resulted in a greater participation of developing countries in project evaluations than is the case with most international donors.

The monitoring of the national indicative programmes is primarily the responsibility of the (ACP) National Authorising Officer and the EU delegate. The monitoring of EDF projects has frequently been criticised as weak. Staff shortages in both the Delegations and DG VIII, the paucity of staff experienced in evaluation, the lack of suitable information, preoccupation with administrative and financial duties (particularly the management of consultants) and lack of adequate mechanisms for feedback into decision-making processes are said to account for many of the

difficulties (Cracknell, 1989).

In line with a requirement of the Regulation of 1995, the Tropical Forestry budget line is being evaluated 1997 by an external European consultancy due to report in April 1998.²⁵

6. PROJECT REVIEWS

Some general shifts in focus can be identified in the Commission's approach to tropical forestry, such as a growing recognition of the 'social dimensions' of projects, involving greater participation of local populations and other stakeholders. There has been a move away from exclusion-oriented preservation strategies towards sustainable management and development involving local communities. The number of policy-oriented studies has also increased, focusing on such themes as the clarification or elaboration of particular policies, research into policy areas, and ways of operationalising policy. Recent policy studies have included an investigation of the changing pattern of the international timber trade, particularly that associated with increased logging activities in the Congo Basin by companies based in the newly industrialised countries of the Pacific rim (WWF, 1997), and the drawing-up, testing and training, of the *Guidelines*, as discussed above (Box 2).

The budget line is also being used to fulfil international and internal obligations on tropical forests. For instance:

- The Convention on Climate Change identifies deforestation as a major source of greenhouse emissions. A study has been commissioned on CO₂ sequestration by reforestation to mitigate climate change. This investigates the role of reforestation as a carbon sink, and considers the potential for joint implementation by the EU and ACP countries of appropriate initiatives (B7-6201/96.01).
- Timber certification – see Box 3
- The consolidation of knowledge (as called for in the Council Regulation of 1995), and the drive to greater coherence, complementarity and coordination of the aid activities of the EU Member States, as laid down in the Maastricht Treaty.²⁶
- The development of a regional approach in the face

25. According to the 1995 Tropical Forest Regulation, Article 12 'In 1997 the Commission shall submit to the European Parliament and the Council an overall assessment of operations to promote tropical forests financed by the Community'.

26. The ODI project, one component of which is production of this Sourcebook, forms part of this initiative.

of new threats to tropical forests. This is being achieved through the promotion of policy dialogue between stakeholders (including high-level policy dialogue, as in the case of the Congo Basin initiative and the World Commission on Forests and Sustainable Development) and international training activities. The Congo Basin initiative is briefly reviewed in Box 4.

7. CONCLUSION

Like many international donor agencies, DG VIII has been forced to adapt rapidly to the increased prominence

given to tropical forestry in recent years. The manner in which this has occurred has been influenced by a large number of factors, some internal (the management structure of the EDF, for example) and some shared, to a greater or lesser degree, by all Directorates-General within the Commission. Though the place of tropical forestry within the aid programme of DG VIII remains problematic in many ways, significant progress has been made in developing a strategic orientation, which engages not only the technical departments but also the geographical line management.

One illustration of the extent of the advances which have been made is provided by progress on the

DG
VIII

BOX 3 Timber Certification

Over the last few years, DG 1B and DG VIII have shown a keen interest in the role timber certification might play in promoting sustainable tropical forest management. This accords with the emphasis on the use of market-based instruments such as labelling in the EC's Fifth Environmental Action Programme (EC, 1993b), and also responds to the European Parliament's repeated calls for the regulation of the tropical timber trade. Attention has been focused on ITTO's 2000 target, which argues that all tropical timber entering international trade by the year 2000 should originate from a sustainably managed source.

Since the late 1980s, there has been a growing convergence between EC development policies aimed at promoting sustainable forest management and its trade policies geared towards stimulating the trade in timber from sustainable sources. Recently the EC has taken three important decisions that place priority on the role of certification within its wider strategy for tropical forests:

- Regulation for the Generalized System of Preferences (GSP) which controls privileged access for Third World Products to the European market.
- 1995 Regulation on Tropical Forests, in which certification figures as a prominent issue in the negotiation of the new legal basis for support for tropical forests from the EC budget. The Regulation gives special attention to a number of areas for EC support including the elaboration and implementation of certification systems based on independent evaluation of wood produced in tropical forests according to agreed principles for sustainable forest management. These systems should form an integral part of envisaged internationally harmonised certification systems for all kinds of timber and timber products (Article 4c).
- Protocol 10 to the Lomé Convention includes support for the definition and development of certification systems as one of its priority areas. The Protocol advocates 'supporting the definition and the development of certification systems for timber produced from tropical forests bearing in mind sustainable forest management principles as part of the envisaged internationally harmonised certification systems for all kinds of timber and timber products'.

The Council agreed that the implementation of certification systems should form one of the priorities in the allocation of the ECU 250 m. of EC assistance between 1995 and 1999. The European Parliament had proposed the introduction of

an independent certification system for all forests by 1997.

To support these initiatives, the Commission has engaged in:

- policy networking through informal and formal working groups at the European and international levels.
- funding research and pilot schemes, through commissioning background reports, and the CIFOR criteria and indicators study for instance.

The Commission is also involved in the follow-up to the Ministerial Conference on the Protection of Forests, held at Helsinki in 1993, which looks particularly at criteria and indicators of sustainable forest management (SFM) at a pan-European level. Three groups of 'needs' (for setting out the transition to SFM) can be identified at the international level:

- finance for poorer countries to cover the costs of improving forest management, etc.
- sharing information, research and technology (through the TREES ('Tropical Ecosystem Environment Observations by Satellite') Programme and co-operation with FAO on satellite data;
- coordination between international initiatives.

The Commission has been concerned to avoid a proliferation of forest labels, which could confuse consumers and distort the internal market.

DG VIII activities on certification have included:

1993: funding a study by ESE on the possibility of introducing a Timber Protocol in the Lomé IV Convention.

1994: organisation of a seminar/meeting on production methods (African Timber Organisation).

1994: co-financing of a study commissioned by ITTO on certification.

1995: production of a draft programme for the promotion of sustainable forest management and certification in Western and Central Africa.

1996: harmonization of International Institutional Arrangements (Indufor Oy of Finland)

1996: Forest Certification Advisory Group (secretariat provided by IIED)

This has involved studies managed by WWF-Belgium and Tropenbos, both in Cameroon, on (respectively), the harmonisation of different initiatives on certification, in Central and West African countries, and criteria and indicators for sustainable forest management.

EC strategy on Timber Certification is also discussed in Section 3.3 of Chapter 5 on DGXI.

recommendations of the 1991 IFSC report. This report presented a series of recommendations for improved coordination, including the development of an overall strategy for the Commission for tropical forestry; guidelines for headquarters and Delegation staff on the identification and formulation of projects in line with this strategy; guidance on appropriate budgetary provisions; improved coordination of the programmes of the various directorates-general; better liaison with multinational agencies, Member States, associated states and NGOs; and enhanced capacity for monitoring and evaluation.

All of these issues have been addressed, with DG VIII playing a significant part. Influential policy documents such as Protocol 10 of Lomé IVbis, the Strategy Paper, the 1995 Regulation and the forthcoming Regulation

have been agreed and promulgated. Support documents and activities such as the *Guidelines for Forest Sector Development Co-operation* and its associated training and awareness-raising programme have been prepared and undertaken. These, together with the increased policy orientation of the budget line, have all served to heighten the profile of tropical forestry within the aid activities of the Commission, particularly in support of the EDF.

BOX 4 European Commission Approach to Forestry Issues in the Congo Basin

The rainforests of the Congo Basin are among the most biologically diverse in the world, making up one quarter of the world's surviving stock of tropical moist forests, and three-quarters of the rainforests of Africa. With the depletion of much of the West African forest cover, the attention of the logging industry is now turning to Central Africa, and the international donors may have an important role to play in ensuring that the forests of the sub-region are brought rapidly under sustainable management.

However, the region is also a demanding environment for sustainable forestry. Political uncertainty, high levels of public indebtedness and, in some instances, long histories of poor resource management all present major challenges, especially with regard to the sound husbandry of long-cycle resources such as forests. Low population densities in rural areas (particularly in the high forest zones) limit the potential for local participation in forest management. Poor forest management practices and lack of transparency of forest resource allocations have been widely cited as encouraging environmental degradation.

Donor influence in this context is limited. Weak institutional capacity leads to low absorptive capacity for development aid in both state and civil society. The region has not hitherto been a major priority area for most European donors. Outside of Cameroon, few bilateral donors have significant portfolios. Aid portfolios are problematic throughout the Region, and a generally poor history of aid effectiveness provides an additional disincentive to increased investment by the international community. In more than one instance, adoption of a long-term perspective would seem unthinkable at the present time.

Devising a strategy for support to forestry in such a context presents a major challenge. The national level is generally weak, as is the environmental lobby within it; the regional level has potential, but without a firm foundation in national policies, is felt to offer few possibilities for self-sustaining action in favour of sustainable forest management. The EC's Congo Basin approach aims to make a public case and open the debate on forests, which will also create the necessary preconditions for transparency and equity. The strategy proposes a programme of policy dialogue, awareness creation and public discussion on forest as a complement and a support to existing programmes (for example, the Commission's own ECOFAC project [Box 5]). It involves three main threads: a Donor Conference (to bring together the

main donors in the region and set in motion a process of inter-donor dialogue), support for a Public Hearing (to open the debate to all stakeholders in civil society), and training of decision makers on implementation of national forest strategies and an integration into the international discussion on forests (EU/EDI training programme).

Donor conference: This was held in Brussels in April 1997, and brought together the main international donors for the region, who met to assess one another's activities, seek to avoid duplication, and to explore pathways which might lead to better future collaboration, coordination and coherence.

Donors confirmed their desire to support the region and work together, with a series of future meetings to facilitate this. Strong endorsement was given to the regional initiative, the *Conférence sur les écosystèmes de forêts denses et humides d'Afrique centrale* (the 'Brazzaville Process').

World Commission on Forests "Forest Conservation and Development Policy Dialogue in the African Region."

(UNDP): This initiative aims to contribute to the enhancement of institutional and policy reforms and initiatives in the framework of sustainable forest management. The EC was a major donor for the Hearing in the Africa Region, held in Cameroon in May, 1997. This focused on high-priority areas (identified through a consultation period), and was attended by representatives of stakeholder groups, including those who normally have little opportunity to express their views. Emphasis was on the design of pragmatic mechanisms for inducing reform based on consensus. The outcome will be the formulation and promotion of practical strategies and mechanisms for improving the management and conservation of regional forest resources.

EU/EDI co-operation: Forestry Policy training

programme: This aims to help countries to: design, internalise and implement national forest policies, with a view to ensuring sustainable economic development; promote the harmonisation of forest policies in the Congo Basin and with IPF; initiate consultation between countries of the Basin, and encourage dialogue with other countries facing similar forest development issues. The programme will run through regional level workshops, and exposure training.

Box 5 'ECOFAC' (Conservation et Utilisation Rationnelle des Ecosystèmes Forestiers en Afrique Centrale)

ECOFAC was funded under the 6th EDF and began operations in 1992. The first phase was completed in December, 1996, and a second phase was then funded, also of four years' duration. Its main objective is to promote the conservation and rational use of the Central African forests on a regional basis, through a series of measures designed to increase the awareness of forest-dependent populations to conservation issues and to offer them alternative means of income-generation. In this way, pressure on the natural resources of the forests will be relieved and the living conditions of the dependent populations improved. ECOFAC works at a number of sites in six countries of the Central African region: Cameroon, Congo, Equatorial Guinea, The Central African Republic and Sao Tomé Príncipe. There is a *Cellule de Coordination* in Brazzaville. Zaire was originally expected to participate, but suspension of EC funding to the country in 1992 led to the withdrawal of this component.

The project is based on the hypothesis that the diversification of the local economy, in terms of both products and activities, is the best way to guarantee the conservation of the ecosystem. A series of activities is being promoted aiming to exploit locally-available materials in a sustainable fashion (sun-dried and ceramic bricks, roofing materials, oil palm presses, etc.).

Different strategies have been promoted in different areas, leading to a comparative appreciation of the conditions for success. For example, the Central African Republic opted for an approach involving rapid development at relatively low cost through the use of expatriate technical skills and inputs, while Cameroon preferred to invest heavily and in a longer-term perspective in the creation of local capacity, able to exploit locally available materials. While the former strategy led to impressive results in the shorter term, these proved of very limited benefit to the local populations which remained heavily dependent on the resources of the forest. The latter strategy thus appears the preferred option in most instances.

Initially conceived as a set of fairly independent protected area projects, the project has gradually adopted a more complementary approach, seeking to bring together the various components through a series of regular meetings and workshops. Despite some difficulties in reconciling the regional and national components, and in ensuring maximum local ownership, the Project can claim some success in demonstrating the ways in which regional forces can be brought to bear on constituent member states, to encourage them to adopt sustainable practices in the management of their biodiversity.

This approach will be consolidated during the second phase, in recognition of the regional aspect of many of the major conservation challenges (eg. legislation over hunting, controls over poaching activities in frontier areas, forestry policy, conservation of marine turtle populations, etc.) ECOFAC's long term aim is to build upon the experience of the first two phases of the project to reinforce the transition from a geographically-based project to a technical one, offering significant and sustainable benefits on a regional basis.

REFERENCES

- Bainbridge, T. and Teasdale, A. (1996) *The Penguin Companion to the European Union*, Penguin Books, Harmondsworth.
- Bright, C. (1995) *The EU: Understanding the Brussels Process*, John Wiley & Sons, Chichester.
- Commission of the European Community (1989) 'Communication on the Conservation of Tropical Forests: the role of the Community', COM (89) 410, Brussels.
- Commission of the European Community (1993a) *Project Cycle Management: integrated approach and logical framework*, Evaluation Unit, European Commission, Brussels.
- Commission of the European Community (1993b) *Towards Sustainability: The European Community Programme of policy and action in relation to the environment and sustainable development*, European Commission, Brussels.
- Commission of the European Community (1995) 'Council Regulation 3062/95: Operations to Promote Tropical Forests', European Commission, Brussels.
- Commission of the European Community (1996) 'Lomé IV Convention - as revised by the agreement signed in Mauritius on 4 November, 1995', *The ACP-EU Courier*, Number 155, January-February, 1996.
- Commission of the European Community (1996) *Inventory of Environment and Tropical Forests Programmes*, Environmental Resources Management, London.
- Cox, A., Healey, J., and Koning, A., eds. (1997) *How European Aid Works*, Overseas Development Institute, London, and ECDPM, Maastricht.
- Cracknell, B. (1989) *Review of Effectiveness Feedback Mechanisms of EEC Commission and Member States: Denmark, France, Germany, the Netherlands, UK*, the European Commission, Brussels.
- Danagro Advisers a/s (1995) 'A strategy and possible EU activities in the field of forestry in the Pacific', report to the European Commission, September, Brussels.
- European Union, Directorate-General for Development (1996) *Guidelines for Forest Sector Development Co-operation*, Volume I: *Strategic Approach*; Volume II: *Tools for Project Cycle Management*, The European Communities, Brussels and Luxembourg.
- Hewitt, A. (1994) 'The European Union: Fundamental Change without Crisis' in Hewitt, A. ed. *Crisis or Transition in Foreign Aid*, Overseas Development Institute, London.
- International Forest Science Consultancy (1991) *Review of the European Economic Community: Tropical Forestry Sector Activities, 1975-90*, IFSC, Edinburgh.
- Koning, A. (1997) 'The European Commission: EDF Aid Management' in Cox *et al.*
- Mackie, J. *et al* (1996) *NGO Handbook: Practical Information for Development and Emergency Aid NGOs in the European Union*, NGO-EC Liaison Committee (Liaison Committee of Development NGOs to the European Union), Brussels
- Planistat Europe (April, 1997) *Analyse statistique des projets financés par la Commission Européenne dans le domaine des forêts tropicales* Vol. One: *Projet de Rapport Final*; Vol. Two: *Annexes*, Paris (draft).
- World Wide Fund for Nature (1991) *European Community Policy and Tropical Forests*, WWF International, Switzerland.
- World Wide Fund for Nature (1997) 'The increased investment and trade by transnational logging companies in ACP countries: implications for tropical forest conservation and sustainable forest management', WWF-Belgique Report to the European Commission, Contract B7-6201/96.16/VIII/FOR, Brussels.

KEY CONTACTS

European Commission
 Directorate-General for Development
Sustainable Development and Natural Resources Unit
 Rue de la Loi 200
 B-1049 Brussels
 Tel: +322 299 25 13
 Fax: + 322 296 64 72

European Commission
 Directorate-General for External Relations
 and North-South Co-operation
*Unit for Horizontal Instruments: Environment, Tropical Forests,
 Women and Development and Population*
 Rue de la Loi 200
 B-1049 Brussels
 Tel: + 322 299 07 08
 Fax: + 322 299 09 14

ACRONYMS

ACP	African Caribbean Pacific
ALA	Africa Latin America
DAC	Development Assistance Committee
DG	Directorate General
ECOFAC	Conservation et Utilisation Rationnelle des Ecosystèmes Forestiers en Afrique Centrale
EC	European Community
EDF	European Development Fund
EDI	Economic Development Institute
EIB	European Investment Bank
ERM	Environmental Resources Management
ESE	European Strategies Europe
ETFAG	European Tropical Forest Advisory Group
EU	European Union
FAO	Food and Agriculture Organisation of the United Nations
FSC	Forest Stewardship Council
GDP	Gross Domestic Product
GNP	Gross National Product
GSP	Generalized System of Preferences
IFSC	International Forest Science Consultancy

IIED	International Institute for Environment and Development
ITTO	International Tropical Timber Organization
NIP	National Indicative Programme
NAO	National Authorising Officer
NGO	Non-Governmental Organisation
ODI	Overseas Development Institute
OECD	Organization for Economic Co-operation and Development
PICS	Project Information and Control System
QSG	Quality Support Group
RIP	Regional Indicative Programme
SFM	Sustainable Forest Management
TFAP	Tropical Forestry Action Plan
TREES	Tropical Ecosystem Environment Observations by Satellite
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme
WWF	World Wide Fund for Nature

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Marjukka Mähönen and Amos Tincani (DGVIII/A/1), Ralf Mohs (DGVIII/A/6), Vincent Dowd (DGVIII/D/4), George-Marc André (DGVIII/E/2), Christine Bakker (DGVIII/E/4), Humbertus Zimmer (DGVIII/E/6), Geoffrey Rudd and Myfanwy van de Velde (DGVIII/F/1), Sicco Roorda van Eysinga (DGVIII/F/5), Enrico Pironio (DGVIII/G/3), Gerard Vernier (DGVIII/Coordination and Briefings Cabinet), and Gerhard Dieterle (formerly DGVIII/A/1, now GTZ).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to ECU 1.09.

DG XI

Annett Görne and Michael Richards

Contents

1.	EVOLUTION OF INVOLVEMENT IN TROPICAL FORESTRY	95
1.1	The evolution of DG XI and present structure	95
1.2	The evolving role of DG XI in forestry activities	95
2.	STRUCTURE OF AID DELIVERY	95
3.	TROPICAL FORESTRY DEVELOPMENT STRATEGY	96
3.1	Past strategy	96
3.2	Current and future strategy	97
3.3	Strategy and policy development in the area of the timber certification	98
4.	PROJECTS FUNDED BY REGION, TYPE AND SIZE	99
4.1	Definition of forestry	99
4.2	Geographical distribution	99
4.3	Project type	99
4.4	Distribution of projects by type of organisation	100
4.5	Size and duration of projects	100
5.	PROJECT CYCLE MANAGEMENT	101
5.1	Application	101
5.2	Appraisal and approval procedures	101
5.3	Monitoring and evaluation	102
5.4	Constraints to more effective project management	102
6.	PROJECT PROFILES	102
6.1	Research and development of natural resources of indigenous communities in the Ucayali Region (RENACO), Peru	102
6.2	TREES	102
7.	CONCLUSIONS	103
	REFERENCES	103
	KEY CONTACT	103
	ACRONYMS	104
	ACKNOWLEDGEMENTS	104

1. EVOLUTION OF INVOLVEMENT IN TROPICAL FORESTRY

1.1 The evolution of DG XI and present structure

In 1972, the European Council recognised the need to take measures to protect and improve the environment at the grassroots level, and therefore set up a small 'environment and consumer protection service' within DG III, the DG responsible for industrial policy and the internal (EU) market. In 1981 this 'service' was raised to the status of Directorate-General XI. In response to the growing body of EU environmental legislation, as well as the need to develop new instruments and 'administrative structures for environmental management', DG XI was restructured in 1989 and renamed 'Legal Affairs and Implementation, Relations with other Institutions and the future EEA¹, Finance and Contracts'.

In 1995, DG XI was again renamed as 'Environment, Nuclear Security and Civil Protection', and restructured into five Directorates as shown in Figure 1. Unit D4, 'Global aspects of the environment: climate change, geosphere and biosphere' – normally referred to as 'Global Environment' – is responsible for forestry activities.

1.2 The evolving role of DG XI in forestry activities

Initially the actions of the DG III 'environment service' were restricted to attempts to influence international organisations such as FAO (through the TFAP) and ITTO, and support of forestry activities through these organisations. With the 1989 restructuring, the 'Global Environment' budget line B4-3046 was created in response to the growing desire to undertake global environmental actions. The budget line was later renamed 'Contribution to International Environmental Activities' and renumbered B7-8110, and is jointly managed by Units D4 and A4, 'International Affairs, Trade and Environment'. B7-8110 is used mainly for supporting international fora, workshops and small-scale field projects in the four main areas of global environmental action: forestry (all types of forest, but predominantly tropical forest); biodiversity; climate change; and the ozone layer.

However, management of the budget line is subsidiary to the main roles of DG XI, and especially Unit D4, which have been to develop EC policy and strategy in these four areas, prepare the Commission's political position at international fora, and to represent it at these fora. Unit D4 coordinated the production of 'Towards Sustainability – A European Community Programme of Policy and Action in relation to the Environment and Sustainable Development' (European Commission, 1992), a statement of EC strategy on global environment issues.

Unit D4 was also responsible for writing the Commission's official long-term environmental plan: 'Programme of Policy and Action in Relation to Environment and Sustainable Development'. It has taken an active part in the initiatives stemming from

UNCED: the Inter-Governmental Panel on Forests (IPF), the Commission for Sustainable Development (CSD), and the international Conventions through the various Conferences of the Parties. It is particularly concerned with the process leading to a possible Forest Convention. Mention should be made of the close collaboration with the other DGs, especially DG IB, for example, in their mutual interest in the Brazil Pilot Programme, and through participation of the Unit D4 General Administrator in the Inter-Service Steering Committee on Forests.

2. STRUCTURE OF AID DELIVERY

Budget line B7-8110 is divided among Units A4, A5 'Technical Co-operation with Third Countries', D2 'Nature Protection, Coastal Zones and Tourism' and D4 (see Figure 1). Each Unit puts forward an annual proposal of intended actions and a budget. The Resources Group of DG XI, consisting of the Director General, the Deputy Director General, the Assistant of the Director General, the Directors of the five Directorates and the Head of Unit A2 (Finance), decides on the distribution of the funds at the end of the year (but can change it in mid-year), although in practice the proportion going to each Unit is fairly constant.

According to its official objectives (EC *Official Journal* 1996, p.1581), Unit D4 uses its share of the budget line to support small-scale projects in the field, as well as workshops, seminars, conferences and publications, with the objectives of:

- safeguarding the ozone layer;
- influencing the relationship between energy and the environment, especially in terms of global warming;
- protecting forests;
- protecting biodiversity; and
- influencing other global environmental issues, including desertification and the 'population environment relationship'²

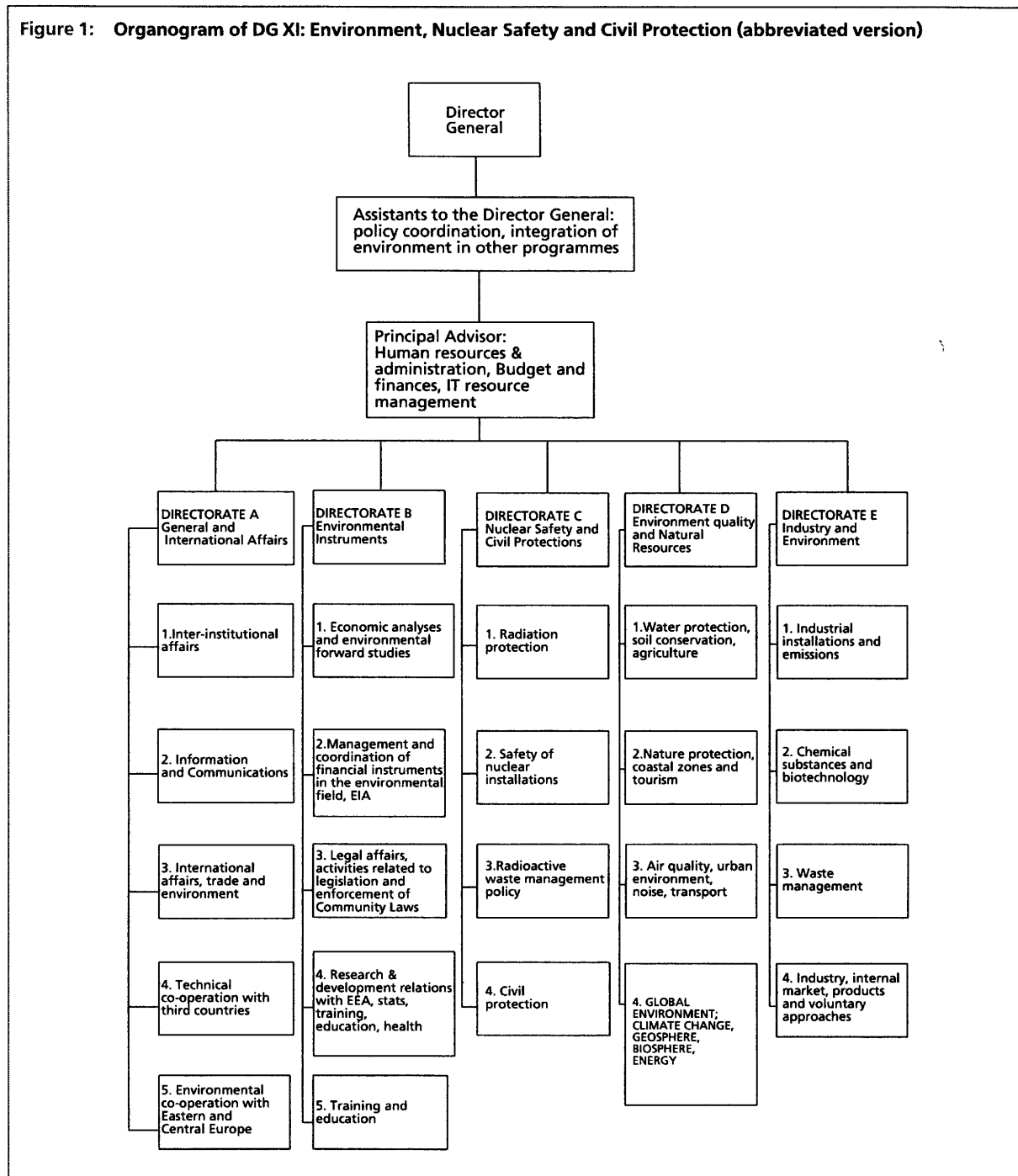
There is no fixed budget for tropical forests under budget line B7-8110, since the budget has to support all of these action areas, and is subject to internal DG XI negotiations. Table 1 shows the total budget, the proportion going to D4, and the proportion spent on forestry projects. A large proportion of the budget goes on 'statutory contributions', i.e. to meet on-going commitments like annual support to the Biodiversity Convention Secretariat (ECU 30,000), and support for the Berne and Vienna Conventions on international trade and the environment, as well as actions within DG XI itself, for example to develop DG XI's 'Strategy on Forests' over the 1997-8 period. Unit D4 has most flexibility in terms of using its share of the budget for forestry projects. In fact most of the flexible share of the budget has been spent on forestry and biodiversity projects. This has been because this part of the budget line has been mainly demand-led³, and there have been

2. This objective is due to be removed from the EC *Official Journal* in 1998. The only action was a project on Antarctica in 1992. Responsibility for these actions has been passed to the Environment budget line B7-6200.

3. Although once, in 1993, a call for proposals was put out.

1. European Environment Agency

Figure 1: Organogram of DG XI: Environment, Nuclear Safety and Civil Protection (abbreviated version)



few project requests dealing with climate change or the ozone layer.

At the appraisal stage, aid delivery has been in the hands of the D4 'General Administrator' in charge of the budget line, who since 1991 has been either a forester or a geographer. Project implementation has tended to be mainly in the hands of North-based institutions, especially universities, international NGOs and research organisations, as these have been the main budget line applicants (see section 4.4).

In-house technical responsibility for forestry currently rests with the D4 General Administrator, an experienced tropical forester from Peru. The ratio of the budget to in-house forestry expertise is a little less than

ECU 1 m. per advisor per year.

(Main source: personal communication, D4 administrative assistant)

3. TROPICAL FORESTRY DEVELOPMENT STRATEGY

3.1 Past strategy

Because of its limited budget, B4-3046 became (more or less by accident) the budget line for small projects which would have 'fallen through the net' of DG I and DG VIII with their preference for larger projects.

Table 1. DG XI forestry commitments: distribution of B7-8110 budget to D4 and forestry projects 1991-6 (ECU)

	1991	1992	1993	1994	1995	1996
B7-8110		3,690,000	4,200,000	4,200,000	4,200,000	4,400,000
D4 share			2,380,000	2,350,000	2,597,750	1,944,000
Forestry	1,027,772	724,325	1,196,302	1,056,997	1,083,197	560,430*

* Projects approved to November 1996.

Initially (until 1990) it was used to fund meetings, workshops, studies, publications and field projects which dealt with climate change and the ozone layer. Forestry projects only came in from 1991 as a result of the EC-wide pressures discussed in Chapter 2. Funding of forestry was also significantly increased following the 1992 UNCED Conference.

Until 1996, Unit D4 of DG XI did not have a strategy document which specified the objectives of its budget line, and decisions concerning project selection and regional distribution were at the discretion of individual budget line managers. The emphasis up to 1995 reflected a concern for issues related to trade and the environment, especially as regards the 'strategic' actions - conferences, studies, workshops, etc. Also there was an observable regional influence in project distribution when the budget line was managed by a French forester (an increase in Francophone projects in 1991 and 1992), and by a Portuguese geographer (Brazil had most projects and expenditure in 1993 and 1994). In 1995, the latter left for a long-term technical assistance assignment to the Brazil EU delegation to work on the Brazilian Pilot Programme. This was financed from the B7-8110 budget line. The current General Administrator took over in September 1995.

The main emphasis of past forestry interventions under B7-8110 has been in the areas of:

- sustainable natural resource management both inside and outside protected areas, focusing in particular on new approaches like extractive reserves and community reserves;
- support to local communities and indigenous peoples; and
- policy development (D4 General Administrator, personal communication).

More than half of all the activities financed have involved conferences, workshops and publications (see section 4.2). The system has been predominantly reactive in the sense that the direction of the budget line has largely depended on the nature of the applications for funding received. However, it is clear that there is (or has been) sufficient flexibility for DG XI to define its own projects. There have also been several attempts to encourage DG XI financing of the Global Environment Facility (GEF). The absence of an EC representative on the GEF Board in 1995 and 1996 resulted in a reluctance to approve the funding involved; from DG XI as a whole, this was ECU 3 m. in 1995 and ECU 7 m. in 1996.

3.2 Current and future strategy

In 1996 Unit D4 produced a strategy paper entitled 'Philosophy of Budget Line B7-8110' (Ruiz Murrieta, 1996), to be applied from the end of 1996 onwards. This outlines the following priority areas for forestry:

- projects, studies or meetings producing outputs aimed at supplying the knowledge required for developing the EC's long-term strategy, especially on global forestry issues, to 'assure EU leadership in the negotiations under international agreements and other relevant international fora';
- projects promoting the implementation of articles relevant to forests contained in the International Conventions, as well as implementation of the eleven elements of the work programme of the IPF;
- projects promoting certification, criteria and indicators, regional strategies, national forest plans, networks and/or any other major instruments for the conservation and sustainable development of forests, taking into consideration the economic, environmental, social and cultural dimensions of forestry as well as the participation of all the main stakeholders;
- projects promoting indigenous peoples' rights to their territories and natural resources, traditional management practices, and indigenous participation in project design and national land-use planning.

In practice, this will mean that a more strategic and 'global' approach will be adopted than hitherto, with an enhanced interest in:

- activities that will help the EC develop its position in international fora;
- policy development at the national, regional and international levels;
- support to forestry activities related to the international Conventions; and
- support to indigenous peoples.

In addition to the above, the following indications were given on the future direction of DG XI's actions by the D4 General Administrator:

- DG XI projects will in future overlap less with activities supported by DG IB and DG VIII, particularly by supporting themes which are of lower priority for other DGs or which complement priorities on other budget lines, for example, initial strengthening of indigenous peoples' organisations, NGOs, etc., which can be supported on a larger

- scale through the Tropical Forests budget line (B7-6201);
- the funds will be distributed more equally among the three main geographic regions (in 1996 no further projects were approved for Brazil);
 - DG XI will extend its support of networks of NGOs and community-based organisations (CBOs), especially in indigenous and marginalised communities. It supports the African Forest Action Network (AFAN), currently comprised of NGOs from Francophone Africa but to be extended to the whole of Africa. It has also supported the Grupo de Trabalho Amazonico (GTA), a network of approximately 400 NGOs and CBOs. Supporting local organisational capacity of the 'civil society', especially in Central Africa, will form an important part of D4's future strategy;
 - Unit D4 is particularly interested in supporting regional initiatives like the Association of Amazonian Universities (UNAMAS) and the Central American Alliance for Sustainable Development, and in efforts to develop South-South coordination – for example, building links between regional initiatives in the areas of forest policy development and 'social forestry' curriculum development;
 - Unit D4 will fund a smaller number of projects (about 10 per year instead of 20–30) with an increase in the size of project, mainly because of lack of staff;
 - D4 will become more pro-active in project selection by encouraging particular organisations to request funding;
 - D4 plans to develop a Strategy on Forests by the end of 1998.

Most of the pressure for change in DG XI's strategy has come from within the EC – especially the discussions in the Inter-Service Group on Forests (personal communication, D4 General Administrator).

3.3 Strategy and policy development in the area of the timber certification

DG XI has an important role in shaping the EC's position on timber certification and to this end has a technical officer working in Unit D4, an economist (with a trade policy background) who is a seconded national expert in post since 1995. This DG XI officer works closely with the DG I 'Trade and Environment Unit'⁴ responsible for negotiating the EC trade position at the World Trade Organization (WTO), and specifically with WTO's Trade and Environment Committee, and in other multilateral negotiations (e.g. EC-Mercosur, EC-ASEAN), as well as with a DG VIII official who represents the EC at ITTO meetings. The Unit D4 General Administrator represents the Commission at meetings of the Intergovernmental Panels on Climate Change and Forests and has prepared position papers for these.

One of the main tasks of the DG XI General Administrator has been to try to identify an EC/EU position on certification. This has involved a continuous

process of consultation (rather than negotiation) between the different stakeholder interests represented in the EC, which range from European industrial concerns (represented in DG III), European forestry management (DG VI), the internal EU market (DG XV) and consumer policy (DG XXIV), to the research (DG XII), sustainable development (DG VIII and DG IB) and global environmental (DG XI) concerns. Representatives from all these DGs are invited to meetings of the Inter-Service Group on Certification, which meets two or three times a year. The DG XI officer is the overall coordinator of the Group and tries to maintain a balance between all the interests, rather than pushing a particular viewpoint. There have also been several meetings of the 'National Experts' Group on Timber Certification' involving representatives from the Member States.

Building on these sets of meetings, the DG XI officer was responsible for a 1996 Commission Staff Discussion Paper 'EU Policy Options on Forest and Timber Certification'. This internal Commission paper presents useful background analysis and discusses the pros and cons of four options open to the EU: reliance on market forces (but facilitating their action); actively contributing to the development and definition of certification standards; establishing a voluntary EU-level certification scheme; and other instruments, including the use of preferential tariffs, promotion of forest management plans, national forest plans, forest registration and a global forest convention.

In terms of the direction of the debate on ways to use the timber trade to encourage sustainable forest management, there has been a clear shift in the EU from a 'stick' to a 'carrot' approach. In the early 1990s various Member States, or green lobbies within them put forward trade-related proposals involving import bans and consumer boycotts with the objective of discouraging unsustainable logging in the tropics; for example a proposal by the Netherlands and Austria to ban the import of 'non-sustainably' produced tropical timber, and proposed Dutch legislation for compulsory certification of timber by 2000.

The realisation that such measures are illegal,⁵ counterproductive or impractical has left two main possible instruments: voluntary certification – there have been several recent Member State (Germany, Netherlands, Denmark) initiatives to develop certification schemes; and the use of preferential tariff levels, as in the proposed EC Generalised System of Trade Preferences. EU legislation permits discretionary tariff reductions when suppliers follow the ITTO Guidelines on sustainable forest management. While this is programmed to become operational in 1998, there is some debate as to whether it represents a trade barrier and so contravenes international trade legislation. The proposed levels of tariff reduction are not yet known but will be partly dependent on the degree of processing.

Within the EU, the position has been generally against the certification of European forests. This has been due partly to the fear of possible high costs of certification if these are not passed on to the consumer,

4. DG I Unit: Multilateral commercial policies and questions relevant to WTO and OECD.

5. Owing to the principle of non-discrimination in WTO trade rules, i.e. a product cannot be refused access because of its being assigned a particular characteristic (European Commission, 1996, p.7).

Table 2. Distribution of DG XI forestry projects by region 1991–6

REGION	1991	1992	1993	1994	1995	1996 ^a	Total
Global	10	9	7	8	3	5	42
Regional ^b	2	3	8	5		1	19
South America	2	5	8	4	8	1	28
Central America			1	1	3		5
Africa	4	3	3	2	2		14
Asia	2			2	2		6
Total	20	20	27	22	18	7	114

^a up to November 1996

^b involving two or more countries in a region.

especially for small production forests (down to 1 ha in Portugal, for example). This is a concern shared by some tropical producer countries which also see 'eco-labelling' as a new trade barrier. Another major European fear is that timber products will become less competitive than non-timber products if significant costs are passed on to the consumer.

The D4 certification technical officer also uses funds from budget line B7–8110 to promote understanding of the process and feasibility of certification, for example through some small 'tracing' projects. As well as several important certification initiatives coming under DG VIII (see Box 3 in the chapter on DG VIII), there are two DG IB projects financed under the Tropical Forests budget line: the CIFOR study 'Testing Criteria and Indicators for the Sustainable Management of Forests' co-financed by Germany, USAID and Ford Foundation; and a Forest Stewardship Council project involving training and the promotion of national consultation processes in several countries in Latin America and Asia. There is also a market study of *Arabopsis* spp. under DG VI, which is attempting to gauge how much consumers are prepared to pay for certified timber and to shed light on the impacts of certification.

4. PROJECTS FUNDED BY REGION, TYPE AND SIZE

4.1 Definition of forestry

A broad interpretation of the term 'forestry' was used for DG XI. Many of the projects involved wider activities which in some way aim to develop, either directly or indirectly – for example through projects focusing on indigenous peoples' issues – the knowledge basis or institutional capacity for forestry (and biodiversity in general) conservation and management.

4.2 Geographical distribution

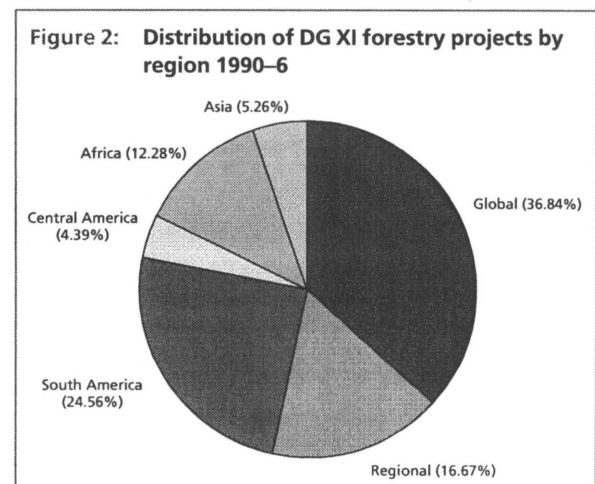
Table 2 presents a breakdown of the 114 forestry projects approved for funding since 1991, classified according to the regional classification used in Unit D4. Figure 2 indicates that over half the projects have been either global or regional. These have often been workshops, conferences and research studies directed

at global forestry issues, but particularly in the Amazon region. Including country-specific projects, 33 projects have been directed at the Amazon region. Of the 53 non-global/regional projects, South and Central America received over 60%.

Over the 1991–96 period, ECU 5.6 m. was committed to these 114 projects. Figure 3 presents the regional distribution of these financial commitments. This emphasises further the large share of South America especially in comparison with Asia and Africa. Figures 4 and 5 present the distribution of projects and financial commitments from B7–8110 among the main receiving countries over the 1991–6 and 1991–5 periods respectively, leaving aside the regional and global projects. These data show Brazil to be the main beneficiary of this budget line, especially in terms of financial commitments – almost ECU 1.6 m. over the 1991–6 period. Other significant beneficiaries (ranging between ECU 88,000 and ECU 220,000) were Côte d'Ivoire, Gabon, Colombia, Cameroon, Peru, Mexico and French Guyana. This partly reflects the influence of budget line managers and the greater organisational capacity in Latin America to make requests.

4.3 Project type

In Table 3, the 114 tropical forestry projects are divided between field projects (54) and non-field or 'strategic'



projects (60): the latter included 28 studies and information diffusion projects (publications, films, videos, etc); 27 workshops, seminars and conferences; and 5 projects supporting the development and implementation of international Conventions. Recently there have been fewer studies and information diffusion projects, and more projects in support of international conventions. Up until 1996 there was a trend towards more field projects, but in 1996 only one of the seven projects was a field project. Table 3 indicates that

sustainable forest management and biodiversity conservation-related projects have maintained a consistent importance, bearing in mind the drop in the number of overall projects over the last two years, and a downward trend from the early 1990s in projects on indigenous people, timber and energy issues.

Table 3 and Figure 6 show that the most common types of projects were associated with sustainable forest management, including non-timber forest products (SFM/NTFPs), and biodiversity conservation/environmental protection, including extractive reserves. These two categories accounted for 60% of all projects and 63% of field projects. Next in importance were education, training and consciousness-raising projects, indigenous peoples, and social and participatory aspects of forestry, including local institution building (mainly field projects). There were also 9 timber related projects (industry and trade aspects), none of which were field projects.

Figure 3: Distribution of DG XI financial commitments to forestry by region 1991-6

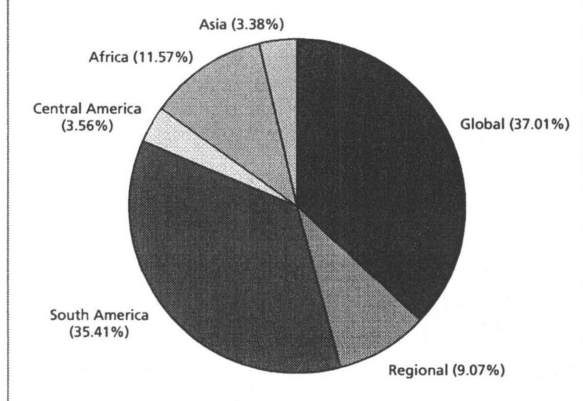


Figure 4: Distribution of DG XI forestry projects between countries 1991-6

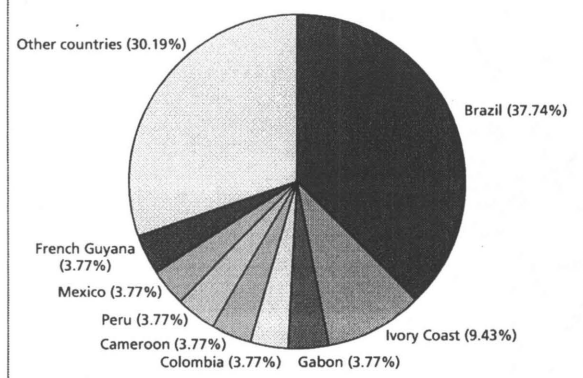
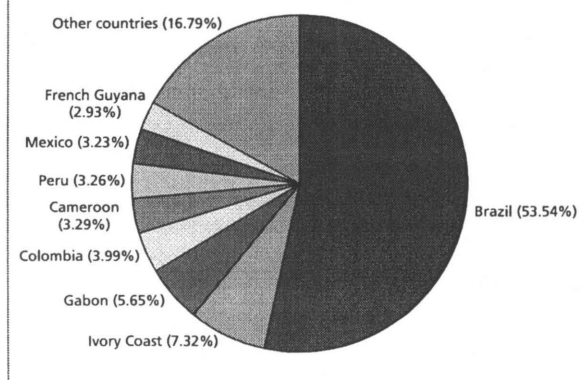


Figure 5: Distribution of DG XI forestry financial commitments by country 1991-5



4.4 Distribution of projects by type of organisation

Table 4 and Figure 7 present the distribution of projects by the type of organisation requesting and implementing the projects. They show that academic and research institutions, and national and international NGOs (the latter tailing off markedly over the last two years) have been the main beneficiaries of the budget line, absorbing between them 86% of the projects. There is a view in DG XI that, at least until 1995, there were too many 'strategic' projects being carried out by Northern academic and research institutions, with only a limited impact on forest conservation and local livelihoods. Almost three quarters of the organisations have been based in the North, and among them France (26 projects), UK (15 projects), the Netherlands (13 projects), and Belgium (9 projects) have been most prominent. While in 1996 no projects were funded for organisations based in these four countries, 5 of the 7 projects were in favour of North-based organisations. Of the 30 developing country organisations supported, 13 have been Brazilian and 8 have been in Francophone Africa.

Table 4 disguises an important trend towards a greater proportion of the commitments to developing countries. Up to 1992, over half of the finance committed was to be expended in 'the North'; in 1993 and 1994 there was an approximately equal budgetary distribution between the North and developing countries, but since 1995 budgetary control has been very strict – about 80% of the budget must now be spent in the developing country.

4.5 Size and duration of projects

Project size under B7-8110 has been small in comparison with the other DGs. Financing is limited to 50% of total project costs for field projects and 30% for 'strategic' projects up to about ECU 60,000 and ECU 25,000 respectively – although, legally, there is no maximum project size. The fall in the number of projects over time (Table 2) has led to a slight increase in the size of project: from 1991 to 1994, the average project size was ECU 45,000, while over the 1995-6 period it has been almost ECU 66,000. In 1996 the

Table 3. Distribution of DG XI forestry projects by themes 1991–6

Themes	1991	1992	1993	1994	1995	1996	Total field projects	Total other projects
SFM/NTFPs ¹	5	2	9		7	3	17	25
Biodiv./env. protection	7	10	9	6	4	2	17	9
Education/training	1		2	4	3		1	9
Indigenous peoples	1	2	3	2		1	5	4
Social forestry/participation	2	1	1	2	2	1	7	2
Timber/trade	4	2	1	2				9
Agroforestry		2	1	2	2		5	2
Energy		1	1				2	
Total	20	20	27	22	18	7	54	60

¹ Sustainable forest management including non-timber forestry products.

average project size was ECU 80,000. Since the strategy is to finance fewer projects, this trend is set to continue. By their nature, many of the projects have been very short. Workshops, seminars, etc., may last only a few weeks, while even the field projects generally have a duration of no more than one year.

5. PROJECT CYCLE MANAGEMENT

5.1 Application

Since DG XI's budget line is less well-known than those of the other DGs, those submitting a proposal to DG XI have usually had personal contact with one of the present/former administrators in charge of the tropical forests budget lines, at international meetings, during project missions, etc. They are often re-directed to DG XI from DG IB and DG VIII. While, in theory, proposals should come through the EU Delegations, in practice they are sent directly to DG XI. They can be

made at any time.

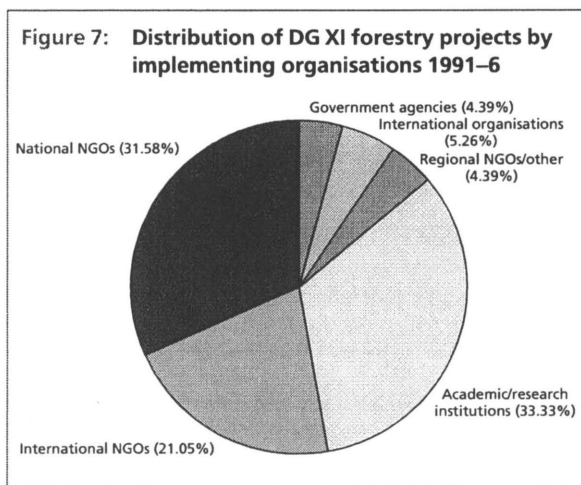
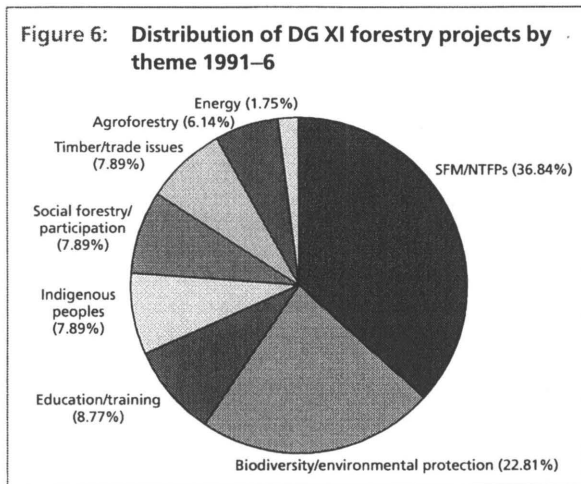
Since 1995, the system in DG XI has become more organised; proposals are now made using standard application forms. Proposals must now include: a letter of request; a technical description of the project; a budget; confirmation of additional/provisional income by co-financiers of the project (if not, the co-financing is regarded as pending); information about the applying organisation; bank references; a copy of the document specifying the organisation's legal status; financial statements for the previous two years; and details of previous contracts with the EC. While a logical framework is not mandatory, some NGO applicants have submitted their proposal with one.

5.2 Appraisal and approval procedures

The project must correspond with the budgetary criteria set out in the latest version of the EC *Official Journal*, and be in accordance with the recently developed 'Philosophy of budget line B7-8110' (Ruiz-Murrieta,

Table 4. Distribution of DG XI projects by implementing organisations 1991–6

	1991	1992	1993	1994	1995	1996	Total
Government agencies			1	1	2	1	5
International organisations			1	1	1	3	6
Regional NGOs/other organisations		1	3	1			5
Academic and research institutions	8	9	9	8	2	2	38
International NGOs	12	3	4	4	1		24
National NGOs		7	9	7	12	1	36



1996). The project must either be located in a developing country or, as in the case of a workshop in Europe, involve participants from developing countries.

Proposals are subject to a technical evaluation; in the case of tropical forestry projects, this is carried out by the General Administrator in Unit D4. Other advisers in Unit D4 are called in according to the nature of the proposal, such as those involved with international negotiations, timber certification, and biodiversity. If the proposal is basically acceptable, Unit D4 asks the applicant to modify it. In general, projects need considerable modification to be acceptable (personal communication, D4 General Administrator).

Project proposals received under B7-8110 are technically approved within DG XI. The chain of approval is as follows:

- D4 General Administrator
- Director of DG XI D
- Deputy Director-General of DG XI
- A2 Financial Unit (to prepare a provisional contract)
- Deputy Director-General of DG XI
- DG XX Financial Control
- DG XIX Budget
- Receiving organisation (to sign contract)
- A2 Financial Unit

The whole procedure usually takes about a year to

complete, but can be speeded up when a high quality proposal is received (personal communication, D4 General Administrator).

5.3 Monitoring and evaluation

Up to the present, D4 technical staff have had little time for monitoring and evaluating the projects. Interim and final project reports have also been of poor technical quality. Until 1996, no project had been subject to an evaluation. However, this situation is expected to change from 1997, both with the more strategic approach being developed and with the decision to fund fewer projects (Ruiz Murrieta, 1996).

5.4 Constraints to more effective project management

Apart from the lack of monitoring and evaluation, the main problem perceived in D4 is the high percentage (over 50%) of non-EC contract staff. This situation results in a high turnover rate among seconded national experts and contracted staff, and therefore a considerable proportion of staff at any one time being at some point on the learning curve or using up the time of more permanent staff in the closer staff supervision required.

6. PROJECT PROFILES

6.1 Research and development of natural resources of indigenous communities in the Ucayali Region (RENACO), Peru

This project approved in 1994 was a research study implemented by Paris University and aimed at promoting sustainable natural resource management in the Peruvian Amazon. The main activities were to undertake an inventory of natural resources, and research indigenous peoples' (Shibibo and Cunibo) knowledge of NTFP uses, mainly for nutrition and medicinal purposes, and traditional forest management systems.

The project resulted in a description of the nutritional and medicinal uses of more than 100 plants, and generation of knowledge on the cultural and spiritual aspects of traditional forest management. The EC contribution (ECU 49,820) comprised 48% of the total cost and was mainly spent on travel expenses and daily allowances for the Paris University staff involved. It was considered a successful project by the D4 General Administrator.

6.2 TREES

The TREES project (Tropical Ecosystem Environment Observation by Satellite) was established in 1991 as a joint activity between the EU Joint Research Centre (JRC) in Ispra,⁶ and the European Space Agency (ESA), with the objective of collecting and analysing satellite data sets over tropically forested areas, and developing new approaches to the monitoring of forest cover. The TREES I project (1991-4), managed by DG XII, resulted in the first global tropical rain forest classification map

6. The EU Joint Research Centre in Ispra has been part of DG XII, but became independent in 1995.

with a 1 km resolution covering Africa, Latin America and South-East Asia. It was co-financed by the European Parliament Fund (EPF) and DG XII (MTV⁷ Unit Programme).

The second phase (TREES II, 1995–9), which is mainly managed by Unit D4 of DG XI, aims to develop a prototype 'operational Tropical Forest Information System' which will continuously monitor changes in forest cover. It will pay particular attention to deforestation 'hot spots' which can then become the focus for intensive and detailed observation, leading to more accurate data on the 'causes' of deforestation. There is a strong emphasis in the project on diffusion of the information to an 'identified community of users'.

The budget allocated to TREES II is approximately ECU 9 m., most of this coming from budget line B6–7920⁸ (*Activités de soutien scientifique et technique aux politiques communautaires sur une base concurrentielle*) in DG XI and approved under the 'Competitive Support to the Commission' budget line of the IVth Framework Programme. DG XII contributed ECU 235,00 in both 1995 and 1996.

7. CONCLUSIONS

The main roles of DG XI are representation of the EC at international environmental fora such as the CSD, the IPF, and the international Conventions, and the development of EC global environment policy. Management of the budget line 'Contribution to International Environmental Activities' (B7–8110) is therefore not its main activity. Unit D4 – known as 'Global Environment' – is responsible for the share of the budget line going to forestry and biodiversity projects. A considerable share of the budget line goes on supporting the international fora already mentioned. Another important role of DG XI is representing the Commission's position on timber certification at the appropriate international fora,⁹ and coordination of EC and wider EU consultation on certification issues, although developing a consensus position on this is problematic because of the diversity of stakeholder interests among the DGs.

Using a broad interpretation of 'forestry', over the 1991–6 period some ECU 5.6 m. were committed to 114 small forestry projects (an average of just under ECU 50,000 per project). Forestry and biodiversity compete with other global environmental 'sectors' such as the ozone layer, climate change and global warming, but in practice there has been little demand for the latter. At the appraisal stage, aid delivery has been in the hands of the Unit D4 General Administrator, who since 1991 has been either a forester or geographer. Project implementation has tended to be mainly in the hands of North-based institutions, especially universities, international NGOs and research organisations, as

these have been the principal budget line applicants, but support in the future will be orientated more to South-based CBOs, NGOs and their networks.

Over half the projects financed have been 'strategic' or non-field projects involving meetings, workshops, research studies, networks, publications, etc., although the recent trend has been towards more field projects. The emphasis for both field and non-field projects has been on sustainable forest management, including non-timber forest products, and biodiversity or forest protection. Wherever possible, support has been given to innovative approaches like extractive and community reserves, to local communities and indigenous peoples, and to policy development, especially where such activities help the EC develop its position in international fora.

More than half the projects have been global or regional rather than country-specific, and over half of these have been directed at the Amazon region. In addition, Brazil has been the main beneficiary of the country-specific commitments, followed by Francophone African and other Amazonian countries. It is clear that the General Administrators managing the budget line have had considerable influence in this regional distribution. Future priorities for the budget line include, as well as a more even regional distribution (no projects were approved for Brazil in 1996), fewer and larger projects which will complement rather than imitate projects from the other DGs. There will also be more support for promoting the local organisational capacity of 'civil society', especially in Africa, for indigenous peoples, for certification and for activities which will feed into the knowledge base for a long-term EC forestry strategy and help DG XI develop its position at international fora. DG XI is due to develop a 'Strategy on Forests' by the end of 1998.

REFERENCES

- European Commission (1992) *Towards Sustainability – A European Community Programme of Policy and Action in relation to the Environment and Sustainable Development*. COM (92) 23 final – Vol. II. Commission of the European Communities. Brussels.
- European Commission (1993) Directorate-General XI: Environment, Nuclear Safety and Civil Protection. Administrative Structures for Environmental Management in the European Community. Brussels.
- European Commission (1996) EU Policy Options on Forest and Timber Certification. Commission Staff Discussion Paper. DG XI. Brussels.
- Ruiz Murrieta, J. (1996) Philosophy of budget line B7–8110. Draft. DG XI D4. Brussels.

KEY CONTACT

General Administrator or Administrative Assistant
Directorate-General XI Unit D4
European Commission
Rue de la Loi/Wetstraat 200
B-1049
Bruxelles

Tel: +32 2 2968744
Fax: +32 2 2969597

7. Monitoring of Tropical Vegetation (MTV) is part of the Space Applications Unit at the EU Joint Research Centre.
8. The B6–7920 budget funds activities only after a call for tender has been made, and is shared with other DGs. TREES II was the only tropical forestry related project in DG XI to be funded from it.
9. Except ITTO, for which DG VIII provides the representative.

ACRONYMS

AFAN	African Forest Action Network
CBO	Community-based Organisation
CIFOR	Centre for International Forestry Research
CSD	Commission for Sustainable Development
DG	Directorate-General
EC	European Community
EEA	European Environment Agency
EPF	European Parliament Fund
ESA	European Space Agency
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
GTA	Grupo de Trabalho Amazonico
IPF	Inter-Governmental Panel on Forests
JRC	Joint Research Centre
ITTO	International Tropical Timber Organization
MTV	Monitoring of Tropical Vegetation
NGO	Non-Governmental Organisation
NTFP	Non-timber forest product
OECD	Organization for Economic Cooperation and Development
SFM	Sustainable forest management
TFAP	Tropical Forestry Action Plan
TREES	Tropical Ecosystem Environment Observation by Satellite
UNAMAS	Association of Amazonian Universities
UNCED	United Nations Conference on Environment and Development
USAID	United States Agency for International Development
WTO	World Timber Organisation


 DG
XI
ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Julio Ruiz Murrieta (General Administrator); Regine Roy (Administrator for international negotiations); Pierre Hamoir (Administrative Assistant); and Mikko Ohela (Administrator for timber certification).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to ECU 1.09.

DG XII**Annett Görne and Kathrin Schreckenber****Contents**

1.	EVOLUTION OF DG XII'S INVOLVEMENT IN TROPICAL FORESTRY	107
1.1	Establishment of the Framework Programme on Science and Technology for Development	107
1.2	STD2 and STD3	107
1.3	The Fourth Framework Programme (INCO-DC)	107
2.	STRUCTURE OF AID DELIVERY	108
2.1	Budget allocation	108
2.2	Co-funding	108
2.3	Accompanying measures	108
3.	STRATEGY AND POLICY	109
3.1	Definition of 'research'	109
3.2	Definition of 'tropical forestry'	109
3.3	Tropical forestry strategy	109
4.	ANALYSIS OF PROJECTS BY REGION, TYPE AND SIZE	110
4.1.	Number of projects	110
4.2	Number and type of partner institutions	110
4.3	Geographic spread of partner institutions	111
4.3.1	European partners	111
4.3.2	Southern partners	111
4.4	Thematic spread	111
4.5.	Project size and duration	112
5.	PROJECT CYCLE MANAGEMENT – INCO-DC	113
5.1	Calls for proposals	113
5.2	Eligibility requirements	113
5.3	Evaluation and selection of proposals	113
5.4	Contracts and payments	113
5.5	Monitoring and evaluation	114
6.	PROGRAMME EVALUATIONS	114
6.1	Evaluation procedures	114
6.2	Programme achievements	115
6.3	Constraints and recommendations	115
7.	CONCLUSION	115
	REFERENCES	115
	KEY CONTACTS	116
	ACRONYMS	116
	ACKNOWLEDGEMENTS	116

1. EVOLUTION OF DG XII'S INVOLVEMENT IN TROPICAL FORESTRY

1.1 Establishment of the Framework Programme on Science and Technology for Development

In 1980 the Second United Nations Conference on Science and Technology for Development drew attention to the need for a greater research and development effort to improve the living conditions of the world's poorest populations (European Commission, no date). The resulting Vienna Programme of Action had two main objectives: to strengthen the scientific and technical resources of developing countries and to reorganise the existing procedures governing international relations in the field of science and technology (European Commission, 1989). These provided the background for a Resolution by the Council of Ministers, dated 18 November, 1980, which underlined the importance of developing research capacities oriented particularly towards food crop production in developing countries, and the need to promote complementarity between research centres in the European Community and in developing countries (European Commission, 1989).

Following this, in 1982, the Council of Ministers adopted, for an initial period of three years (1983–6), a Framework Programme of Science and Technology for Development (STD). Managed by Directorate-General XII for Science, Research and Development, this programme provided support for research in the two critical areas of tropical agriculture, and tropical medicine, health and nutrition (European Commission, 1989). The first phase (STD1) concentrated on promoting the existing tropical research capacity in European institutions. It was evaluated as having been successful, fulfilling its aims through high quality projects (Wilson *et al.*, 1988). The demand was such that only 60% of the proposals which were considered 'worth funding' could actually be supported. The Evaluation Committee (see section 6) therefore recommended that the programme be continued for a second framework period and with an increased budget.

1.2 STD2 and STD3

The increased budget of the second Framework Programme (STD2, 1987–91) was justified by the recognition that developing countries 'are hard hit by the economic crisis and [that] budgetary restrictions at national level seriously threaten allocations to agricultural research at a time when demographic trends make it necessary for them to be increased' (European Commission, 1994a).

STD2 and STD3 continued with the same general objectives and research themes. They gave more emphasis, however, to previously neglected sectors such as production systems and – in response to the Commission's commitments in various international fora – to sustainable management of the environment (European Commission, 1996a). None of the STD Framework Programmes had a specific budget line for tropical forestry. Forestry-related projects were funded

as part of agriculture, and particularly within the following subsectors: improvement of agricultural production; conservation and better use of the environment; and production systems (European Commission, 1989).

1.3 The Fourth Framework Programme (INCO-DC)

Following the ratification of the Maastricht Treaty on European Union in 1992, all Community activities in the field of research, technological development and demonstration were brought together within the 'European Community Framework Programme for Research and Technological Development (RTD)'. The fourth Framework Programme, which was adopted in 1994 with a duration of five years (1994–8), comprises four activities:

- (1) RTD and demonstration programmes;
- (2) co-operation with third countries and international organisations (INCO);
- (3) dissemination and exploitation of results;
- (4) stimulation of the training and mobility of researchers.

Activity 2, also known as 'INCO', aims to add value to Community RTD through targeted co-operation with activities external to the Community (European Commission, 1996b). It is further subdivided into three parts:

- A. Scientific and technological co-operation in Europe
- B. Co-operation with non-European industrialised third countries
- C. Scientific and technological co-operation with developing countries

Research related to developing countries is funded within the third of these parts, commonly abbreviated as 'INCO-DC'. Its principal aim is to enable developing countries 'to be associated with the generation of knowledge and innovative and appropriate technologies necessary for the solution of their specific problems and to reach a sustainable development level' (European Commission, 1996b). Its main objectives are:

- to promote the role of relevant high quality RTD in development and economic co-operation;
- to encourage scientific collaboration between Europe and developing countries, among developing countries, and within Europe;
- to help reinforce and maintain RTD capacities, including human capital in developing countries;
- to contribute to maintaining a competence in Europe in scientific sectors of mutual interest and in those pertinent to problems of developing countries;
- to capitalise on the experience gained during the implementation of previous Community Science and Technology co-operation activities;
- to take into consideration the political obligations of the Union and the recommendations of international fora such as the Rio Conference (UNCED – Agenda 21) concerning research in developing countries.

The general objectives of INCO-DC are wider than those of its STD forerunners. It includes activities

previously implemented under the umbrella of economic co-operation policy such as the programme of International Scientific Co-operation (bilateral co-operation in RTD fields of interest to a non-EU country) and AVICENNE (regional RTD co-operation with non-EU Mediterranean countries in fields of mutual interest to the entire Mediterranean region). It places greater emphasis on funding activities that support or complement other EC policies and the Community's political commitments (such as those arising from the UNCED Conference).

The focus of INCO-DC is on regional issues of mutual interest to the collaborating agencies. It will, however, support the involvement of developing country scientists in topics of global importance that extend beyond regional boundaries and need to be dealt with in a global context. These issues include the assessment and conservation of natural resources, the greenhouse effect, pollution, desertification, control of urban growth, pandemics and communicable diseases (European Commission, 1996b).

The thematic content of INCO-DC is considerably broader than that of the preceding STD programmes and covers four sectors, each of which has a dedicated budget:

- sustainable management of renewable natural resources, with subsectors on policy research, basic natural resources and research on ecosystems;
- sustainable improvement of agriculture and agro-industrial production, covering production systems, applied socio-economic sciences, post harvesting technologies, crop production, animal production and silviculture;
- health;
- additional sectors of mutual interest, which include information and communication technologies, non-nuclear energy, biotechnology, materials and production technologies (European Commission, 1996b).

Forestry research can be funded under three of the above sectors, with slightly different emphases. Within the natural resources sector, the ecosystems subsector funds research on natural forests, including, for example, such topics as biodiversity assessments and genetic studies, and also agroforestry and the socio-economic aspects of buffer zone management. Within the agriculture sector, the silviculture subsector focuses particularly on man-made forests and forest industries. Lastly, the additional sectors of mutual interest may also offer funding opportunities for topics such as remote sensing, biomass (fuelwood) production and processing, or genetic engineering of trees (*Official Journal*, 15 March 1996).

2. STRUCTURE OF AID DELIVERY

2.1 Budget allocation

For STD1, STD2 and STD3, the Council of Ministers was responsible for adopting each Framework Programme together with its budget. Since the ratification of the Maastricht Treaty (1992), this is now the joint responsibility of the Council and the European Parliament. Together they allocate the total Framework

budget and determine how it is to be split between the different areas (such as INCO) and activities (e.g. INCO-DC). Within INCO-DC the distribution of the budget to the four sectors (natural resources, agriculture, health, and additional sectors) must also be approved by both the Council and the Parliament (European Commission, 1996b). There is no budget specifically earmarked for activities related to tropical forestry. Forestry proposals must, therefore, compete with other proposals in each of the relevant sectors. Beese (no date) has suggested that the initially low levels of funding for tropical forestry were due to the small number of proposals received rather than the prioritisation of other sectors.

Advice is provided by the INCO Regulatory Committee, consisting of representatives of the Member States (often from the Ministry for Research or the Ministry for External Relations). This Committee meets on an *ad hoc* basis whenever new decisions concerning the Programme need to be taken. Its advice feeds into the preparation of a work programme by the Commission (DG XII), which must then be endorsed by the Committee.

Each Framework Programme has several calls for proposals (see section 5.1) and it is the responsibility of the officers in DG XII to divide the programme budget equally among these (three in the case of INCO-DC). DG XII has about 30 people working on INCO-DC, of whom 16 are professionals. Only one of these is concerned (part-time) with tropical forestry projects.

As can be seen from Table 1, each Framework Programme has had a bigger budget than its predecessor. The volume of funding for agricultural research has also risen from ECU 30 m. (STD1) in 1983 to ECU 126 m. (INCO-DC) in 1994. As a proportion of the total, however, funding for agriculture has declined from 75% to 60% over the same period. Nevertheless, forestry funding has increased both in terms of value (from ECU 2.2 m. in STD1 to ECU 15.8 m. in STD3), and as a proportion of the total Framework budget (from 5.5% in STD1 to 13% in STD2 and STD3).

2.2 Co-funding

All projects supported through the Framework Programmes are co-funded, with the Commission's contribution not normally exceeding 50% of the total project costs. Project proposers are expected to match the funding provided. Where the accounting procedures of a collaborating institution are not able to identify the exact project costs (e.g. proportions of salaries, capital and maintenance costs), the Commission will pay up to 100% of any additional incremental costs incurred. These may include additional staff needed for the project, capital equipment, direct running costs (e.g. travel, computing) and indirect overhead costs that are necessary to support the research (European Commission, 1996b).

2.3 Accompanying measures

A fund for accompanying measures is included in INCO-DC under the 'Additional Sectors of Mutual Interest'. Consisting of about ECU 2.5 m. per year, it is used to finance meetings, networks, liaison with international organisations, training and dissemination of results (European Commission, 1996b). The only

Table 1: Total budgets (in ECU m.) of successive Framework Programmes and the amounts and percentages dedicated to agriculture and forestry

Framework Programme	Total budget (ECU m.)	Agriculture ^a ECU m. and as percent of total	Forestry (ECU m.)	Forestry as % of agriculture	Forestry as % of total
STD1 (1983–86)	40	30 (75%)	2.2	7 %	5.5%
STD2 (1987–91)	80	50 (63%)	10.4	28 %	13%
STD3 (1991–94)	124	73 (59%)	15.8	22 %	13%
INCO-DC (1st Call, 1995)	59	39 (66%)	4.8	12 %	8%
INCO-DC (1994–98)	209	126 (60%)			

(Source: Data calculated from DG XII Archives)

^a The agriculture budget includes all forestry activities. In the case of INCO-DC, the figure comprises money spent under the subsectors 'natural resources' and 'agriculture', both of which fund forestry projects.

activity related to tropical forestry that has been financed through this fund is the European Tropical Forest Research Network (see section 6).

3. STRATEGY AND POLICY

3.1 Definition of 'research'

The definition of research given in the information package accompanying the Call for Proposals (European Commission, 1996b) emphasises two conditions:

- projects must be pre-competitive, i.e. the research results would require further development to produce marketable products or processes;
- projects should be innovative, representing a step forward in the state of the art and including substantial original work.

Both these conditions ensure that the Framework Programme funds pure rather than applied research. INCO-DC covers scientific research activities but does not fund technical assistance and the supply of infrastructure, nor the unilateral transfer of technology or demonstration projects. For these and other applied research activities there are more appropriate sources of funding, such as the various budget lines in DG IB and DG VIII, with which INCO-DC aims to collaborate.

3.2 Definition of 'tropical forestry'

A definition of tropical forestry does not exist within DG XII. Beese (no date) states that 'the orientation of forestry research under the STD programme is not the result of strategic selection after receiving proposals'. Similarly, the evaluation of the STD2 programme noted that 'the subject areas covered ... merely reflect the submission of proposals rather than a defined policy of priorities' (Nelson *et al.*, 1992).

Thus, the exact types of projects funded within the forestry sector are at least partially dependent on the scientific officer in charge of tropical forestry. Originally this officer was an agricultural economist, followed from 1992 to 1994 by a microbiologist and, most recently, by an industrial forester. The latter classified all projects dealing with 'woody plants' as projects on tropical forestry. This approach is in line with the

current inclusive approach to forestry, covering everything from shrubs to non-timber forest products.

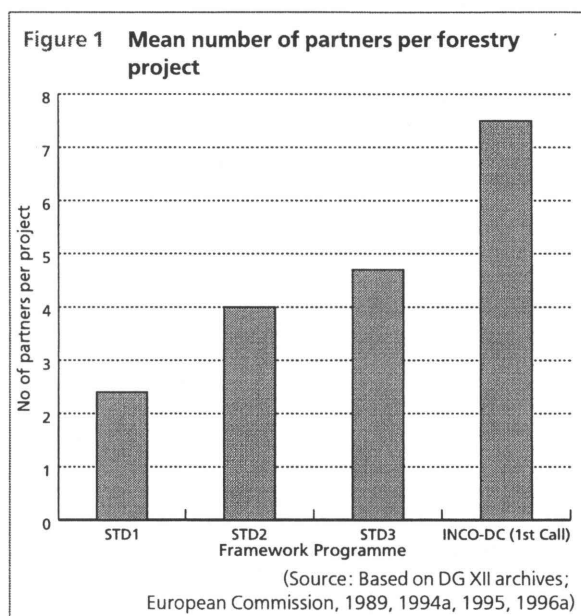
It is this broad definition of forestry that has been used in calculating the data relating to forestry projects in this chapter. For this it was necessary to examine the summaries of all funded projects and subjectively assign them to a 'forestry' or 'non-forestry' category. In so doing, forestry was considered to include all activities from agroforestry and natural forest management to tree breeding and physiology (see section 4.4).

3.3 Tropical forestry strategy

The lack of a definition of tropical forestry is probably related to the fact that there is no fund specifically earmarked for this sector, nor a strategy relating to tropical forestry research. In response to a recommendation by the STD2 evaluation panel, a policy on EC research is under preparation. A first draft was proposed to the Council in December 1996. However, this policy deals more generally with agriculture and provides little specific guidance on forestry. Potentially the most relevant document is the 1995 Council Regulation on 'Operations to Promote Tropical Forests', but its effect on the Programme objectives and content has yet to be ascertained.

As will be seen in section 4.4, the projects funded under the three STD Framework Programmes were heavily weighted towards research on mycorrhiza and genetic improvements of single tree species, the latter being predominantly economically important species such as coconut and date palms, or species useful for wood production and soil conservation. This was in line with the Frameworks' emphasis on improving the food supply in developing countries and their resulting focus on agricultural production.

With the start of STD2 (1987–91), many of the projects stated that one of their main objectives was to achieve the 'sustainable use' of particular resources. This may have been in part as a result of the STD1 evaluation, which required that all agricultural proposals should include an assessment of their potential environmental impact (Wilson *et al.*, 1988). There was no obvious change in the types of project funded, however, until the present INCO-DC Framework Programme, which has taken on board many of the



issues highlighted by the UNCED Conference in 1992.

As already outlined in section 1.3, INCO-DC now includes a sector on the sustainable management of renewable natural resources in addition to the original agriculture and health sectors of the STD Programmes. Its focus is on promoting the conservation and use of natural resources in ways that are ecologically, economically and socially sustainable (European Commission, 1996b). Judging by the first Call for Proposals (1995), under which seven forestry projects have been funded, there has been a complete move away from the relatively 'pure' genetics and mycorrhiza projects of the STD Programmes to more 'applied' research (see section 4.4).

The time-lag between changes in the international debate on forestry and their impact on the funding priorities of the STD and INCO-DC Programmes can in part be explained by the fact that the specific objectives, work programme and budget are decided at the beginning of each Framework Programme (*Official Journal*, 15 March 1996). It is difficult, therefore, quickly to adapt the direction of the research thrust in response to regional and global developments. The officers responsible for INCO-DC do have a certain amount of flexibility, however, as new priorities within the scope of the overall Programme objectives are set for each Call for Proposals (European Commission, 1996b). Furthermore, the timely evaluation of each

Framework Programme allows appropriate action to be taken for the subsequent Programmes (Nelson *et al.*, 1992). Thus the recommendation by the STD1 evaluation team that support for tropical forestry research should be increased, did result in more than a doubling of the proportion of funding going to forestry in STD2 (see Table 1).

4. ANALYSIS OF PROJECTS BY REGION, TYPE AND SIZE

4.1. Number of projects

As shown in Table 2, the number of projects related to tropical forestry increased from 16 (STD1) to 33 (STD2) and 34 (STD3). Under the first Call for Proposals of INCO-DC seven forestry projects were selected for funding out of a total of 71 projects in the agriculture and natural resources sectors. This proportion is slightly lower than in the previous two Framework Programmes but may still be increased in the second and third Calls for Proposals.

4.2 Number and type of partner institutions

As can be seen from Figure 1, the number of partners collaborating on forestry projects has been increasing steadily from STD1 to INCO-DC. Under STD1 all projects focused on bilateral North-South partnerships, mirroring the traditional form of Member States' co-operation. The increase under STD2 was due to the incorporation of more North-North links into projects. Thus 85% of STD2 projects involved more than one EU Member State, compared with only 25% in STD1. From STD3 onwards, the involvement of at least two EU organisations and one partner institute has been a requirement (European Commission, 1994b). INCO-DC goes even further and favours projects with more than one Southern participant (European Commission, 1996b), such that, in the seven projects funded in the first Call for Proposals, the ratio of European to developing country partners is about 1:1.

The successive Frameworks have seen a gradual improvement in the quality of the North-South partnerships within projects. Under STD1 several projects included developing country institutions which were, in fact, the local 'branch' of the EU partner (European Commission, 1989). Others had contracts that did not

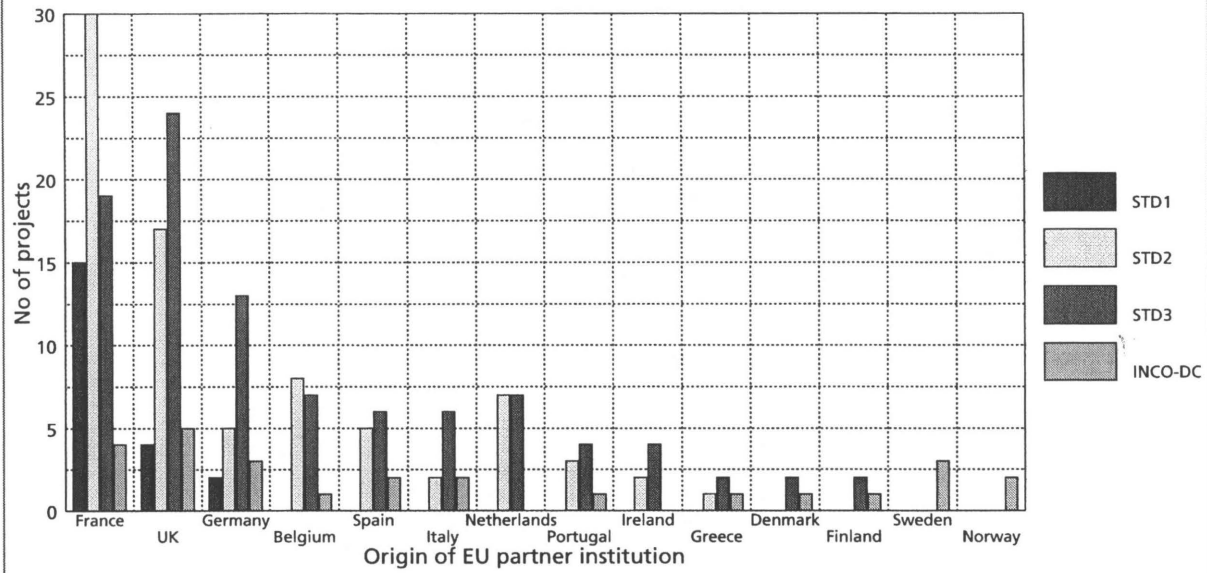
Table 2: Number of agriculture and forestry projects in successive Framework Programmes

	STD1	STD2	STD3	INCO-DC ^a (1st Call)
Agriculture proposals received	1280	1632	1283	669
Agriculture projects funded (including forestry)	228	179	157	71
Forestry projects funded	16	33	34	7

(Source: Based on DG XII archives; European Commission, 1994a, 1996a)

^a Under INCO-DC 'agriculture' is taken to include both the 'natural resources' and 'agriculture' sectors, as forestry projects can be funded under both.

Figure 2 Origin of EU partner institutions in forestry projects



(Source: DG XII archives; European Commission, 1989, 1994a, 1995, 1996a)

Note: Where two or more institutions from the same country have participated in the same project, they have been counted separately.

specify how the money would be distributed between the partners (Nelson *et al.*, 1992). This may have been because of the initially weak research capacity of many Southern institutions, resulting in projects which were initiated and defined by the EU partner rather than being the result of true collaboration. From STD2 onwards this situation improved, and from STD3 on all contracts have had to contain detailed information about the distribution of money among the participants and have required the partners to be non-affiliated (European Commission, 1996b). In all four Framework Programmes universities and research organisations have received the largest share of funding for tropical forestry research, while government and non-governmental organisations have played only a minor role. The majority of projects have been and still are proposed by European research institutes (Nelson *et al.*, 1992).

4.3 Geographic spread of partner institutions

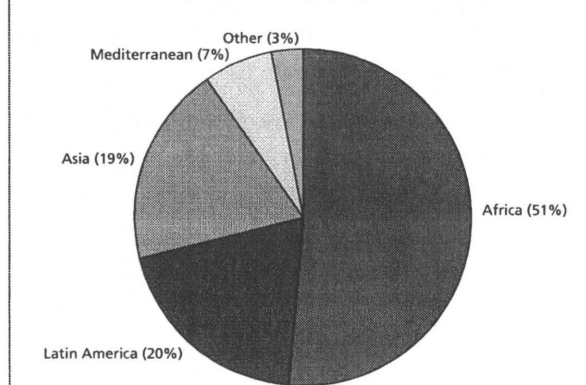
4.3.1 European partners

Figure 2 shows the distribution of EU project partners in the successive Framework Programmes. Under the initial STD1 Programme, 15 out of a total of 21 participants were French, with the remainder being British or German. Since then, research groups from most of the EU Member States have participated in a number of projects, although French and British institutions account for over half the total number of forestry project participants to date. This is likely to be primarily attributable to the colonial history of these two countries and their resulting larger number of tropical research specialists. As projects are selected with regard to their scientific quality, DG XII prefers to fund ten high-quality projects proposed by the same country rather than ten projects of a lower quality proposed by several countries (Beese, no date).

4.3.2 Southern partners

The programme differentiates four regions within the South: Asia, Africa, Latin America and the Mediterranean region. Over half of the developing country participants in forestry-related projects to date have been from Africa (Figure 3), with Senegal (16 projects) and Côte d'Ivoire (12 projects) receiving a particularly large share of funding. The dominance of African countries represented in the projects is not because of a preference for collaboration with Africa but results from the low number of Asian and Latin American partners in the proposals submitted (Beese, no date). The high percentage of Francophone West African countries is probably correlated with the dominance of French research institutes participating in the programme. Within Asia it is Malaysian and Indian institutes which have been most actively involved (6 projects each), while Brazilian institutes have been the most frequent participants (10 projects) from Latin America.

Figure 3 Distribution of developing country partners in tropical forestry projects (1983-1995)



(Source: DG XII archives; European Commission, 1989, 1994a, 1995, 1996a)

DG XII

Recently the number of projects with more than one Southern partner has been increasing. In these projects South-South links are almost entirely between institutes in the same country or region, and only rarely involve institutes from more than one region.

4.4 Thematic spread

There has been no official categorisation of the forestry-related projects funded by the Framework Programmes so far. The thematic analysis in Table 3 is based, therefore, on project summaries provided by the applicants (DG XII archives; European Commission, 1989, 1994a, 1995, 1996a). The different research themes have broadly been grouped as being 'pure' or 'applied' in nature. Projects listed under pure research deal with single species, their genetic improvement, their physiology, etc., and mostly aim to improve the production of woody biomass. This type of project was clearly predominant in the early Framework Programmes, and still made up the majority in STD3. Nevertheless, by the time of STD3, nearly half the projects could be classed as 'applied' and were more concerned with forest ecosystems as a whole. The latter is the only kind of project that has been funded under the first Call for Proposals of INCO-DC, indicating that there has been a clear shift in priorities. To what extent this shift is the result of a policy decision in DG XII or merely reflects a shift in the type of proposal being submitted is unclear (see also section 3.3).

4.5 Project size and duration

As shown in Figure 4, the average size of forestry projects has quadrupled over the period of the four Framework Programmes, rising from ECU 136,000 (STD1) to ECU 682,000 (INCO-DC). The largest project funded under STD1 (worth ECU 400,000) was smaller than the smallest project funded under INCO-DC (nearly ECU 500,000). In part this increase in scale is accounted for by the greater number of partners involved in recent projects. The amount received per partner has only risen from around ECU 57,000 (STD1) to ECU 99,000 (STD3), and even dropped slightly to ECU 90,000 in the first Call for Proposals of INCO-DC.

In general, it is the EU partners who receive the largest share of project budgets. This is explained by a number of factors (J. Kreysa, former DG XII scientific officer in charge of forestry, pers. comm., 1996):

- salaries of EU researchers tend to be two or three times higher than those paid in developing countries;
- travel expenses for developing country researchers to come to Europe are usually included in the budgets of their EU partners;
- equipment costs are often included in the budget of the project coordinator (usually in the EU), because the export of research equipment is tax-free and therefore cheaper than equipment purchased in the developing country.

The average duration of projects has increased from 30 months (STD1) to 40 months. The great majority of

Table 3: Thematic content of forestry-related projects

Theme		STD1	STD2	STD3	INCO-DC (1st Call)
Pure research	Genetic improvement of single tree species	3	9	7	—
	Nitrogen fixation, mycorrhiza, symbiosis	6	10	7	—
	Physiology	—	1	3	—
	Genetic diversity of economically important trees	1	1	2	—
Sub-total		10	21	19	0
Applied research	Ecosystem modelling	—	1	5	1
	Agroforestry, agro-silvo-pastoralism	2	5	3	—
	Non-timber forest products	—	—	2	1
	Conservation	—	—	1	—
	Reforestation	—	—	1	1
	Wood market (fuel, construction)	—	1	—	1
	Inventory, natural resources management	2	3	2	1
	Entomology	2	—	—	1
	Energy	—	2	—	—
Networking	—	—	1	—	
Sub-total		6	12	15	7
Total		16	33	34	7

(Source: DG XII archives; European Commission, 1989, 1994a, 1995, 1996a)

projects – over 90% – are funded for either 36 or 48 month periods.

5. PROJECT CYCLE MANAGEMENT – INCO-DC

5.1 Calls for proposals

Under INCO-DC there have been three Calls for Proposals (1995, 1996 and 1997), each one specifying research priorities covered by the work programme. Calls are usually made in March and proposals have to be submitted by September. They are evaluated by the following February and contracts for successful projects may be signed from June onwards (European Commission, 1996b).

5.2 Eligibility requirements

The proposal must fall within the scope and objectives of the work programme and respond, in particular, to the terms set out in the current Call for Proposals. All proposals must involve at least two non-affiliated participants from different Member States or one participant from a Member State and one participant from a state associated with the Programme (Iceland, Liechtenstein, Norway, Israel). Projects must have at least one participant from a developing country and preference is given to proposals involving at least two non-affiliated participants from developing countries in the same region. Projects are expected to demonstrate a significant and balanced level of participation between all partners (European Commission, 1996b). Proposals can be submitted by industrial firms (of any size), universities and higher education institutions, research organisations, governmental organisations, NGOs, etc.

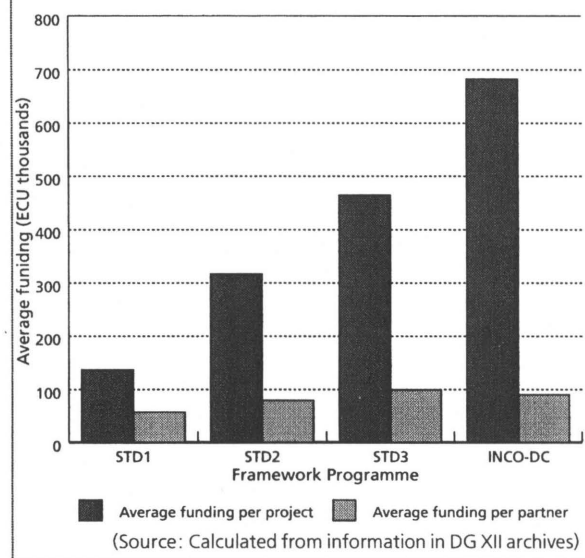
5.3 Evaluation and selection of proposals

DG XII staff verify the eligibility of the proposals received. Each proposal then undergoes a confidential scientific evaluation by three independent experts, chosen from an 'expert data-base' of highly reputed scientists, most of whom have been recommended by members of the INCO Regulatory Committee. During a period of three weeks about 200 experts evaluate the proposals with regard to their technical feasibility and their scientific relevance. The expert evaluation produces a shortlist containing about 40% of the original project proposals.

After the scientific evaluation, 32 regional experts (eight for each of the four regions of Asia, Latin America, Africa and the Mediterranean) from developing countries are invited to assess the relevance of the proposals for their region. This consultation further reduces the shortlist to about 20% of the original proposals (European Commission, 1996b; J. Kreysa, pers. comm., 1996). This shortlist is subject to external consultation with international organisations and other donors engaged in the funding of projects in the South. These organisations investigate whether the same or a similar project is being, or has recently been, funded, and whether there are related projects in the region.

Parallel to the external consultation, an internal consultation with Commission services concerned with RTD activities in the South (DG IB, DG VIII) takes

Figure 4 Average funding (ECU) per forestry project and partner institution



place. The internal consultation process is comparable with the external. Its additional goal is to confirm that the project proposals comply with DG IB's and DG VIII's agreements with developing countries (e.g. the Lomé Convention). Although demonstrating a commitment to better collaboration between different parts of the Commission, the internal consultation is often slow and produces little response.

At the end of the consultation process, DG XII staff rank the proposals and prepare a final shortlist. In addition to the prime concern about scientific quality, the main criteria for project evaluation are:

- feasible and convincing objectives;
- innovative, original work;
- precompetitive nature;
- realistic scientific, technical and economic benefits for the Southern country, as well as a European dimension to demonstrate the mutual interest of the partners;
- ability for high quality management;
- evidence of impact on sustainable development and coherence with EC or Member States' development activities in the region;
- interdisciplinary approaches where appropriate (European Commission, 1996b).

A Management Committee, consisting of representatives of all the DGs concerned, meets to examine the evaluation process and comment on the final shortlist. Based on this, DG XII staff make a definitive selection.

5.4 Contracts and payments

The successful applicants are then able to negotiate their contracts, providing more detailed financial information, including the distribution of funding between partners, and submitting an appropriate technical annex (the 'project description') for inclusion in the contract. The Commission may require modifications (technical, financial) to the proposal and the whole procedure may take some months to be completed. The technical annex is an important part

of the contract as it defines which research tasks are to be accomplished by each of the contracting parties, as well as fixing a timeframe for the activities. It also provides the baseline against which progress reports are assessed by DG XII staff in order to take decisions about continued funding of the project (European Commission, 1996b).

The project coordinator is responsible for the submission of reports, consolidating and summarising the work of all the contractors. Technical progress reports and cost statements must be submitted to the Commission every 12 months and at the end of the project.

All payments are made in ECU via the project coordinator. An advance payment of approximately 40% of the total EC support is made within two months of the signature of the contract by all the contracting parties. Subsequent payments are normally made annually within two months of the approval of the progress reports. A retention (10% of the EC contribution but not more than ECU 500,000) is withheld until all final documents (technical and financial) have been received and approved by the Commission (European Commission, 1996b). This payment procedure can pose difficulties for smaller research organisations with insufficient reserves to cover their costs in advance. Problems arise in particular because of the delays which can occur between the approval of the interim progress reports and the release of the next tranche of funds by the Commission (Nelson *et al.*, 1992). Small organisations may also be hard pushed to find the necessary resources to cover the cost of preparing the proposal.

DG XII

BOX 1 The European Tropical Forest Research Network (ETFRN)

Established by the European Commission in 1991, the European Tropical Forest Research Network (ETFRN) is unique amongst DG XII funded projects in not having a specific Southern partner. Its objectives are to:

- encourage EC scientific co-operation;
- initiate EC-developing country joint research activities;
- cooperate with international organisations;
- collect and exchange information;
- participate in EC research planning;
- publish a newsletter.

ETFRN works through national nodes (key research institutions) in the EU and associated countries of the European Free Trade Association. A coordination unit is responsible for the activities of the network, and publishes the ETFRN newsletter to provide information on activities and institutions within and outside Europe. The unit serves as a useful contact point for Southern institutions seeking to collaborate with a European partner in the preparation of joint research proposals (Beese, no date). Originally based in Germany, the coordination unit has recently moved to the Tropenbos Programme in the Netherlands. Funding was initially provided under the tropical forestry sector of STD3 and has been continued under the Fund for Accompanying Measures of INCO-DC. It is planned that ETFRN will become self-financing by the turn of the century.

5.5 Monitoring and evaluation

During the early STD Framework Programmes the scientific officers had time to visit each of the current projects at least once a year. Under the INCO-DC Programme, however, the workload of the scientific officers is much greater and there is less time for monitoring, to the extent that some projects are never visited. Monitoring and evaluation must, therefore, be achieved by reading progress reports and through meetings with the project coordinators who generally come to Brussels once or twice during the project's lifetime (J. Kreysa, pers. comm., 1996; Nelson *et al.*, 1992). In exceptional cases the Commission may ask an independent expert to undertake further analysis of a particular project.

6. PROGRAMME EVALUATIONS

6.1 Evaluation procedures

Each Framework Programme has been subject to an independent external evaluation. Ideally these are meant to be scheduled so that their conclusions and recommendations can feed into decisions about the following Programme. This was achieved for both STD1 and STD2. The evaluation report of STD3, however, is still outstanding.

The evaluation of each Programme is organised by the evaluation unit of DG XII and carried out by an independent panel of experts. In the case of STD1 the panel consisted of three agricultural and two medical experts (Wilson *et al.*, 1988), while five agricultural and four medical scientists were called upon to evaluate STD2 (Nelson *et al.*, 1992). Each evaluation consisted of meetings with Commission staff, reviews of a sample of projects (20% for STD1 and nearly 40% for STD2) based on their progress reports and, in some cases, on-site visits. In the case of STD2, a questionnaire was also sent to project coordinators and participants.

The main objective of the STD1 evaluation, which took place before most of the projects had been completed, was to review the Programme as a whole and make recommendations for its future (Wilson *et al.*, 1988). The STD2 evaluation focused both on individual projects and on issues associated with the Programme as a whole (e.g. whether the promotion of scientific co-operation between EU Member States and developing countries had been achieved; how significant the programme was in terms of strengthening European research capacities; and how relevant it was to the economic and social development of developing countries) (Nelson *et al.*, 1992).

Projects in STD1 were evaluated on the basis of the following criteria: importance of problem; expected impact; scientific quality; efficiency; importance to a) food self-sufficiency, and b) promotion of medicine, health and nutrition; originality; complementarity; and collaboration. The first three criteria were prioritised. Quality was assessed as excellent, good, fair, poor or unacceptable. Over 85% of the 85 projects reviewed were considered to be 'good' or 'excellent' in terms of addressing important issues, having a good expected impact and being of sound scientific quality. 'Efficiency' and 'collaboration' were more often rated as being 'poor' or 'unacceptable'. The evaluation criteria

used for individual projects are not given in the STD2 report.

6.2 Programme achievements

Both evaluations reached many of the same conclusions. The STD Programme was praised for being well designed and extremely cost-effective (with administrative costs being kept as low as 5%). It improved the research capability of developing countries through the input of additional resources to their institutions, and played a particularly important role in contributing to staff development through training. The Programme was considered to have made the Community more widely known and had a positive effect on its image in developing countries. Both evaluations recommended that the Programme be continued with increased funding in order to overcome the financial constraints that had led to some excellent projects having to be rejected.

6.3 Constraints and recommendations

While the STD1 evaluation had commended the small and focused nature of projects funded by the Programme, the STD2 evaluation considered that these were too costly in administrative terms. This was particularly true, given the inadequate staffing levels which severely limited the ability of Programme officers to provide advice on project preparation and to monitor and evaluate projects. The second evaluation recommended both an increase in the number of Commission staff and the establishment of external expert panels to strengthen the monitoring and follow-up of projects. It highlighted particular dissatisfaction amongst project participants about the delays that could occur in the transfer of funds from the Commission, leading to a situation in which Northern institutions regularly had to provide bridging funding to their Southern partners.

Both evaluations highlighted shortcomings in the nature of the collaboration between Northern and Southern partners. Individual responsibilities needed to be better defined and efforts made to ensure that linkages were of 'mutual benefit in the spirit of true partnership' (Wilson *et al.*, 1988). The STD2 evaluation recommended that planning and review meetings for all partners should be budgeted for and enforced in all projects.

With respect to thematic priorities, the STD1 evaluation noted that the balance between technical areas was good. Within agriculture, however, it recommended a change in emphasis away from improving 'food self-sufficiency', with its narrow focus on food crops, towards achieving 'food security', which would include projects dealing with important non-food crops such as cotton, trees and forests. On the whole it was recommended that greater multi-disciplinarity be promoted in projects, a feature considered to be particularly important for tackling the complexity of agricultural problems. While the STD1 evaluation praised the diversity of projects funded, the STD2 evaluation thought that too many subjects were being covered with insufficient attention being given to identifying research thrusts. It noted the absence of a clearly defined EC policy on research in agriculture and health, as well as a lack of procedures for allocating resources between the two sub-programmes (see section 3).

Both evaluations emphasised the need to ensure that all research was in accordance with international ethical standards. It was recommended that agricultural projects should be screened with respect to their contribution to sustainable agricultural production and their effect on the ecological stability of a particular habitat.

7. CONCLUSION

Since 1983 four successive Framework Programmes for Research and Technological Development have successfully funded a large number of tropical forestry research projects, bringing together EU and developing country institutions in mutually beneficial partnerships.

Research funded through DG XII differs from that funded by the development budget lines in DG IB and DG VIII in that it is meant to be fundamental rather than applied. While there is some collaboration among the DGs on project selection, the different project cycle methodologies mean that there is relatively little scope for linking DG XII research projects to development or research projects funded by other DGs. In part this is also because of the small number of staff responsible for the Framework Programme. The resulting weak management capacity is particularly problematic in that it hampers effective project monitoring and evaluation.

Between the first STD1 Framework Programme and the current INCO-DC Programme, projects have become larger both in total funding volume and in the number of research collaborators. After an initial trend towards increasing the number of European participants, a balance now seems to have been reached with approximately equal numbers of Southern and EU partners. Projects as a whole have also become more multi-disciplinary in nature, reflecting the recommendations of international fora such as the UNCED Conference in 1992.

Within the forestry sector, projects have seen a complete shift away from the early focus on individual species and woody biomass production to a concern with forest ecosystems and the role of trees in multi-faceted production systems. The Programme could be much improved, however, through the development of an EC strategy on tropical forestry research to help focus the limited funds more effectively. Planning forestry research would also be facilitated by the introduction of defined procedures for allocating budgets between the various thematic sectors of the Framework Programme, with the possibility of ring-fencing an amount for tropical forestry.

REFERENCES

- Beese, K. (no date) 'European Union's Research Funding in Tropical Forestry'. Unpublished mimeo. DG XII, Brussels.
- European Commission (no date) 'Sciences et Technologies du Vivant pour les Pays en Développement (STD3)'. Information brochure. DG XII, Brussels.
- European Commission (1989) *Research Projects 1983-1986, Summaries of the Final reports. First Programme Science and Technology for Development, Sub-programme Tropical and Subtropical Agriculture*. DG XII and Technical Centre for Agricultural and Rural Co-operation ACP-EEC, Brussels.
- European Commission (1994a) *Research Projects 1987-1991, Summaries of the final reports: Vol. 1. Second Programme Science and Technology for Development, Sub-programme Tropical and*

- Subtropical Agriculture*. DG XII and Technical Centre for Agricultural and Rural Co-operation ACP-EEC, Brussels.
- European Commission (1994b) *Information package – 3rd call. Life Sciences and Technologies for Developing Countries (STD 3) – 1991–1994*. DG XII, Brussels.
- European Commission (1995) *Research Projects 1987–1991, Summaries of the final reports: Vol. 2. Second Programme Science and Technology for Development, Sub-programme Tropical and Subtropical Agriculture*. DG XII and Technical Centre for Agricultural and Rural Co-operation ACP-EEC, Brussels.
- European Commission (1996a) *Life Sciences and Technologies for Developing Countries, STD 3 Funded Joint Research Projects: Agriculture. 1995 Edition*. DG XII, Brussels.
- European Commission (1996b) *Information package – 2nd call. Co-operation with Third Countries and International Organisations. Part C: Scientific and Technological Co-operation with the Developing Countries*. DG XII, Brussels.
- Nelson, G.S., Chaniwana, S., Demarly, Y., Eckerbil, J.P., Greco, D., Saldanha, L., Sørensen, S.C., Vlek, P.L.G. and Wilson, A.T. (1992) *Evaluation of the STD II Programme (1987–1991)*. Research Evaluation Report No. 52. EUR 14945 EN. European Commission, Brussels.
- Official Journal* N°C 75/31 'Call for proposals for RTD activities under the specific programme for research and technological development, including demonstration, in the field of co-operation with third countries and international organisations (1994–1998)'. *Official Journal of the European Communities*, 15 March 1996.
- Wilson, A.T., Egli, R., Lucas, A.O., Mouchet, J. and Rehm, S. (1988) *Evaluation of the Community Programme on Science and Technology for Development – STD (1983–1986)*. Research Evaluation Report No. 34. EUR 11951 EN. European Commission, Brussels.

KEY CONTACTS

European Commission
DGXII/B/4 (INCO) – DC
8, square de Méeus
B-1050 Brussels
Belgium
Tel: +32 2 2958636
Fax: +32 2 2966252
Email: inco-dc@dg12.cec.be

European Tropical Forest Research Network
Coordination Unit
c/o The Tropenbos Foundation
P.O. Box 232
6700 AE Wageningen
The Netherlands
Tel: +31 317 413033
Fax: +31 317 412099
Email: etfrm@iac.agro.nl

ACRONYMS

DG	Directorate-General
EC	European Community
ETFRN	European Tropical Forest Research Network
EU	European Union
INCO-DC	Co-operation with Third Countries and International Organisations – Scientific and Technological Co-operation with Developing Countries (second Activity of the 4th Framework Programme)
NGO	Non-Governmental Organisation
RTD	Research and Technological Development
STD	Science and Technology for Development
UNCED	United Nations Conference on Environment and Development

ACKNOWLEDGEMENTS

This chapter benefited from discussion with a number of people including the following: Mme. Marianne Braun, Mr. Timothy Hall, Mr. Joachim Kreysa, Mme. Catherine Lammens and Mr. Tilak Viegas (all DG XII). Thanks are also due to Ms Clare Hamilton for editorial assistance.

Note on currency equivalent: on 1 September, 1997, US\$ 1 was equivalent to ECU 1.09.

DG V, DG VI and DG XVI

David Brown

THE STRUCTURAL FUNDS

The European Community has a number of programmes aimed at the development of disadvantaged areas and sectors within the territories of the European Member States. These exist to promote the overall harmonious development of the Member States of the European Union, and to encourage their 'convergence' in economic terms. The most important of the programmes brings together four separate funds, known collectively as the Structural Funds. These are the European Regional Development Fund (ERDF); the European Social Fund (ESF), the European Agricultural Guidance and Guarantee Fund (EAGGF), and the Financial Instrument for Fisheries Guidance (FIFG).¹ For the period 1994–9, the Structural Funds have at their disposal a total allocation of Ecu 141.471 billion. Management of the Funds is the collective responsibility of DG V (Employment, Industrial Relations and Social Affairs), DG VI (Agriculture), and DG XVI (Regional Policies).

Structural Funds are available as non-reimbursable grants, on the basis of co-financing ('part-financing') with the relevant Member States. The level of co-financing depends on the objective of the programme, and is up to a maximum of between 50 and 85%. There are five sets of priority objectives:

- Objective 1:* Structural adjustment of regions whose development is lagging behind
- Objective 2:* Economic conversion of areas seriously affected by industrial decline
- Objective 3:* Combatting long-term unemployment and facilitating integration into working life of young people and those threatened with exclusion from the labour market
- Objective 4:* Preventive measures to combat unemployment associated with industrial change
- Objective 5a:* Structural adaptation of agriculture and fisheries
- Objective 5b:* Economic diversification of vulnerable rural areas

The relevance of the Structural Funds in the present context relates to the few overseas territories of the Member States located in the tropics. The main ones are the four overseas *Départements* of France, Martinique, Guadeloupe, Réunion and Guyane, all of which have the same legal status as any other French *départements*.

Only Guyane (French Guiana) possesses any major forest resources. The review which follows is restricted to this one territory. A brief description of the place of forestry in the economy of Guyane is provided in Box 1.

Box 1: The Overseas Department of Guyane

Guyane is the only region of the European Union on the South American continent. With an area of 90,000 sq. km. (the size of Portugal) and a border of 1 000 km. with Surinam and Brazil, the territory is much closer to its South American neighbours than it is to its main markets in Europe (7,500 km. distant) or to the other European territories in the Caribbean (Guadeloupe, for example, is 1,500 km. away). However, communications with its neighbours are very poor, as are internal communications within the territory. 10% of the national population is accessible only by river transport.

The population of Guyane is presently 136, 775 (1993 Census), growing at between 4.7 and 6% (one of the highest growth rates in the Union). There is a sizeable immigrant population, approximately one-third of the total. Population density in the rural areas is low, at only 1.44 persons per square kilometre. 70% of the population is under 35 years of age.

Tropical moist forests cover 90.4% of the territory, consisting almost entirely of *forêt domaniale* (state forest), which occupies 7.5 million (92%) of the total forested area of 8.14 million hectares. There is one national park of 2 million hectares (*le Parc national de la forêt guyanaise*), two national reserves of respectively, 100,000 hectares (*camp de Nouragues*) and 75,000 hectares (*montagnes de la Trinité*), and a regional national park of 100,000 hectares.

Timber production represents a small though significant sector of the economy, with about 15% of total agricultural production (Ecu 12–14 m. per annum) and 400 workers. Expansion of the timber industry is inhibited by a number of factors: distance from European markets; high production costs (significantly above those of neighbouring countries such as Brazil); shortages of skilled manpower; low levels of internal demand; poor communications; high species diversity (up to about 160 species per hectare); low commercial value and profitability.

In forestry terms, Guyane is best known for its research and teaching facilities. There is a forestry college at Kourou, *l'Ecole Nationale du Génie Rural, des Eaux et des Forêts, ENGREF* (an *école d'application* of the system of *grandes écoles*). Kourou is also the site of major research facilities, with branches of a number of French research institutions (CIRAD-Forêt, INRA, ORSTOM, etc.). These are formed into a *groupement d'intérêt scientifique* known as SYLVOLAB. The *Office Nationale des Forêts* (ONF) also has important operations in Guyane.

The forests of Guyane are noted for their exceptional species diversity of both flora and fauna (1,200 species of vertebrates, and 7–10,000 species of vascular plants, including 1,000 species of trees, eleven times as many as in metropolitan France). France is seeking to develop Guyane as a major European research and teaching laboratory for ecological forestry.

DG V/
VI/XVI

1. The French acronyms are respectively: FEDER, FSE, FEOGA and IFOP.

SUPPORT FROM THE STRUCTURAL FUNDS TO GUYANE

Forestry in Guyane is eligible for support from the Structural Funds in relation to Objective 1, on the basis of its relatively low per capita GDP (only 46% of the GDP of metropolitan France, and 58% of the European average). 75% funding is available to Guyane from the Funds, with the remaining 25% being contributed by the French Government.

Guyane presently receives support from all the four constituent funds (EDRF, ESF, EAGGF and FIFG). In relation to tropical forestry, the main direct investment from the Funds has been the sum of Ecu 2.879 m. over 5 years (1994–9)² under the EAGGF, awarded to the *Office Nationale des Forêts* to cover management costs and equipment for the creation of a sustainably-managed production forest of 550,000 ha. Activities include inventory, demarcation, silvicultural management and single-purpose road construction. Counterpart funds are being provided by France (Ecu 1.97 m.) and the timber industry (Ecu 0.60 m.). A number of other activities have forestry components, including tourism development in forest areas, for which Ecu 0.7 m. is being provided from the ERDF; research on tropical forest ecosystems (Ecu 9.7 m. from the ERDF); and human resource development (Ecu 35.8 m. from the ESF). Additional investments from the Funds which may have important forestry impacts include the Ecu 24 m. invested by the ERDF in road building programmes.

DG V/
VI/XVI

REFERENCE

Commission européenne (1995) *Martinique, Guadeloupe, Réunion, Guyane – Documents uniques de programmation, 1994–1999*, Fonds structurels communautaires, Office des publications officielles des Communautés européennes, Bruxelles et Luxembourg.

KEY CONTACT

Commission européenne – DGVI.E.2,
B-1049 Bruxelles,
Belgium
Fax: +322 296 60 03.

ACKNOWLEDGEMENTS

This review has benefited from discussions with Joël Tilly (DGVI).

Note on currency, on 1 September, 1997, US\$ 1 was equivalent to ECU 1.09.

2. All the sums indicated in this paragraph refer to the period 1994–9.

Austria

Kathrin Schreckenber

Contents

1.	TEMPERATE FORESTRY IN AUSTRIA	123
1.1	Forest cover, type and tenure	123
1.2	Forest institutions	123
1.3	Role of forestry in the Austrian economy	123
2.	HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY	123
3.	STRUCTURE OF AID DELIVERY	124
3.1	The Department of Development Co-operation	124
3.2	Bilateral co-operation and NGOs	124
3.3	Multilateral co-operation	125
4.	TROPICAL FORESTRY DEVELOPMENT POLICIES	125
4.1	General development co-operation policies	125
4.1.1	Volume of funding	125
4.1.2	Regional focus	126
4.1.3	Sectoral distribution	126
4.2	Co-operation in the tropical forestry sector	127
4.2.1	Multilateral forestry co-operation	127
5.	THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS	127
6.	RESEARCH AND TRAINING	128
7.	PROJECT CYCLE MANAGEMENT	128
8.	REVIEWS AND PROJECT PROFILES	129
9.	CONCLUSION	130
	REFERENCES	130
	KEY CONTACTS	130
	ACRONYMS	130
	ACKNOWLEDGEMENTS	130

1. TEMPERATE FORESTRY IN AUSTRIA

1.1 Forest cover, type and tenure

Forest cover in Austria may once have been as high as 75%, but by the beginning of the 19th century it had been reduced to around 30%, primarily due to pressure for agricultural land. Active reforestation measures since then have ensured that Austria is now one of the most densely forested countries in Europe with 46% (3,878,000 ha) of its land area classified as forest and an additional 2,000 ha being afforested each year (BMLF, 1995a).

About 77% of the country's forests consist of conifers (primarily spruce), which make up the natural vegetation in the mountainous alpine regions, but were also introduced for economic reasons in some of the lowland areas. These plains and foothills are otherwise dominated by broadleaves, the proportion of which has been increasing due to forest policy changes in the 1970s (BMLF, 1995a).

Fully one-third (1.3 million ha) of Austria's forests serve a protective function. Though this does not exclude timber production, protection against natural hazards such as soil erosion and avalanches is given management priority in these often steep and ecologically marginal areas. Some 80% of Austria's forests is in private hands. 213,000 individuals own forests of less than 200 ha, accounting for nearly half of all forests, with another third being managed by major forest enterprises (BMLF, 1995b). The 16% owned by the Republic of Austria is managed by Austrian Federal Forests, an organisation structured like a private enterprise (Siegel, n.d.).

1.2 Forest institutions

The forest has been under legal protection since medieval times when rules provided for the conservation of the forest to secure raw material supplies (charcoal) for mining, saltworks and metalworks. The Imperial Forest Law of 1852 further emphasised the need to preserve the protective function and ecological benefits of the forest. The Austrian Forest Law (adopted in 1975 and amended in 1987) underlines the shift from perceiving forests as a source of raw material to seeing them as an irreplaceable component of the environment. Thus it stipulates that forest exploitation must always be followed by reforestation, and permanent clearing is only permitted in exceptional cases. Clearfelling of areas over 0.5 ha requires special permission and is completely forbidden for areas over 2 ha. Leisure access to forests is guaranteed for all, although certain activities (such as berry-picking) are limited to prevent overexploitation (BMLF, 1995b).

The Federal Ministry of Agriculture and Forestry (*Bundesministerium für Land- und Forstwirtschaft*, BMLF) is responsible for formulating forest policy and legislation as well as coordination of forestry activities at the national level. Compliance with forest legislation is monitored by a three-tier Forest Authority (Siegel, n.d.). All owners of more than 1 ha of forest are obliged to be members of provincial agricultural chambers which provide advice and promote their members' interests (BMLF, 1995a). A number of

voluntary associations also represent the interests of smaller farm foresters. Subsidies and credits are provided to encourage improved forest management (BMLF, 1995b).

Austria has a particularly well-developed land-use planning system in which a key role is played by the Torrent and Avalanche Control Service established over 100 years ago (BMLF, 1995b). Based within the BMLF and of special importance in such a mountainous country, this service is responsible for carrying out country-wide hazard mapping and implementing the necessary protective measures ranging from reforestation at high altitudes to construction of physical barriers. Both hazard maps and data from the 5-yearly national forest inventory contribute to the Forest Development Plan. First drawn up in 1991 and due to be renewed every 10 years, this Plan provides a framework for political decisions concerning forests at national and provincial level, and is also increasingly used for general land-use and transport planning (BMLF, 1995b).

1.3 Role of forestry in the Austrian economy

Austria is an important net exporter of forest products, and export income per capita is the third highest in Europe after Finland and Sweden (Kuusela, 1994). For the majority of small forest owners, however, forestry is a supplementary and usually off-season activity. Only 33% of forest enterprises constitute a primary source of income (BMLF, 1995a). Overall the forestry sector employs around 8,500 people and accounts for 0.6% of GNP (BMLF, 1995a).

Perhaps more important than its contribution to the economy is the forest's importance as an integral element of the country's cultural landscape. With the majority of the population living in small towns and rural communities, there is a vivid interest in all matters relating to agriculture and forestry (Siegel, 1995). Thus there is widespread concern among both the public and forestry professionals about evidence of forest damage. In 1994 40% of trees were found to have suffered some level of canopy defoliation and nearly 8% were classified as moderately or severely defoliated according to internationally agreed standards. This is thought to be due to a combination of air pollution and acid soils which makes trees more susceptible to pests and diseases and less resistant to climatic stress. Large populations of game and the cattle-grazing, which still takes place in 10% of forests, have also taken their toll on natural regeneration. In addition to these factors are the problems that arise from overuse of the forests by people themselves, particularly in the form of leisure pursuits such as skiing and mountain-biking which can have a damaging impact on ecologically fragile areas (BMLF, 1995b).

2. HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY

Austria's entry to the United Nations in 1955 marked the beginning of a more international orientation. This was a clear break with the tradition of both the early

continental Austro-Hungarian Empire and Austria's subsequent incarnation as a small Central European state, both of which were primarily concerned with internal and European politics (Pilz, 1996; Ederer, n.d.). Austria therefore had none of the active overseas relationships developed by the European colonial powers and also by the Scandinavian countries, nor any history of involvement in tropical forestry on which to base its new programme of development assistance (Ederer, n.d.).

3. STRUCTURE OF AID DELIVERY

3.1 The Department of Development Co-operation

The administration of Austrian aid is dispersed over many Ministries (Figure 1). The Department of Development Co-operation (DDC), which is formally charged with overall coordination of the aid policy of the government, has itself shifted location several times. Originally located in the Foreign Ministry, it was then moved to the Chancellor's office (*Bundeskanzleramt*, BKA) in 1991, only to be re-integrated into the Foreign Ministry in 1995 (BMaA, 1995). In practice, however, the DDC has control over only 10–16% of the aid budget including bilateral aid, contributions to the United Nations Development Programme and a few small United Nations agencies, and part of Austria's scholarship programme (DAC, 1996). The DDC is also responsible for promoting public information about development issues within Austria, which it achieves both through its own information service and through collaboration with a number of NGOs (Pilz, 1996).

The largest part of Austria's official development assistance (oda) (34–44%) is administered by the Finance Ministry which is responsible for contributions to international financial institutions, debt relief and concessional official export credits. The Interior Ministry administers aid for refugees within Austria, the Ministry of Science and Research deals with part of the scholarship programme, and the Ministry of Agriculture manages food aid, contributions to FAO, etc. (DAC, 1996).

In spite of recommendations by the OECD's Development Assistance Committee (DAC, 1996) that staffing levels be increased, the DDC has had to 'downsize' in recent years. All its sector specialists, including the environment adviser, have been 'contracted out' to universities, consultancies and NGOs, and a similar system is being considered for country or regional specialists. Concentration of aid on a smaller number of priority focal countries (see section 4.1.2) has been accompanied by the setting up of regional offices in each of the countries to play a greater role in the development of country, regional and sector programmes (BMaA, 1995). In some cases regional offices are staffed by DDC or embassy personnel while, in others, staff are provided by NGOs in a unique approach in which NGO staff are given the status of consultants to the Ministry (DAC, 1996).

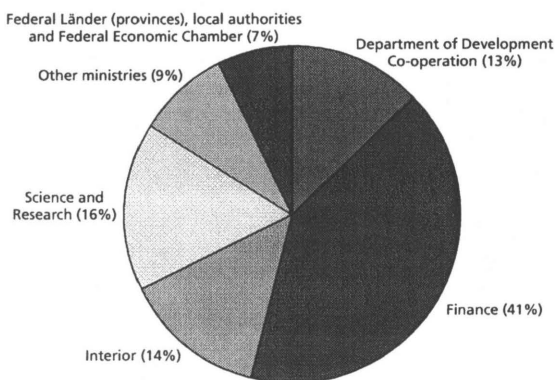
3.2 Bilateral co-operation and NGOs

Austria does not use an official agency to implement its bilateral programme, which accounted for only 12.6% of total oda in 1995 (equivalent to Sch 1 billion) (Pilz, 1996). Instead, the DDC relies on numerous voluntary agencies, private or nationalised companies, consultancies, international organisations, etc., with a total of 74 different implementing agencies being involved in 1994 (Figure 2).

NGOs are considered to be particularly good at reaching the poorest sectors of populations even in countries in which it is not possible to collaborate directly with governments. They also play a very important role in educating the Austrian public about conditions in developing countries and increasing their support for development co-operation activities (Pilz, 1996). Thus in some of Austria's priority countries (e.g. Senegal, Kenya) support is exclusively given to projects co-financed with NGOs. In others like Bhutan, on the other hand, the low level of engagement of Austrian NGOs has meant that all projects are implemented through consultancies (BMaA, 1995). In general, consultancies play a more important role in implementing projects for which specific technical know-how is required (Pilz, 1996).

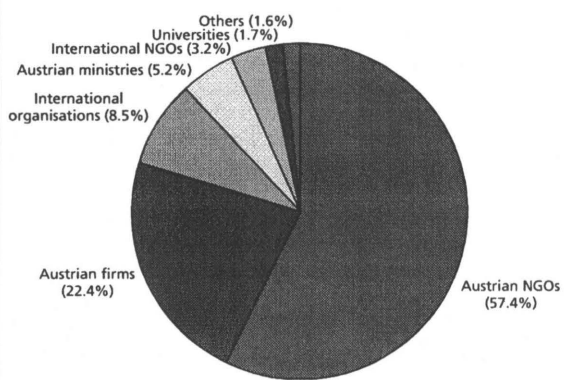
Many Austrian NGOs have very few funds of their own and rely heavily on government co-financing of

Figure 1: Share of individual ministries in Austrian oda: average 1993/94



(Source: DAC, 1996)

Figure 2: Implementation of DDC-administered project and programme aid, 1994



(Source: DAC, 1996)

their projects (DAC, 1996). To be eligible for co-financing, projects must be in line with the government's three-year programme of development co-operation (see section 4.1) and:

- address the basic needs of the poorest people;
- aim to increase the capacity for self-help of target groups;
- involve target groups in the planning and implementation of activities;
- have clearly defined objectives which can be realised within a specified time period.

The level of co-financing can be up to 75% of project costs for projects in one of Austria's priority countries (see section 4.1.2) and up to 35% for those in other countries, with a maximum Ministry contribution of Sch 1 m. per year per project. Decisions about co-financing are taken twice a year by a Programme Committee within the Foreign Ministry (BMaA, n.d. a).

Collaboration with NGOs requires a continuous process of in-depth dialogue to achieve a compromise between the NGOs' desire to take their decisions in an independent manner, and the Ministry's responsibility for implementing an overall development policy (Pilz, 1996). This tension is particularly evident in the government's wish to concentrate projects in particular countries and sectors while the reality is that NGO projects tend to be small and widely dispersed around the world (BMaA, 1995).

The government contributes about 70% to the cost of sending out volunteers through the Austrian Development Service. In 1994 140 volunteers were working in nine countries, principally Uganda, Zimbabwe, Ecuador, Nicaragua and Papua New Guinea. Key sectors for volunteers are technology, handicrafts, trade and health (BKA, 1994).

3.3 Multilateral co-operation

Austria's entry into the European Union in 1995 reversed a trend of declining multilateral co-operation (DAC, 1996). Austria's contribution to the EU development budget was Sch 850 m. in 1995 and, from 1998, additional contributions of about Sch 4.5 billion over a period of five years will be required for the European Development Fund. Rather than seeing this as an opportunity to reduce its own bilateral development aid, Austria sees EU assistance as being complementary to its own. In particular it recognises that a good quality bilateral assistance programme will ensure that it has a stronger voice in determining the EU's development policies (Pilz, 1996).

Austria makes relatively small contributions to the various United Nations organisations with the exception of the United Nations Industrial Development Organisation, which is located in Vienna (BMaA, 1996).

4. TROPICAL FORESTRY DEVELOPMENT POLICIES

4.1 General development co-operation policies

The law governing development aid dates from 1974 and, in spite of several attempts, has not yet been

updated (DAC, 1996). Development co-operation is considered to be an integral component of Austria's foreign policy and, far from being neutral, is expected to contribute to the promotion of peace and good governance, and a reduction in discrimination (Pilz, 1996). The country's aid policy orientations are outlined in the rolling 'Three Year Programme of Austrian Development Aid' which is updated every year. However, the three-year programme primarily covers the activities for which the DDC is responsible and which account, on average, for less than 15% of total oda. Any policy initiative taken by the DDC to improve the quality or orientation of aid can, therefore, be outweighed by activities in other parts of the programme. There is no development strategy covering all aid activities (DAC, 1996).

4.1.1 Volume of funding

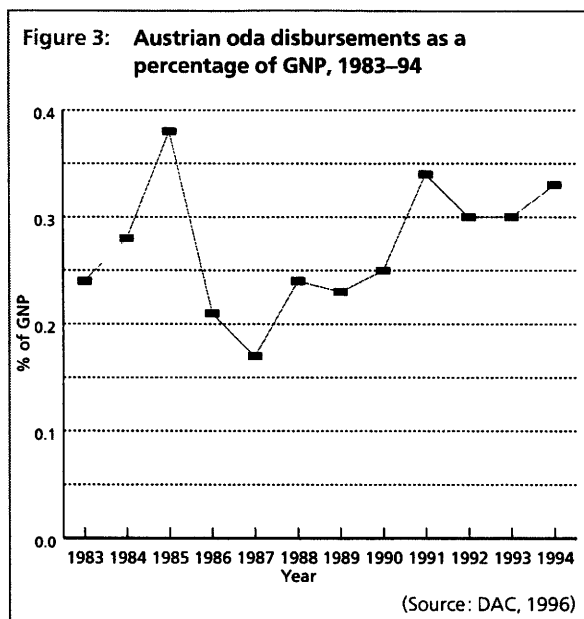
Public support for development co-operation is very high. It is, however, characterised by a misconception that Austria spends much more on development co-operation than it actually does (Pilz, 1996). In 1994 Austria spent Sch 7.5 billion on oda, equivalent to 0.33% of its GNP, compared to only Sch 3.7 billion in 1989 (BMaA, n.d. b). As a percentage of GNP, Austria's aid has fluctuated in recent years (Figure 3). This is primarily due to the fact that most of the funds are outside of the DDC's control and can vary greatly from year to year. These include expenditure for refugees within Austria, imputed students' costs (i.e. the estimated costs of waiving Austrian tuition fees for students from developing countries) and concessional official export credits¹, which together account for almost half the aid programme (55% in 1994). The DAC has criticised the reporting of these costs as oda, as the developmental significance of the costs is not always clear and the benefits are not focused on Austria's priority countries or sectors (DAC, 1996).

The DDC's own small resources consist, to about two-thirds, of firm budget appropriations and, to one-third, of a supplementary budget which may take a long time to negotiate and, in 1995, was only released in the last quarter, leading to uncertainties and delays in providing funding to NGOs. The fact that government budgets can only be committed for one year at a time can be a major headache for NGOs trying to plan for the financial needs of longer-term projects (DAC, 1996).

Austria's volume of development aid should be seen within the context of its generous support to the countries in transition to a market economy in Eastern and Central Europe. In 1993 this amounted to 0.22% of GNP, the highest proportion within the OECD (BMaA, 1995). It is also keen to promote debt relief at the international level and announced debt cancellations of Sch 1 billion in 1995 (BMaA, 1996).

Since 1993 all bilateral technical aid has been in the form of grants rather than loans (Pilz, 1996). However,

1. This scheme provides subsidised export credits to developing countries. The credits are initiated by Austrian exporters with requests being assessed by an interministerial committee including a representative of the DDC who may abstain from approving if it considers that the credit is not sufficiently development-oriented (DAC, 1996).



the major part of Austrian aid is tied. Concessional export credits, imputed students' costs and aid for refugees are for obvious reasons tied. In addition, the major part of DDC-administered aid is also tied as it is implemented by Austrian NGOs, firms and consultancy bureaux (DAC, 1996).

4.1.2 Regional focus

Austrian aid used to consist of a widely dispersed series of individual projects that were chosen based on personal contacts and political considerations (Pilz, 1996). Some countries have always had a large Austrian presence, such as Nicaragua, which saw a wide range of activities implemented by solidarity groups, churches and NGOs supported by the huge wave of public sympathy engendered by the collapse of the Somosa dictatorship (Pilz, 1996). Other countries, however, had just one or two projects depending on the interests of the implementing NGOs.

Given the size of its aid programme, the administration has now recognised that a meaningful contribution can be achieved only if activities are concentrated geographically and sectorally (DAC, 1996). There is therefore an ongoing shift towards a recipient country approach with efforts being concentrated in five key regions in which a total of 8 priority or focus countries (in italics below) and 11 'co-operation' countries have been selected.

Central America	<i>Nicaragua</i> , Costa Rica, El Salvador and Guatemala;
Sahel region	<i>Burkina Faso</i> , <i>Cape Verde</i> and Senegal;
East Africa	<i>Ethiopia</i> , <i>Rwanda</i> ² , <i>Uganda</i> , Burundi, Kenya and Tanzania;
Southern Africa	<i>Mozambique</i> , Namibia and Zimbabwe;
Himalaya/Hindukush	<i>Bhutan</i> , Nepal and Pakistan.

2. Rwanda was originally considered a priority country but all aid other than relief was suspended in 1994 (BMAA, 1995).

To be selected for co-operation, countries must fulfil a number of criteria:

- suffer from poverty
- be located in one of the five key regions
- be the subject of longer-term Austrian development co-operation experience
- have safety conditions and logistic infrastructure conducive to successful collaboration
- have local structures or institutions capable of implementing projects (BMAA, 1995; DAC, 1996).

Additional criteria apply for 'priority' countries:

- development of a comprehensive co-operation programme based on a detailed sectoral analysis
- extensive Austrian co-operation experience in several sectors
- evident efforts by the national government to protect human rights, support democratisation and promote a careful use of natural resources
- regular development policy dialogue supported by appropriate local structures
- high degree of compatibility between the recipient country and Austrian development policy (BMAA, 1995; DAC, 1996).

It was hoped that by the end of 1997 a country programme would have been developed for each of the priority countries, as well as for some of the other 11 co-operation countries. These will be developed in discussion with partner governments, NGOs, technical experts from North and South and other donors and will provide the general guidelines for development co-operation between Austria and the partner country (Pilz, 1996). Increasingly, country programmes will be drawn up and coordinated by the regional offices, which are also responsible for the preparation, implementation and supervision of individual projects (DAC, 1996). Country programmes are complemented by three-year indicative co-operation programmes, country-specific sectoral programmes to guide the thematic content of particular activities, and annual programmes of activities (BMAA, 1996).

In budgetary terms the intention is to work towards achieving annual aid budgets of Sch 40–80 m. for priority countries and around Sch 20 m. for co-operation countries within the 1996–9 period (BMAA, 1996). After current projects have been concluded the only projects to be funded in non-priority countries will be those funded through co-financing mechanisms with NGOs and other organisations (BMAA, 1996).

The trend towards concentration has already had a marked impact, with the proportion of bilateral aid being spent on the key regions and countries increasing from only 24% in 1991 to 61% in 1994 (BMAA, 1995), and expected to rise to 70% by 1999 (BMAA, 1996). Given the limited proportion of aid funds at the disposal of the DDC, however, its own concentration of funds on a small number of countries will have little impact on the general spread of Austrian aid, which remains very wide (DAC, 1996).

4.1.3 Sectoral distribution

The three-year programme of Austrian development co-operation states that 'Austria's development policies aim to promote sustainable economic growth which

directly reduces poverty, satisfies the basic needs of a growing population, builds viable political economies and establishes the capacity for fruitful participation in the world economy' (Pilz, 1996). Within these global aims Austria particularly provides support in those areas in which it has a comparative advantage, long-standing experience and the right implementing agencies (DAC, 1996). These include vocational training, primary health care, water supply, promotion of democracy, transport, energy, rural development, forestry, mining, promotion of small enterprises, and tourism (Pilz, 1996). For most of these sectors, policy papers already exist or are being prepared (BMAA, 1996). Gender-balanced development is considered an important cross-cutting theme (Pilz, 1996).

For each of the key regions and priority countries, sectors of particular interest have been highlighted. In the longer term it is planned to concentrate the thematic spread of projects to four sectors in priority countries and two in co-operation countries (BMAA, 1996). Forestry is not considered a priority sector for any of the regions but is deemed important in Bhutan and Pakistan. In other countries forestry activities are included as components of projects in other sectors (e.g. rural development in Burkina Faso, agricultural production in Nicaragua) (BMAA, 1995).

4.2 Co-operation in the tropical forestry sector

Austria has no stated policy on aid in the tropical forestry sector. Until 1992 the volume of funding devoted specifically to forestry-related projects was fairly small, standing at about Sch 6.7 m. in both 1991 and 1992, equivalent to 0.1% of total oda or 0.15% of bilateral aid (BKA, n.d.). This was suddenly increased ten-fold when, at the United Nations Conference on Environment and Development (UNCED) in 1992, the Austrian Government announced a three-year (1993–5) special programme of Sch 200 m. (US\$ 18 m.) to support rain forest conservation in developing countries (Pilz, 1996).

The Rain Forest Initiative (see section 5) was in part the product of growing public concern within Austria about the state of tropical forests. In 1990 this had already resulted in the Austrian Parliament passing a resolution aimed at prohibiting the import of tropical timber from countries that did not demonstrate sustainable forest management. Austrian importers agreed voluntarily not to bring in such timber, but due to the critical reactions of some producer countries a new law was adopted in 1993 establishing a voluntary quality mark for timber from sustainably managed tropical, temperate and boreal forests (DAC, 1996). An Advisory Board chaired by the Federal Ministry for the Environment and including representatives of governmental organisations, of the timber industry, environmental NGOs and social and economic partnership organisations has been appointed to set up the labelling scheme.

4.2.1 Multilateral forestry co-operation

The Austrian Ministry of Agriculture and Forestry has provided support to FAO's Tropical Forest Action Programme. It also provides funds to the Consultative

Group on International Agricultural Research (Sch 16.5 m. in 1996), within which Austria attaches particular importance to the Centre for International Forestry Research and the International Centre for Research in Agroforestry (BMAA, 1996). The BMLF supports both the International Union of Forestry Research Organisations, of which it is one of the three founding members, and its Special Programme for Developing Countries for which it provides a secretariat located in the Viennese Federal Forest Research Institute. The BMLF further contributes to forestry aid by making its staff available for postings in development projects.

In close collaboration with FAO, Austrian forestry training centres have organised courses for foresters from developing countries with a special focus on forest technology, benefiting in particular from Austria's own experience of ecologically sound harvesting methods in steep terrain. Training has also been provided in the technical and biological stabilisation of soil erosion and the prevention of avalanches in mountainous areas, as well as in the hazard mapping as carried out by the Austrian Service for Torrent and Avalanche Control.

Austria made a relatively high contribution of Sch 400 m. to the pilot phase (1991–3) of the Global Environmental Facility (DAC, 1996). For the 1994–7 period its contribution amounted to 1% of the total US\$ 2 billion committed (BMAA, 1996).

5. THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS

When the Rain Forest Initiative was announced by the Chancellor in 1992, Austria had relatively little experience in the field of tropical forestry projects and it was not immediately clear how this additional sum of money would be spent. On the initiative of the DDC environment adviser, an intensive round of informal discussions was launched involving everybody in Austria interested in tropical forests. This process resulted in the definition of a number of positive and negative criteria for selecting suitable projects to be funded within the Rain Forest Initiative.

Overall, selection was influenced by a concern about global ecological and political stability and a recognition that conservation of tropical forests depends on the improvement of key socio-economic conditions in the respective countries. An underlying principle for the allocation of funds was the unconditional respect for indigenous people living in the forest area, based on the belief that preservation of indigenous living space and traditional rights can be an important factor in achieving successful forest conservation. About one-third of the budget was, therefore, dedicated to activities concerned with indigenous peoples such as land demarcation, assistance with legal rights, non-timber forest products, rehabilitation of traditional agroforestry and support to small community-based forest enterprises. The remainder of the funds was used to support sustainable land and forest use by non-indigenous local populations, with special care taken to avoid projects that might cause friction between indigenous and non-indigenous local people (BMAA, 1995).

Another selection criterion was the decision to support forestry activities carried out by local people rather than large companies – including activities ranging from subsistence-level activities to profit-oriented family or community enterprises. Support was also given to sustainable agriculture in forest buffer zones, ecotourism development in forest areas, small-scale village rehabilitation of degraded areas and small-scale sustainable timber extraction by local people (BMaA, 1995). Large-scale industrial logging projects were ruled out as the available budget seemed insufficient to tackle this question successfully. Nevertheless, in order to acknowledge the importance of this area, funding was provided for the timber certification work of the Forest Stewardship Council (FSC) (Weingärtner, DDC environment adviser, pers. comm., 1996).

With respect to implementation it was decided that the public and political desire for Austrian 'ownership' of projects was such that multilateral activities had to be excluded. Instead, all projects were implemented by NGOs because (i) it was partly due to NGO pressure that the special forest initiative had been announced, and (ii) because only NGOs had the necessary connections to implement activities within the short time-frame available after the announcement. The selected projects also had to be of limited duration, with preference given to those that triggered sustainable activities, bridged funding gaps, or demonstrated results that would attract longer-term funders (Weingärtner, pers. comm., 1996). A total of 36 projects were eventually funded, of which the majority have now been completed. Taking into account that most projects tackled several related areas, their distribution by principal themes is shown in Figure 4.

The geographic distribution was widespread, with the 36 projects dispersed in 15 countries. The great majority (22) were in Latin America with 11 in Brazil alone. Eight were in Africa, five in Asia and one (support to the FSC) was global in nature. As hardly any of the projects were in Austria's priority countries, very few have been followed up since completion. Outside of the rain forest initiative there are relatively few dealing exclusively with forestry. Two projects dating from before the UNCED conference are, however, still ongoing, one in Bhutan (see Box 2) and one in

Nicaragua dealing with forest and buffer zone development on the Rio San Juan near San Carlos.

6. RESEARCH AND TRAINING

The Austrian forestry establishment is well aware of the challenging demands of sustainable forest management. The importance of good vocational and technical forestry training is, therefore, widely recognised. Thus, for example, all forest enterprises over 500 ha in size are obliged to employ a state certified forester. These foresters will have undergone either a five-year course of study at a Forestry College (in Bruck/Mur or Gainfarn) followed by two years of in-service training, or a five-year academic degree at the Agricultural University in Vienna with three years of subsequent in-service training. A one-year course of vocational training for 'forest wardens' is provided by the Forestry School in Waidhofen/Ybbs (BMLF, 1995b). In addition, a comprehensive range of training opportunities is provided by both federal and state training centres for small farmers and forest workers to help them improve various aspects of their forest management (BMLF, 1995a).

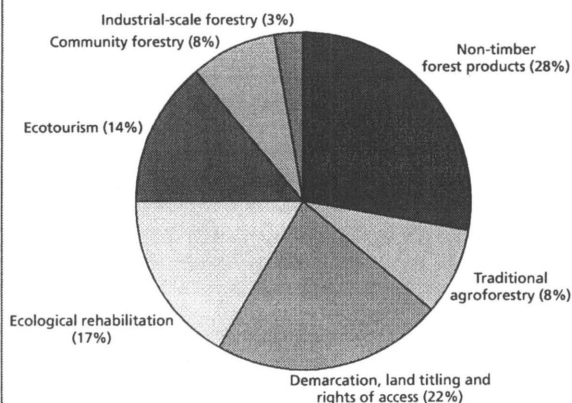
Most domestic forest research is carried out at the Federal Forest Research Institute and the Faculty of Forestry at the Viennese Agricultural University. Current research priorities concern the condition of the forests, focusing on the effects of air pollution and methods of improving the forest's vitality and ecological stability (BMLF, 1995a). Other research projects aim to provide the scientific basis for the development of community-based systems to compensate forest operators for performing those loss-making tasks considered to be essential for ensuring the long-term maintenance of the public utility function of the forest. Tropical forest research is carried out at a number of institutes, with the national node for the European Tropical Forest Research Network being located at the Agricultural University in Vienna.

7. PROJECT CYCLE MANAGEMENT

Austria does not yet have an agreed standard for project cycle management. Many of the NGOs responsible for implementation have not been used to applying planning instruments such as project cycle management or logical frameworks. Evaluations of NGO programmes are also rare and are mostly initiated by the evaluation unit of the DDC (DAC, 1996). In the past no clear distinction has been made between the implementation of official and NGO projects. Although the majority of projects are proposed by NGOs to the DDC for co-financing, in a few cases the DDC prepares its own projects and asks suitable NGOs to implement them. There are, however, no clear guidelines as to how the DDC should select the specific implementation agency nor how it should choose between different NGO proposals (DAC, 1996). In both NGO- and DDC-initiated projects the actual implementation phases are very similar.

With regional offices now in place in all of Austria's priority countries, much of the project cycle management is expected to be decentralised in the next few years (BMaA, 1996). Most projects are now required to have an environmental impact assessment (Pilz, 1996).

Figure 4: Thematic distribution of Rain Forest Initiative projects



(Source: Anon, n.d.)

Similarly, there is an attempt to assess all projects with respect to their impact on and importance for women (BMaA, 1995).

8. REVIEWS AND PROJECT PROFILES

The Division for Evaluation, Inspection and Control of projects was established in the DDC in 1989. Lack of staff and resources means that this division mainly fulfils the task of an audit bureau rather than evaluating development instruments or projects/programmes. It is also only responsible for those activities carried out by the DDC. There has, therefore, been no evaluation of concessional export credits, multilateral aid or aid to refugees in Austria. Most evaluations to date have been project-related, although efforts are under way to evaluate country programmes and institutions (DAC, 1996).

Evaluations aim to assess projects and programmes in relation to their relevance, effectiveness, efficiency, impact and sustainability. An annual programme of evaluations is planned according to the following criteria:

- to evaluate and support strategic work of the DDC, particularly concerning programme development, decentralisation and contracting out;

- to promote the development of uniform quality standards;
- to gradually evaluate all essential aspects of Austrian development co-operation from sectors to regions, and type and phasing of activities;
- to give more emphasis to evaluations of programmes and cross-cutting themes (BMaA, 1996).

Although there has as yet been no formal evaluation of the projects funded under Austria's Rain Forest Initiative, several lessons have been learned from this interesting experience (Weingärtner, pers. comm., 1996). Generally speaking, the projects dealing with indigenous people seem to have been successful, with several areas of land being demarcated and indigenous people being helped to gain access to more solid legal rights. The many projects concerned with non-timber forest products, on the other hand, did not live up to the hopes of the implementing NGOs. In part this was because existing markets for such products were already fully exploited and new markets difficult to create, and also because for many people agriculture was the preferred source of livelihood. An important lesson learned from the two ecotourism projects was that successful ecotourism requires a relatively long build-up of socio-cultural activities to avoid corruption and ensure community-wide ownership.

Overall the Rain Forest Initiative has re-emphasised

Box 1 Brazil: diversifying incomes for indigenous people

Typical of the indigenous focus of Austria's Rain Forest Initiative is its support to the Indian Research Centre in São Paulo. The Centre works directly with Indian communities, providing advice and experience, and carrying out publicity work to inform the Brazilian and international public about Indian issues. One example of such a project is the Centre's work with the Ashaninka community on the Rio Armônia who are looking for new ways to safeguard their livelihoods. In the past many Ashaninka worked for commercial timber companies – often an unhappy experience. Now that their rights to their territory have been legally secured they are trying to make a living from agriculture but this has proved difficult, owing to the distance from the nearest markets. Instead, they are beginning to achieve some success in marketing traditional necklaces made from local seeds.

Another new opportunity for earning an income lies in the collection of plants for the extraction of essential oils for industry. 52 plants have currently been tested, of which five are already used commercially. The project is a complex one involving the scientific training of Indian colleagues at the Universities of Campinas and São Paulo, and collection of plants (particularly those with oil-rich seeds) in the Ashaninka villages, which requires not only the development of specialist collection techniques but also methods of storage and conservation. And this is only the beginning; the difficult phase of processing and marketing is still to come and will require continued dialogue to ensure the support of all members of the community.

(Pilz, 1996)

Box 2 Bhutan: sustainable forestry in steep terrain

The dense fir forests of Bhutan's Himalayan region are the site of an Austrian-supported project which has for several years now been investigating the possibility of achieving sustainable timber exploitation. The project is a collaboration between the Government of Bhutan, experts from the Agricultural University in Vienna, an Austrian consulting company and an Austrian NGO. Located at an altitude of 3,500 to 4,000m, the forest belongs to the state but local communities can exercise certain traditional rights such as collecting fuel or construction materials and grazing their yaks. The forest's undergrowth of rhododendrons and bamboo also provides an important environment for a number of rare animals such as the red panda and the tiger.

The project area covers 10,000 ha and two villages. Early work has concentrated on training local staff in ecologically friendly road-building techniques, and researching methods of sustainable use of the apparent wealth of timber in the area, both subjects which benefit from Austria's domestic experience of implementing forest management in steep, mountainous environments. Research is being undertaken to combat the soil fungus with which even young trees have been found to be infected, causing damage to the roots and spoiling the timber. Further research has shown that regeneration is light-dependent and can be successfully achieved by creating small canopy clearings rather than planting. Certain areas and corridors have been identified as protection forest to secure the habitats of wild animals. The next project phase will determine whether sustainable timber exploitation is possible, examining not only the technical requirements but also the socio-economic aspects, such as the impact on traditional use rights of selling licences to private timber exploiters.

(Pilz, 1996; Stachel, pers. comm., 1996)

the point that quality and sustainability of projects can be better assured through co-operation with priority countries in which longer-term programmes can be responsive to needs and incorporate forestry activities only when it appears appropriate to do so.

9. CONCLUSION

Tropical forestry has not been a major part of Austria's normal programme of development co-operation. The period 1993–5 was an exception when a special Rain Forest Initiative funded 36 projects around the world. The range of projects funded underlines Austria's commitment to the rights of indigenous people and its interest in supporting small-scale projects. The experience of the initiative confirmed the desirability of the current trend in Austrian aid to move towards longer-term programming with a selected number of countries and in a few key sectors. In the future, therefore, forestry projects should be funded only if they respond to specific sectoral needs of a priority country.

There are perhaps two main areas in which Austrian forestry expertise has a potential comparative advantage. One is the development of ecologically sound small-scale timber utilisation and extraction methods for steep terrain, as over 40% of Austria's own production forest is on slopes of over 40% (Siegel, n.d.). The other is the field of forestry legislation and planning, learning from the sophisticated system of integrated forestry and land-use planning in place in Austria.

Austria's early experience of legislative attempts in the field of timber certification gave an important impetus to international discussions and collaborative research on defining criteria and indicators for sustainable forest management. Austria's recent entry to the EU may provide it with another forum to influence the international forestry debate.

REFERENCES

- Anon (No date) 'Österreichische Nationalinitiative Wald – III. Welt, Stand Ende 1995' (Austrian National Initiative on Third World Forests: Status at end 1995). Unpublished project list.
- BKA (No date) *Die öffentliche Entwicklungszusammenarbeit Österreichs: Projekte der Technischen Hilfe 1991/92* (Austria's public development co-operation: technical assistance projects 1991/92). BKA, Vienna.
- BKA (1993) *Projekte der Österreichischen Technischen Hilfe 1992 – Kurzbeschreibungen* (Austrian technical assistance projects 1992 – summaries). BKA, Vienna.
- BKA (1994) *Projekte der Österreichischen Technischen Hilfe 1994 – Kurzbeschreibungen* (Austrian technical assistance projects 1994 – summaries). BKA, Vienna.
- BMAA (No date a) *Eine Welt für Alle – Leitfaden zur Kofinanzierung von Initiativen im Rahmen der Österreichischen Entwicklungszusammenarbeit* (One World for all – Information leaflet on cofinancing of NGO initiatives in the context of Austrian development co-operation). BMAA, Vienna.
- BMAA (No date b) *Eine Welt für Alle – Österreichische Entwicklungszusammenarbeit* (One World for all – Information leaflet on Austrian development co-operation). BMAA, Vienna.
- BMAA (1995) *Dreijahresprogramm der Österreichischen Entwicklungszusammenarbeit 1996 bis 1998: Fortschreibung* (Three-year programme of Austrian Development Co-operation, 1996–1998). BMAA, Vienna.
- BMAA (1996) *Dreijahresprogramm der Österreichischen Entwicklungszusammenarbeit 1997 bis 1999: Fortschreibung* (Three-year programme of Austrian Development Co-operation, 1997–1999). BMAA, Vienna.
- BMLF (1995a) *Österreichischer Waldbericht 1994* (Austrian Forest Report 1994). BMLF, Vienna.
- BMLF (1995b) *The Forest – the Green Core of Austria*. BMLF, Vienna.
- DAC (1996) Development Co-operation Review Series: Austria. Development Assistance Committee, OECD, Paris.
- Ederer, B. (No date) Österreichs Entwicklungszusammenarbeit (Austria's development co-operation). Article in *The Courier*, Brussels, reprinted in a collection of State Secretary Ederer's speeches and articles put out by the BKA, Vienna.
- Kuusela, K. (1994) *Forest Resources in Europe 1950–1990*. Cambridge University Press, Cambridge.
- Pilz, B. (1996) *Eine Welt für Alle: Handeln mit Perspektive. Die Österreichische Entwicklungszusammenarbeit*. (One world for all – Action with a vision. Austrian development co-operation). BMAA, Vienna.
- Siegel, G. (No date) 'Forestry in Austria'. Unpublished manuscript.
- Siegel, G. (1995) 'Draft Austria Country Report for the Commission on Sustainable Development 3'. Unpublished manuscript.

KEY CONTACTS

Department for Development Co-operation
Federal Ministry for Foreign Affairs
Minoritenplatz 9
A-1014 Vienna
Tel +43 1 531 1115 4486
Fax +43 1 531 85 272

Bundesministerium für Land- und Forstwirtschaft
(Federal Ministry of Agriculture and Forestry)
Sektion V (Forestry)
Ferdinandstraße 4
A-1020 Vienna
Tel +43 1 21323
Fax +43 1 21323 7216

Umweltbundesamt (Federal Environment Agency)
Abteilung Wald (Forestry Division)
Spittelauer Lände 5
A-1090 Vienna
Tel +43 1 31304
Fax +43 1 31304 5400

ACRONYMS

BMAA	Bundesministerium für auswärtige Angelegenheiten (Federal Ministry of Foreign Affairs)
BMK	Bundeskanzleramt (Chancellor's Office)
BMLF	Bundesministerium für Land- und Forstwirtschaft (Federal Ministry of Agriculture and Forestry)
DAC	Development Assistance Committee of the OECD
DDC	Department of Development Co-operation
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FSC	Forest Stewardship Council
GNP	Gross National Product
NGO	Non-Governmental Organisation
oda	official development assistance
OECD	Organisation for Economic Co-operation and Development
Sch	Austrian shillings
UNCED	United Nations Conference on Environment and Development

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Mr. Josef Hackl (*Umweltbundesamt*), Mr. Günther Siegel (BMLF), Mr. Günther Stachel (DDC), Mr. Sepp Weingärtner (DDC Environment adviser).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to Sch 12.75.

Belgium

Philippe Veron, Michèle Federspiel and Gill Shepherd

Contents

1.	DOMESTIC FORESTS AND FORESTRY	133
1.1	Brief history of forestry in Belgium	133
1.2	The timber sector	133
1.3	Present forest structure	133
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	134
2.1	Introduction	134
2.2	Forest research in the colonial period	134
2.3	The colonial forest service	135
2.4	Logging operations	135
2.5	The National Parks	135
2.6	Post independence	135
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY	135
3.1	History of the process of federalisation	135
3.2	Federal, regional and community competencies	136
3.3	Organisation of the aid programme	136
3.4	Bilateral aid	136
3.5	Multilateral aid	138
3.6	NGOs	138
3.7	Other ministries and federal institutions active in the tropical forest sector	138
3.8	Regional institutions	138
4.	DEVELOPMENT ASSISTANCE STRATEGY	139
4.1	Background	139
4.2	Bilateral co-operation	139
4.3	Co-operation through NGOs	139
4.4	Multilateral co-operation	139
4.5	Co-operation programme with the private sector	140
4.6	Impact of international conferences	140
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	140
5.1	Regional distribution of projects	140
5.2	Favoured sectors for current co-operation	141
5.3	Regional distribution of forestry projects	141
5.4	NGOs	142
5.5	Multilateral co-operation projects	142
6.	RESEARCH AND TRAINING	142
7.	PROJECT CYCLE MANAGEMENT	143
7.1	The stages of the PIPO method	143
7.2	Application of PIPO	143
7.3	Project evaluation	143
8.	PROJECT PROFILES	144
8.1	Bilateral co-operation: an example from Peru (Cajamarca)	144
9.	CONCLUSIONS AND TRENDS	144
	REFERENCES	145
	KEY CONTACTS	145
	ACRONYMS	146
	ACKNOWLEDGEMENTS	146

1. DOMESTIC FORESTS AND FORESTRY

1.1 Brief history of forestry in Belgium

Two thousand years ago, most of Belgium was covered by natural forest. The main formations were the oak and birch woods which covered la Campine, the Atlantic oak forests of Central Belgium, and the hornbeam, oak and beech forests of Upper Belgium. First the Gauls cleared patches of forest to practise cultivation and animal husbandry, then the Romans built roads through the forests and made it more accessible.

In the Middle Ages major areas of forest were cleared by Cistercian monks and by feudal lords and princes. At this time the first towns appeared. As the population increased, the cultivated areas were extended and the forest further cleared. This process began earliest in Flanders in the tenth and eleventh centuries, when trade and industry began to develop. The remoter, more mountainous Ardennes, on the other hand, remained a thickly wooded agricultural region throughout the Middle Ages. It was in the thirteenth century that the first communal forests appeared, with specified rights for local people. These included pannage (the herding of pigs), grazing for horses and horned animals, the right to cut firewood, the right to clear forest land for temporary cultivation, the right to extract oak bark for tannin, the use of timber for building and carpentry, and the right to extract organic material from the forest for use on the fields, or as bedding for livestock.

By the sixteenth century, the metallurgical industry was pressing hard on the forest for charcoal to keep the forges going, and charcoal-burners began to be blamed for deforestation. As a result, a detailed Forest Edict on Woodlands and Forests was promulgated in 1617 – a remarkable forest code for the time. It specifically forbade the creation of new forges, but was not able to enforce compliance.

In the eighteenth century, degradation of the forests increased, partly as the result of a regulation dating from 1754 which reduced from 60 to 30 years the age at which trees could be felled. As a result, the vast majority of forests consisted only of coppice with standards by the end of the century. In Flanders, these were composed of oak, alder, poplar, aspen and willow, and in the rest of the country oak, beech, hornbeam and white woods such as ash, maple, elm and lime.

Metallurgy maintained its importance, but from the beginning of the nineteenth century it relocated progressively to coal mining areas. By the middle of the century, as a result, people were beginning to question the economic role of forests by contrast with agriculture, and deforestation rates increased. Despite this, more than 400,000 ha of forest (mainly coppice) were still in place at mid-century.

The trend was reversed only in 1847, when a law was passed relating to land clearance and deforestation, and the state began to encourage reforestation, providing subsidies to communities and individuals for tree planting. Tree cover began to increase again, and the total forest area grew from 435,000 ha in 1866 to 613,800 ha in 1970. An examination of the systems shows that the deciduous high forest area more than

doubled over this period, essentially through the conversion of coppice.

1.2 The timber sector

At the time of the last official census in 1970, the forest covered 613,800 ha, of which 53% was deciduous and 47% coniferous. However, according to a study carried out in the early 1980s (Rondeux, 1980–84), the forest was more widespread and covered 657,500 ha (22.3% of the country). Most of the forest (about 82%) is in the Walloon region. In the deciduous forest the main species are beech, chestnut oak and pedunculate oak followed by other valuable deciduous species such as wild cherry, ash, maple and birch. Spruce represents 85% of the conifers, although in more recent plantations the trend is for diversification with Douglas fir and Japanese larch.

The standing volume of the Belgian forest estate is estimated at 75 million m³, – a density of 120 m³ per hectare on average, together with the poplars outside the forest. Annual production in 1990 and 1991 was 5,270,000 and 4,490,000 m³, i.e. considerably more than 6 to 8 m³ per ha per year. These figures, among the highest in the world, demonstrate the very high productivity of Belgian silviculture.

Production from Belgian forests is on the increase, and in 1991 covered more than 60% of consumption. Most of the imported temperate deciduous timber comes from France and North America; imported tropical deciduous timber originates in South-East Asia (principally Malaysia) and Africa. Imported coniferous timber comes from northern Europe (Germany, Finland, Russia, and Sweden) and from Portugal, Canada, the United States and Chile. Exports are mainly to European Union countries.

Although most of the Belgian forest is located in the Walloon region, it is in the Flemish region that most of the timber-processing plants are located. The added value of the timber sector was BEF 52 billion in 1980, or 1.7% of GDP. In 1987, the added value was estimated at approximately BEF 100 billion.

1.3. Present forest structure

Belgian forests are divided more or less equally between private and public owners. The public forest includes national forests, communal forests (three-quarters of the public forest) and State plantations. All these are subject to the Forest Code of 1854, and subsequent laws and decrees, which lay down the rules governing the administration and supervision of forests. The Code has supported a very competent forest administration, which was regionalised in 1990.

The major differences in the way the Code is applied in the two regions stem from the fact that not only is the forest area in Flanders smaller than that in the Walloon region, but most of it (70%) belongs to private owners. Het Bosdekreet (the Forest Code in Flanders) is notably more restrictive with regard to felling and obliges private owners of more than 5 ha to implement a management plan for their plots. In the Walloon region, private forests are subject to very few regulations. However, they benefit from subsidies to encourage both natural and artificial regeneration of deciduous and conifer species and afforestation of agricultural land. The Walloon region has adopted the principles defined

by the 10th World Forest Congress (1991) and the 1992 Rio and 1994 Helsinki conferences, and intends to continue to manage the forest sustainably and to emphasise the protection, conservation and biodiversity aspects of management. The establishment of simple management plans is being studied and will probably be integrated, by the granting of subsidies, with the other measures applicable to privately owned Walloon forest.

One important feature of the private forest is its division into small holdings. There are more than 120,000 private owners, 80% of whom own less than 2 ha, and only 1.5% of whom have more than 50 ha (representing 45% of private forest). Numerous private owners are grouped together in the Royal Forestry Society of Belgium, (*Société Royale Forestière de Belgique; Koninklijke Belgische Bosbouwmaatschappij*), founded in 1893. This organisation defends their interests both with regard to national bodies and on the Central Committee for the Private Forest (CCPF) a consultative organisation recognised by the European Union (Administration des Eaux & Forêts, 1958; Auteurs Divers, 1985; Bary-Lenger *et al*, 1992; Vertriest, 1990; Ministère de la Région Wallonne, 1996).

2 HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY¹

2.1 Introduction

The history of Belgian forestry is closely linked to that of the former Belgian colonies. In 1908 the independent state of the Congo became the colony of the Belgian Congo (and at independence in 1960, Zaire). In 1923 Belgium received a mandate from the League of Nations to administer the twin territories of Rwanda-Burundi², a German colony acquired after the 1914–18 war, which at independence became the two states of Rwanda and Burundi.

2.2 Forest research in the colonial period

The years from 1908 to 1914 were devoted to developing Belgian colonial policy and establishing new institutions. In 1910, a General Administration for Agriculture was established within the Ministry of the Colonies. From 1914 to the end of the 1920s, it was essentially the agricultural sector that was developed. The National Institute for Agronomic Studies of the Belgian Congo (INEAC) was created in 1933, its activities also extending to Rwanda and Burundi. Since forests offered considerable economic potential, INEAC established a forest division in 1935, in the Scientific Section of the Yangambi Research Centre located in the Upper Congo region, and then rapidly extended its activities to other regions. For instance, in 1940 the forest station of Luki, located in the region of the Lower Congo, was established. During World War II work and inventories continued and in 1948 the production of a Flora of Congo-Rwanda-Burundi began (Jardin Botanique de l'Etat, 1963). Throughout the war, the local

forest species (*Entandrophragma spp*, *Terminalia superba*, *Cleistopholis glauca*, *Alstonia boonei*, *Podocarpus sp*, *Chlorophora excelsa*, *Pterocarpus soyauxii*, *Khaya sp*, etc.) and exotic species (such as *Pinus spp*, *Eucalyptus spp*, *Acacia spp*, *Callitris spp*, *Grevillea robusta*) thought likely to have a significant economic future were planted and studied under various ecological conditions. Based on the continuity of these observations, silvicultural trials were able to be undertaken from 1946 onwards. The major concerns were environmental protection, soil conservation, protection of forest cover, measures against deforestation and fire-fighting.

In the Belgian Congo, the 1950–59 ten-year plan covered five areas:

1. determination of allowable cut in production forests, regulation of logging activities, perfection of methods of management, enrichment and plantation;
2. trials of new species; improving the profitability of, and diversifying, industrial production (e.g. veneers and plywood);
3. export promotion for timber products;
4. reforestation for firewood;
5. establishment of forest reserves, protection of savannah³, and protection of the forests.

In Rwanda-Burundi, the 1950–59 ten-year plan focused on protection of the upland forests and the establishment of new production forests. In fact, few forests remained and demographic pressure threatened to destroy what was left. By the end of 1959, remaining totals were assessed at 40,000 ha of managed forests, 24,000 ha of afforested areas for production of firewood, 300,000 ha of protected savannah, plus 11,000 ha of afforestation for soil conservation.

Numerous management techniques were tested in three types of silvicultural treatments:

- enrichment planting, using the method of enrichment in dense stands (Anderson method). This method was intended to enrich the natural forest by the establishment of dense nuclei of valuable species in which seedlings were given the chance to grow rapidly with little competition. The intention was that, by the time they came to interact with the natural environment, they would already be large enough to compete successfully;
- progressive evolution of the forest towards a less heterogeneous composition, using the Belgian method of standardisation by height. This method attempted to favour the middle age-classes of the best-represented valuable species by eliminating species with no commercial value, and also by simultaneous intervention in all forest layers. The final goal was to eliminate the largest-diameter stems (apart from those with commercial potential); to maintain a cover of medium-diameter stems rich in desirable species, and to improve light at ground level with a view to encouraging regeneration;
- radical modification of mixed stands into pure stands.

1. Most of the information in this section has been extracted from Drachoussoff *et al* (1991).

2. Actually known as Ruanda-Urundi in the colonial period.

3. Through creation of fire-breaks and encouragement of fire-resistant species.

From 1955 onwards, the older style of arboretum research, which had been to conduct studies of species of potential commercial interest, was progressively replaced by shorter-term comparative trials, conducted in a limited area. These studied the development of a large number of species until they reached the height of 4 metres, the aim being to provide detailed information on growth rates of young trees, on crown diameter, and on susceptibility to pests (Donis and Maudoux, 1951; Lebrun and Gilbert, 1954; Donis, 1956; INEAC, 1961).

2.3 The colonial forest service

A Water and Forests Service was established in the Belgian Congo in 1945. From then on, each province had a forest engineer whose task was to make an assessment of his province, and define forest policy there. In particular, he was asked to establish 'forest operations regions' and to initiate a management programme specific to each, as soon as possible. Strengthening the resources of the Forest Service in this way, made it possible to monitor logging operations more closely and to encourage the establishment of a modern timber industry.

In Rwanda and Burundi, the population had been obliged since 1931 to take part in communal afforestation. Every year, each community had to carry out afforestation at a rate of 1 ha per 300 taxpayers, in order to produce much needed firewood and construction timber for its own needs (De Ligne, 1987).

2.4 Logging operations

A decree governing logging operations was adopted in 1912. The various ordinances which followed made it possible to increase production rapidly. Production rose from 143 m³ of logs and sawn timber exported in 1923, to 9,452 m³ of logs and 3,880 m³ of sawn timber in 1930. The prosperity of the 1920s encouraged private investment and the establishment of colonists. After World War II, all types of logging operations were to be found in the Belgian Congo – and to a lesser extent in Rwanda-Burundi – from modest semi-artisanal sawmills to large-scale operations completely equipped for logging, milling and processing (sawnwood, veneers and plywood). The Belgian authorities tried to encourage operators to maximise the modernisation of sawmills and the processing of logs. In this way the Belgian Congo retained the largest possible proportion of the added value, anticipating current strategies of self-interested industrial development. The volume of logs felled in the colony reached 850,000 m³ in 1955. The production of sawnwood and veneers increased continuously as well, to 56,000 m³ in 1959. The export of logs and processed timber increased from 105,000 m³ tonnes in 1950 to 162,000 m³ in 1959.

2.5 The National Parks

Nature conservation was a major concern of the Belgian authorities. In 1925, the Albert National Park (now the Virunga National Park) was the first national park in Africa. In 1934, the Kagera National Park (in Rwanda) was established, followed by the Garamba National Park in 1938 and the Upemba National Park (now the Volcanoes National Park) in 1939. Management of these parks was the responsibility of the National Parks Institute of the Belgian Congo (IPNCB) created in 1934.

Throughout the period 1945–58 in addition to the 24,740 km² of National Parks, 21 Protected Areas (37,355 km²) and 22 Hunting Areas (54,700 km²) were set up. Conservation and research were the main priorities of the IPNCB; tourism occupied only third place. The national parks of the Belgian Congo were highly thought of and served as examples to many other parts of Africa.

2.6 Post independence

A second 10-year plan (1960–70) was published in January 1960. In terms of the forest, it envisaged the following programmes: an inventory of forest resources; enrichment of the existing forests for industrial timber and pulp for paper-making; reforestation of non-wooded land for purposes of production and/or conservation; and timber technology.

The independence of the Belgian Congo in 1960 and then of Rwanda and Burundi in 1962 did not allow this plan to be implemented. However, the research was partially continued by the National Institute for Studies in Agronomic Research (INERA) in Zaire, as well as by the two Institutes of Agronomic Sciences of Burundi (ISABU) and Rwanda (ISAR).

In Belgium, in 1962, the Development Co-operation Office, currently called the General Administration of Development Co-operation (AGCD), was established. Initially, co-operation focused on the former colonies, but it has subsequently diversified to other countries. For example, it funded two large forestry projects (in Cape Verde and Peru) in the 1970s.

3. STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY⁴

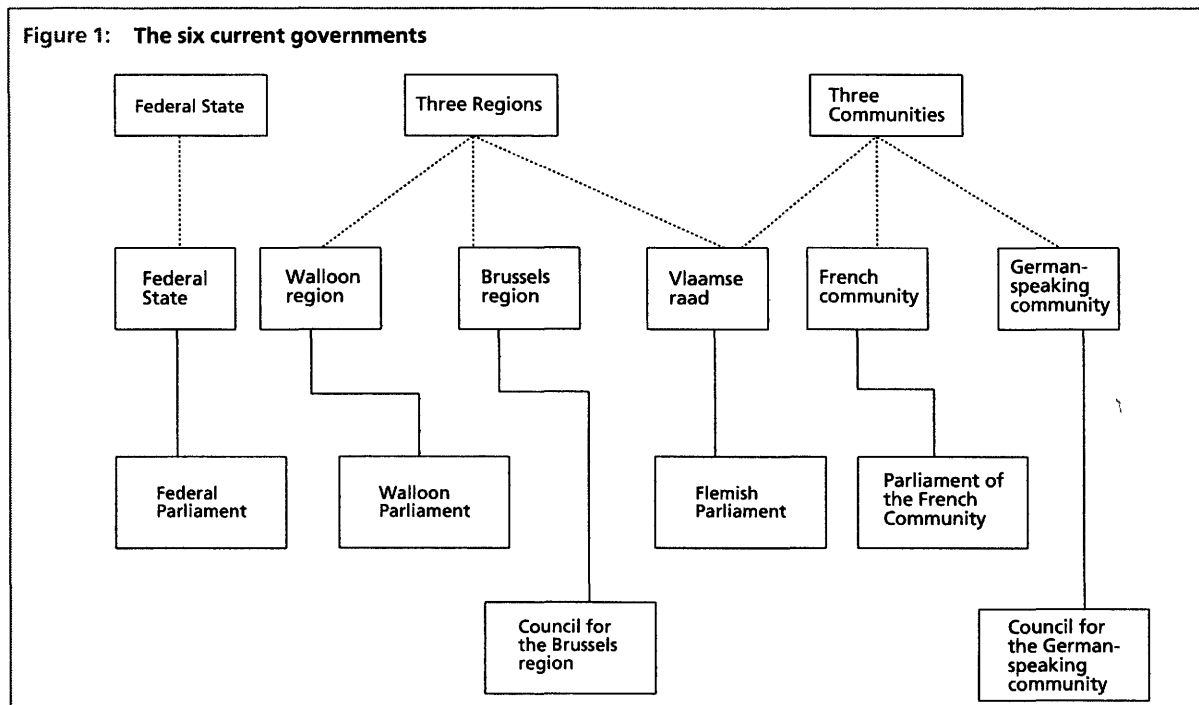
3.1 History of the process of federalisation

Belgium is a federal state consisting of three regions and three communities. This federal structure is the result of a progressive process, the basis for which was laid down in the 1970 reform which allowed three cultural communities to be recognised: the Flemish, the French, and the German-speaking community. Cultural councils were created at that time and authorised to issue decrees with the force of law. These have evolved into the Councils and Parliaments of the Communities.

The reform of 1980 recognised the principle of Regions. Like the communities in 1970, the regions acquired the right to issue decrees with the same validity as national law. However, only two regions were recognised: the Walloon region and the Flemish region. At this point the Flemish region and the Flemish community merged to form the Vlaamse raad. The reform of 1988–89 created a third region: that of Brussels itself. It also devolved certain state responsibilities to the regions and communities. Finally, the reform of 1992–3 put in place a process of direct election to the regional and community councils and parliaments. The 6 current governments are shown in Figure 1.

4. Except where otherwise indicated, sections 3,4,5,7 and 9 of this chapter are based on AGCD, (1990); AGCD, (1993); AGCD, (1994) and AGCD, (1996).

Figure 1: The six current governments



3.2. Federal, regional and community competencies

The federal state remains competent in a series of important areas, in particular development co-operation, monetary policy, justice, social security, foreign policy, some areas of employment, and a large part of public health, national defence and law and order. The regions are competent in the areas of land management, the environment, rural renovation and nature conservation, agriculture, housing, water policy, the economy, energy, some areas of employment policy and the organisation and exercise of supervision over the communes and provinces. The communities have authority in cultural matters and education.

3.3. Organisation of the aid programme

The organogram in Figure 2 shows the decision-making process for Belgian development aid. This aid amounted to BEF 30.4 billion in 1995 (0.38% of GDP). The Secretary of State for Development Co-operation has declared the intention of reaching the 0.7% of GDP UN target by the year 2000 or shortly thereafter and stated that net official development assistance disbursements will increase significantly from 1998 (OECD, 1997: 130). Figures 3 and 4 indicate the picture for 1985-95.

Co-operation between the different departments (Foreign Affairs, Foreign Trade, Finance, Agriculture, etc.) is organised within the Inter-departmental Working Group for Development Co-operation (GTICD), presided over by the Secretary of State for Development Co-operation. Virtually all (as much as 95%) of Belgian activity in tropical forestry comes under the Office of the Secretary of State for Development Co-operation, currently Mr Reginald Moreels, who is also assistant to the Office of the Prime Minister. The General Administration for Development Co-operation (Administration Générale de la Coopération au Développement, AGCD, or *Algemeen bestuur van de ontwikkelings samenwerking*, ABOS) also comes under the Secretary of State.

The organisation chart for the AGCD (Figure 5) is a combination of an earlier one which dates from the reform of the AGCD in 1992, and a later one incorporating modifications adopted in January 1997. A key change is that the old terms – bilateral, indirect bilateral and multilateral co-operation respectively – become governmental co-operation, non-governmental co-operation and international co-operation. To this chart should be added the presence of the Co-operation Sections attached to Belgian embassies (in over 30 countries in 1995). These Co-operation Sections are an integral part of the AGCD, but they are dependent on the embassies which alone are authorised to sign documents in Belgium's name. Their role is essentially to provide follow-up on projects financed or co-financed by Belgium.

Among the major changes to the structure of the AGCD, the following should be noted:

- (i) the combination of two 'Direct Bilateral Aid Administrations' into the single 'Governmental Co-operation', and the reduction in the number of geographical departments which will henceforth be centred only on the countries with programmes;
- (ii) a new form of collaboration between the country desk officers and the sector specialists (5 sectors);
- (iii) the establishment of an 'Evaluation Section' which formalises the increasing interest in evaluating actions undertaken.

3.4 Bilateral aid

The structure of bilateral aid in the AGCD is not sectoral but geographical, which means, for example, that the Central Africa Department looks after all the activities undertaken in this region, whatever the sector (health, agronomy, education and training, support for democratisation etc). Each geographical department therefore includes project managers who are qualified in different sectors. Ideally each department should

Figure 2: Organogram showing the decision-making process for Belgian development aid

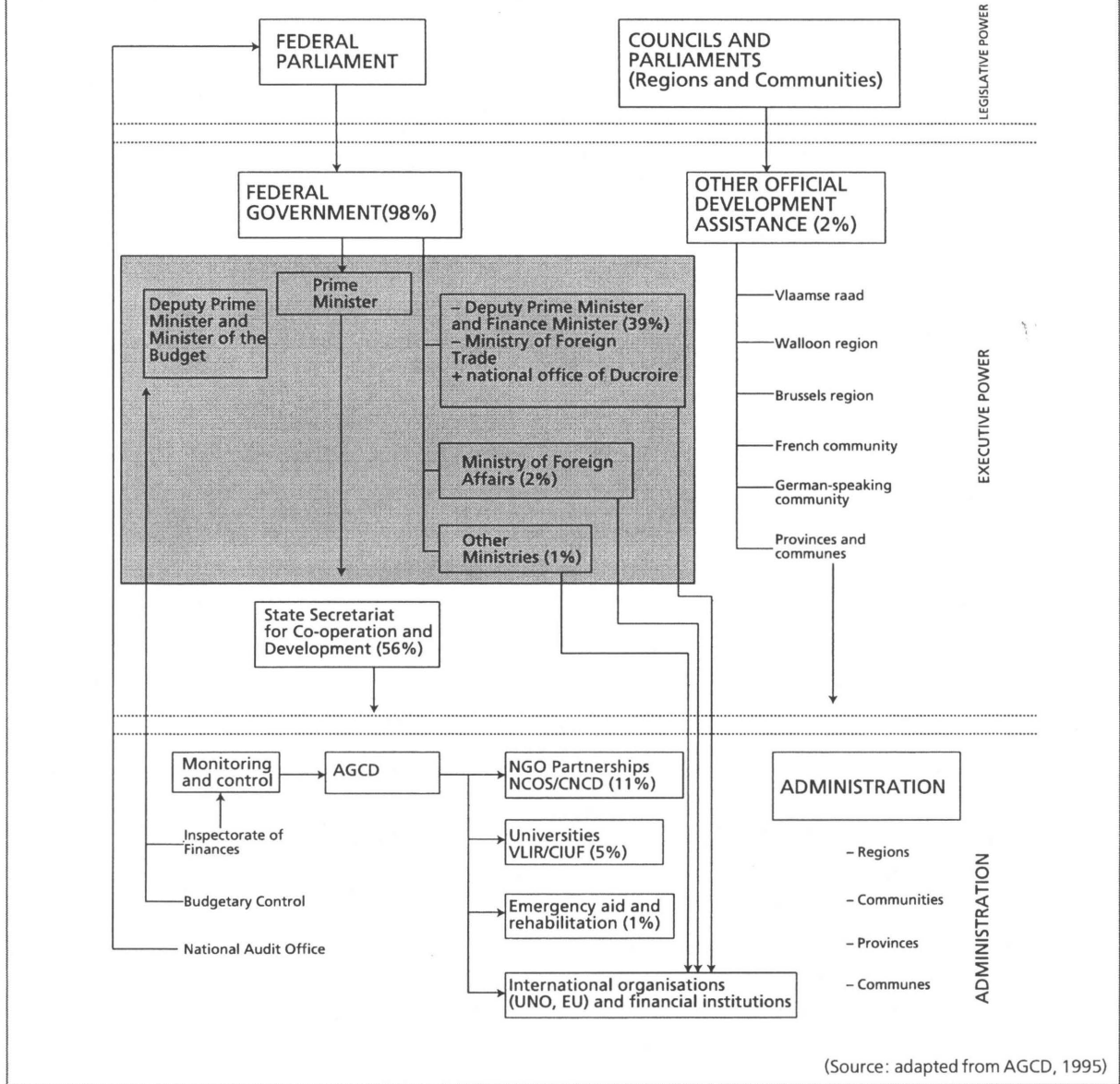


Figure 3: Net disbursements at 1994 prices

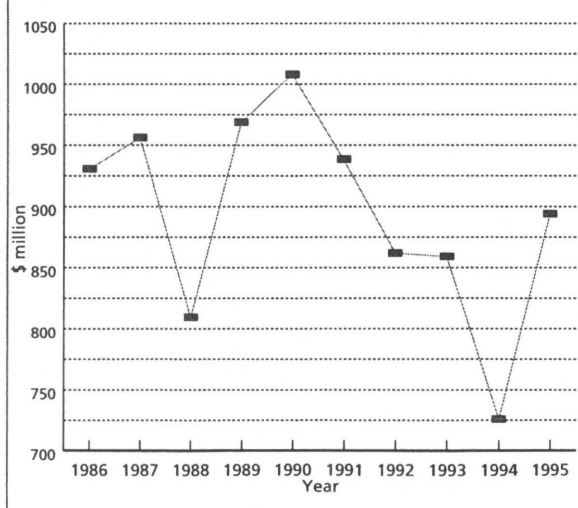
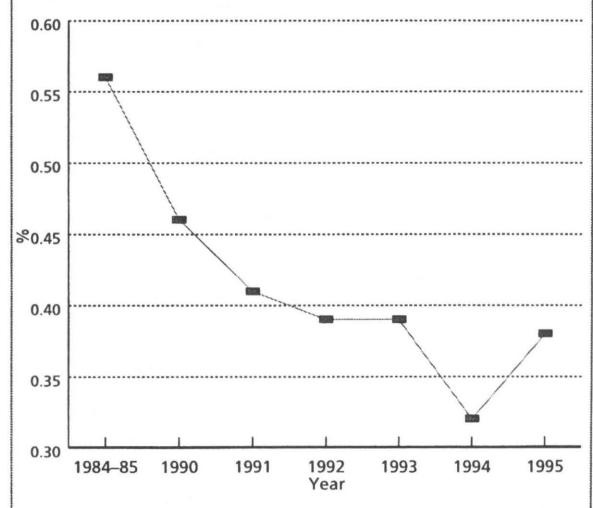
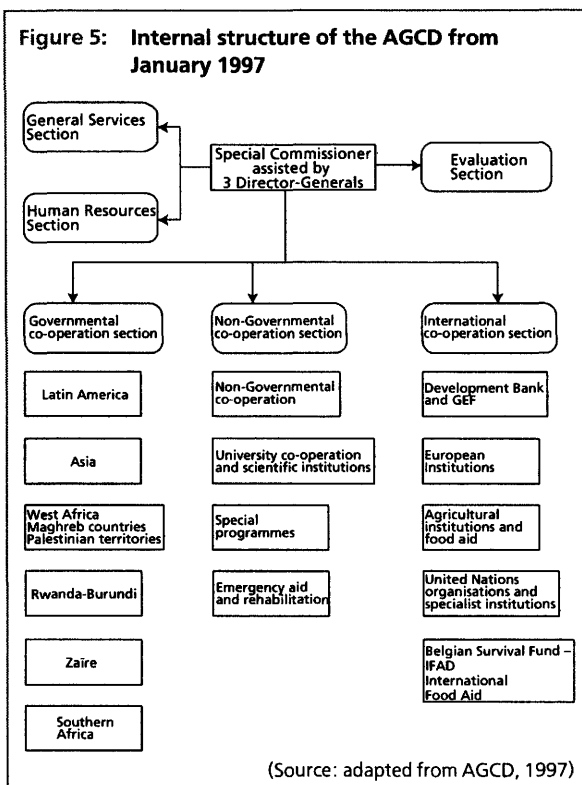


Figure 4: Aid: GNP

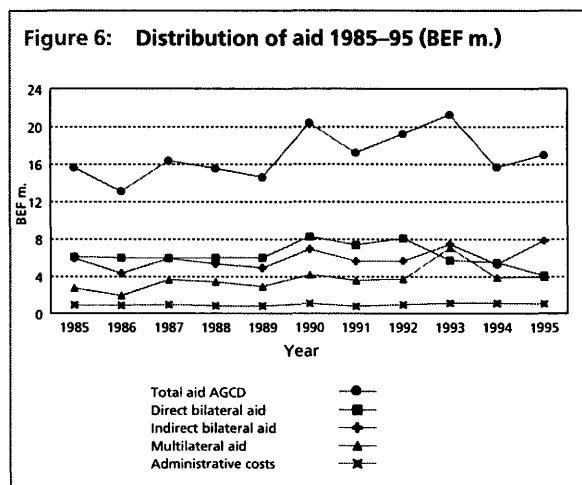




include specialists covering all areas, but unfortunately this is not yet always the case. Tropical forestry is not considered a separate sector but is included in the broader sector of agriculture. There is no designated agency that looks after the implementation of AGCD projects.

3.5 Multilateral aid

The AGCD currently supports about 40 international organisations (such as FAO, UNDP, UNEP, WFP, etc). As far as Belgium's contribution to the FAO is concerned, Belgium participates both in the 'ordinary programme', the obligatory contribution to which is provided by the Ministry of Foreign Affairs, and in its 'field programme', the voluntary contribution to which is provided by the AGCD. The AGCD is currently financing 3 forestry or agroforestry projects within the framework of this programme.



3.6 NGOs

NGOs that request co-financing of their activities must first be recognised by the AGCD. The latter currently recognises about 100 NGOs. These NGOs are also obliged to be members of the NGO federations concerned with co-financing projects and sending out staff: COPROGRAM for the Flemish NGOs, ADO and CODEF for the francophone NGOs. The AGCD generally co-finances 75% of the total amount of an activity, the remaining 25% being provided by the NGO. However, of this 25%, 10% may be provided by the NGO's local partner.

In order to obtain sufficient funds, a number of NGOs have joined two organisations: the National Centre for Development Co-operation (CNCD) for the francophone NGOs and the *National Centrum voor Ontwikkelingssamenwerking* (NCOS) for the Flemish NGOs. These two associations, at the national level, organised Operation 11.11.11⁵, which combines the donations from the Belgian public for development projects. The sums collected by each of these two organisations are then distributed among the NGO members on the basis of the projects they have submitted and which have been selected by the CNCD. The projects are then submitted to the AGCD for co-financing (*Ministère des affaires étrangères, du commerce extérieur et de la coopération au développement*, 1995).

3.7 Other ministries and federal institutions active in the tropical forest sector

Other ministries intervene in Belgian development aid but they do not directly support actions in the forest sector. The Ministry of Finance, in particular, manages government to government loans (with the Ministry of Foreign Trade), part of the Belgian contribution to European development co-operation activities, and the contribution by Belgium to the World Bank and other Development Banks. The Ministry of Foreign Affairs financially supports various institutions and international bodies, in particular Belgium's obligatory contribution to FAO (BEF 133 m. in 1994) as well as an annual contribution of BEF 2 m. to the International Tropical Timber Organisation (ITTO).

3.8 Regional institutions

The Flemish region does not currently support any tropical forestry project. However, negotiations are in progress between AMINAL (Administration of the Environment, Nature and Land Management) and FAO on a project to combat deforestation in the tropics. The Walloon region's interest in tropical forestry is fairly recent but various initiatives have been undertaken. Contacts have been established between the Walloon Ministry of Agriculture and its Chilean counterpart on the identification of research. Other identification missions have also been carried out in Burkina-Faso, Haiti (December 1996) and Equatorial Guinea. The Walloon region often works in collaboration with research organisations and universities to

5. Operation 11.11.11 was established in 1965; the figures mean that the operation began on 11th November at 11a.m., a date chosen to commemorate the armistice of the 1914-18 War.

despatch experts to field locations. The budget for all these projects relating to the environment is approximately BEF 6 m. The Walloon region is also attempting to promote its know-how in the area of satellite imaging.

4. DEVELOPMENT ASSISTANCE STRATEGY

4.1. Background

There is no real policy in the forest sector at AGCD level. Notwithstanding a few large forest projects initiated at the end of the 1970s, forestry has never been an important sector for the AGCD. Moreover, the whole forestry sector is included in the broader sector of agriculture. There is no clear definition of what is considered to be part of the forestry sector and what is not. The structure of the AGCD (Figure 5) means that each department for bilateral, NGO or multilateral aid independently manages all its own projects and which projects fall or do not fall within the forest sector.

However, a database does exist where all the projects in which the AGCD has participated financially since 1986 are recorded. Each project is included in this database with a sector code, including the sub-sectors silviculture, department of water and forests, plant protection, inventory, conservation valorisation of the rural environment, forest, silvo-pastoral, and agro-silvo-pastoral resources etc., which all come under the Agricultural and Rural Development Sector. Project managers are free to classify their projects under the heading they consider most appropriate. Although all codes have been drawn up by the AGCD, they are not based on international codes (for example those of the OECD or FAO). The AGCD has virtually no policy for archiving its old projects. It has therefore proved very difficult to find documentation about completed or abandoned projects, especially as staff also change quickly, and the AGCD was restructured in 1992 and is now, once again undergoing structural reorganisation.

Many project managers are field staff recalled to Brussels for a two-year period only. It is thus sometimes difficult to ensure genuine monitoring of projects, and it is even more difficult to preserve any institutional memory of those executed previously.

4.2 Bilateral co-operation

Belgium's policy on development co-operation is closely linked to the various Secretaries of State who have been responsible for it. In principle, each occupies the post for a period of four years. At the time of the two Secretaries of State who preceded Mr Moreels (who took up his post in June 1995), the work of proposing and drawing up projects was carried out by the recipient country, and Belgium merely reserved the right to accept or reject projects based on the priorities of its overall aid policies, and then monitored them. The policy of the current Secretary of State is more active; more concrete proposals are put forward to the countries with which Belgium wishes to collaborate. The office of the Secretary of State also decides on the privileged sectors for Belgian co-operation. All projects which are drawn up by the AGCD (bilateral aid) or

which are financed wholly or in part by the AGCD (multilateral and NGO aid) must be submitted for the approval of the Secretary of State.

Within the framework of bilateral co-operation, a distinction is made between countries linked by a Memorandum of Understanding (MoU) with Belgium, and those not so linked. The MoUs are drawn up in the course of joint Commissions between Belgium and the partner country which take place in one or other of the two countries. When held in Belgium, these Commissions are chaired by the Belgian Ministry of Foreign Affairs and the Minister of Co-operation of the partner country. If they take place in the partner country, its Ministry of Foreign Affairs receives the Belgian Secretary of State for Development Co-operation. The leaders of the two delegations each present the priorities of their respective countries, in terms of co-operation, and the two delegations then negotiate the broad framework of co-operation in the key sectors, and the global budgets assigned to each sector. Project titles may even be defined at this point.

There are currently more than 15 countries linked to Belgium by an MoU, notably Bolivia, Ecuador, Burundi, Rwanda, Morocco, Niger, Cameroon, the Democratic Republic of Congo, Senegal, Tunisia, Côte d'Ivoire, Sri Lanka and Indonesia.

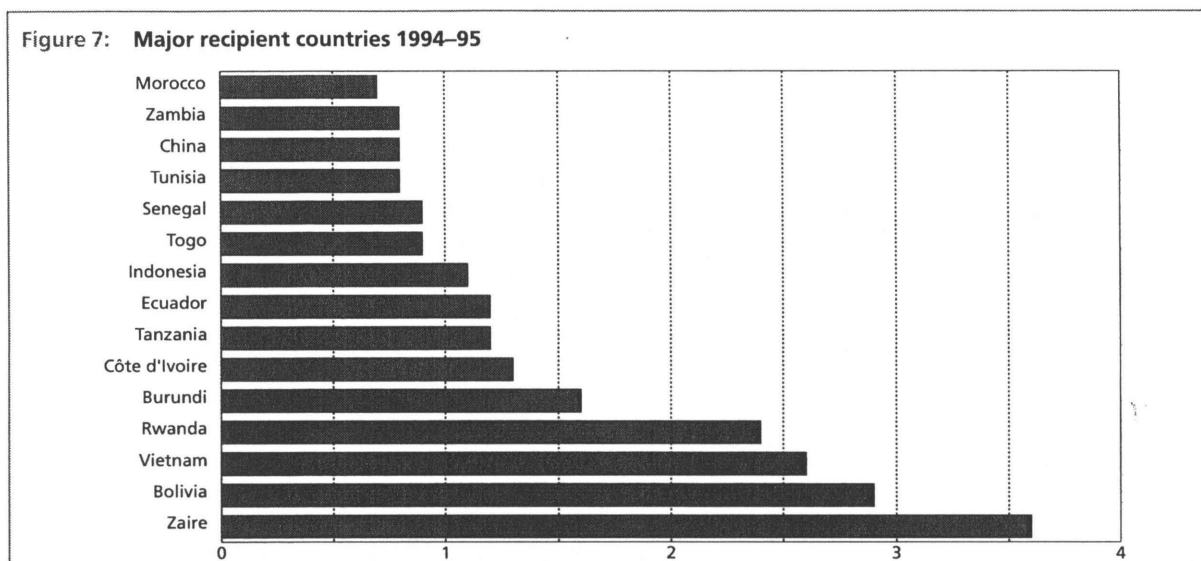
Co-operation with countries without an MoU is based on Belgium's experience of and affinities with these countries. Once the agreement in principle of the Office of the Secretary of State for Development Co-operation has been obtained on the major themes for co-operation, the various departments of the AGCD identify projects in collaboration with the partner country. Belgium is active in some 30 countries with which it has various types of arrangement. Among others, these countries include Burkina-Faso, Ethiopia, Gabon, Kenya, Tanzania, Togo, Zimbabwe, Peru, Surinam, Bangladesh, the Philippines, Vietnam, Laos, Cambodia, Thailand and China.

4.3 Co-operation through NGOs

The Secretary of State's policy is orientated towards closer collaboration with NGOs. This trend is probably a consequence of the greater flexibility and speed with which NGOs implement projects, whilst delays are often apparent within the framework of bilateral co-operation. Most NGOs work on multi-sectoral projects although a few (such as FADO, COOPIBO, etc) specialise in the agricultural sphere. The Flemish NGOs are more numerous and active overall than their Walloon colleagues and, therefore, present more proposals to the AGCD. At present there appears to be a desire on the part of the political authorities and the NGOs themselves to increase their professionalism. Discussions are also in progress to reduce the number of smaller less well-organised NGOs.

4.4 Multilateral co-operation

The current policy of the Secretary of State is orientated towards focusing Belgium's multilateral aid on fewer beneficiaries. The Belgian financial contribution in future will involve only 20 international organisations instead of the current 40 or so. Selection of organisations will initially be made on the basis of Belgium's sectoral priorities (FAO, CIFOR and ICRAF would be likely



candidates, for instance). A further consideration will be the possibility of its being able to gain a seat on the management committee of such organisations or bodies, in order to influence policy and choice of projects.

4.5. Co-operation programme with the private sector

The Secretary of State for Development Co-operation currently wants to put in place a Co-operation Programme for the Private Sector (PCSP), which is intended to establish co-operation between small and medium-sized enterprises of low-income countries and small and medium-sized Belgian enterprises. The aim of this programme is to support the creation and operation of small businesses in the low-income countries and to promote local employment. Negotiations must be initiated with Belgian financial institutions, which will be invited to participate in the project. This type of co-operation will probably not concern the forest sector.

4.6 Impact of international conferences

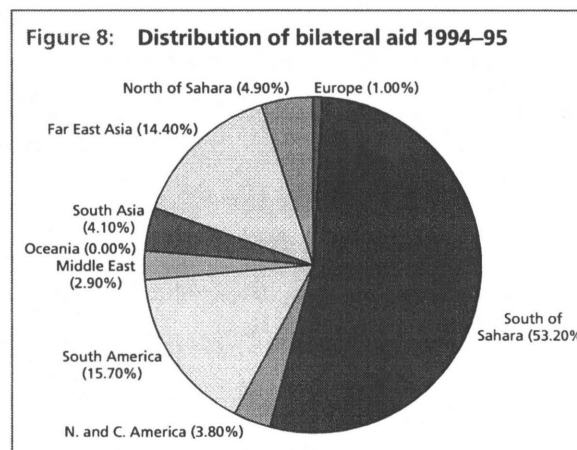
Nature conservation and sustainable development seem to be becoming more important concerns within Belgian co-operation and development projects. Thus, for example, a recent agreement concluded between Belgium and Burkina-Faso includes compliance with Agenda 21 in its preamble. Furthermore, the office of the Secretary of State wants to consult the 'National Council for Sustainable Development' (CNDD) more often, in order to implement a policy of sustainable development and the application of Agenda 21. The AGCD is also making a contribution to the Global Environment Facility (GEF) of BEF 1.1 billion for the period 1994–7. It is noteworthy, however, that the international conferences on the position of women have had distinctly more marked influence on the elaboration of new projects than have international Forestry and Environment Conferences.

5. REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

5.1 Regional distribution of projects

Africa has always been the favoured continent for Belgian aid, by virtue of the affinities and experience of Belgium in the Democratic Republic of Congo, Rwanda and Burundi (see Figures 7 and 8). However, following the events on the campus of Lubumbashi University, where several Zairean students were killed, official Belgian co-operation with Zaire ceased in 1990. Co-operation with Rwanda was also interrupted from June 1994 and with Burundi from June 1995. The percentage of Belgian aid going to Rwanda fell from 9% in 1970–71 to 2.4% in 1994–5 and to Burundi from 7.4% to 1.6% in the same period. The cessation of official co-operation with these countries was one of the major causes of the big drop in the number of Belgian aid workers, as shown in Table 1. To this must also be added the desire of the Belgian authorities to reduce the number of aid workers, in particular AGCD employees.

The current Secretary of State has defined new strategies in the area of development co-operation. Belgium will identify some 20 countries, called



geographical concentration countries, to which it will essentially limit its actions; Belgium is currently active in approximately 40 countries.

The choice of the concentration countries will be based on the following criteria:

- low income;
- mainly African in view of the traditional affinities and experience of Belgium in these countries;
- Belgian co-operation already has some experience;
- evidence of good financial management;
- countries clustered in the same geographical region, with comparable economic, social and cultural contexts;
- special attention will also be paid to countries in crisis with which Belgium has a certain affinity.

Within these countries, Belgium distinguishes between countries with programmes and countries with projects. The countries with programmes are those where Belgium undertakes to establish co-operation of a sustained character. In countries with projects, co-operation will be limited to one or two projects. The countries with programmes have already been identified and include the Democratic Republic of Congo, Rwanda, Burundi, Burkina-Faso, the Philippines, Bolivia. There is also a programme region – SADC (The Southern African Development Conference), encompassing several southern African countries, (Mozambique, Angola, Zimbabwe, South Africa, etc.). The 13–14 countries with projects have not yet all been defined but they will also be located close to the countries with programmes. Ecuador and Peru have already been identified in South America, the Mekong region (Vietnam, Laos and Cambodia) in Asia, as well as Kenya, Tanzania and Uganda in Eastern Africa.

5.2 Favoured sectors for current co-operation

The current Secretary of State has also defined five favoured sectors for co-operation:

- health care;
- education and training;
- agriculture and food security;
- basic infrastructure;
- governance and the rights of civil society.

An internal memo on policy strategy relating to the agricultural sector and to food security was drawn up in 1996 by the agronomists' group within the AGCD. It takes account of the orientation defined in the *Plan for the future of co-operation* published by the Secretary of State for Development Co-operation in October 1996. Actions in the agricultural sphere show that the new co-operation strategy is clearly orientated towards an integrated and multi-sectoral approach. Forestry appears as a tool for improving food security by ecological means (for example, preservation of soil fertility and natural resources).

The systematic evolution of forest sector activities since the 1970s has been from large reforestation projects in the period 1970–80, to agroforestry projects. The few current projects in which the forest sector is involved are integrated rural development projects, the components of which are orientated primarily towards

Table 1: Numbers of AGCD and NGO aid workers employed by AGCD, 1989–95

Year	Number of AGCD Aid Workers	Number of NGO Aid workers
1989	1,200	1,451
1991	601	976
1995	341	847

forest management in close collaboration with target groups (Vauron, 1992).

5.3 Regional distribution of forestry projects

Table 2 summarises the great majority of forest projects in which the AGCD has participated since 1986 (plus a few earlier projects). It is not exhaustive because of difficulties in finding data on all the completed projects and accurate information on those listed.

Table 2: AGCD forestry projects since 1986

Country	Duration	Funding level (in BEF m.)
Burundi	1986–94	64.96
	1992–93	7.75
	1988–90	?
	1969–87	190.00
	1986–94	51.82
Gabon	1994–97	48.00
	1996	10.00
Kenya	1997–2000	66.00
	1997–2000	20.00
Rwanda	1986–95	304.49
	1986–92	106.22
	1982–87	33.00
	1986–93	27.87
Zaire	1986–90	60.00
	1986–91	14.16
	1986–91	18.29
Ecuador	1982–89	92.00
Peru	1976–89	310.00
	1982–89	78.00
	1982–89	66.00
	1990–2001	('90–'94) 33.00
Surinam	1989–94	28.00
Malaysia	1986–89	12.00
Sri Lanka	1991–95	50.00
Thailand	1994	0.208

Table 3: Number and types of bilateral forestry projects

Type of project	Number of Projects
Reforestation	7
Forestry Research	6
Integrated Rural Devel. inc. forestry	5
Training projects	4
Management of Natural Resources/Forest	3
Total	25

Note that research and training projects represent 40% of all forest projects. Table 3 shows the types of bilateral forestry projects funded.

Of these 25 projects, 17 began before 1990 and for the time being only 3 are envisaged as running up to the year 2000. This indicates a trend towards fewer new forestry projects. The reforestation projects were carried out essentially between 1986 and 1990, whilst the forest management projects are more recent. The most important forest projects (in financial terms) were carried out in four countries (Zaire, Rwanda, Burundi, and Peru). New projects no longer benefit from as much finance as previously: 8 projects in the 1970s and 1980s had budgets in excess of BEF 60 m. whereas only one forest project started in the 1990s exceeds BEF 60 m. The new projects are also shorter, with an average duration of three years, although delays or extensions are possible. Following the recent events in the Democratic Republic of Congo, Rwanda and Burundi, the new African projects have moved to other countries such as Gabon or Kenya.

The current forest projects in which the AGCD is intervening, either bilaterally or multilaterally, are to be found in Gabon; Peru; China; Cambodia; Vietnam; Philippines; Indonesia; Kenya; Zimbabwe; Togo; Senegal; Guatemala and Bolivia.

5.4 NGOs

The list is not exhaustive, particularly for projects where there is a small forest component; only the projects in which the forest sector was important have been shown. Table 4 summarises these.

Most of the NGO projects are either integrated

Table 4: Types of NGO projects

Type of project	Number of Projects
Integrated Rural Devel. inc forestry or agroforestry	14
Tree-planting (anti-erosion, nursery projects etc)	9
Wood technology, carpentry	5
Management of Natural Resources/Forest	3
Forest Conservation	1
Total	32

projects (agro-silvo-pastoral or agroforestry) or tree-planting projects. There is no forest research and only one forest conservation project. The average duration of the projects is three years. Approximately 50% have a budget of less than BEF 10 m, and only 2 projects exceed BEF 25 m. There are few projects in the Democratic Republic of Congo (only 3), Rwanda and Burundi. Several NGO projects which were due to start in Zaire after 1990 have never begun and activities in progress at that time have often ceased.

No NGO specialises in forestry. There are few forestry projects because they need support over a long period, and represent a duration which is too long for most NGOs (a constraint also increasingly felt in bilateral aid projects). However, it is worth mentioning FADO which specialises in the agroforestry sector and mainly works in Asia.

When a project produces good results, it may be extended by a second phase. The NGOs almost always work with a local partner, which is normally retained if they carry out several actions in the same region. The activities of NGOs are currently orientated towards the sectors of human rights and support for trade union movements, etc., although the proportion of agricultural projects remains high. WWF, which is very active in the forest sector has no project in collaboration with the AGCD.

5.5 Multilateral co-operation projects

Virtually all of the multilateral forestry projects have been undertaken with FAO. The AGCD is currently financing 3 projects implemented by FAO, all in Asia (in Cambodia, China and Vietnam), the aims of which are centred on forest management and improvement. There is also a large FAO-AGCD project in Cape Verde, in which the AGCD has been participating for 15 years, with a total commitment of BEF 442 m.

Apart from these 4 projects there is little information on the activities financed by the AGCD during the period 1986-1991, when budgets were distinctly lower.

6. RESEARCH AND TRAINING

The universities take part in co-operation projects in several ways. First of all, they can submit their own projects to the AGCD under the Specific Initiatives of the Universities programme, or to the European Commission. They may also intervene as the executing agency for part of a direct bilateral aid project (e.g. a timber technology project in Surinam in which the University of Ghent took part); or certain professors may be dispatched on short-term missions as experts (for the AGCD, the Regions, the European Commission, etc). Since 1987, the AGCD has financed only three forest projects drawn up by the universities. Two Belgian universities (the Gembloux University Faculty of Agronomic Science and the Free University of Brussels) are participating in several European Union forestry and conservation projects in tropical Africa. They include projects on conservation and rational use of forest ecosystems; on the future of tropical forest peoples; on natural resource development, and a project on a comparative testing of biodiversity and relations between soil, plantlife and wildlife in Gabon (with the University of Rennes).

The university research programmes which are financed by the AGCD must go through the Inter-University Council of the French Community (CIUF) for the French-speaking universities and through its equivalent, the VLIR, for the Flemish universities. Projects selected are then submitted to the AGCD. Virtually all the subsidies for university tropical forestry research programmes come either from the AGCD via the CIUF and the VLIR or from the European Commission. The French community, however, awards study grants to foreign students via the 'General Commissariat for International Relations of the French Community of Belgium (CGRI)'. Grants awarded by the Flemish community all pass through the Flemish Association for development Co-operation and Technical Assistance (VVOB). The AGCD also pays study grants to foreign students.

The Forest Research Stations of Gembloux and Groedenadaal, which are dependent respectively on the Walloon and the Flemish regions, make available to the regions, the AGCD, the European Commission, FAO, etc experts for missions within the framework of forest projects. They do not execute projects directly. The Association for the Promotion of Education and Training Abroad (APEFE) and the VVOB, presided over by the Community Ministries of Education, are non-profit making associations. They are almost 100% financed by the AGCD; the Flemish region makes a small contribution to financing the VVOB. In 1995, the AGCD subsidised 355 APEFE and VVOB staff in more than 20 countries. The VVOB is more orientated towards technical assistance and intervenes in the forestry or agroforestry sector, in particular by providing ICRAF in Kenya with five of its staff.

Belgium's Royal Museum of Central Africa, which is financed by the Ministry of Scientific Policy, participates in studies of the anatomy and dendrochronology of tropical timber. Furthermore, this museum has the world's second largest collection of specimens of tropical timber. The National Botanical Garden of Belgium, which comes under the Ministry of Agriculture, has been participating in the production of a complete flora of Zaire, Rwanda and Burundi since 1948 (more than one million species have been inventoried to date).

7. PROJECT CYCLE MANAGEMENT

A major problem of development co-operation is the inadequate preparation of interventions, which is why the AGCD has chosen to adopt an internationally recognised methodology that it has called Planning of Interventions by Objectives (PIPO). Some attempt to apply the PIPO method began in the AGCD in 1989. PIPO is closely related to similar logical framework methodologies used in Germany, the Netherlands, the UK and the European Commission, among others. Although the logic of PIPO is not limited to a specific type of problem, in practice the method is especially suitable for technical co-operation projects and investment projects with economic and/or social objectives.

7.1 The stages of the PIPO method

PIPO is structured in two phases (analysis and planning) and several stages. The aim of the analysis is to bring

together and structure the data required for planning the intervention.

The overall objective is chosen from the tree of objectives as the one which is positioned upstream of a series of chains. Several interventions may contribute to it. A single specific objective is formulated for each intervention in order to prevent the intervention from becoming too complex and to ensure that there are no conflicts between several specific objectives.

The assumptions are factors external to the intervention over which it has little or no control, but which are nevertheless important, or even essential, to complete the intervention successfully. If these external factors cannot be integrated into the logic of the intervention, they become assumptions which link together the different levels of the intervention logic. If a majority of the assumptions are negative, it would be better not to begin the intervention. Objectively Verifiable Indicators make it possible to manage, monitor and evaluate the intervention objectively, and the Means of Verification suggest how indicators may be verified.

7.2 Application of PIPO

PIPO has never been applied systematically within the AGCD and has never been imposed. Each geographical department is free to apply it or not as it wishes. It is therefore impossible to determine exactly the percentage of projects planned using PIPO.

Various criticisms have been levelled at PIPO, such as the cumbersome nature of the cycle, which has often caused bottle-necks or delays in implementation. At the participatory meetings where the problems of target groups should be identified, these problems may rather be obscured by the fact that the only local representatives present are the local authorities or group leaders, rather than target group representatives. This can lead to the identification of unsatisfactory project objectives. Finally, PIPO has often been seen only as a phase to be completed at the beginning of an intervention, rather than a tool for monitoring throughout implementation.

A new planning method, called (for the time being) Result-Orientated Integrated and Participatory Management (GIPOR), has recently been drawn up by the AGCD and is currently being examined by the Office of the Secretary of State for Development Co-operation. In particular it aims to smooth the transition between the phases of the intervention cycle and to shorten it while preserving PIPO concepts and applying them throughout the cycle. The use of this method is expected to be obligatory for the planning of future AGCD interventions.

NGOs are no longer obliged to apply PIPO when submitting a project proposal to the AGCD for co-financing. However, certain NGOs are trying to maximise the application of the method and some of them have even produced their own PIPO booklet (e.g. COOPIBO).

7.3 Project evaluation

Few evaluations are undertaken by the AGCD, despite the growing number of applications. The monitoring and evaluation office of the AGCD currently has only two staff, and carried out only two evaluation missions in 1996. The full procedure for an evaluation is very prolonged and often takes more than a year. The

application principles applied by the AGCD are based on those of the OECD. Requests for evaluation of projects originate either from the different geographical departments or from the Sections, or even directly from the Office of the Secretary of State for Development Co-operation. Nonetheless, it seems that certain departments of the AGCD do not go through the evaluation office in order to perform some evaluations of their projects. Nowadays NGOs are more interested in evaluating their projects; evaluation missions are frequently provided for in their budgets with, if possible, an internal evaluation at the half-way point and an evaluation by an independent expert on completion of the project

8 PROJECT PROFILES

8.1. Bilateral co-operation: an example from Peru (Cajamarca)

The AGCD began working in Cajamarca in 1970, initially within the framework of an integrated development project. It rapidly focused its attentions exclusively on the forest sector. Its involvement is envisaged until the year 2001. The financial contribution of Belgian co-operation from 1976 to 1994 amounts to US\$ 12,345,000. Work in Cajamarca has taken place through three related projects, the CICA-FOR project (1976–89); the PPF project (1982–89); and the ADEFOR project (1990–2001). These projects may be characterised as shown in Box 1.

9. CONCLUSIONS AND TRENDS

In the colonial period, Belgium was very active in the tropical forest sector, particularly in the area of research; the forest division of the INEAC developed several types of silvicultural treatments and carried out numerous growth tests on various local and exotic forest species. At that time nature conservation was also a major concern and led in particular to the establishment of several national parks. Subsequently, the importance of the forest sector was progressively reduced in co-operation projects. At present, forestry has become a very minor area and will probably remain so for the immediate future.

Virtually all the actions in the tropical forestry area financed by Belgium depend on the office of the Secretary of State for Development Co-operation. Belgian co-operation currently takes three forms: bilateral co-operation, non-governmental co-operation and multilateral or international co-operation. The administration in charge has been restructured twice since 1991. It is regrettable that archiving of previous AGCD projects has been weak, and no doubt hindered by the restructuring and that, as a result, much interesting information has been lost. It is interesting to note the growing interest that all those involved in development co-operation are now placing on project monitoring and evaluation, so this situation may improve in future.

In the sphere of bilateral co-operation, the new policy of the Secretary of State for Development Co-operation is directed towards the geographical concentration of Belgian aid co-operation on some 20 countries. Among

Box 1 Bilateral co-operation; an example from Peru

Support to *The CICA-FOR Forest Research and Training Centre 1976–89*

AGCD collaborated jointly with the Peruvian 'National Institute of Agricultural Research and Agricultural Industries' to support the centre, contributing US\$ 9,383,000 over thirteen years. The objectives of the support were firstly to undertake silvicultural research, agroforestry research and training; and secondly to create the technical basis for large-scale reforestation to produce pulp for the paper industry.

The results included a large scale programme of silvicultural research in 33 arboreta in diverse ecological regions, where 208 species and 382 provenances were tested. Numerous growth trials were carried out under a variety of conditions. Agroforestry trials were carried out to identify suitable windbreak species to protect the cultivation of cereals and potatoes. The training of forestry technicians and professionals was established.

The Reforestation Pilot Project (PPF) 1982–89

AGCD collaborated with the Government of Peru to implement some of the key findings from the CICA-FOR research project. The financial contribution was US\$ 2,007,000 over seven years. Over the lifetime of this project, the key activities undertaken include the establishment of pine plantations on 3,500 ha in Cajamarca; the construction of over 80 ha of agricultural terraces; and the establishment of 110 ha of irrigated pasture lands. Taking these activities together, the project can be seen as a successful example of integrated rural development.

ADEFOR, the Civil Association for Forest Research and Development 1990–2001

AGCD is collaborating with the Universities of Cajamarca and La Molina, and the Peruvian 'National Institute of Agricultural Research and Agricultural Industries' for this final phase of intervention in the region. Spending from 1990–94 amounted to US\$ 955,000.

ADEFOR's goals are to establish large-scale plantations, sell timber, and use the income to support research, training and environmental activities. AGCD's goals are for ADEFOR to become financially independent, and for it to be recognised as a Regional Training Centre. Belgium will primarily support training until the end of the project.

The achievements of the project have included 7,900 ha of plantations; the creation of an institution which has become the main forestry research and training centre in the Peruvian Andes. It has also been able to benefit from the previous projects funded by Belgium both materially and intellectually.

these, Belgium intends to collaborate in the long term with 6: the Democratic Republic of Congo, Rwanda, Burundi, the Philippines, Bolivia and the SADC region which includes several southern African countries. New aid policy will also be focused on five sectors; health care; education and training; agriculture and food security; basic infrastructure and the consolidation of society. Forestry, which is included in the agricultural sector, will thus fall within the perspective of food security, i.e. essentially within the framework of projects on conservation of soil fertility, preservation of natural resources, and agro-sylvo-pastoral or agro-forestry projects (Moreels, 1996).

As far as non-governmental co-operation is concerned, the NGOs are proposing very few strictly forestry projects, but rather integrated projects in which the forestry sector often occupies only a minor position. The policy of the Secretary of State for Development Co-operation is orientated towards closer collaboration with the NGOs.

Only in the sphere of multilateral co-operation – with FAO – is Belgium now involved in three important forestry projects – in Cambodia, China and Vietnam.

Even the Rio conference of 1992 has not, so far, given rise to the establishment of Belgian projects centred on the conservation of forest ecosystems and the maintenance of biodiversity, despite Belgium's earlier strong comparative advantage in this area.

REFERENCES

- Administration des Eaux & Forêts (1958). Forêts, chasse et pêche. Ministère de l'agriculture, Bruxelles.
- AGCD (1990). *Rapport d'activités 87–88–89*. Service d'information de l'AGCD, Bruxelles.
- AGCD (1991). *Manuel pour l'application de la "planification des interventions par objectifs (PIPO)" à L'AGCD*. AGCD, Bruxelles.
- AGCD (1993). *Rapport d'activités 1991–1992*. Service d'information de l'AGCD, Bruxelles.
- AGCD (1994). *Rapport 1993–1994*. Service d'information de l'AGCD, Bruxelles.
- AGCD (1995). *Arrêté royal du 12 mars 1991 relatif à l'agrément et la subvention d'organisations non gouvernementales et de fédérations en matière de projets dans les pays en voie de développement. Arrêté royal du 2 avril 1991 relatif à l'agrément de fédérations des organisations non gouvernementales en matière de coopération au développement – Extraits des lois sur la comptabilité de l'Etat, coordonnées le 17 juillet 1991*. Ministère des affaires étrangères, du commerce extérieur et de la coopération au développement, Bruxelles.
- AGCD (1996). *Rapport annuel 1995*. Service d'information de l'AGCD, Bruxelles.
- AGCD (1997). *Suivi de la conférence de presse du 30 janvier 1997 sur la réforme de l'AGCD*. AGCD, Bruxelles.
- Auteurs Divers (1985). *Le grand livre de la forêt wallonne*. éd. Pierre Mardaga, Liège.
- Bary-Lenger, A., Evrard, R., Gathy, P. (1992). *La forêt*. édition du Perron, Liège.
- De Ligne, A. (1987). *Synthèses des recherches forestières effectuées au Burundi*. AGCD, Bruxelles.
- Donis, C. (1956) *La forêt dense congolaise et l'état actuel de sa sylviculture*. Ministère des colonies, Bruxelles.
- Donis, C., Maudoux, E. (1951). *L'uniformisation par le haut – Une méthode de conversion des forêts sauvages*. Bulletin de l'INEAC, N51, 1951, Bruxelles.
- Drachoussoff, V., Focan, A., Hecq J. (1991). *Le développement rural en Afrique Centrale (1908–1960/62) – Synthèses et réflexion*. Volumes 1 et 2. Fondation Roi Baudouin, Bruxelles.
- INEAC (1961). *Contribution à l'étude des problèmes du reboisement et de la conservation du sol*. INEAC, Bruxelles.
- Jardin Botanique de l'Etat (1963). *Flore du Congo, du Rwanda et du Burundi*. Volume X. INEAC, Bruxelles.
- Lebrun, J., Gilbert, G. (1954). *Une classification écologique des forêts du Congo*. Bulletin de l'INEAC, N63, 1954, Bruxelles.
- Ministère de la Région Wallonne (1996). *La gestion durable de la forêt wallonne*. Direction générale des Ressources naturelles et de l'environnement, Division de la Nature et des Forêts, Namur.
- Ministère des affaires étrangères, du commerce extérieur et de la coopération au développement (1995). *Arrêté royal du 28 mars 1995, arrêté ministériel du 19 mai 1995 et directives administratives de juin 1995 relatifs à l'agrément, l'octroi d'allocations et la subvention de personnes d'organisation non gouvernementale et de fédérations en matière d'envoi de coopérants ONG*. Ministère des affaires étrangères, du commerce extérieur et de la coopération au développement, Bruxelles.
- Moreels, R. (1996) *Annoncer la couleur – Plan d'avenir pour la coopération belge au développement*. Cabinet du Secrétaire d'Etat à la Coopération au Développement, Bruxelles.
- OECD (1995) Belgium. Development Co-operation Review Series No 7. OECD, Paris.
- OECD (1997) Development Co-operation. Efforts and Policies of the members of the Development Assistance Committee, 1996. OECD, Paris.
- Rondeux, J. (n.d.) MS. Unpublished study on the status of Belgian forests, carried out for the Forestry Department, University of Gembloux, Belgium, 1980–84.
- Vauron, P. (1992). *Les projets forestiers*. Bois et Forêts des tropiques, n233, CTFT, Paris.
- Vertriest, I. (1990). *Het Bosdecreet – Langverwacht*. Sylva Belgica, 97, n5, Bruxelles.

KEY CONTACTS

Federal

Cabinet du secrétaire d'Etat à la Coopération au développement
Boulevard du Régent 45/46
1000 Bruxelles
Secrétariat tel: + 322 549 09 20
Fax: +322 512 21 23

Administration Générale de la Coopération au Développement
Rue Bréderode, 6
1000 Bruxelles
Tel: +322 500 62 11
Fax: +322 500 65 85

Regional and Community

Ministère de la Région wallonne,
Direction générale des relations extérieures
Avenues des Arts, 13–14
1080 Bruxelles
Tel: +322 211 55 11
Fax: +322 211 55 70

Vlaamse gemeenschap,
Administratie Externe Betrekkingen,
Buitenlandse betrekkingen
Boudewijnlaan, 30
1000 Bruxelles
Tel: +322 507 60 38

Universities

Walloon region

Faculté Universitaire des Sciences Agronomiques de Gembloux
Passage des Déportés, 2
5030 Gembloux
Tel: +32 81 62 21 11
Fax: +32 81 61 45 44

Université Catholique de Louvain
Faculté des Sciences Agronomiques – Unité des Eaux et Forêts
Place Croix du Sud, 3
1348 Louvain-la-Neuve
Tel: +32 10 47 37 19
Fax: +32 10 47 29 99

Flemish region

Katholieke universiteit Leuven
3000 Leuven
Tel: +32 16 32 43 11
Fax: +32 16 32 43 04

Universiteit Gent

Sint-Pietersplein, 7
9000 Gent
Tel: +32 9 264 70 00
Fax: +32 9 264 35 79

ACRONYMS

ABOS	Algemeen bestuur van de ontwikkelingsamenwerking (General Administration for Development Co-operation)	INERA	Congo belge (National Institute for Agronomic Studies of the Belgian Congo)
ADEFOR	Civil Association for Forest Research and Development	IPNCB	Institut National pour l'Etude des Recherches Agronomiques (Zaire) (National Institute for Studies in Agronomic Research)
ADO	Association des ONG (Association for Francophone and German-speaking NGOs concerned with co-financing projects and sending out staff)	ISABU	Institut des Parcs Nationaux du Congo belge (National Parks Institute of the Belgian Congo)
AGCD	Administration générale de la coopération au développement (General Administration for Development Co-operation)	ISAR	Institut des Sciences Agronomiques du Burundi (Institute of Agronomic Science in Burundi)
AMINAL	Administratie Milieu, Natuur en Landinrichting (Administration for the environment, nature and land management)	ITTO	Institut des Sciences Agronomiques du Rwanda (Institute of Agronomic Science in Rwanda)
APEFE	Association pour la promotion de l'éducation et de la formation à l'étranger (Association for the Promotion of Education and Training abroad)	MoU	International Tropical Timber Organization Memorandum of Understanding
BEF	Belgian francs	NCOS	Nationaal centrum voor Ontwikkelingsamenwerking (National Centre for Development Co-operation)
CCPF	Central Committee for the Private Forest	NGO	Non-Governmental Organisation
CGRI	Commissariat Général aux Relations Internationales de la Communauté française de Belgique (General Commissariat for International Relations of the French Community)	OECD	Organisation for Economic Cooperation and Development
CIUF	Conseil Interuniversitaire de la Communauté française (Inter-University Council of the French community of Belgium)	PCSP	Programme de Coopération pour le Secteur Privé (Co-operation Programme for the Private Sector)
CNCD	Centre National de Coopération au Développement (National Centre for Development Co-operation)	PIPO	Planification des Interventions par Objectifs (Planning and Interventions by Objectives)
CNDD	Conseil National du Développement Durable (National Council for Sustainable Development)	PPF	Reforestation Pilot Programme
CODEF	Federation of francophone NGOs concerned with co-financing projects and sending out staff	SADC	Southern African Development Conference
COOPIBO	Ontwikkelingssamenwerking internationale bouworde (International development co-operation)	UNDP	United Nations Development Programme
COPROGRAM	Federation of Flemish NGOs concerned with co-financing projects and sending out staff	UNEP	United Nations Environment Programme
FADO	Flemish Aid and Development Organization	VLIR	Vlaamse interuniversitaire Raad (Inter-University Council of the Flemish Community)
FAO	Food and Agriculture Organization of the United Nations	VVOB	Vlaamse vereniging voor Ontwikkelingssamenwerking en technische Bijstand (Flemish Association for Development Co-operation and Technical Assistance)
GDP	Gross Domestic Product	WFP	World Food Programme
GEF	Global Environment Facility	WWF	World Wildlife Fund
GIPOR	Gestion intégrée et participative orientées vers les résultats (Result-Orientated Integrated and Participatory Management)		
GNP	Gross National Product		
GTICD	Groupe de Travail Interdépartemental pour la Coopération au Développement (Inter-departmental Working Group for Development Co-operation)		
ICRAF	International Centre for Research in Agroforestry (Kenya)		
INEAC	Institut National pour l'Etude Agronomique au		

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following:

Professor W. Delvingt and L. Debroux, Faculté Universitaire des Sciences Agronomiques de Gembloux, D. Dolphen, Office of the Secretary of State for Development Co-operation, and L. Sas and Mme R. Vandeputte, AGCD. Generous assistance was also given by many other AGCD staff.

Note on currency: on 1 September 1997, US\$ 1 was equivalent to BEF 37.40.

Denmark

Paul Kerkhof and Gill Shepherd

Contents

1.	DOMESTIC FORESTS AND FORESTRY	149
1.1	Forest history	149
1.2	Forest tenure and management	149
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	149
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY	149
3.1	The Ministry of Foreign Affairs	149
3.2	The Ministry of Environment and Energy	150
3.3	Development assistance commitment	150
3.4	Multilateral assistance	151
3.5	The Danish 'resource base' and NGOs	151
4.	TROPICAL FORESTRY DEVELOPMENT POLICIES	152
4.1	The 1994 development strategy	152
4.1.1	Regional priorities	152
4.1.2	Sector programme support	153
4.2	Tropical forestry development co-operation	153
4.2.1	Background	153
4.2.2	Action Plans on environmental issues in agriculture	154
4.2.3	Sector policy on forestry and agroforestry	154
4.2.4	EDRF strategy	155
4.2.5	Draft agricultural policy	155
4.3	Conclusion	156
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	156
5.1	Volume of funding	156
5.2	Regional distribution of forestry projects	156
5.3	Thematic distribution of forestry projects	157
6.	RESEARCH	157
7.	PROJECT CYCLE METHODOLOGY	158
7.1	The project cycle	158
7.1.1	Project identification	158
7.1.2	Project appraisal	158
7.1.3	Implementation	158
7.1.4	Completion	159
7.2	Programme cycle	159
7.3	DANCED project cycle	159
8.	PROJECT AND PROGRAMME REVIEWS	159
8.1	The Agriculture Sector Evaluation	159
8.2	The Environment and Development Evaluation	160
9.	CONCLUSIONS	161
	REFERENCES	161
	KEY CONTACTS	162
	ACRONYMS	162
	ACKNOWLEDGEMENTS	162

1. DOMESTIC FORESTS AND FORESTRY

1.1 Forest history

Denmark was covered by forests and the human population density was low until early medieval times. From the tenth century onwards the population grew and an increasing proportion of the land was cleared of forest, a process temporarily interrupted during the Black Death. The population density of 20 people per square kilometre in the thirteenth century had doubled by the middle of the nineteenth. Norway and Southern Sweden were part of Denmark for much of this time, and although population densities there were much lower, the trends were similar (Hytönen, 1995).

Livestock keeping in the forests, including pannage, the fattening of domestic swine, is an old practice in Southern Scandinavia. Slash and burn agriculture was widely practised and although it disappeared a long time ago in Denmark it was practised in parts of Scandinavia until the Second World War.

Major changes in the landscape were induced by the introduction of mining and metal industries in areas bordering on the present Denmark. Though these reduced the need for certain imports, more local processing demanded very large quantities of wood and charcoal. Another pressure on the forests was the increased export of timber. By the fifteenth century Denmark had already prohibited the export of oak for strategic reasons. By the sixteenth century wood supplies for Denmark itself were profoundly affected. The King passed six Forest Acts between 1665 and 1733 but they had little effect.

The first attempts to introduce sustained yield forestry occurred in 1762, when two German forestry experts, the von Langen brothers, were engaged by the Danish/Norwegian King. Initial attempts had only temporary effects but the ideas, once introduced, continued to be tried sporadically. By the beginning of the nineteenth century the area under forest had been reduced to 3%, the lowest in Denmark's history (McLoughlin, 1992) and over the next fifty years sustained yield principles were introduced into the majority of Denmark's forests.

The Forest Act of 1805, unlike previous Acts, was successful in preserving the remainder of Denmark's high forests. This was because coal was, by this time, increasingly used as a substitute for fuelwood and pressure on the forests was decreasing. At the same time, reforestation was beginning, primarily with the exotic species, Norway spruce. This increased forest cover to about 12% by 1995 and current Danish forest policy aims to increase it further to 25% by 2100 (MEE, 1994a). Over the last few decades, conventional forestry practice has undergone considerable change to allow more multiple-purpose forestry (Hytönen, 1995). There has also been a growing emphasis on the use of broadleaved species in reforestation programmes (NFNA, 1994).

1.2 Forest tenure and management

One third of Denmark's forest area is publicly owned, mainly by the government but also by counties and local authorities, while two-thirds are privately owned.

Individual ownership declined from 57% in 1965 to 46% in 1990, with a gradual transfer of forest land to companies, associations and foundations (NFNA, 1994).

The National Forest and Nature Agency (NFNA) within the Ministry of Environment and Energy (MEE) is responsible for the administration and enforcement of forestry legislation as well as managing the state forests. It is also in charge of conservation and the protection of the natural and cultural heritage. In collaboration with other ministries, primarily the Ministry of Agriculture and the Ministry of Foreign Affairs (MFA), the NFNA is the main policy-making unit for national and international forest policy (NFNA, 1994).

2. HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY

Danish universities have traditionally conducted research into the botany of tropical plants. This may be why the emphasis in the first bilateral assistance projects which began in the late 1960s was primarily on tree seed and genetics work. The Seed Centre in Humlebaek carried out much of the initial work on provenance trials and tree breeding. Traditional links between the Kingdoms of Denmark and Thailand meant that Thailand was one of the main recipients of this type of assistance.

Commercial ties also existed in the past between Denmark and countries with tropical forests through the East Asian Company. However, Denmark did not have an empire and does not have the historical ties that are found, for example, between India and the UK.

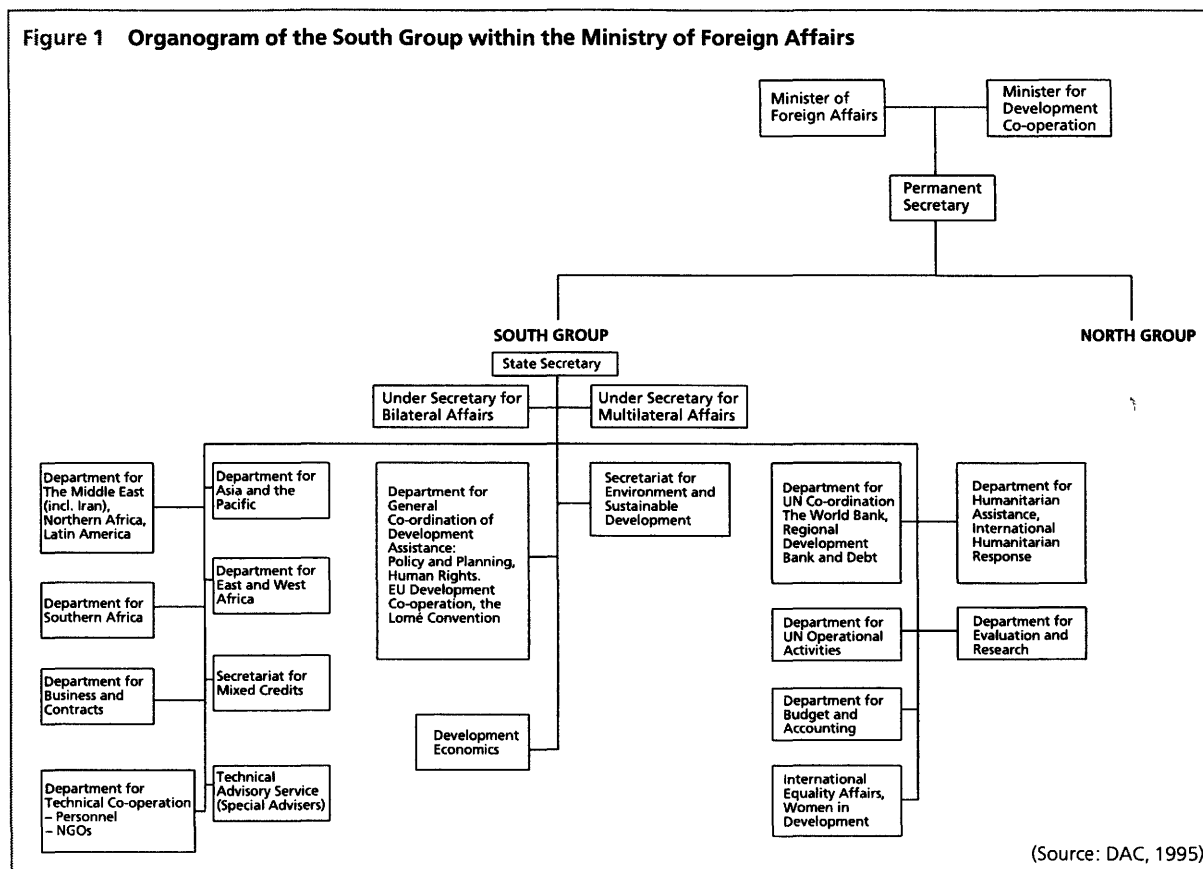
3. STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY

3.1 The Ministry of Foreign Affairs

The Ministry of Foreign Affairs (MFA) has been, to a large extent, the organisation responsible for the administration of Danish development assistance. A special agency within the MFA, the Danish International Development Agency (Danida), was responsible for development assistance until a major structural reorganisation in 1991. It was felt that the radically changed international relationships that developed after the end of the Cold War necessitated an integration of development aid with other aspects of international relations such as human rights and trade (DAC, 1995). Danida was therefore merged with the other functions of the MFA. Nevertheless, the name Danida is still frequently used, even inside the MFA. In 1993 a Minister of Development Co-operation was appointed to provide stronger leadership.

The current structure of the Ministry of Foreign Affairs consists of a North Group and a South Group. The latter is responsible for relations with developing countries and with those multilateral organisations concerned with developing countries, as well as for development assistance (see Figure 1). The most important sections of the South Group, as far as forestry is concerned, are the Regional Departments

Figure 1 Organogram of the South Group within the Ministry of Foreign Affairs



(Southern Africa, West Africa, etc.); the Technical Advisory Service (TSA); the Evaluation Service; and the Secretariat for Environmental and Sustainable Development, which has only recently been established.

Given the generalist approach prevailing elsewhere in the South Group as a result of the 1991 restructuring, the Technical Advisory Service has gained in importance (DAC, 1995). The TSA did not employ a forestry specialist until 1986, when a post with a special focus on agroforestry was created within the Agriculture Section. This remains the only forester supporting the entire Danida forestry programme. In addition, since forestry is often a part of agricultural, and more recently, environmental projects, there are other technical specialists who support projects with a forestry component. The environmental section in the TSA has expanded rapidly in recent years, growing from one environmental specialist in 1986 to four in 1995 and seven in 1996 (including one with a forestry background).

Overall, staffing levels have risen at a proportionately greater rate than the rapidly increasing bilateral oda funds they have to manage. In 1994 the South Group had about 400 staff, with a headquarters to field ratio of 2.3 (DAC, 1995). The latter has dropped from 4.2 in 1990 and is a result of the decentralisation of responsibilities from the MFA in Copenhagen to the embassies which took place in 1993 (DAC, 1995). This led to greater local responsibilities in defining programme assistance, and to a disbursement facility known as the Local Grant Authority, which allows embassies to allocate funding to projects costing DKK 3 m. or less.

3.2 The Ministry of Environment and Energy

The Ministry of Environment and Energy (MEE) has recently taken on an increasingly important role in the aid delivery system through its management of the Environment and Disaster Relief Facility (EDRF). Established as the Global Environment and Nature Fund by the Danish Parliament in 1993, the EDRF is administered by a specially created unit, DANCED (Danish Co-operation for Environment and Development), based in the Environmental Protection Agency of the MEE (see Figure 2). DANCED had 11 staff in 1994 and could also call on support from other agencies within the MEE. The National Forest and Nature Agency, in particular, provides policy guidance to DANCED through its Forest Policy Division and the Division for International Co-operation. To maintain contact with local authorities and co-operation partners in its three key areas of intervention, DANCED has established local offices in Bangkok, Kuala Lumpur and Pretoria (MEE, 1995).

3.3 Development assistance commitment

In 1993 Denmark became the world's leading donor in terms of its aid:GNP ratio, which stood at 1.03% (DKK 8,129 m.). The 1% target set by Parliament in 1985 for the year 1992 onwards was thus achieved (DAC, 1995). The increasing trend in official development assistance (oda) (Figure 3) has been facilitated by a revolving five-year planning procedure in which expenditure frames are submitted once a year to parliament by the Government (DAC, 1995). Danish policy ties aid in one specific respect: 50% of the budget overall must be

spent, directly or indirectly, in Denmark (Danida, 1994a).

The EDRF fund is in addition to the aid administered by Danida and the MFA. Beginning with a budget of just over DKK 200 m. in 1994, the EDRF is due to grow to 0.5% of GNP by the year 2002, with funds being allocated annually in the national budget. Within the EDRF, allocations for the environment and for disaster relief are roughly equal, with half the environment funds going to Central and Eastern Europe and half to developing countries (MEE, 1995).

From 1996 different policies and administrative systems have applied to EDRF funds, with 80% of the annual increments in the EDRF being administered by Danida and 20% by DANCED with the aim of reaching a situation in which 60% of the funds are administered by Danida and 40% by DANCED. Danida will administer the funds disbursed in its programme countries and DANCED in those countries with a GNP above the limit for bilateral development assistance (see section 4.1.1) (Danida/DANCED, 1996a).

3.4 Multilateral assistance

Denmark gives high priority to the multilateral development activities of the United Nations system, the international financial institutions, and the European Union development programme. As a general rule, Danish development assistance is fairly equally divided between multilateral and bilateral assistance. In 1994, multilateral aid amounted to DKK 4,091 m. or 42% of total oda (MFA, 1995).

The 1994 Strategy (see section 4.1) highlighted the Government's intention to move away from the principle of burden-sharing on the basis of established contribution patterns to a more selective form of support often referred to as 'active multilateralism' (Danida, 1994a). Those multilateral institutions whose activities are of high quality and which correspond to Danish priorities will be especially favoured. The process of selection is based on assessments of efficiency and effectiveness of the relevant institutions, which Denmark undertakes alone or jointly with other donors (DAC, 1995). Currently UNDP receives considerable support from Danida and Denmark is its third largest contributor (US\$ 90 m. in 1994). Other major recipients are the World Bank Group and the European Union development programme, which accounted for 6.2% of Denmark's total oda in 1994 (MFA, 1995). With respect to the EU, the Danish position is that the Commission should act more as a sixteenth donor than as a supra-national actor with a mandate to coordinate and influence the individual aid programmes of the Member States (Olsen and Udsholt, 1995).

In the environmental field, Danida has allocated DKK 135 m. annually for global environmental initiatives. The largest contribution has been given to the Global Environmental Facility, UNEP, and to UNDP's 'Capacity 21' initiative (Danida/DANCED, 1996a).

3.5 The Danish 'resource base' and NGOs

The 1994 Strategy (see section 4.1) emphasised the intention to make better use of the 'Danish resource base' (Danish civil society) in the development co-operation programme. The 'resource base', which includes non-governmental organisations (NGOs), the

Figure 2 Structure of DANCED organisation

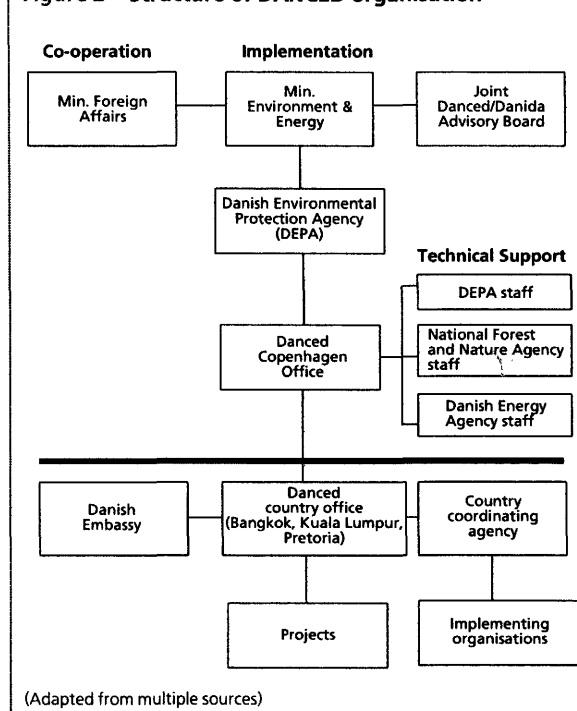
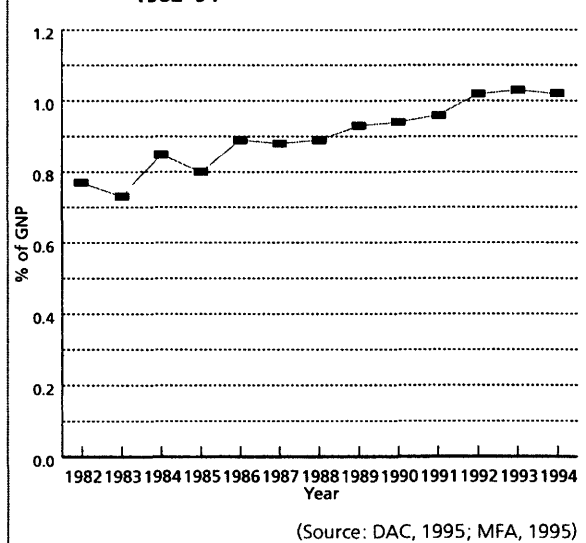


Figure 3: Aid disbursements as a proportion of GNP, 1982–94



business community, trade unions, universities and volunteers, will be more involved in the planning and implementation of aid projects, and 'twinning' arrangements between Danish institutions and counterparts in developing countries are being promoted. It is believed that greater involvement of the Danish resource base is likely to increase the returns from Danish aid.

Of particular importance are NGOs, which are considered to play a vital role in raising awareness of development issues and thus contribute to the positive image of development co-operation among the Danish public and to the general acceptance of high levels of Danish aid to developing countries. NGOs are often invited to comment on draft Danida policies and

strategies (DAC, 1995) and a number of NGO-organised fora, such as the '92 Gruppen' and the 'ANR Resource Base', exist although the level of their influence on Danida policy is not yet apparent.

More than 100 NGOs a year receive funds from Danida to support projects in the Third World. However, four of these (the Red Cross, DanChurchAid, the Danish Trade Union Council for International Development Co-operation and Ibis) received about 60% of all Danida funds disbursed through NGOs in 1992 (Danida, 1994b). Danida has entered into framework agreements with these organisations as well as with CARE-Denmark which signed a project agreement in January 1996 and has since become the major recipient of funds for forestry among the NGOs. The framework budgets vary between DKK 35 and 125 m. per year and are intended to facilitate NGO planning, strengthen dialogue between NGOs and Danida and reduce the administrative workload (MFA, 1995).

The 1994 evaluation of the NGO framework agreements (Danida, 1994b) reported, however, that various of their objectives had not yet been met. A more coherent planning approach had not yet been worked out, and activity plans were generally based on an *ad hoc* project approach. The bulk of funding was used for large traditional projects, rather than small innovative ones. Those NGOs with local representation were judged better able to enter into dialogue with host organisations and to monitor activities closely. NGOs operating via an international structure were found to rely mainly on the capacity of this structure to provide proposals.

In addition to longer-term frameworks, a system of 2-year mini programme agreements ensures flexible funding arrangements for networking NGOs dealing with small projects and many different local partners. Finally, a large part of the funds channelled through NGOs is still constituted by single projects for which applications are processed twice a year. Danida contributes 7% to NGO administrative costs and, since 1995, NGOs have no longer been required to fund part of project expenses (DAC, 1995).

As shown in Table 1, overall about 17% of bilateral aid is currently disbursed through NGOs. DANCED is also becoming an increasingly important donor for NGO projects in the environmental sector. How much of the aid channelled through NGOs is dedicated to tropical forestry is not known, however. CARE-Denmark is the only Danish NGO that concentrates its programme on agriculture, forestry and natural resources. Projects encompass watershed development, agroforestry and integrated development. The strength of this organisation appears to lie in the international CARE system which provides administrative back-up and the expertise which many other NGOs lack (CARE Denmark, 1995). The strategy pursued under its

framework agreement with Danida appears to be a hybrid of Danida policies and strategies and those of CARE International. Several other NGOs, such as WWF Denmark and Nepenthes have rapidly growing natural resources conservation programmes.

4. TROPICAL FORESTRY DEVELOPMENT POLICIES

4.1 The 1994 development strategy

Danish development assistance is based on Regulation No. 297 of 1971 which states that:

The objective of Denmark's official assistance to developing countries is, through co-operation with governments and public authorities in these countries, to assist endeavours aimed at achieving economic growth, thereby contributing to ensuring social progress and political independence, in accordance with the aims and principles of the United Nations Charter and, in addition, through cultural co-operation to promote mutual understanding and solidarity (Danida, 1994a).

This regulation has been updated at various times but the most important policy document currently referred to is *A Developing World. Strategy for Danish Development Policy Towards the year 2000* published in 1994 (Danida, 1994a), and hereafter called 'the Strategy'. This emphasises that the country's development policy encompasses all Denmark's relations with developing countries, economic and political as well as multilateral and bilateral. Poverty alleviation is highlighted as the fundamental principle of Danish assistance to be achieved through socially balanced and ecologically sustainable economic growth, and development of the social sector based on popular participation. It identifies sectoral priorities and cross-cutting themes (see below). Furthermore, the Strategy recognises that international relations have changed completely since the end of the Cold War, resulting in changes in regional focus of development assistance (see section 4.1.1). Finally, it underlines the need for greater involvement by non-governmental actors in the formulation, organisation and implementation of Danish assistance efforts (Danida, 1994a).

4.1.1 Regional priorities

In the past, the geographical distribution of Danish aid has varied considerably. In 1989 a Plan of Action increased the number of programme countries to 25 (Olsen and Udsholt, 1995), with the number being reduced again to 20 by the 1994 Strategy (Danida, 1994a). Programme countries receive special Danish

Table 1: Growth in the NGO share of total bilateral development assistance

	1987	1988	1989	1990	1991	1992	1993
DKK m. to NGOs	367	393	579	524	556	714	755
% of bilateral aid	12	14	17	15	14	18	17

(Source: Danida 1994b)

assistance and much higher levels of aid than non-programme countries. Minor changes in priority occur from time to time. Recently, for instance, Ethiopia was taken off the list and replaced by Malawi. In 1995 there were 13 programme countries in Africa (Benin, Burkina Faso, Egypt, Eritrea, Ghana, Kenya, Malawi, Mozambique, Niger, Tanzania, Uganda, Zambia and Zimbabwe), 5 in Asia (Bangladesh, Bhutan, India, Nepal and Vietnam) and 2 in Latin America (Bolivia and Nicaragua). For most of the remainder of the 96 developing countries which received official assistance in 1992–3, project aid is due to be phased out by 1999 (DAC, 1995).

The selection of programme countries is first and foremost based on the poverty criterion. The 20 countries selected include the 11 poorest and all except one fall within the poorest category, defined in 1993 as having per capita incomes of less than US\$ 1,765 per year (DAC, 1995). Traditionally over 90% of Danish bilateral assistance is allocated to the poorest countries, well above the DAC average (DAC, 1995).

Democratisation and human rights are relatively new criteria for the allocation of aid. Persistent inadequate performance in this area by previous programme countries, e.g. Kenya, has led to a reduction in their aid (DAC, 1995). Other criteria include the possibility for dialogue with the recipient country concerning socially just and ecologically appropriate development; the ability to ensure a central role for women in the development process; Danida's experience with bilateral assistance; and the possible use of Danish goods and services, assuming their competitiveness (Danida, 1994e).

Today, as in the past, over 60% of Danish aid is allocated to Africa south of the Sahara, with Tanzania and Uganda the major recipient countries. In 1993 Danish aid disbursed to these two countries made up 13% of the total aid they received from all the member states of the DAC (OECD's Development Assistance Committee), reflecting clearly the kind of leverage that Danish development co-operation may have in some of its programme countries (DAC, 1995). Asia is the second most important recipient region for Danish aid, receiving 23% of bilateral aid in 1993 (DAC, 1995).

Apart from programme country funding, special Danida funds exist which are disbursed to both programme and non-programme countries. They are for mixed credit programmes; transitional assistance; private sector development; human rights and democratisation; and support through NGOs.

Environmental assistance funded under the EDRF is not restricted to programme countries in the same way that Danida's development assistance is. On the contrary, its initial focus has been on the more affluent developing countries in which economic development is often given a higher priority than the environment (MEE, 1995). Thus, EDRF funds have been concentrated in South-east Asia (particularly Thailand and Malaysia) and, to a lesser degree, in southern Africa.

4.1.2 Sector programme support

The 1994 Strategy requires that a strategy be drawn up for each programme country, identifying 2–4 sectors in which traditional project assistance will, as far as possible, be concentrated. Individual project assistance

will gradually be phased out in favour of Sector Programme Support (SPS). A sector is defined as a distinct and coherent set of activities in terms of institutions, policies and finances (Danida, 1996d). Sectors can be economic sectors (agriculture, industry, transport, etc.), but can also be cross-institutional and/or thematic. Examples of cross-cutting sectors include the Democratisation and Human Rights Programme, the Environment Programme and the Women in Development Programme (Danida, 1996c).

Country strategies and the relevant SPS will provide a longer time framework for broad Danish assistance. The starting point is a national sector policy framework identifying those areas to which Danida can most usefully contribute, along with other donors. The frameworks are not blueprints, but will be subject to continuous policy dialogue. SPS assumes that recipient institutions take on a greater share of responsibility than is normally found in project assistance, and aims to minimise the effects of 'project (or donor) islands'. It also seeks to improve donor coordination and co-operation, and reduce the negative effects of competition between projects funded by different donors (Danida, 1996d).

A major feature distinguishing Sector Programme Support from traditional project assistance is its focus at national level. Another feature is its sectoral focus. As a small donor, Denmark can hardly influence large sectors or several sectors at a time, and needs to concentrate its support if it wants to enter into substantial policy dialogue. This focus on particular sectors may have a negative impact on the holistic nature of many forestry-related interventions supported to date. On the other hand, SPS may address many of the 'externalities' which have often reduced the impact and sustainability of conventional forestry projects.

Agriculture has been selected as a priority sector in 15 of Denmark's 20 programme countries. Forestry, agroforestry and natural resource management will be integrated into the agricultural sector in Eritrea, Kenya, Tanzania, Niger, Burkina Faso, India and possibly Malawi. In Nepal, forestry and natural resources will be a separate priority sector, while the environment sector will be prioritised in Egypt, Bhutan and possibly Nicaragua. While this selection is preliminary and changes are likely, it tentatively indicates that forestry-related matters will continue to be an important component of the agricultural sector under Sector Programme Support.

Some additional project assistance is possible for pilot projects of limited duration. Certain forms of bilateral assistance such as for private sector development and assistance channelled through NGOs will not be in the form of Sector Programme Support.

4.2 Tropical forestry development co-operation

4.2.1 Background

Concern for the environment has become a pronounced feature of Danish society, and thus an important characteristic of Danish development assistance over the past decade. The only major European Union institution in Denmark is environmental (the Environmental Protection Agency). Nordic concern for the

environment first came to international prominence at the 1972 Conference on the Environment in Stockholm. The World Commission on the Environment and Development chaired by the Norwegian Gro Harlem Brundtland published its report *Our Common Future* in 1987 (WCED, 1987). This report aroused a great deal of interest in the Danish Parliament, and in May 1987 it approved a resolution directing Danida 'to prepare an action plan to strengthen the efforts of environmental rehabilitation and natural resources conservation' (Danida, 1988b; Danida/DANCED, 1996a; DAC, 1995).

The Danida *Action Plan for the Environment* was published in 1988 (Danida, 1988b), and six sectoral plans and five country profiles were published in 1988–9. The most important sectoral plans as far as forestry is concerned are *Environmental Issues in Dryland Agriculture* (Danida, 1988a) and *Environmental Issues in Agriculture in Humid Areas* (Danida, 1989) (see section 4.2.2). Although planned, a forestry sector Action Plan was never completed. The 1996 evaluation of the Action Plans is discussed in section 8.

During the time leading up to the 1992 UN Conference on Environment and Development (UNCED), a great deal of interest in tropical forests was aroused among the Danish public and in the political system. The government report, *Sustaining the Tropical Forests, Government policy for a Danish Contribution*, published in February 1992, highlights the importance of sustainable tropical forestry arguing that Denmark has few opportunities to influence the management of tropical forests apart from collaboration through development assistance (MFA, 1992). The Forest Declaration of UNCED was widely discussed in the Danish Parliament, and the government was urged to seek an expansion of the declaration into a legally binding document.

At the Helsinki Conference of June 1993, the Signatory States committed themselves to the preparation and implementation of national guidelines on sustainable forest management. As part of this commitment it was decided that, rather than limiting the issue to tropical forests, Denmark should also have a strategy to conserve its own natural forests, although less than 1% of the country's forests are considered natural. This led to the publication of a *Strategy for Natural Forests and Other Forest Types of High Conservation Value in Denmark* by the Ministry of the Environment (MEE, 1994c). Among other things, the strategy proposed a doubling of the area of forest to around 25% by 2100 (see section 1.1).

Environmental issues in development assistance were further strengthened by the incorporation of Environmental Impact Assessments (EIAs) into the project cycle. A new guide for the application of EIAs was published in 1994 (Danida, 1994d), the number of staff in the environmental section of Danida's technical service was increased, and EIA training was provided at various levels in the organisation (Danida, 1996a).

4.2.2 Action Plans on environmental issues in agriculture

In the 1960s and 1970s Danida's bilateral assistance to forestry was very low, although a significant degree of support was made available through funds-in-trust

assistance. The relatively strong tree-seed activities in Danish forestry are probably one of the main reasons why Danida supported work on tree seed and genetic resources from the late 1960s onwards, albeit at modest levels. Agricultural support, narrowly focused on the supply of inputs and technical assistance, was the key component of Danish aid at this time (Danida, 1996a).

By the late 1980s this had changed. The two *Environmental Issues In Agriculture Action Plans* (Danida, 1988a, 1989), one for semi-arid and arid regions and one for humid areas focused to a considerable extent on forestry and agroforestry assistance. Both recommended the following specific forestry-related interventions:

- more support for forestry and promotion of multi-purpose tree planting and management, and rural tree planting such as woodlots and shelterbelts;
- more emphasis on an integrated cross-sectoral approach focusing on ecologically appropriate farming, integration of leguminous trees, alley farming, incorporation of trees in the farming system, increased assistance for soil and water conservation projects, with the incorporation of forestry or agroforestry;
- improved efficiency in wood energy conservation;
- on communal or government-owned land, focus on the use of a community participation approach to achieve increased conservation of forests and woodland (particularly genetic resources) and the sustainable use of rangelands.

The Action Plans urged the use of a process approach to development instead of the previous blueprint approach, thus allowing a greater degree of flexibility. Improved participation was to be promoted through prioritisation according to local knowledge and local needs. Experimentation should be encouraged and more self-help was advocated instead of transfer of technology and input delivery. Increased local participation in project planning and monitoring was also recommended.

During the second half of the 1980s and the early 1990s a number of forestry and integrated resource management projects were initiated. These took a more holistic approach in line with international trends in agriculture and forestry assistance.

4.2.3 Sector policy on forestry and agroforestry

In 1995 the first *Forestry and Agroforestry Sector Policy Paper* (Danida, 1995a) was published. The main focus of future assistance in forestry and agroforestry would be in three areas: natural resources management, especially in relation to rural development forestry and watershed management; forest seed procurement, gene conservation and tree improvement; and forest conservation and the conservation of biodiversity. The policy paper further specified that Danida support would be undertaken within existing national planning frameworks like the Tropical Forestry Action Plan or Tropical Forestry Master Plan. It reiterated the various principles of the overall Danida strategy (Danida 1994a) concerning capacity building, active local participation, sustainability and the need for long-term commitment.

The forestry and agroforestry policy paper highlighted the following specific objectives (Danida, 1995a):

- increased production of biomass including timber and non-timber forest products in addition to improvements in agricultural production through forestry, agroforestry and soil and water conservation;
- strengthening of institutional policy and strategy formulation capacities;
- improvement in forest management and conservation systems through better use of technology and increased local participation;
- increased revenues from forestry for local communities and local and national authorities;
- provision of modalities for joint forest management;
- improved nutrient and water balance in agricultural production systems;
- rehabilitation of degraded land through tree planting;
- promotion of active multilateralism in support of the global debate on tropical forests.

The policy paper is a sizeable document (72 pages plus annexes) which takes in almost everything mentioned in the 1988/89 Action Plans with respect to forestry and agroforestry. Nevertheless, the emphasis differs and recent issues have been incorporated. A notable difference concerns the strong emphasis on tree seed and genetic resources in the 1995 paper, along with the need to involve the Danish resource base. It consequently puts more emphasis on the Danish tree seed programme. This policy focus had, in fact, already been in effect for a number of years as illustrated by the very high proportion of tree seed projects supported through bilateral forestry assistance (see section 5.3).

As already noted, the Action Plans put considerable emphasis on a process approach to the development of project assistance, with the accent on flexibility, local knowledge and integrated and participatory approaches. The forestry and agroforestry paper does not highlight these issues to the same extent. On the other hand, it has incorporated recently emerging issues such as active multilateralism and tropical forests, and various matters emerging from the new sectoral programme support approach.

4.2.4 EDRF strategy

The environmental half of the EDRF funds were originally targeted at four sectors: cities, forests, biodiversity and coastal zones; with funds to be shared roughly equally between the 'brown environment' and the 'green environment'. In 1996 Danida and DANCED jointly prepared a new environmental assistance strategy for the EDRF, the main features of which include: promotion of the environmentally sustainable utilisation of natural resources and the conservation of nature; prevention and limitation of air, water and soil pollution; and promotion of the sustainable use of energy (Danida/DANCED, 1996a). The target areas for funding have been expanded to include urban development and industrialisation; the sustainable use of energy; agriculture; water resources; forests and wood resources; biological diversity; and coastal zones. With-

in these areas, six forestry-related themes have been identified: energy, including wood and other forms of biomass energy conversion (stoves, etc); agriculture, including sustainable farming; water resources, particularly with respect to watershed protection; forest and wood resources; biodiversity, due to the importance of forests in the selected regions; and coastal zones, with a focus on mangrove forest management.

In addition to some of the points already in the forestry and agroforestry policy paper (see section 4.2.3), this strategy particularly highlights the cross-sectoral, holistic nature of forests and forestry. This is witnessed by the fact that the strategy proposes support for many forest-related activities in sectors other than forestry itself.

To complement their general strategy for environmental assistance, Danida and DANCED have also produced a joint regional strategy for Southern Africa (Danida/ DANCED 1996b). A similar strategy is being prepared for South-east Asia. Within the EDRF, cross-boundary problems are considered a particular priority; consequently environmental problems prioritised by several neighbouring countries will be supported preferentially. In the Southern African region, three of the four priority problems identified are forestry-related, namely:

- agriculture and woodland/forest management, notably deforestation, soil deterioration, loss of water resources and of biodiversity;
- environmental problems in coastal areas, including destruction of mangroves;
- environmental problems related to energy supply, including greenhouse gas emissions and deforestation.

Support for sustainable forest and agricultural management, including agroforestry and sustainable use of forests by neighbouring communities, was also highlighted as was support for integrated coastal management, with an emphasis on management structures.

4.2.5 Draft agricultural policy

Forestry-related activities have often been funded under the broader agricultural umbrella. The agricultural sector evaluation in 1993-4 (Danida, 1994c) concluded that Danida has increasingly supported forestry and land-use/watershed management projects in marginal lands, but that it has been difficult to achieve its objectives. It argued that trade-offs exist between poverty alleviation and environmental improvement, and suggested that more emphasis needs to be put on areas of high agricultural potential. It also suggested that drylands will require subsidies which governments can afford only if a surplus is produced in high potential areas. It noted, however, that the Danish resource base to support dryland programmes is not strong.

The draft Agricultural Sector policy paper (Danida 1996b) does not argue clearly for or against support to areas of low agricultural potential, but emphasises the poverty orientation of Danish assistance. Nevertheless, many of the strategies mentioned revolve around the type of productive agriculture more frequently found in high potential areas. It also notes that support will primarily be given where Denmark has a comparative advantage, which, if the conclusions of the agricultural

sector evaluation are accepted, is not in drylands agriculture.

To date, Danida's agricultural support has been characterised by a sizeable programme in watershed development and soil and water conservation, which constitutes an important part of its total forestry programme. The draft Agricultural sector policy aims to promote the transformation of agricultural support into support for Sector Programmes, in line with the general 1994 Strategy. Future co-operation in the sector will generally be concentrated on a specific sub-sector (particularly smallholder crops and livestock) or on a government support service, at the expense of assisting individual projects (Danida, 1996b). When this comes into effect, it will greatly change the nature of Danish support to agriculture. Many of the more holistic projects initiated under the pressure of the environmental concerns of the latter half of the 1980s, as expressed in the Action Plans, may therefore terminate or change considerably.

The Agricultural sector policy recognises the existence of the Forestry and Agroforestry policy, but also contains a section on agroforestry in which it emphasises the need for research and development in agroforestry intercropping, implying an experimental rather than implementation status. Farmer tree planting programmes, such as woodlots, will be supported in the agricultural sector if they lead to increased production and incomes, and have an advantage compared with alternative land uses. In spite of significant past support for agroforestry and farm forestry in the agricultural sector, the draft policy makes only a fairly cursory reference to these activities.

4.3 Conclusion

Danida's policy discussions in forestry-related sectors appear to be lively. On the one hand, its Sector Programme Support orientation will move the level of its interventions from watershed and local tree planting projects to national-level institutions. Sub-sector support will inevitably require a narrowing focus of assistance, since it is argued that a relatively small donor like Danida cannot provide significant support to many sectors at a time. This will differ from the broader, more holistic aid characteristic of existing district-level projects. It will also prioritise investments in regions in which the Danish resource base is strong, which is apparently not the case for drylands. On the other hand, Danida's overall strategy clearly prioritises poverty, which is particularly relevant in the drylands.

The greatly increased Danish support for the environment through EDRF funds has given increased weight to environmental issues. As a consequence, cross-sectoral approaches are emphasised as a characteristic of environmental support (Danida, 1996a).

5. REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

No comprehensive inventory of forestry and forestry-related projects exists. The data presented in the following section have, therefore, been calculated on the basis of a number of different sources. These include

Danida's agricultural sector evaluation (Danida, 1994c), which only provides pre-1994 data; and the environmental sector evaluation (Danida, 1996a), which is limited to 10 out of the 20 programme countries. In line with DAC guidelines, project-specific aid to multilateral organisations (funds-in-trust) has been included as bilateral aid, although it is counted as multilateral aid by Danida.

To cope with the fact that much forestry assistance is in fact provided under a different guise, it was decided to include all projects, the titles of which clearly indicated their forestry or agroforestry nature, including tree seed projects. In addition, all integrated projects or natural resources management projects were included if they had one or more of the following specifications: tree seed; agroforestry; shelterbelts; sawmills; forestry; tree planting; nurseries; or if presented as natural resources management in combination with vegetation, degradation, ecological monitoring, and energy. However, consultation with Danida's technical advisers led to the exclusion of some projects due to their minimal level of forestry-related components.

5.1 Volume of funding

The agricultural sector, including forestry, was important in the early 1980s, accounting for 30% of total Danish bilateral assistance. By 1994 its share had dropped to about 15%. Agricultural assistance is expected to increase to 20% of total bilateral aid by 1999, although real changes are probably less distinct since these figures have been influenced by changes in classification (Danida, 1996a).

A relatively small number of projects involving forestry fall under the remit of the forestry desk. In 1993 only about 1% of the overall Danida budget was devoted to specific forestry activities, a surprisingly marginal amount in view of the emphasis of the Environment and Development Plan of Action (Danida, 1988b) on loss of vegetative cover and biodiversity (Danida, 1996a). However, this does not take account of the complexity of forestry-related funding in Danida, and many integrated projects have a significant forestry component.

An analysis of the number of Danish projects in tropical forestry (forestry alone and those with a forestry component) initiated during the period 1965–95 and funded by Danida or DANCED suggests that forestry, in its broadest sense, is a sector of growing importance (Figure 4).

In terms of project size, forestry projects funded in the 1980s, in particular those supported under funds-in-trust programmes, tended to have fairly large budgets relative to the more modest projects initiated recently, especially those funded through NGOs and DANCED.

5.2 Regional distribution of forestry projects

The geographical emphasis of Danida is clearly on Africa which currently receives 63% of all forestry and agroforestry project assistance, followed by Asia and Latin America (Table 2). The regional distribution of integrated projects with a forestry component (e.g. watershed development, soil and water conservation, and environmental protection projects) also follows this

pattern, with the emphasis on Africa (65%), then Asia (30%) and Latin America (5%) (Danida, 1995b).

The EDRF also constitutes an important source of forestry funding. In 1994 and 1995 two countries, Malaysia and Thailand, were the main recipients of the 25% of the EDRF destined for environmental support to developing countries (MEE, 1995). From 1996, an increased number of countries in South-east Asia as well as countries in southern Africa have received assistance from this rapidly growing fund (DANCED, 1996; Danida/DANCED, 1996a).

5.3 Thematic distribution of forestry projects

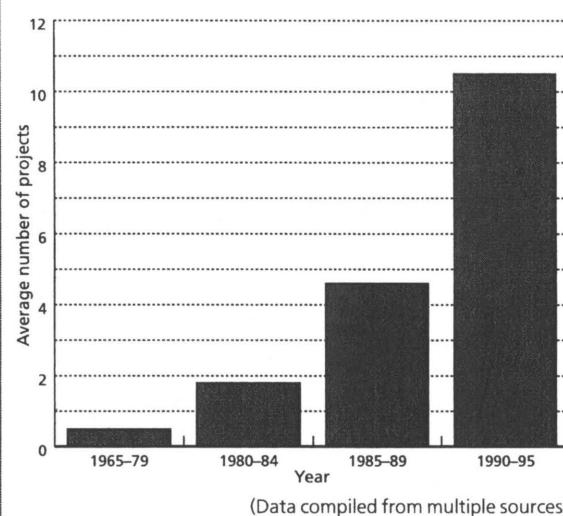
Taking into account all allocations up to mid 1995, tree seed projects are found to have been heavily supported by Danida, constituting 33% of all bilateral forestry-related assistance. Agroforestry support is more modest at 18% of the bilateral projects, but the distinction between agroforestry and other rural development forestry is rarely clear.

Funds-in-trust forestry assistance has been a relatively important feature of overall Danish support to tropical forestry, in particular by means of projects started in the 1980s through the United Nations Sudano-Sahelian Office (UNSO). Tree seed is a minor component in this form of forestry assistance, but agroforestry has greater significance (29% of all funds-in-trust forestry assistance). However, funds-in-trust assistance is being phased out by Danida.

Danida's total support to the forestry subsector to date amounts to around DKK 1,225 m. Total support to integrated projects with an incorporated forestry component is DKK 1,161 m., although it is not possible to specify what proportion of the latter was directly used for forestry activities.

Since 1994 DANCED has allocated DKK 83 m. to forestry and agroforestry projects and DKK 148 m. to projects which include a forestry component. This may not seem a large amount, but almost all projects were initiated in 1995 and many more continue to be identified.

Figure 4 Average number of forestry-related projects initiated each year



6. RESEARCH

Danida has supported research in forestry-related matters primarily through international institutes, and through research carried out in individual projects. The Consultative Group on Agricultural Research has been supported, particularly ICRAF and CIFOR, as well as CATIE, and international institutes such as ITTO and UNSO (Danida, 1994e; 1995b).

Applied research in tropical tree seed and genetic resources has been supported since 1965 through the Danish/FAO Tree Seed Centre, which became the Danida Forest Seed Centre in 1981 (DFSC, 1981). Botanical research has been carried out throughout this period by botanical institutes. A great deal of applied research has been undertaken by individual Danida projects but information is scattered and the quality varies. However, innovative and thorough research has been carried out in various cases (Wardell, 1996).

Table 2 Regional distribution of Danida's forestry assistance, 1965-95 (DKK m.)

		Africa	Asia	Latin America	Denmark	Total	%
BILATERAL	Tree Seed	58.2	14.7	48.7	82.3	203.9	16
	Agroforestry	24.9	19.5	68.0	—	112.4	9
	Other forestry	126.5	109.3	66.1	—	301.9	25
FUNDS-IN-TRUST	Tree Seed	36.7	—	—	—	36.7	3
	Agroforestry	178.8	—	—	—	178.8	15
	Other forestry	352.6	39.1	—	—	391.7	32
Total		777.7	182.6	182.8	82.3	1225.4	100
%		63	15	15	7	100	

(Data compiled from multiple sources)

7. PROJECT CYCLE METHODOLOGY

Until recently, a classic project set-up has been followed, but the 1994 Strategy (Danida, 1994a) requires that the majority of bilateral assistance be provided through programme aid. This has consequences for project cycle methodology, with inevitable upheavals in the aid administration during the transition. Despite the heavy emphasis on programme assistance, major changes in the implementation of development programmes were not effected in 1995. Less than 5% of bilateral aid in that year was executed as programme aid, whilst most of the funds were disbursed through projects. The conventional project cycle methodology is likely to remain important in Danida for some time.

In 1985 some headquarters staff attended a FAO workshop on the logical framework. Discussion was raised about its application in Danida, and since 1989 the logical framework approach (LFA) has become a standard tool in its bilateral programme. Further adjustments have been made regularly and the most recent guide dates from 1996 (Danida, 1996c). The recent changes were made to address the concern that the LFA has sometimes become a straitjacket, unsuitable for the participatory development approach Danida wishes to encourage.

7.1 The project cycle

The project cycle methodology for forestry is identical to that of all other sectors in bilateral assistance. Three stages are characteristic: preparation, implementation and completion, with the project preparation phase prescribed in most detail. A detailed project management manual (DANCED, 1995) has been prepared for DANCED, based on a series of guidelines produced by Danida.

The stages of project preparation often include (Danida, 1993b):

- identification;
- feasibility study, which may be preceded by a pre-feasibility study;
- appraisal, which may be preceded by a pre-appraisal;
- tendering;
- project document;
- financial approval procedures.

The role of the embassy has increased since the decentralisation policy took effect. In particular, project identification, feasibility study and appraisal, as well as implementation and completion, depend to a large extent on initiatives taken at the embassies. Furthermore, the project cycle described below does not apply to projects with a budget of less than DKK 3 m., which are funded from the Local Grant Authority and are entirely an embassy responsibility.

7.1.1 Project identification

Project identification is defined as the identification of the major development problems in a given geographical area, along with possible solutions in the form of a project proposal. The emphasis should be put on key problems that the recipient country wishes to address,

and aimed at those target groups that Danida can support. Proposals are screened in the light of country and sectoral strategies, projected financial allocations and risks. Preparatory studies are undertaken to improve the understanding of problems and possible solutions contained in the proposal. Consultants may be contracted to do part or all of this work. The studies lead to a decision to reject the proposal, or to move on to the feasibility study stage.

The objective of the feasibility study is a detailed multi-disciplinary examination of the project proposal, including its technical, economic, social, ecological and institutional aspects, and the sustainability of the project. External consultants are normally contracted. If the study finds the proposal feasible, a draft project document is produced.

7.1.2 Project appraisal

The project appraisal is a professional evaluation of the project proposed, after the various studies have been completed and before presentation to the financial authorities, with the aim of ensuring rational decision-making and enhancing the conceptual framework of the project. Special emphasis is put on technical, economic, social, institutional and administrative analysis. The development objectives, intermediate objectives, and outputs as well as project resources and their interrelationships are evaluated. The proposal is judged in the light of Danida sectoral and cross-sectoral policies as well as the needs, policies and the absorption capacity of the recipient country. Potential weaknesses are identified and improvements are recommended.

At this stage of the cycle, Danida may decide to invite private consultancy services to participate. Tendering procedures normally involve the shortlisting of three companies, but procedures vary depending on the size and type of work. After the necessary approvals have been obtained, a Memorandum of Understanding is prepared by the desk officer at the embassy, which is normally signed by the head of the embassy and the relevant minister in the recipient country, or their deputies.

7.1.3 Implementation

Project implementation is the responsibility of the organisation in the recipient country, with possible support from Danida technical assistance personnel and monitoring by the desk officer in the embassy. Normally, a three-year Plan of Implementation is prepared by the implementing organisation, which may be tailored to the recipient country's normal planning procedures. This Plan has to be approved by the embassy desk officer as well as headquarters. Annual and semi-annual plans are prepared based on the three-year plan.

Reporting during implementation follows the Logical Framework. Every bi-annual and annual report should explain how the development and intermediate objectives as well as the outputs are being achieved (Danida, 1993c). Reviews are normally prescribed in the project document, and in the case of forestry projects they are often carried out 2–3 years after project commencement.

7.1.4 Completion

The project document normally describes how Danida support will be reduced and terminated during the final project phase. A completion report is prepared by the implementing organisation and the chief adviser, although final responsibility lies with the desk officer in the embassy. The report helps to decide whether minor funds will be provided for continuation of the project, and whether a post-project evaluation should be carried out. A post-project evaluation analyses the preparation, implementation and completion of the project, and determines the relevance of its objectives, achievements, efficiency, developmental effects and sustainability. Such an evaluation should assist in the decision-making on future project assistance.

A major cross-cutting issue in project preparation is the Environmental Impact Assessment Guide of 1994 (Danida, 1994d). The guide is user-friendly and has been introduced at a time when interest in environmental issues has greatly accelerated. Nevertheless, the guide provides guidelines and not operational directives, and its impact is considered to be limited (Danida, 1996a).

7.2 Programme cycle

Sector Programme Support follows a process approach in six stages that are similar to the project cycle stages: identification; preparation; appraisal; approval; implementation and phasing out. Its contents are, however, quite different from the project cycle. Three types of document are required at each stage: the Sector Programme Support document; the Technical Reports, which deal with particular aspects of the sector; and documents that assess particular options for future action. At each stage, the Process Action Plans prescribe who should conduct and who should participate in the process. This helps ensure national ownership (Danida, 1996d).

Danida SPS is still at the stage of description and analysis of the already identified sectors for each programme country. This stage analyses how SPS efforts can be planned jointly with other donors. Within this framework specific projects may be presented for approval. These may include existing Danida-supported projects which need to be adjusted to SPS, or pilot projects falling clearly within the scope of the SPS under preparation.

The outcome of the identification stage should be a tentative Sector Programme Support document, with project documents attached, accompanied by a Process Action Plan. Projects will be redefined in the course of the SPS process and, once the SPS is accepted, approved projects become 'components' of SPS (instead of 'projects'), whilst others are phased out.

Subsequent stages of the programme cycle will not be described here since the process has only just started. In 1995, only 3% of the bilateral assistance subject to SPS was reformed into programme assistance (Danida, 1995). Subsequent stages of SPS may well be adjusted in the light of experience gained over the next few years. The environment as a cross-cutting theme should be incorporated in all stages of the SPS process and in particular during the policy dialogue. However, there is concern regarding the role of Environmental Impact Assessment in Danida's SPS cycle. There is no reference

in the SPS guidelines as to how environmental issues are to be analysed and reflected. It is feared that indicators of success in this respect may become fluid and expendable (Danida, 1996a).

The now rapidly increasing EDRF will not follow SPS procedures but will instead follow the project cycle (Danida/DANCED, 1996a).

7.3 DANCED project cycle

The DANCED organisation is much smaller than that of Danida and basically consists of three levels: the country officer, the desk officer and the director. The DANCED project cycle contains many of the elements found in Danida but it is condensed around these three officers (DANCED, 1995). The country officer is based in the embassy but is not as functionally integrated into it as the Danida desk officer. DANCED is not involved in any project implementation, so that the role of consultancy companies is much greater than in Danida. DANCED funds are for project assistance only and are unconnected to the SPS orientation.

8. PROJECT AND PROGRAMME REVIEWS

Two major reviews have taken place in the forestry-related sectors:

- the Agriculture Sector Evaluation (ASE), which took place in 1993/94;
- the Environment and Development Evaluation (EDE), which took place in 1995/96.

No official Danida review or evaluation of the forestry sector in the narrow sense has taken place to date, but most forestry projects financed under the bilateral portfolio are included in either one, or both, of the above evaluations.

8.1 The Agriculture Sector Evaluation

The ASE (Danida, 1994c) included field evaluations of eight forestry resource interventions in the agriculture sector, of which two belong directly to the forestry desk, while the six others have significant, often dominant, forestry-related activities. The sample covers India, Kenya and Tanzania with an emphasis on dryland areas, but some areas of high agricultural potential were also included. The development objectives of the projects were generally defined as improved living conditions and/or an improved environment, and lesser objectives were the establishment of an improved resource base, the introduction of sustainable management, strengthening of the implementing institutions, and community mobilisation.

The evaluation found that the logic of the LFA was not evident, and, in particular, that it was not clear how measures to improve the resource base, mobilise the communities, etc., would lead to improved living conditions, or what the improved living conditions comprised. It found that no readily available technologies existed for the agricultural conditions in the intervention areas. Instead, projects relied on a combination of existing standard messages and research and development activities, although such R&D has not been systematic.

Box 1 Danida Forest Seed Centre

In 1969 the Danish/FAO Forest Tree Seed Centre was established outside Copenhagen as part of an internationally coordinated programme formulated by the 'FAO Panel of Experts on Forest Gene Resources' in 1968. It changed its name to the Danida Forest Seed Centre (DFSC) in 1981. The DFSC's early aims were to assist developing countries to improve the wood production and other benefits derived from their forests, through the use of plantations of well-adapted species and provenances. In particular, the Centre took responsibility for the collection and distribution of seed of different provenances and the organisation of international trials to evaluate the performance of *Tectona grandis*, *Gmelina arborea* and *Pinus merkusii*. With the growing realisation that the use of industrial wood in the tropics is outweighed by the use of fuelwood and other tree products, DFSC changed its emphasis in the late 1980s towards more support for multipurpose woody species. Regionally, its activities have also seen a shift from South-east Asia towards Africa, with a particular focus on dry-zone species. More recently, in line with growing international awareness of the need for conservation of forest genetic resources (as expressed in the International Convention on Biodiversity adopted at UNCED in 1992), DFSC has increased its emphasis on gene resource conservation.

DFSC concentrates on filling the gaps between research and practical application by (i) collecting know-how and carrying out required research and development; (ii) developing methods for practical application; and (iii) transferring know-how through DFSC's information service, training and direct project support. In the technical field, its activities focus on seed procurement, tree improvement and gene resource conservation. While general advisory and information services are made available internationally, DFSC's assistance is directed primarily towards the programme countries for Danish bilateral assistance. In 1996 it was closely involved with Danida tree seed projects in Eritrea, Niger, Tanzania, Nepal, Nicaragua and, in collaboration with CATIE, in Central America. It also supported projects funded by the United Nations Sudano-Sahelian Office (Sudan, Ethiopia, Uganda) and the Nordic Development Fund (Indonesia). DFSC's basic operational costs are covered by Danida, while most training activities and support for field projects are carried out on a cost-recovery basis.

(DFSC, 1981, n.d., 1995)

The ASE noted the difficulty of assessing the effects of an intervention that seeks to arrest on-going degradation. In many cases there is no indication whether effects should be measured against the baseline situation or the hypothetical situation, had degradation been allowed to continue unchecked. A further reason for difficulty in impact assessment, according to the ASE, is the long-term nature of forestry and agroforestry. The development impact must instead be assessed in terms of the survival rates of trees, and the appropriateness of technologies tested in R&D plots, for later adoption and use by the poor. It also found that off-site effects downstream, whether positive or negative, were generally not measured by the projects.

The ASE concluded that institutional integration is

often less than desirable, mainly because the cross-sectoral approach taken by projects contrasts with traditional compartmentalised implementation by government departments and ministries. However, it noted that, despite inherent difficulties, positive institutional changes may occur in the long term. The project approach also has inherent difficulties, such as possible contradictions between the physical catchment approach and participation.

Finally, the ASE concluded that a strategic choice has to be made between low and high potential areas. Poverty alleviation in the long term requires economic growth which, in the view of the ASE, can currently be achieved only in the high potential areas, given that in many developing countries agriculture is the key economic sector. It recommended investing primarily in agricultural development in the high potential areas, with social support for the poorest especially in the low potential areas.

8.2 The Environment and Development Evaluation

The Environment and Development Evaluation (EDE), carried out in 1995/96, reviewed the 1988-9 Action Plans and assessed environmental issues in the forestry and agricultural sectors (Danida 1996a). It was much more positive than the ASE about the impact of Danida's forestry and integrated land-use management projects and concluded that Danida had successfully included afforestation activities and the conservation of biomass energy sources in some land-use management and forestry projects. It presented much more positive data about biomass energy production in various projects. It noted, for example, a reduction in the work of an average woman of several hours per week combined with a major increase in target group income from forestry in the case of one project. The ASE, however, which evaluated the same project, made no mention of this.

The EDE concluded that the forestry sector's real contribution to GDP, and in particular to the rural poor, is often underestimated. The emphasis of the 1988-9 Action Plans on forestry and agroforestry has not been translated into significant support for this sector (with a drop of 1.3% in bilateral assistance to forestry in 1993). It found that the forestry projects had effectively adopted participatory approaches in rural development forestry, resulting in institutional capacity building and public awareness-raising.

The EDE found that recently proposed Sector Programme Support in the field of agriculture reflects a sub-sectoral bias towards high-potential agricultural production objectives (such as livestock breeding, veterinary support, seed production) at the expense of integrated land-use management approaches. It noted that the poverty focus and the expected environmental impact may suffer from such policy changes, and argued that development assistance through a narrow sub-sector focus, and implemented through a central Ministry, has a poor record in Africa.

The evaluation recommended a policy change whereby 10% of total Danida bilateral disbursements by the year 2001 should be allocated to projects with an emphasis on integrated resource management. The

policy recommendations made in this evaluation differ considerably from those in the Agricultural Sector Evaluation.

The EDE agreed with the ASE that monitoring systems for natural resource management and forestry projects are generally poor or even absent. Baseline data are often lacking, making impact assessment difficult or even impossible. However, it also noted the positive experience of innovative monitoring systems developed in some projects namely, monitoring of hydrological changes under changing land use, participatory impact assessment at village level and farm forestry modelling. The difficulties and complexities of conducting impact studies of resource management interventions are, however, accepted by the EDE (Wardell, 1996).

Finally, the EDE recommended that Danida define more clearly the trade-offs between economic growth and environmental sustainability. It noted that investments in high-potential agriculture may have high immediate returns, but that the actual and expected environmental and social costs of such development are generally not considered. Environmental economic valuation should become standard practice for sector programme support.

A synthesis of the major Danida reviews relevant to forestry presents a number of issues for the future:

- It is essential to establish a thorough baseline of data for integrated resource projects intervening in complex land-use management patterns. Furthermore, significant efforts must be made to develop a reasonably strong monitoring system in the course of project implementation. In the absence of this, impact analysis is hardly possible and external evaluations may arrive at unrealistic and contradictory conclusions. This may endanger the continued existence of such projects and programmes in the overall aid programme, since it leaves policy and decision-makers with unrealistic options.
- Natural resource-type interventions in the drylands often have a relatively limited impact if gauged by traditional measures. Environmental economic valuation should become standard practice for all development assistance including natural resource projects.
- Integrated resource management projects address many complex issues and ought to have the status of R&D instead of implementation. Long-term research commitments involving national and international research institutions should be sought by these projects.

9. CONCLUSIONS

Danish development assistance appears to be unique in many ways. In the first place, the level of public support for aid has constantly increased: to the level of three-quarters of the Danish population by 1995, when Denmark had been the lead donor for several years (DAC, 1995). Secondly, Denmark's follow-up to UNCED with the establishment of a special environmental assistance fund (the EDRF), which will eventually constitute a further 0.5% of GNP, is highly unusual among donors (MEE, 1995). Thirdly, the level of participation amongst the Danish public in develop-

ment aid issues appears to be higher than in many other donor countries. And finally, probably more than in any other donor country, Danish development assistance is marked by idealism (Olsen & Udsholt, 1995).

There are a number of contradictory policies in Danish development assistance. Poverty alleviation as the underlying motive for assistance is not at ease with the 50% tied aid objective. This conflict is seen in the different views expressed in major evaluations, such as whether Danida should or should not provide major support for agriculture and resource management in the drylands. A second area of conflict is the contrast between the poverty alleviation objective of Danida and the environmental conservation objective of EDRF funds managed by DANCED. A major study of Danida's poverty alleviation assistance is currently under way.

Definitional problems inhibit analysis of the tropical forestry and forestry-related support provided by Denmark. Nevertheless, it is clear that forestry has historically been a sector of very limited importance in Denmark itself and there is no history of colonial forestry. This was reflected in the assistance provided up to the 1980s, which largely concentrated on commoditised agriculture. Forestry support has become important only during the last 10 years or so, and mostly in a form which is integrated into wider development objectives, in particular into land, water and environmental conservation. This is mainly because of the greatly increased importance attached by Denmark to environmental conservation.

The emphasis of forestry support has shifted from large funds-in-trust projects to a multitude of smaller projects, many of them implemented by NGOs and the private sector. It can be argued that this has probably improved the quality of the assistance.

Current Danish development assistance is not only determined by many policies and strategies, but also by a host of external and internal interests. The outcome of the process depends on the relative strength and capacity that the relevant actors can mobilise and master.

REFERENCES

- CARE Danmark (1995) *Annual Report 1994/95*. CARE Danmark, Copenhagen.
- DAC (1995) *Denmark: Development Co-operation Review Series No.10*. OECD, Paris.
- DANCED (1995) *DANCED Project Management Manual*. Project preparation version 1.0. (Prepared by DanEduc a/s), DANCED, Copenhagen.
- DANCED (1996) Newsletter No. 6. MEE, Copenhagen.
- Danida (1988a) *Environmental issues in dryland agriculture: A strategy for agriculture, livestock husbandry and forestry in arid and semi-arid areas*. MFA, Copenhagen.
- Danida (1988b) *Handlingsplan: Miljø og udvikling* (Action plan: Environment and development). MFA, Copenhagen.
- Danida (1989) *Environmental issues in Agriculture in Humid Areas: A strategy for agriculture in humid areas*. MFA, Copenhagen.
- Danida (1993a) *Strategi for Danidas NGO-samarbedje. Situations- og perspektivanalyse* (Strategy for Danish NFO co-operation. Situation and perspectives analysis). MFA, Copenhagen.
- Danida (1993b) *Directives pour la preparation des projets* (Project preparation guidelines). MFA, Copenhagen.
- Danida (1993c) *Guidelines for project progress reporting and project completion reports*. MFA, Copenhagen.
- Danida (1994a) *A developing world. Strategy for Danish development policy towards the year 2000*. MFA, Copenhagen.
- Danida (1994b) *Evaluation of the framework agreements between*

- Danida and four Danish NGOs. Report No. 1994/3, MFA, Copenhagen.
- Danida (1994c) *Evaluation report. Agricultural Sector Evaluation* (3 volumes). Report No. 1994/8, MFA, Copenhagen.
- Danida (1994d) *Danida guidelines on Environmental assessment for sustainable development 1994 (2nd edition)*. MFA, Copenhagen.
- Danida (1994e) *Danidas årsberetning 1994* (Danida annual report). MFA, Copenhagen.
- Danida (1995a) *Danida Sector Policies for Forestry and Agroforestry*. MFA, Copenhagen.
- Danida (1995b) *Danidas årsberetning 1995* (Danida annual report). MFA, Copenhagen.
- Danida (1996a) *Evaluation report. Environment and development* (2 volumes). Report No. 1996/2, MFA, Copenhagen.
- Danida (1996b) 'Sector policy: Agriculture. First Final Draft'. MFA, Copenhagen.
- Danida (1996c) 'Logical framework approach. A flexible tool for participatory development'. MFA, Copenhagen.
- Danida (1996d) *Guidelines for sector programme support*. MFA, Copenhagen.
- Danida/DANCED (1996a) *Strategy for Danish Environmental Assistance*. Danida/DANCED, Copenhagen.
- Danida/DANCED (1996b) *Strategy for Danish Regional Environmental Assistance in Southern Africa*. Danida/DANCED, Copenhagen.
- DFSC (1981) '1981-1986 Working programme for the centre'. Unpublished internal report, Danish Forest Seed Centre, Humlebaek.
- DFSC (no date) *Status Report 1990/93*. DFSC, Humlebaek, Denmark.
- DFSC (1995) *Danida Forest Seed Centre Programme 1995/99*. DFSC, Humlebaek, Denmark.
- Hytönen, M. (Ed). (1995) *Multiple-use forestry in the Nordic countries*. METLA, the Finnish Forest Research Institute, Helsinki.
- McLoughlin, J. (1992) 'A review of forestry in Denmark', Unpublished manuscript.
- MEE (1994a) *Strategy for sustainable forest management*. MEE, Copenhagen.
- MEE (1994b) *Policy guidelines for DANCED*. MEE, Copenhagen.
- MEE (1994c) *Strategy for natural forests and other forest types of high conservation value in Denmark*. MEE, Copenhagen.
- MEE (1995) *Annual report 1994 DANCED*. MEE, Copenhagen.
- MFA (1992) 'Sustainable management of tropical forests', English summary of a Danish Government report on "Sustaining the Tropical Forests, Government Policy for a Danish Contribution". MFA, Copenhagen.
- MFA (1995) *Denmark's Development Assistance 1994-95*. MFA, Copenhagen.
- NFNA (1994) *Denmark's report on forests to the Commission on Sustainable Development. Third Session 1995*. Unpublished mimeo, MEE, Copenhagen.
- Olsen, G.R. and Udsholt, L. (1995) *The Danish aid administration: between politics and technical rationality*. Centre for Development Research Working Paper 95.12, CDR, Copenhagen.
- Wardell, A.D. (1996) 'The development and use of themes and indicators for sustainable forest management as a strategic planning tool for the Danish aid administration'. Unpublished report, Water and Power Planners, Denmark.
- WCED (1987) *Our Common Future*. World Commission for Environment and Development, Oxford University Press, Oxford.

KEY CONTACTS

Ministry of Foreign Affairs / Danida,
2, Asiatisk Plads,
DK-1448 Copenhagen K.
Tel: +45 33 920 000
Fax: +45 31 540533

DANCED
Ministry of Environment and Energy,
Environmental Protection Agency,
Strandgade 29,
DK-1401 Copenhagen K.
Tel: +45 32660267
Fax: +45 32660142

Ministry of Environment and Energy,
The National Forest and Nature Agency,

Haraldsgade 53,
DK-2100 Copenhagen Ø.
Tel: +45 39472000
Fax: +45 39279899
Forest Policy Division Tel: +45 39472601.

Danida Forest Seed Centre,
Krogerupvej 21,
DK-3050 Humlebaek.
Tel: +45 49190500
Fax: +45 49160258
Email: dfscdk@post4.tele.dk

ACRONYMS

ASE	Agriculture Sector Evaluation
CARE	Cooperative for Assistance and Relief Everywhere
CATIE	Centro Agronomico Tropical de Investigación y Enseñanza
CIFOR	Centre for International Forestry Research
DAC	Development Assistance Committee
DANCED	Danish Co-operation for Environment and Development
DANIDA	Danish International Development Agency
DFSC	Danish Forest Seed Centre
DKK	Danish Kroner
EDE	Environment and Development Evaluation
EDRF	Environment and Disaster Relief Facility
EIA	Environmental Impact Assessment
FAO	Food and Agriculture Organization of the United Nations
GDP	Gross Domestic Product
GNP	Gross National Product
ICRAF	International Centre for Research in Agroforestry
ITTO	International Tropical Timber Organization
LFA	Logical framework approach
MEE	Ministry of Environment and Energy
MFA	Ministry of Foreign Affairs
NFNA	National Forest and Nature Agency, MEE
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
R&D	Research and Development
SPS	Sector Programme Support
TSA	Technical Advisory Service
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme
UNSO	United Nations Sudano-Sahelian Office
WWF	World Wide Fund for Nature

ACKNOWLEDGEMENTS:

This chapter has benefited from discussion with a number of people including the following: Mr. Hans Hessel Andersen (Danida), Mr. Frans Bach (NFNA), Mr. Thomas Blomley (CARE Denmark), Mr. Henrik Hvidberg-Hansen (Danida), Mr. Klaus Jespersen (NFNA), Mr. H. Keiding (DFSC), Mr. Jan Kieler (COWI Consult), Mr. Mike Kiernan (Danida), Mr. Nils Kjolsen (private consultant), Mr. Troels Kristensen (WWF Denmark), Mr. Bo Larsen (Royal Veterinary and Agricultural University), Mr. Michael Linddal (Danida), Mr. Holger Elmer Nilsen (DANCED), Ms. Kirsten Olesen (DFSC), Ms. Birte Olsen (Danida), Mr. Kristian Pedersen (Danish Church Aid), Mr. Chresten Petersen (Danida), Mr. Phil Raikes (Centre for Development Research), Mr. Lars Rasmussen (Danida), Mr. Michael Sundergaard (Danida), Ms. Elsebeth Tarp (Danida), and Mr. Andrew Wardell (Water and Power Planners).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to DKK 6.90.

Finland

Riitta Oksanen, Jyrki Salmi and Gill Shepherd

Contents

1.	DOMESTIC FORESTS AND FORESTRY	165
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	166
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY	166
3.1	Organisation of the aid programme	166
3.2	Development assistance commitment	166
3.3	Personnel	168
3.4	NGOs	168
3.5	Pre-mixed concessional credit scheme	168
3.6	Volume of forestry sector development co-operation	169
4.	DEVELOPMENT ASSISTANCE STRATEGY	169
4.1	Background	169
4.2	Overall strategies	170
4.3	Forestry strategies	170
4.4	NGOs	171
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	172
5.1	Regional distribution	172
5.2	Thematic distribution	173
6.	RESEARCH AND TRAINING	174
7.	REVIEWS AND PROJECT PROFILES	174
7.1	Mid 1980s guidelines on project planning and management	174
7.2	Guidelines for project preparation and design 1991 and guidelines for project reporting 1992	175
7.3	EU Manual on Project Cycle Management	175
7.4	On-going development work on new guidelines	175
7.5	NGO guidelines	175
7.6	Project management tools for the forestry sector	175
7.7	Roles and responsibilities in aid management	175
7.8	Project management during the different phases of the project cycle	176
8.	PROGRAMME REVIEWS	176
9.	CONCLUSIONS AND TRENDS	177
	REFERENCES	177
	KEY CONTACTS	178
	ACRONYMS	178
	ACKNOWLEDGEMENTS	178

1. DOMESTIC FORESTS AND FORESTRY¹

Finnish forest ecosystems are relatively young. During the last glacial period the whole land area of present-day Finland was covered by a thick layer of ice. The retreat of glaciers started around 10,000 years ago, immediately after which vegetation started occupying the uncovered land. The first trees were sub-arctic and boreal broadleaved species. By 6,000 years ago, with a climate warmer than today, Finland was covered by broadleaved forests dominated by temperate species.

Present-day Finnish forests are characterised by mixed but coniferous-dominated boreal (*taiga*) ecosystems. Bogs and moors are common, due to the fairly high humidity (a result of low evapotranspiration; rather than high rainfall) and the relatively flat topography. It is assumed that prior to human intervention natural forest fires and windfalls were fairly common. Consequently, ecosystems were composed of a mosaic pattern of different stages of succession, from recently burnt or fallen areas to old growth climax forests. So-called pioneer species, mainly birch and other broadleaved species, formed the first stage in the succession, gradually replaced by more shade-tolerant species, particularly spruce.

Human population followed soon after the retreat of the ice. However, the population remained extremely small, concentrated along the coast and main inland watercourses. These first inhabitants, the ancestors of the Lapps, were hunter-gatherers who had very little impact on the natural ecosystems. A new wave of immigrants, bringing agriculture with them, arrived from the south and south-east some 2,500 years ago. This farming, based on slash-and-burn agriculture, was initially restricted to the most favourable areas of south western Finland, gradually spreading along the coasts and main inland watercourses. The population grew only very slowly and the slash-and-burn cultivation was virtually sedentary, (rotational), gradually leading to permanent farming.

In the twelfth century the Swedes started colonising Finland. Gradually the Russians from the east (Novgorod) also began to raid Finnish areas. This led the Swedish king, Gustaf Wasa, to encourage the occupation of the interior of Finland in the sixteenth century. He wanted to increase the Finnish – Swedish presence in the vast interior and thus improve its defence against the Russians. Motivated by generous tax incentives, Finnish farmers rapidly started to colonise the previously sparsely populated inland, at the same time pushing the semi-nomadic Lapps north. The colonising of the interior was also greatly facilitated by a new, highly itinerant, slash-and-burn technique which was based on successive debarking, drying, felling and burning of spruce forest, a technique which was extremely productive per labour input, but very low in productivity per acreage. As the population increased, the fields which had been cultivated and abandoned were put first under more sustainable slash-and-burn cultivation, and eventually the best areas were converted to permanent agriculture.

The first commercial forest products were furs, but

boat building for export became a fairly large-scale business by the fifteenth and sixteenth centuries. Tar burning and log exports gained importance in the seventeenth century, facilitated greatly by the ample cargo space in Hansa trade ships returning almost empty to central Europe after unloading their European goods in Nordic, Baltic and Russian harbours.

Sawn wood exports started in the seventeenth century, but they remained very modest until the middle of the nineteenth century, due to the restrictive trade policies of the Swedish Government. The Swedish iron industry also efficiently protected its interest in continued low prices for fuelwood and charcoal, both required in iron processing. The Finnish forest industry gained momentum only after Russia took Finland from Sweden in 1809, and gave the Finnish administration considerable autonomy. The Finnish forest industry really took off in the 1860s after radical liberalisation of the economy and trade by the new Tsar, Alexander II. New steam-powered sawmills were established, soon mechanical pulp mills and paper factories were opened, and chemical pulp mills followed in the 1880s.

The Finnish Senate began to recognise the importance of the forestry sector. However, there were still heated debates about the future of the country and the importance of forestry. There were those who considered that forests were a major hindrance to the economic development of the country, and consequently that they should be felled as soon as possible to make way for promising agricultural opportunities. Misery, backwardness and ignorance were strongly associated with forests and people living in and around them. Others, however, argued that forest resources provided the country's only real exportable commodities and consequently forests should be wisely and sustainably utilised for the benefit of the whole economy. The latter opinion prevailed.

The Finnish Senate recruited a foreign consultant to provide advice on setting up an adequate forest administration. In 1858 Prof. Edmund von Berg, from the Tharandt Forest Academy in Germany, proposed the establishment of a lean and flexible forest service. He also strongly recommended the provision of practically oriented forestry education. His recommendations were duly implemented. Forestry legislation was revised and amended several times. In 1886 a law was passed which stipulated, for the first time, the general principle still in effect that forest should not be devastated (Haataja, 1950). With Independence at the end of the First World War, there was a general move from very strict control to merely prohibiting deforestation. A law on protection of forests in 1922 aimed to protect special forest areas. Recently debate has resurfaced on the level of control necessary, some arguing for the complete removal of state control, others for even stricter control, this time mainly for environmental reasons.

Gradually the forest industry developed into a leading industrial sector of the country. The forestry sector was particularly important in the 1950s and 60s when it contributed more than 15% of GDP. Since then the national economy has diversified significantly so forestry (including forest industries) contributed 9.3% of GDP in 1995 (*Statistical Year Books*, Finnish Forest Research Institute). However, forestry is still very important particularly in terms of exports. Roughly 50% of export

1. This section was written with the help of Helander (1949).

revenues originate from the forestry sector, and the figure is even higher when machinery and electronics directly related to forestry are also included.

Finland is perhaps the world's most forest sector-dependent country in the world and approximately 75% of its land area is covered by forests. For historical reasons, particularly the long and strong tradition of an independent peasantry, more than 60% of forests are owned by private families or individuals. This ownership structure has had a large impact on Finnish attitudes. Finns often regard themselves as forest people. Recent changes in the way society values forest, emphasising non-utilitarian and non-market values, have also had a large effect on the way Finns perceive forests. This has provoked considerable debate on the role of the traditional forest sector.

2. HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY

Finnish involvement in tropical forestry has a fairly short history. The first involvement in the 1950s and 60s was commercial, mainly aimed at selling Finnish forest machinery to tropical countries. The machinery and mill export efforts soon led to the development of a consultancy business in forestry. Development co-operation began gradually in the 1960s. In the beginning it was at very modest levels, mainly focusing on training. However, forestry was a priority sector of Finnish aid from the outset. With the gradual growth of development co-operation in the late 1960s and 1970s, a great deal of emphasis was given to the use of Finnish machinery and equipment in projects. In the 1980s the emphasis evolved from the export of Finnish machinery to rural development, poverty alleviation, and nature conservation.

One noteworthy aspect of Finnish development co-operation in the forestry sector has been its strong focus on training from the very beginning. The idea was to transfer to developing countries the knowledge and know-how of the Finnish forest sector which were thought to be of high quality. Gradually it was realised that the Finnish models were not particularly well suited to the situation of most developing countries, no matter how excellent they might be in Finland, and that techniques and know-how had to be adapted, and often tailor-made, to suit local conditions. In many cases this meant the design of completely new modes of operation.

The strong role of the forestry sector in Finnish development co-operation is possibly a result of the importance of forestry in the Finnish national economy. This has also meant that purely commercial ties between Finland and tropical countries have continued to increase.

3. STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY

3.1 Organisation of the aid programme

Finnish development co-operation is administered through the Department for International Development Co-operation (DIDC) under the Ministry for Foreign

Affairs, (MFA). DIDC was formerly called FINNIDA, this name having been phased out since 1995, although it may still be used in developing countries where it is well-known. The reason for the change was to integrate development co-operation more fully into the Ministry of Foreign Affairs. The distinct career stream in development co-operation within the MFA is also being phased out for the same reason (OECD, 1995: 11).

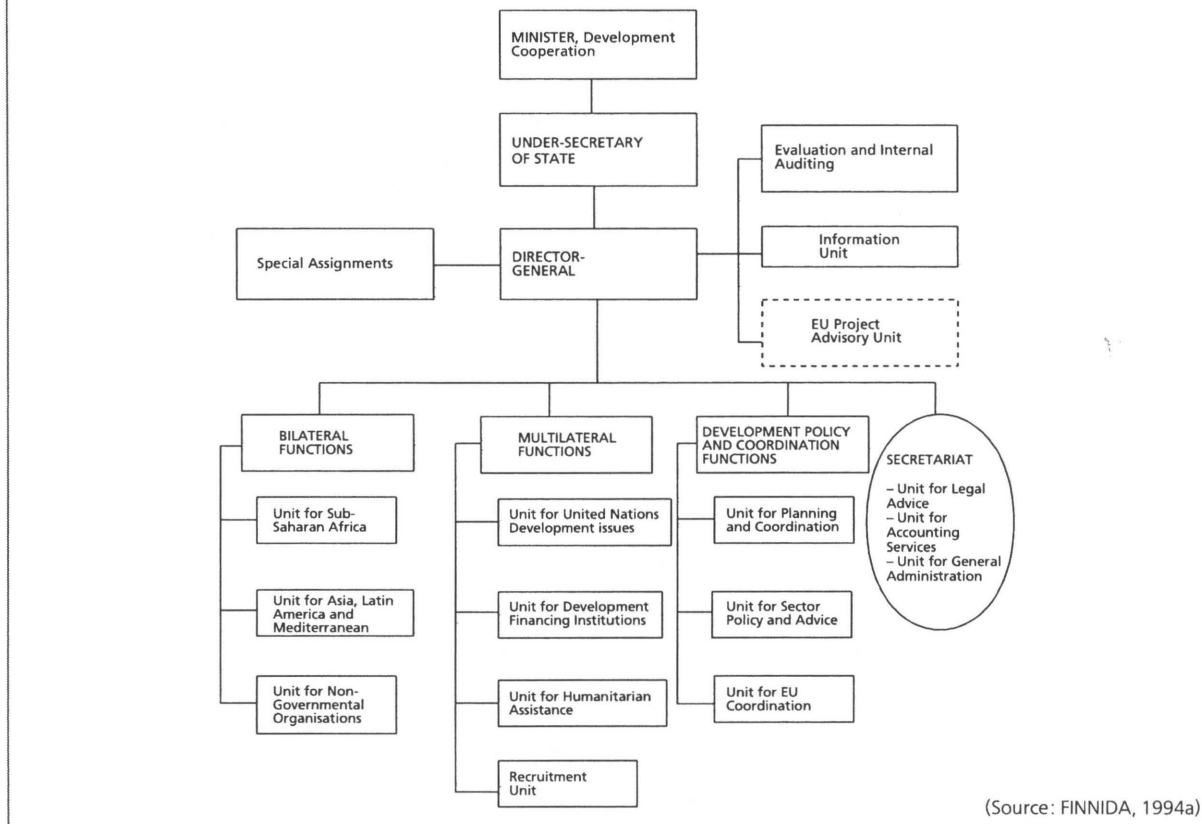
The administrative structure of the Department was last modified when Finland joined the EU in 1995 (see Figure 1). Bilateral and multilateral functions are dealt with in two separate strands. The officials dealing with bilateral co-operation are based in two regional units, one for Sub-Saharan Africa and the other for Asia, Latin America and the Mediterranean. Within these units, the officials have responsibility for (i) general co-operation issues and (ii) projects in a specific region or country. During the 1995 reorganisation a third strand of operations was created for planning and co-ordination, including a new unit for EU co-ordination. In the unit for Sector Policy and Advice in this third strand, there are professionals with an advisory role in specific technical fields (such as forestry, agriculture, environment and education). The post of Director-General of the Department was also reintroduced in 1995.

There is now a unit for Evaluation and Internal Auditing reporting directly to the Director-General. This unit is responsible for wide cross-cutting or thematic evaluations. The responsibility for project-specific evaluations rests with the relevant regional unit. Finland had a Minister for Development Co-operation during the period 1991-94 and again since 1995. The current Minister of Development Co-operation is also the Minister for the Environment, perhaps because he represents the Green Party. The administrative structure of the Department for International Development Co-operation is shown in Figure 3. A separate part of the MFA administers aid to the former Soviet Union. In addition to the staff of the Department in Finland, there are professionals dealing with development co-operation tasks based overseas in the Finnish Embassies and representations.

3.2 Development assistance commitment

The 1980s were characterised by a constant and rapid growth of funds for development co-operation (see Table 1). The average annual growth of net disbursements was 22.3% between 1980 and 1991. Finland attained the UN target (0.7% of GNP) in the early 1990s and net disbursements were 0.80% of GNP in 1991 (FIM 3,760.5 m.). The economic recession during the early 1990s, however, rapidly changed the situation. Between 1991 and 1994 the average annual decline in net disbursements was 26.1%. Net disbursements in 1995 were FIM 1,695.6 m. Up to 1991 the respective shares of bilateral and multilateral co-operation were approximately 60% and 40%, but multilateral aid suffered more from the cuts and its share of net disbursements had declined to 26% by 1994. In 1995 multilateral activities were again up to 43%. As a consequence of joining the EU Finland will contribute to the central EU development budget (about US\$ 40 m. in 1995) and will also contribute to the 8th European Development Fund as part of the Lomé Convention (estimated at US\$ 60-80 m.) (OECD, 1995: 16).

Figure 1: Organisation of the Department for International Development Co-operation, Ministry of Foreign Affairs



Allocations for development co-operation through the EU will be taken from Finland's oda budget with no compensating increase in oda overall. Payments to the EU oda budget accounted for 14% of Finnish oda in 1995. The Finnish Parliament passed a resolution calling for UN contributions to be maintained at the

1992 level. This suggests that cuts are more likely to be made in bilateral rather than multilateral support. Some commentators did suggest that Finnish bilateral aid be phased out altogether but Finland remains committed to maintaining a bilateral programme (OECD, 1995: 17 and Figure 2).

Figure 2 Aid 1985–1995. Bilateral and multilateral volumes, and % of GNP

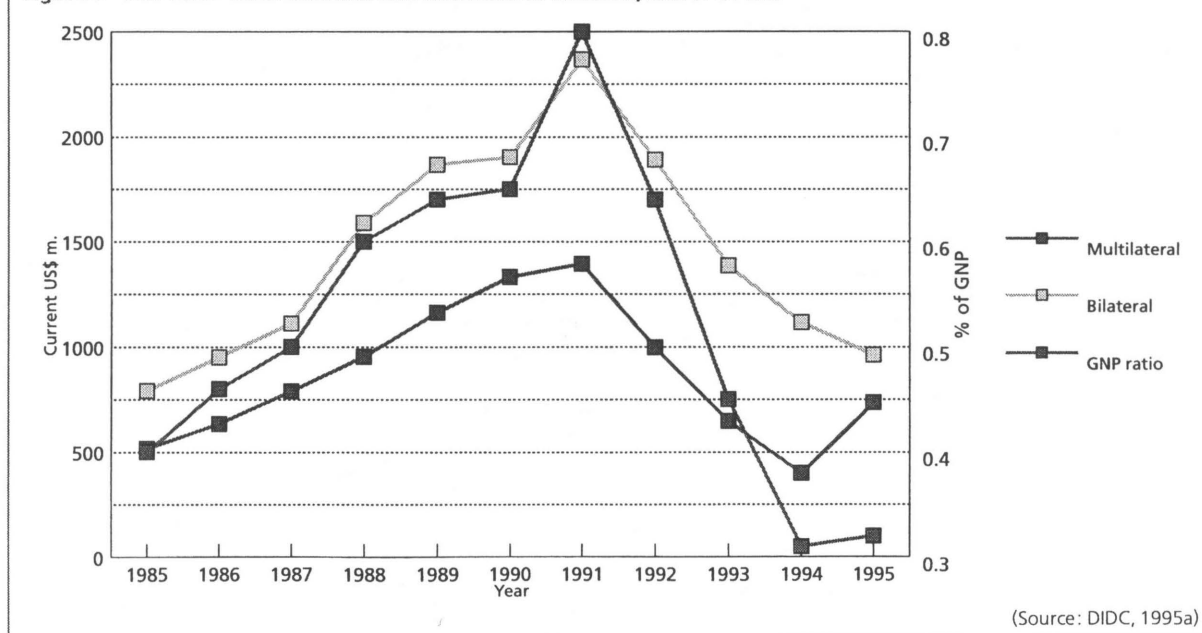
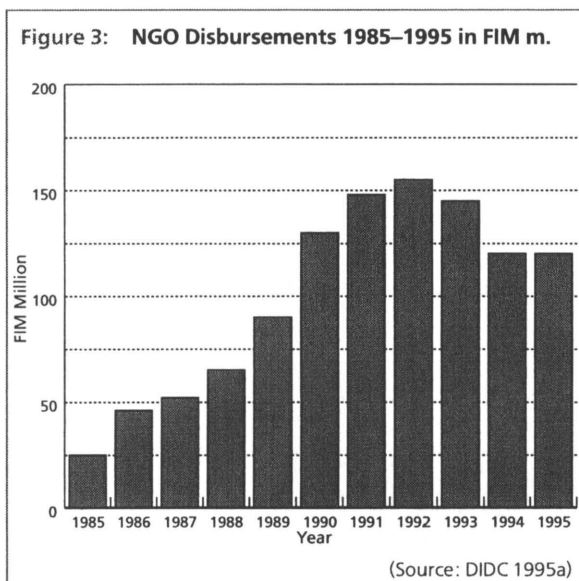


Table 1 Finnish net oda disbursements 1985–1995

Finnish ODA	Year										
	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Net Disbursements, FIM m.	1307.1	1585.6	1900.1	2542.5	3031.1	3234.5	3760.5	2887.8	2031.5	1515.1	1695.6
% of GNP	0.40	0.46	0.50	0.60	0.64	0.65	0.80	0.64	0.45	0.31	0.32
Bilateral aid, FIM m.	791.2	951	1110.8	1588.9	1868.7	1903	2367.4	1889.7	1384.7	1115.7	961.3
% of total net disbursements	61	60	58	62	62	59	63	65	68	74	57
Multilateral aid, FIM m.	515.9	634.6	789.4	953.6	1162.4	1331.5	1393.1	998.1	646.8	399.4	734.4
% of total net disbursements	39	40	42	38	38	41	37	35	32	26	43

(Source: DIDC 1995a)



The Finnish Government's decision-in-principle of 12th September 1996 on Finland's development co-operation set the target of increasing the budget for development co-operation so as to attain the level of 0.4% of gross national income by the year 2000. Furthermore, Finland reaffirms its commitment to attain the UN recommendation of 0.7% of national income in the long term.

3.3 Personnel

The DIDC's staff doubled in the 1981–91 period, but a government policy of retrenchment in 1992 resulted in more work being subcontracted (OECD 1995: 19). The total number of staff in the Department declined from 178 in 1992 to 146 in 1996. Of this total, 78 were professionals. Twenty professionals were based overseas in the Finnish Embassies and representations and 13 in the Unit for Sector Policy and Advice. Among them is one adviser for forestry.

3.4 NGOs

Development work by NGOs has been funded since 1974 as part of Finnish development co-operation

through the Non-Governmental Support Programme. The same trend is seen in the allocations for NGO activities as in oda volumes in general: rapid growth especially since the mid-1980s, with some decline in the early 1990s (see Figure 3). The share of NGO support has, however, been growing and was 7.1% of total oda in 1995 (see Figure 4). The government's decision-in-principle foresees a further increase to 10 – 15%. In 1996 support was provided to 120 Finnish NGOs implementing 348 projects in more than 60 developing countries. About 90% of NGO funding goes to Finnish NGOs but international and Southern NGOs are also eligible for support. 75% of project costs are normally provided by the Department and 25% by the NGOs themselves (OECD, 1995: 31). In addition to project activities, NGO support also assists the Finnish volunteer programme, as well as international and local NGOs operating in developing countries, and provides information support. The main sectors of operations are health care, education and other social services (receiving about 80% of funding) (OECD, 1995: 31).

The Finnish Centre for Development Co-operation (KEPA) was established in 1985 to act as an umbrella organisation for implementing the volunteer programme and to provide a forum where aid issues could be discussed (OECD, 1995: 31).

3.5 Pre-mixed concessional credit scheme

As part of Finnish oda, a Pre-mixed Concessional Credit Scheme was launched in 1987 to increase financial flows from Finland to credit-worthy low and middle income developing countries for projects with high developmental impact (see Table 2 and OECD, Finland, 1995: 49). This scheme supports projects to which grant aid cannot be allocated and involves DIDC, the Finnish Guarantee Board and the Finnish Export Credit Ltd (FEC), which is a government financial institution engaged in long-term financing of exports. FINNFUND (the Finnish Fund for Industrial Co-operation Ltd) is a public development finance corporation that provides equity capital, long-term loans and guarantees. It is owned by the Government of Finland (96.9%), Finnish Export Credit Ltd (3%) and the Confederation of Finnish Industry and Employers (0.1%). Starting in 1992 FINNFUND began to make equity and loan

investments in the Central and East European Countries and the newly independent states of the former Soviet Union, particularly in the Baltic region, in addition to existing investment in developing countries (OECD, 1995: 23). Interest subsidies in 1994 were FIM 134 m. and were estimated to be 9% of total oda in 1995 (OECD, 1995: 49). The main recipients of these credit schemes are Asian countries, China being by far the largest recipient (see Table 2). Interest subsidies have been allocated mainly to the industry and energy sectors. The forest industry was the largest recipient receiving 40.2% of the total from 1990–93 (OECD, 1995: 50). Interest subsidies to forestry and forest industries amounted to FIM 63 m. in 1995.

Interest subsidies have been heavily criticised for their distorting impact on international competition. In 1992 FINNIDA published an evaluation of the mixed credit scheme carried out by the Netherlands Economic Institute (FINNIDA, 1992a). As well as the standard criticism of interest subsidies, the Finnish scheme was found to assess project proposals for development content inadequately, resulting in a redistribution of aid from Africa to Asia which had not been effectively monitored. Since then changes have been made in the administration of projects. Projects funded under the mixed credit scheme are now subjected to the same scrutiny as bilateral projects and must be in line with overall Finnish development co-operation strategy (OECD, 1995: 51). However, Finland is now seeking to put an end to mixed credits. Due to existing commitments this cannot take immediate effect, but during a transitional period Finland will attempt to reduce the share of mixed credits as well as restricting them to the transfer of environmental technology and the social sector. New credit approvals dropped from 19 in 1991 to 5 in 1994 with a value one tenth of the 1991 levels (OECD, 1995: 49).

3.6 Volume of forestry sector development co-operation

The trend in the volume of forestry sector development aid follows the general trend in Finnish aid disbursements. Funds used for forestry and forest industry projects increased up to 1991 when a peak of FIM 178.92 m. was reached. Since then forestry sector aid has declined. It is, however, noteworthy that the sector has maintained and even increased its share of the total disbursement of bilateral aid, from 5.4% in 1988 to 8.1% in 1995.

Table 3: Forest sector development co-operation 1988–1995

Finnish ODA	Year							
	1988	1989	1990	1991	1992	1993	1994	1995
Development projects in forestry and forest industries, FIM m.	86.32	92.05	109.36	178.92	114.33	93.51	84.06	78.32
Total bilateral aid, FIM m.	1588.9	1868.7	1903	2367.4	1889.7	1384.7	1115.7	961.3
Forestry sector % of total bilateral net disbursements	5.4	4.9	5.7	7.6	6.1	6.8	7.5	8.1

(Source: DIDC 1995a)

Table 2: Finnish pre-mixed credit scheme by country (as of March 1995)

Country	Number of Credits	Total (US\$ million)	% of Total
China	51	262	44.7
Thailand	6	104	17.7
Zimbabwe	2	44	7.5
India	5	35	5.9
Philippines	1	21	3.5
Mexico	1	21	3.5
14 Other Countries	18	100	17.2
Total	84	587	100

(Source: OECD Finland, 1995, 50)

Forestry plays a minor role today in the Finnish NGO support programme. Out of the 348 projects that were implemented in 1996 via co-operation with Finnish NGOs, less than 20 dealt with forestry issues. A few projects dealing directly with forestry (community forestry, reforestation) and forestry issues are in some cases components of rural development projects (tree planting, nurseries). There are currently 40 development workers based in Mozambique, Nicaragua and Zambia through the Finnish volunteer programme, of whom 3 are forestry specialists. Forestry formed a more important part of the volunteer programme in the past, especially in Zambia.

Interest subsidies provided through the pre-mixed concessional credit scheme are a substantial part of Finnish development co-operation in the forestry sector. Interest subsidies to forestry and forest industries amounted to FIM 63 m. in 1995, 45% of total forestry support (Finnish Forest Research Institute, Statistical Yearbooks of Forestry).

4. DEVELOPMENT ASSISTANCE STRATEGY

4.1 Background

The development of aid strategies for the forest sector

follows the evolution of post-war development theory. In the 1960s and 1970s Finnish development strategy was possibly slightly behind the times, but in the 1980s it was at the forefront in many respects (e.g. in participatory approaches, non-conditionality of aid, etc.).

The early (1960s and 1970s) strategies were based on neo-classical economic growth theories (savings-investment-multiplication effects), popularly known as 'trickle down' development theories. The developing countries were seen as suffering from insufficient domestic savings which resulted in insufficient investment. It was thought that aid could provide the missing capital for the needed productive investment. Industrialisation was considered the inevitable and optimal development path for all economies. Consequently, aid injections were provided mainly to industrial projects. This theoretical background was also convenient from the point of view of Finnish national economic interests. Industrial aid was believed to be creating future markets for the rapidly developing Finnish machinery and engineering industries.

Finnish technical assistance has closely followed global trends. In the 1960s and 1970s technical assistance was mainly based on the provision of individual experts posted to line functions in the recipient organisations. Gradually this personnel assistance has been phased out in favour of project assistance, and recently assistance has been given to larger programmes combining several projects.

4.2 Overall strategies

The Finnish development strategies of the 1960s and 1970s were not clearly formulated nor debated in Parliament. With the rapid expansion of the aid budget in the 1980s, a policy and strategy debate became necessary. The government submitted a White Paper on development co-operation to Parliament in 1984, the main tenor of which was that development aid should reach the UN target of 0.7% of GDP. However, it was only in 1993 that the first explicit development strategy, *Finland's Development Co-operation in the 1990s. Strategic Goals and Means* (MFA, 1993), was published. It is argued that a clear formulation of strategy was undertaken only when it became absolutely necessary; in other words, when the development administration had to start defending the very existence of development aid during the severe budget cuts of the early 1990s brought about by the deep recession in the Finnish economy.

The 1993 development strategy set three major objectives for Finnish aid: reducing widespread poverty in developing countries; combatting global threats to the environment by helping the developing countries to solve their environmental problems; and promoting social equality, democracy and human rights in the developing countries.

Based on this, country strategies were prepared for the main recipient countries (Ethiopia, Kenya, Mozambique, Namibia, Zambia, Tanzania, Nepal, Vietnam, Nicaragua and Egypt). These country strategies were published in the *Report on Development Co-operation to Parliament* (MFA, 1994). No sector-specific strategies were produced to support the overall strategy.

In addition to the general strategy, DIDC has published a number of policy guidelines on various

issues, thus elaborating its strategy on those issues. These policy guidelines have been issued on such subjects as: *Environmental Impact Assessment* (FINNIDA, 1989a); *Environment in Finnish Development Co-operation* (FINNIDA, 1992b); *Guidelines on Gender Analysis* (DIDC, 1995b); *Looking at Gender and Forestry* (FINNIDA, 1993a); *Looking at Gender, Agriculture and Rural Development* (DIDC, 1995c); and *Looking at Gender, Water Supply and Sanitation* (FINNIDA, 1994b).

Several manuals and guidelines of the European Commission are also being widely used and recommended by the Department of International Development Co-operation such as the *Environmental Manual* (EC Directorate General for Development, 1993b).

4.3 Forestry strategies

The forestry sector was the first to prepare a sector-specific strategy. Formal discussion towards the formulation of an explicit forest sector strategy started in 1987, at the same time as the rapid expansion of the development co-operation budget. In the mid-1980s, forest sector aid was some 5% (US\$ 22 m. per year) of total Finnish development aid, and this share and volume were expected to increase.

Rapid tropical deforestation which was widely discussed in the 1980s, brought on to the global agenda by FAO's 1980 global assessment of forest cover (FAO, 1980) was perceived as the main justification for forestry aid at that time. Finnish forestry sector aid was to contribute towards the continued existence of tropical forests via sustainable forestry and conservation. The principal areas for assistance were put forward in discussion papers in various FINNIDA and interest group meetings, and included training, extension, research and institutional strengthening, particularly as regards sectoral planning and resource inventories. Training and education were seen as the most important issues. It is noteworthy that industrial development did not feature in the list of priorities. Since the beginning of Finnish development co-operation in the mid-1960s, the medium-scale mechanized timber industry had been the main target of Finnish aid. Now, it was decided that only small-scale industries, if any, could be supported.

In addition, the awareness of deforestation and environmental hazards in many developing countries led to a shift of aid towards reforestation and soil conservation. The first Finnish-financed reforestation projects had been started in Indonesia and Sudan in 1979. FAO's Tropical Forestry Action Plan and the International Timber Trade Organisation were considered important ventures to be supported. The main target regions were defined as SADCC (now SADC, the Southern Africa Development Conference), East Africa, and South-east Asia. Fifteen target countries (which were the same for forestry as for other aid sectors) were selected: namely Mozambique, Zambia, Tanzania, Egypt, Ethiopia, Kenya, Somalia, Sudan, Bangladesh, Burma, Nepal, Sri Lanka, Vietnam, Nicaragua and Peru.

In reality, the share of forest sector aid stagnated even if the volumes grew (other sectors grew more rapidly). In 1989, the share of forest sector aid was less than 5% of FINNIDA's total bilateral disbursements, and the

aim was set to 8% (FINNIDA, 1989b).

Eventually, FINNIDA published a formal forest sector strategy (FINNIDA, 1991a): *Finnish Development Co-operation in the Forestry Sector in the 1990s*. Forestry was defined as one of the priority sectors in Finnish development co-operation and its target share was raised to 15–20 % of all Finnish bilateral aid. The main justifications given for this were the massive destruction of forests leading to negative social and environmental consequences; the global environmental importance of the conservation of forests; the high potential of forests and forest-based industries to contribute to development; and strong Finnish traditions in the sector and the availability of an internationally competitive resource base.

The objectives of forest sector co-operation were defined as:

- establishing priorities and removing institutional, legal and political constraints to forestry development;
- promoting afforestation, rehabilitation of degraded forest areas, and sustainable management and utilisation of forest resources;
- the establishment and management of appropriate forest-based industries and industrial wood plantations;
- the establishment and management of conservation areas and other activities aimed at maintaining and improving the quality of the environment.

The strategic principles of forest sector co-operation were spelled out as sustainability, with an emphasis on the environment, a rural development orientation, and the promotion of co-operation and coordination, particularly through the Tropical Forestry Action Programme. This meant, *inter alia*, mitigating the negative environmental impact of forestry and forest industries, coordination of forestry and agriculture, an emphasis on rural women, involvement of NGOs and the integration of projects into local administrative systems. The proposed main areas for action included planning for forestry development; reforestation, forest conservation and management; forest-based industries for development; and strengthening forest institutions.

The 1991 sector strategy was enthusiastically received by most of the parties involved, and the strategy paper was duly used in project identification and implementation. However, Finnish aid was soon shattered by the drastic budget cuts, which caused many carefully planned projects to be abandoned and several on-going projects to be reduced.

In theory, the 1991 strategy paper is still in force as DIDC has not published any up-date of the document. However various discussion papers have been presented in different seminars. The most recent, (DIDC 1995d) emphasises that partner countries are responsible for their own development. Finnish aid will only support the partners' expressed will and commitment to jointly stated goals and objectives. The role of Finnish support is seen as the removal of bottlenecks in development. The principles of good governance, accountability, transparency, and participatory formulation and implementation of development programmes are underlined. The same paper defines the following goals for Finnish development co-operation in the forest sector:

- sustainability of supply of forest products and services;
- conservation of forest species and biodiversity;
- alleviation of poverty through equitable economic development;
- sustainability of water catchment values;
- sustainability of the production and use of bio-energy;
- mitigation and control of climate change and other ecological imbalances.

Support for global co-operation is emphasised, particularly as regards the follow-up to Agenda 21, Forest Principles, and the biodiversity, climate and desertification Conventions, as well as the International Tropical Timber Agreement. Forestry issues are seen increasingly as political issues. Similarly, multilateral development co-operation, including that of the EU, is strongly supported.

As regards Finnish bilateral co-operation, the role of supporting National Forestry Programmes (NFP) as a planning and implementing framework is emphasised. Areas suitable for Finnish interventions, under the NFP frameworks, could include the following types of projects and programmes: maintenance and enhancement of forest resources; maintenance of forest ecosystem health and vitality; maintenance and support of the productive functions of forests (timber and non-timber); maintenance of socio-economic conditions, including the recognition of traditional rights. In practical terms, the strategy statements have been translated into projects in community and farm forestry, sustainable management of natural forests, conservation of natural forests, afforestation of degraded areas, training and institutional strengthening and sectoral planning.

Recently, Finnish development co-operation has supported the Intergovernmental Panel on Forests process in selected countries in Africa and Central America. The links between the experience gained from the implementation of field projects and global-level policy processes are frequently emphasised in Finnish discussion. Field projects are often used to test new development ideas and concepts and the experience gained is fed back into the policy process.

4.4 NGOs

NGOs have played an important part in the implementation of Finnish development co-operation in general. There is a large NGO sector in Finland interested in tropical forestry issues and actively participating in critical discussion of forestry sector development co-operation. The role of NGOs as implementers of development projects in the forestry sector is negligible, however. Adequate dialogue between the NGO sector and the Department is considered very important.

In general, the Department emphasises the involvement of all interested Finnish parties (private sector, NGOs, universities, research institutions, etc.) in the planning and implementation of forest sector development co-operation. However, strong guidance and control are retained by the Department. In Finland, the debate on forest sector development co-operation is carried on within the Department itself, in the Committee for International Forest Policy (under the

Ministry of Agriculture and Forestry), the Advisory Board for Relations with Developing Countries and Intersilva (a professional association which discusses international issues in the forest sector) as well as in various NGO fora and the mass media.

During the past few years, DIDC has commissioned several important policy and strategy studies on development. These studies include: *Whose trees? A people's view of forestry aid* (Panos Institute, 1991); *Participation: concept, practice and implications for Finnish development co-operation* (DIDC, 1996a); and *Ownership in the Finnish aid programme* (DIDC, 1996b).

5. REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

5.1 Regional distribution

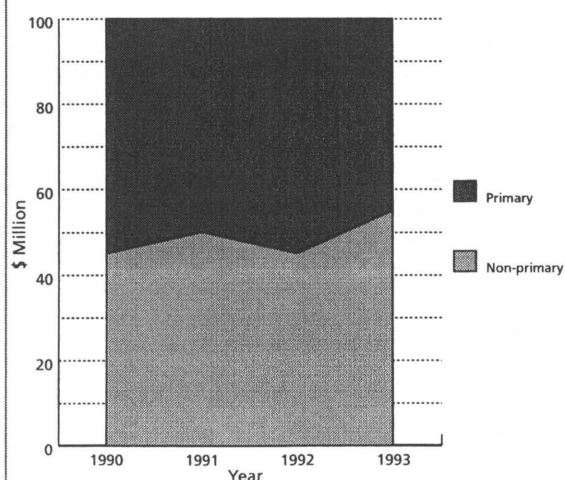
Over the last thirty years the guiding principle of Finland's bilateral co-operation has been, with certain exceptions, to concentrate on the poorest countries. The new development strategy reiterates this policy. As Finland considers the developing country to be the lead partner, its own desire for development is fundamental.

Table 4: Primary co-operation countries total bilateral disbursements 1992–3 (%)

Africa	Asia	Latin America
Egypt 4.3%	Nepal 4.4%	Nicaragua 4.4%
Ethiopia 1.9%	Vietnam 4.1%	
Kenya 5.7%	Bangladesh 3.0%	
Mozambique 6.5%		
Namibia 3.5%		
Somalia 1.4%		
Tanzania 10.2%		
Zambia 9.3%		

(Source: OECD, 1995: 22)

Figure 4: Bilateral oda to primary co-operation countries and non PCCs.



(Source: OECD 1995: 63)

Other criteria used in country selection are the compatibility of the recipient country's development policy with the goals and means of Finland's strategy, and how effectively Finland can administer assistance in the country concerned (OECD, 1995: 22). Primary co-operation countries are those with which Finland engages in long-term development co-operation. There were twelve of these in 1993 (see Table 4).

In the period 1990–93, an average of 44% of bilateral oda commitments was channelled to the primary co-operation countries. This has been concentrated on a few sectors; agriculture (including forestry) received 20% (OECD, 1995: 62) (see Figure 4).

In 1992–3 Finnish aid was given to a total of 96 countries. This (and the relatively small proportion of total aid given to priority countries) is in large part due to the activities of Finnish Export Credit Ltd. and FINNFUND. These organisations have geographical profiles very different from that of the Department as a consequence of a different development co-operation strategy and sectoral emphasis (OECD 1995: 10).

Over the 8 year period from 1988 to 1995 Africa has been the main recipient of Finnish aid to forestry and the forest industry. 41% (FIM 34.1 m.) of the total was spent on projects in Africa. The most important partner countries for Finland have been Tanzania, Kenya, Zambia and the SADC region. In 1995 bilateral projects were also funded in Namibia, the Sudan and Senegal. Regional projects in SADC were bigger than any bilateral projects in Africa (see Table 5).

The share of forestry aid given to Latin America has been growing recently and in 1995 it was the second region in importance after Africa, with its projects receiving 11% of the 1988–1995 total. Mexico and the Central American region have been the main recipients. One-quarter of total expenditure between 1988 and 1995 went to Asia, the most important recipient countries being Nepal, Indonesia, Myanmar, and Sri Lanka. In 1995 there were also on-going projects in Laos, Vietnam and Thailand. The share of regionally unspecified or global expenditure was between 9% and 18% annually from 1988 to 1995 (see Table 6).

Interest subsidies in the forestry sector have been

Table 5: Key recipients of Finnish aid in the forestry sector 1988–1995

Country	Expenditure (1 000 FIM)
Kenya	4085 (12%)
Namibia	2128 (6%)
Zambia	2523 (7%)
Senegal	1893 (6%)
Sudan	1955 (6%)
Tanzania	6904 (20%)
Other	3584 (11%)
Unspecified (incl. SADC)	11028 (32%)
Total	34100 (100%)

(Source: DIDC, 1995a)

Table 6: Forestry aid by region 1988–1995 (FIM m. and %)

Region	1988	1989	1990	1991	1992	1993	1994	1995	Total
Africa	60.7	41.9	64.8	93.3	49.1	44.2	34.1	30.5	418.5
	70%	45%	59%	52%	43%	47%	41%	39%	50%
Asia	14.9	38	23.3	56.5	33.6	17.9	16	17.6	217.9
	17%	41%	21%	32%	29%	19%	19%	22%	26%
Latin America	2.3	1.3	1.9	3.9	13.8	19.8	24.1	23.4	90.6
	3%	1%	2%	2%	12%	21%	29%	30%	11%
Unspecified or global	8.5	10.9	19.4	25.1	17.8	11.7	9.8	6.9	110.1
	10%	12%	18%	14%	16%	12%	12%	9%	13%
Total	86.3	92.1	109.4	178.9	114.3	93.5	84.1	78.3	836.9

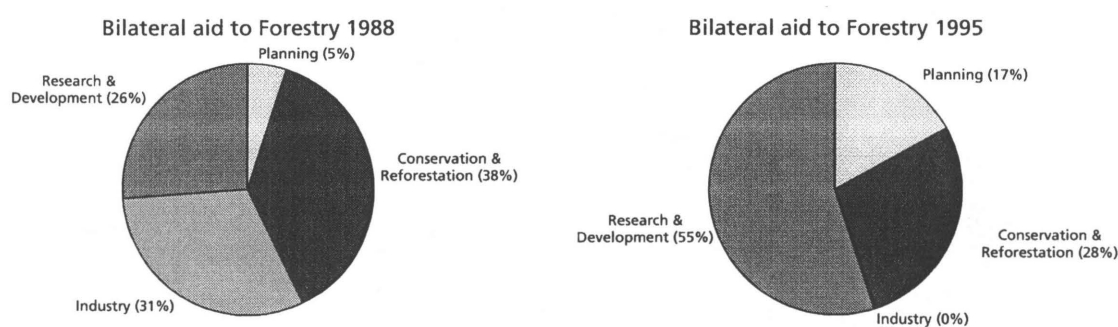
(Source: DIDC 1995a)

Table 7: Forest sector development co-operation by project type 1988–95 (FIM m. and %)

Project Type	1988	1989	1990	1991	1992	1993	1994	1995
Forestry and Forest Industry Planning	4.5 (5%)	13.4 (15%)	11.2 (10%)	18.1 (10%)	14.3 (12%)	6.4 (7%)	7.8 (9%)	13.3 (17%)
Forest Conservation and Reforestation	32.6 (38%)	25.2 (27%)	38.9 (36%)	41.4 (23%)	31.9 (28%)	25.5 (27%)	25.7 (31%)	22.0 (28%)
Forest Industries Development	26.9 (31%)	27.7 (30%)	11.6 (11%)	25.5 (14%)	6.7 (6%)	0.7 (1%)	0.6 (1%)	0.0 (0%)
Research, Institutional Support and Development	22.4 (26%)	25.9 (28%)	47.6 (44%)	94.0 (53%)	61.5 (54%)	60.9 (65%)	50.0 (59%)	43.1 (55%)
Total	86.3	92.1	109.1	178.9	114.3	93.5	84.1	78.3

(Source: DIDC, 1995a)

Figure 5: Bilateral aid to forestry 1988 and 1995



(Source: DIDC, 1995a)

mainly granted to Asian countries, China and Thailand being the main beneficiaries. The total amount of interest subsidies in 1994 was FIM 58 m. and FIM 63 m. in 1995.

5.2 Thematic distribution

In the statistics on forest sector development co-operation, projects have been classified into the following four main categories since the late 1980s:

- forestry and forest industries planning (e.g. support to Forestry Master Plans, TFAPs, NFPs);
- forest conservation and reforestation (e.g. fuelwood, community forestry, forest reserves);
- forest industries development (e.g. sawmills, harvesting);
- research, institutional support and development (including forestry education and training).

Table 7 shows the funds used for the different types of projects over the period 1988–95. Altogether FIM 836.9 m. was used in forestry projects during the 8 year period. The largest amount of funding was for projects that were classified under the research, institutional support and development category. Support to forest industry development has continuously declined and in 1995 no funds were used for industrial projects. Figure 5 shows the change in the types of forestry project supported in 1988 and in 1995.

A general observation on the types of projects funded by Finland in the forestry sector indicates that during the 1990s the projects (or programmes) have a much wider scope than earlier projects and usually integrate several of the above four categories. One single project, for example, may support national-level policy development at the same time as support is provided for community forestry and conservation activities at the regional level in a selected area. Institutional capacity development is often also included in projects, independent of their technical orientation.

6. RESEARCH AND TRAINING

The main strengths of Finnish forestry research in tropical forestry include afforestation techniques, community forestry, dryland forest management, rainforest ecology and research training and planning.

The main research institutions carrying out forest sector related research in Finland are the European Forest Research Institute, Joensuu, the Finnish Forest Research Institute, (FFRI) and the Universities of Helsinki (Faculty of Forestry), Joensuu (Faculty of Forestry) and Turku (Faculty of Biology).

The largest institute which also has greatest resources is FFRI, based in Helsinki and Vantaa, with eight major research stations throughout the country. FFRI has traditionally focused almost exclusively on national forestry issues. However, as a result of personal interests and initiatives, it has carried out some research related to tropical forestry, perhaps the most prominent example being the analysis and modelling of tropical deforestation by Matti Palo and his research group at the Academy of Finland. The European Forest Research Institute is a young but dynamic establishment which by definition focuses only on European forestry issues.

The two faculties of forestry, at the Universities of Helsinki and Joensuu, both have research and teaching interests in tropical forestry, but neither of them has a department for tropical forest issues. The University of Helsinki, however, has a unit with one professor and some research staff for tropical forestry, and this unit has developed considerable expertise, particularly in forestry in arid and semi-arid conditions. Other departments of the Helsinki faculty have professors and research staff with expertise and experience in forest sector issues in the tropics; for example the faculty implemented a 10-year project in Mexico focusing on forest management planning and sectoral development strategies. The University of Joensuu similarly has several professors and research staff with extensive experience in tropical forestry. The faculty of biology at the University of Turku has gained an international reputation for its innovative and high quality research on landscape ecology in the humid

tropics, particularly in the Amazon region.

There is no specific scholarship programme for the study of tropical forestry in Finland. The scholarship programme for developing country students up to and including PhD level was phased out in 1995. The emphasis is now on short-term project-related training (OECD, 1995: 41). The Government of Finland gives only limited support to tropical forestry research in Finnish institutions, instead supporting the international research centres such as the Center for International Forestry Research (CIFOR), the International Center for Research in Agro-forestry (ICRAF), and the Global Environmental Facility (GEF).

7. REVIEWS AND PROJECT PROFILES

7.1 Mid 1980s guidelines on project planning and management

In 1985 a set of project management guidelines was introduced within FINNIDA by the evaluation section: *Project Evaluation, Concept and Guidelines* (FINNIDA, 1985a); *Guidelines for Project Design and Project Document Preparation* (FINNIDA, 1985b); *General Guidelines for Project Appraisal* (FINNIDA, 1985c). These guidelines were based on the logical framework concept. The aim was to ensure that during project formulation all essential design elements – long-term and immediate objectives, outputs, activities and inputs – would be taken into consideration and their interlinkages clearly analysed and presented. The elements were to be formalised during the preparation process into a project design document for which an outline was provided. The idea was to systematise project management by using the project design document as the basis for all project management procedures throughout the project cycle. During project preparation this meant covering and integrating a wide range of elements using the logical framework concept and a variety of project analyses (technical, socio-economic, financial, economic, institutional, environmental and role of women). During implementation the project design document was to be used as a guide for administrative actions and short-term planning and reporting. In this way the consistency of project actions with the stated aims could be maintained. The design document constituted the reference document for evaluating project achievements. Evaluations were justified both by the requirements of accountability and by the need to learn from experience. The lessons learned could be used at the project level to improve implementation and effectiveness but also at the policy level for reorientation and development of new types of programmes.

The 1985 guidelines were administrative tools developed for the use of Finnish aid managers. They have no doubt made some contribution to systematising and standardising both the management processes and the related documentation. Analysing the guidelines today, however, the lack of discussion of the roles of the different actors, be they FINNIDA, the Finnish consultant, the recipient Government agency or the intended beneficiaries, is notable.

7.2 Guidelines for project preparation and design 1991 and guidelines for project reporting 1992

New *Guidelines for Project Preparation and Design* (FINNIDA, 1991b) were elaborated within FINNIDA and adopted in 1991. They have two objectives. First, they aim to establish a systematic and logical planning system for Finnish funded development projects. By taking into consideration the principal factors affecting project success from the very beginning of the planning process, better sustainability can be achieved. Emphasis is also put on the consistency of the projects with realistic development plans and the resources of the recipient country. Secondly, the guidelines introduce and attempt to institutionalise participatory methods in the project preparation phase.

Like those of 1985, the 1991 Guidelines are also based on the logical framework approach. The problem-based and objective-oriented planning methodology presented in the Guidelines is also used by many other donor agencies (NORAD, GTZ, EU, etc.). Several practical tools for base-line analyses are introduced, including, for example, problem analysis, institutional and participation analysis, rapid gender analysis, resource assessment, impact and opportunity analysis and risk analysis as well as guidelines on financial planning and project budgeting. The 1991 document is ambitious in providing guidelines both on project planning and management methodology and at the same time on the planning process. To support the planning process several practical tools for complex planning situations are introduced. These diverse purposes and the wide scope make the document fairly difficult to use. The launching of the guidelines in 1991 was accompanied by an extensive training programme for FINNIDA staff and the Finnish consultants involved in the different phases of the project cycle.

The project preparation and design guidelines were complemented by *Guidelines for Project Reporting* (FINNIDA, 1992c). The reporting system introduced is based on the guidelines for planning. The objectives in creating the reporting system were to promote target-oriented reporting, a forward orientation, and a hierarchy in long-term reporting and to maintain a standard format for all project reports.

The reporting system includes the following regular compulsory reports: (i) operational monthly progress reports, (ii) quarterly financial reports, and (iii) annual progress reports. The monthly report aims at providing immediate and up-to-date information on deviations in project implementation. The objective of the quarterly financial report is to provide information for project cost control and to estimate future costs, especially cash flow, for project financiers. The main purpose of the annual report is to summarise the project's principal achievements and the changes in the project plan during the year. The annual report also analyses more general developments and trends in the project implementation environment.

The reporting guidelines have been criticised because they only serve the needs of the donor agency. Project monitoring processes are not discussed, nor is there participation by different stakeholder groups in the monitoring and reporting function.

7.3 EU Manual on Project Cycle Management

Since Finland joined the European Union, the format and terminology of the *EU Manual on Project Cycle Management* (EC Directorate-General for Development, Evaluation Unit, 1993a) has increasingly been adopted in the planning of the Finnish funded development co-operation projects. A comparative study conducted in 1995, *Finland and EU's Development Co-operation – A Comparison* (DIDC, 1995e) found the EU concept clearer and more comprehensive. Its special advantage is the integration of all phases of the project cycle in the same structure. According to the study, the Finnish guidelines do, however, provide better tools for the different planning analyses, for example institutional and participation analysis and rapid gender analysis.

7.4 On-going development work on new guidelines

When the 1991 Guidelines were adopted, the intention was that they would be used on a trial basis for a period of two years to gain experience that would then be used in revising them. In 1996 a process was started within DIDC supported by an external consultant for revising not only the guidelines on project preparation and design, but more comprehensively, other documentation guiding project management. This process, producing project planning guidelines, guidelines on project monitoring and reporting, guidelines on project evaluation and a revised set of contracts and regulations to guide project work, was finalised and adopted at the end of 1997 (MFA, 1997). The aim has been to improve the user-friendliness of the Guidelines, and to ensure coherence with EU guidelines at the same time.

7.5 NGO guidelines

The Project Support Handbook for Finnish NGOs (DIDC, 1996c), describes the objectives of Finnish development co-operation in general, and the role of NGO support in this context. Instructions are given on the preparation of a project document and on the procedures related to NGO support.

7.6 Project management tools for the forestry sector

Two documents produced by DIDC to support project management in the forestry sector in particular are, *Looking at Gender and Forestry, Operational Issues for Project Planners, Implementers and Administrators* (FINNIDA, 1993b) and *Assessment of Effectiveness of Forest Sector Development Co-operation, Prerequisites in General and Indicators in Particular* (DIDC, 1996d).

7.7 Roles and responsibilities in aid management

The 1993 strategy document *Finland's Development Co-operation in the 1990s* (MFA, 1993), strongly emphasises the responsibility of the developing countries for their own development. It is clearly stated that Finland as a donor can only play a supportive role

in achieving the partner countries' objective of sustainable development. The implementing agencies are therefore always institutions in the partner country.

In DIDC, forestry issues and projects are dealt with by the responsible development co-operation professionals in Helsinki and the relevant Embassy. The services of advisers from the Unit for Sector Policy and Advice are used on the initiative of the officer responsible during the identification and planning of new projects, or of the consultant responsible for project implementation during the tendering and selection process, and during project evaluations.

For the vast majority of Finnish-funded projects a consultant for project implementation is selected by means of competitive tendering. Technical assistance personnel are employed by the consultant and only in exceptional cases directly by the Department. The consultants are either companies operating on a commercial basis or government institutions.

7.8 Project management during the different phases of the project cycle

In a recent evaluation of ownership issues in Finnish aid (DIDC, 1996b) it was found that the concept of the partner country having the leading role was well adopted in practice in Finnish funded projects. In recent years, many practical innovations promoting ownership of stakeholders in partner countries have been established.

Project identification and formulation were formerly carried out by short-term missions and external consultants. Now a lot of initiative and action is expected from the recipient countries themselves. Forestry projects are normally started only in countries where national sectoral priorities have been agreed on. In countries where this has not yet been done, Finland has also supported the definition of forest sector priorities by supporting National Forest Programmes. In actual project formulation the role of, and inputs from, the partner country stakeholders is growing. Finnish support (by the selected consultant) is used to facilitate this process. In most cases this means methodological expertise in the project formulation process and logical framework approach.

When project identification and formulation become country-driven phases of the project cycle, the appraisal phase gains in importance from the donor's point of view. A team of consultants is normally assigned by DIDC for the appraisal. Specialists from the partner country or from the region are often included as team members.

Finnish funded forestry projects are implemented through national or regional institutions in the recipient countries. The Department selects a consultant through competitive tendering to support the implementation. It has become standard practice for the partner country to participate in the tender evaluation and in the selection of the consultant. During project implementation a joint decision-making structure is established with representation from the recipient institutions and either DIDC in Helsinki or the relevant Embassy. Project work plans, annual budgets, reports, etc. are discussed and approved in joint committees. This management structure has increased the flexibility of project implementation. It is

possible to adjust or change the original project plan during implementation through this rolling planning system if changes in the implementation environment or lessons learned imply a need for this. Financial management of all Finnish projects is still the responsibility of the consultant supporting the implementation. Money is not channelled through the receiving institutions.

Project evaluations are conducted as mid-term reviews, at the end of a project phase before the launching of a new phase or as *ex-post* evaluations. Evaluation teams usually include members from the partner countries.

8. PROGRAMME REVIEWS

Mid-term evaluations, or mid-term reviews as they are now called, are carried out almost without exception on most Finnish projects, including those in the forest sector. Mid-term evaluation reports are public documents, thus available to anyone who is interested in them.

Post-project evaluations are carried out on a less systematic basis, mainly when DIDC has a special reason for analysing a project more thoroughly. Such reasons are normally either the wish to learn from an exceptionally successful project, or the need to study what went wrong in a severely criticised project. Such criticism is usually presented by either Finnish or foreign NGOs, the mass media, or a party directly involved in the project implementation. An example of such a post-project evaluation would be a recent study commissioned by FINNIDA from the IUCN on the Thailand Forestry Master Plan (IUCN, 1995).

No overall sectoral review or evaluation of Finnish forest sector development co-operation projects has been carried out. However, in 1991 FINNIDA commissioned the Panos Institute to carry out an analysis of forest sector development co-operation entitled *Whose trees? A people's view of forestry aid* (Panos Institute, 1991). This analysis was based on a study of three projects, the main focus being on the involvement, or ownership as it would now be called, of recipients in project planning and implementation.

DIDC has carried out several thematic and country reviews that also cover forestry projects. It has also commissioned and published two Synthesis Studies on Evaluations and Reviews, one from 1980 to 1989, and another from 1988 to mid-1995 (FINNIDA, 1991c and DIDC, 1996e). These looked at a sample of all FINNIDA projects and each included six forestry projects. Although primarily desk studies the second review had an element of fieldwork.

The 1980s study presented the following main findings. The *effectiveness* of projects has been relatively good. *Impact* was found to be difficult to assess, mainly because the projects evaluated were still ongoing. *Efficiency* was also found to be difficult to measure. *Sustainability* was not discussed in the 1980s evaluations.

The 1988-95 study reached the following main conclusions concerning Finnish-supported development projects, including forest sector projects. Finnish development projects have been fairly effective in the narrow sense of reaching their stated short-term objectives, but very little is known of their actual longer-term impacts.

Efficiency, in the economic sense of the term, and sustainability of the activities seem to have been improving, but there was room for further improvement. Women and gender issues have been given much more attention than before. Environmental issues have been given increased attention. There are some structural weaknesses in the logical frameworks on which Finnish development activities rely.

This second study analysed projects using the following criteria: effectiveness, impact, efficiency, sustainability and WID / gender issues. The following were the main findings on forestry projects.

Effectiveness: Most forest projects had generally been successful in achieving their stated immediate objectives. In common with most other projects, clear physical targets had been reached more effectively than other targets. Most forestry projects, however, seemed to be long-drawn out. Project designs had often been over-ambitious, and anticipated results were hard to achieve. Sometimes implementation lagged behind for reasons related to technical, political or social circumstances.

Impact: Seen against the promise of Finnish forestry expertise and ambitious objectives, project impacts appeared modest. In particular, no evidence could be found of their ability to counteract the alarming devastation of indigenous forests.

Economic *efficiency* was found to be very difficult to assess in forestry projects, and little had been done in this direction in actual project evaluations.

Environmental, institutional and social *sustainability* were found to be on-going concerns in forestry projects. However, most of the projects visited were seen as having little expectancy of immediate sustainability. Obvious trends had been a shift away from the direct deployment of Finnish personnel in efforts such as establishment of nurseries and afforestation, towards institutional support and planning, combined with elements of conservation, and increasing local involvement.

WID / gender issues have been making increasing inroads into forestry projects, if not in an entirely systematic fashion. However, the increased consideration has tended to be limited to promises of special attention to be given to women.

9. CONCLUSIONS AND TRENDS

Despite the fairly short history of Finnish involvement in tropical forestry, Finnish expertise and experience in the sector have substantial strengths. This is probably due to the importance of the forest sector in the national economy in Finland. The Finnish Government has explicitly given high priority to the forest sector in its development aid and this has been reflected in fairly substantial Finnish aid inputs to the sector during the last 20 years. Finland has a high profile in forestry which has given the country a positive image, possibly beyond the true role played by such a small country.

However, Finnish aid has recently experienced extremely rapid changes in volume. During the past few years there has been a real struggle for the continuation of Finnish bilateral aid. This has caused severe difficulties to Finnish consulting companies and other organisations that had invested in the develop-

ment of the sector. On the other hand, these difficulties have forced the Finnish companies and organisations to become more global in their marketing and operations. Forestry has been relatively protected from cuts in spending and has maintained an important place in development assistance.

The role of NGOs in implementing official bilateral assistance is likely to increase in importance and may extend to the forestry sector. Funding will probably continue to be concentrated on a small number of target countries, at least as long as disbursements remain at current levels. With a small budget the importance of projects meeting strategic objectives will continue to be stressed. The role of stakeholders is also likely to increase in importance.

In the international debate on the changing values of societies, the forest sector has gained in importance. The sector has not demonstrated its ability to exploit this new situation, however. There is a need for dynamism and flexibility to utilise new environmental awareness in forestry, and its true globalisation still lies ahead. It is not yet clear if these important opportunities have been recognised in Finnish development co-operation.

REFERENCES

- DIDC (1995a) *Basic statistics on Finland's Development Co-operation* 1995. MFA, Helsinki.
- DIDC (1995b) *Gender Analysis: Policy Guidelines*. MFA, Helsinki.
- DIDC (1995c) *Looking at Gender, Agriculture and Rural Development: Policy Guidelines*. MFA Helsinki.
- DIDC (1995d) *Internal Strategy Paper*. MFA, Helsinki.
- DIDC (1995e) *Finland and EU Development Co-operation – a comparison*. Evaluation Study Report 1995,2 by Jarle Harstad, and Paul Silfverberg. MFA, Helsinki.
- DIDC (1996a) *Participation: Concept, Practice and Implications for Finnish Development Co-operation*. MFA, Helsinki.
- DIDC (1996b) *Ownership in the Finnish Aid Programme*. MFA, Helsinki.
- DIDC (1996c) *Development Co-operation and NGOs. A Project Support Handbook*. MFA, Helsinki.
- DIDC (1996d) *Assessment of Effectiveness of Forest Sector Development Co-operation. Prerequisites in General and Indicators in Particular*. MFA, Helsinki.
- DIDC (1996e) *Effects or Impacts? Synthesis study on Evaluation and reviews 1988 to mid-1995*. Prepared by Juhani Koponen and Päivi Mattila-Wiro, Institute of Development Studies, University of Helsinki. MFA, Helsinki.
- EC Directorate General for Development, Evaluation Unit (1993a) *Project Cycle Management. Integrated Approach and Logical Framework*. European Commission, Brussels.
- EC Directorate General for Development (1993b) *Environmental Manual*. 2 vols. EC, Brussels.
- FAO (1980) *Tropical Forest Assessment for 1980*. FAO, Rome.
- FINNIDA (1985a) *Project Evaluation, Concept and Guidelines*. Evaluation Department FINNIDA, MFA, Helsinki.
- FINNIDA (1985b) *Guidelines for Project Design, and Project Document Preparation*. Evaluation Department FINNIDA, MFA, Helsinki.
- FINNIDA (1985c) *General Guidelines for Project Appraisal*. Evaluation Department FINNIDA, MFA Helsinki.
- FINNIDA (1989a) *Environmental Impact Assessment: Policy Guidelines*. MFA, Helsinki.
- FINNIDA (1989b) *Internal Strategy Paper*. MFA, Helsinki.
- FINNIDA (1991a) *Finnish Development Co-operation in the Forest Sector in the 1990s*. MFA, Helsinki.
- FINNIDA (1991b) *Guidelines for Project Preparation and Design*. MFA, Helsinki.
- FINNIDA (1991c) *Review of Evaluation Reports on Finnish Development Projects in the 1980s*. Prepared by Paula Hirstiö-Snellman. MFA, Helsinki.
- FINNIDA (1992a) *Export credits and Aid. Evaluation of the Finnish*

pre-mixed Concessional Credit scheme. Prepared by N. van der Windt, Jorma Ruotsi and Joost de la Rive. Netherlands Economic Institute. MFA, Helsinki.

FINNIDA (1992b) *Environment in Finnish Development Co-operation: Policy Guidelines*. MFA Helsinki.

FINNIDA (1992c) *Guidelines for Project Reporting*.

FINNIDA (1993a) *Looking at Gender and Forestry: Policy Guidelines*. MFA, Helsinki.

FINNIDA (1993b) *Looking at Gender and Forestry. Operational Issues for Project Planners, Implementers and Administrators*. MFA, Helsinki.

MFA, Helsinki.

FINNIDA (1994a) *Finland's Development Assistance. Annual Report 1994*. MFA, Helsinki.

FINNIDA (1994b) *Looking at Gender, Water Supply and Sanitation: Policy Guidelines*. MFA, Helsinki.

Finnish Forest Research Institute (various years) *Statistical yearbooks of Forestry*. Finnish Forest Research Institute, Helsinki and Vantaa.

Haataja, K. (1950) *Maa- ja vesioikeus sekä metsä- ja maatalouslain-saadanto*. (Land ownership, water legislation, and forestry and agricultural laws). Second edition.

Suomalaisen lakimiesyhdistyksen julkaisuja, B-sarja, No. 47. (Publications of the Finnish Association of lawyers, B-series, No. 47), Helsinki.

Helander, A.B. (1949) *Suomen metsätalouden historia* (The history of Finnish forestry). Finnish Forestry Research Institute, Helsinki.

IUCN Forest Conservation Programme (1995). *A review of the Thai forestry sector master plan*. Prepared for The Ministry of Foreign Affairs of Finland. IUCN, Gland.

MFA (1993) *Finland's Development Co-operation in the 1990s. Strategic goals and means*. MFA, Helsinki.

MFA (1994) *Report on Development Co-operation to Parliament*. MFA, Helsinki.

MFA (1997) *Guidelines for Programme Design, Monitoring and Evaluation*. MFA, Helsinki.

OECD (1995) *Finland*. Development Co-operation Review Series No 11. OECD, Paris.

Panos Institute, ed. (1991) *Whose Trees? A people's View of Forestry Aid*. With contributions from M. A. Hisham, J. Sharma, A. NGAiza, and N. Atampugre. Published for FINNIDA by Panos Publications Ltd, London.

Note: The name FINNIDA officially changed to DIDC in 1995, though both names are still used unofficially, and there has been some lack of clarity about when to use which. For the purposes of this list of references, authorship of relevant government documents has been ascribed to FINNIDA until the end of 1994, and to DIDC from 1995 onwards.

KEY CONTACTS

Ministry for Foreign Affairs
Department for International Development Co-operation
Unit for Sector Policy and Advice
Katajanokanlaituri 3
00160 Helsinki
Finland
Tel: +358 9 1341 51
Fax: +358 9 1341 6428

University of Helsinki
Department of Forest Ecology/Tropical Silviculture Unit
PO Box 28 (Koetilantie 3)
FIN-00014 University of Helsinki
Finland
Tel: +358 9 708 5643
Fax: +358 9 708 5646

ACRONYMS

CIFOR	Center for International Forestry Research
EU	European Union
DAC	Development Assistance Committee of the OECD
DIDC	Department for International Development Co-operation (formerly known as FINNIDA)
FAO	Food and Agriculture Organization of the United Nations
FEC	Finnish Export Credit Ltd
FIM	Finnish Mark
FINNFUND	Finnish Fund for Industrial Co-operation Ltd
FINNIDA	Finnish Development Agency (now DIDC)
FFRI	Finnish Forest Research Institute
GEF	Global Environment Facility
GDP	Gross Domestic Product
GNP	Gross National Product
GTZ	German Agency for Technical Co-operation
ICRAF	International Center for Research in Agroforestry
IUCN	International Union for the Conservation of Nature
KEPA	Finnish Centre for Development Co-operation
MFA	Ministry of Foreign Affairs
NFAP	National Forest Action Plan
NFP	National Forestry Programmes
NGO	Non-Governmental Organisation
NORAD	Norwegian Development Agency
oda	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
PCC	Primary Co-operation Countries
SADC	Southern African Development Conference (formerly SADCC)
TFAP	Tropical Forestry Action Plan
UN	United Nations
WID	Women in Development

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Mr Markku Aho (Forestry Adviser, Ministry for Foreign Affairs, Unit for Sector Policy and Advice); Mr Heikki Tuunanen (Head of Unit, Ministry for Foreign Affairs, Unit for Sector Policy and Advice); Mr Kari Karanko (Head of Unit, Ministry for Foreign Affairs, Evaluation and Internal Auditing Unit).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to FIM 5.45.

France

Jean Bedel and David Brown

Contents

1.	DOMESTIC FORESTS AND FORESTRY	183
1.1	Forest cover, type and tenure	183
1.2	The development of forest policy and the institutional framework of forestry in France	183
1.2.1	Legislation	183
1.2.2	Present-day administration	184
1.2.3	Producer associations	184
1.3	Public perceptions of forestry	184
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	185
2.1	The French colonial empire	185
2.2	The colonial forest service	185
2.3	The colonial timber trade	186
2.4	Overseas Departments and Territories	186
3.	STRUCTURE OF DELIVERY OF DEVELOPMENT ASSISTANCE	186
3.1	Development assistance commitment	186
3.2	Organisation of the bilateral aid programme	186
3.2.1	<i>Secrétariat d'Etat chargé de la Coopération</i>	187
3.2.2	<i>Caisse française de développement</i>	187
3.2.3	<i>Fonds français pour l'environnement mondial</i>	187
3.3	Personnel	187
3.3.1	<i>Ministère de la Coopération</i>	187
3.3.2	Other Ministries	188
3.4	Aid delivery	188
3.4.1	The importance of research in aid delivery	188
3.5	Multilateral assistance	189
3.5.1	European Union	190
3.5.2	United Nations	190
3.5.3	World Bank	190
3.6	Non-governmental organisations (NGOs)	190
3.6.1	NGOs and debt reduction activities	190
3.7	Development companies/consultancies	190
3.8	Decentralised aid to local authorities	190
4.	DEVELOPMENT ASSISTANCE STRATEGY	191
4.1	Introduction	191
4.2	Research strategy	191
4.3	Tropical Forestry Strategy	191
4.3.1	Policy principles	191
4.3.2	Environmental studies and monitoring	192
4.3.3	Protected Areas, wildlife and biodiversity	192
4.4	International influences and French international activities in natural forest management	192
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY SECTOR FUNDING	193
5.1	The environmental sector	193
5.1.1	Forestry	193
5.1.2	Wildlife management	193
5.2	Research in the service of development	194
5.3	NGO funding	194
5.4	Local authority development activities (<i>coopération décentralisée</i>)	194
6.	STRATEGY ON RESEARCH AND TRAINING IN TROPICAL FORESTRY	195
6.1	Forestry research	195
6.1.1	<i>CIRAD-Forêt</i>	195
6.1.2	Forestry research in ORSTOM	196
6.1.3	Forestry research in the universities	196
6.1.4	The French Institute at Pondicherry	197
6.1.5	ECOFOR	197
6.2	Education and training – Universities and 'Ecoles d'ingénieurs'	197
6.2.1	Editorial background note	197
6.2.2	Forestry training in the ' <i>grandes écoles</i> '	197
6.2.3	Forestry training in the universities	197
6.2.4	Other courses	198
7.	PROJECT CYCLE MANAGEMENT	198

8.	PROJECT REVIEWS AND PROFILES	198
8.1	From 1960 to 1980: Focus on increased production	198
8.2	The 'Gestion des terroirs' approach	199
8.3	The 'Local Development' approach	200
8.4	Recent trends in project management	200
9.	CONCLUSIONS	200
	REFERENCES	200
	KEY CONTACTS	200
	ACRONYMS	200
	ACKNOWLEDGEMENTS	201

FRA

1. DOMESTIC FORESTS AND FORESTRY

1.1 Forest cover, type and tenure

There are two particularly notable features of forestry in present-day France: the large area of forest cover and the importance of small-scale private ownership.

Forest cover in metropolitan France has grown significantly in recent decades, from 6 million ha at the turn of the century to over 14 million ha today, and forests now represent 27% of the total land area.¹ While the rate of reforestation has slowed somewhat in the last few years, the total area of forest cover is still increasing by 25,000 ha per annum (this compares with a peak of 50,000 ha per annum earlier in the century). Today, over half a million people are reckoned to be dependent, in one way or another, on the forestry sector (*Ministère de l'Agriculture, 1995*).

The pattern of forest ownership, like agricultural land ownership in general, has been significantly influenced by the egalitarian ideology of the French Revolution. The principle of equal inheritance of all heirs was enshrined in the *Code Napoléon* of 1804 which still forms the basis of French civil law. One result of this has been a tendency to fragmentation of land holdings. Today, more than 70% of the total forest area is under private ownership, and 25% of this is in small ownerships (less than 4 ha).² Only 12% of forests are under state ownership, while 18% are owned by *collectivités publiques* (local government authorities³). The forests of France are notably diverse in species type; 89 tree species are found, 61% of them broadleaf, especially oak (*Quercus spp.*) and beech (*Fagus spp.*), with the remaining 39% conifers, particularly pine (*Pinus spp.*), fir (*Abies spp.*) and spruce (*Picea spp.*). Coppice woodlands still cover almost one half of the forest area. The fragmented nature of many of the forest holdings poses some difficulties for the operation of the processing industries, which tend to be concentrated near the ports, far from many small producers, and the economics of small-scale management in France are a subject of debate among forestry professionals.

France is the leading producer of hardwoods in Europe, while in production of conifers it is surpassed only by the Scandinavian countries and Germany. In addition to timber, France's forests provide a range of other products and services, including a number of important and distinctive non-timber products (various fruits and nuts; cork from the cork oak [*Quercus suber*]; mushrooms and truffles; etc). The French are renowned for their love of hunting; revenue from the issue of hunting permits for government forests alone brought in more than FF 170 m. in 1992 (Eurofor, 1994).

From the extent and diversity of its forests, over a

considerable historical period, flow a number of consequences. France possesses a long tradition of forest management and many of the tools of international forestry have been developed and tested there. The country can also claim an important place in international forestry education. The foundation of the British colonial forest service in India, for example, was laid with the training of 82 foresters at the *Ecole de Nancy* in the period 1867–75.

Though the similarities between peasant farming in France and in the developing world can be overlaid, the fact that much of the activity is in the hands of small-scale producers does influence the character of France's relations with its former colonies, and has contributed to the distinctive tradition of decentralised co-operation and exchange between *collectivités locales* in France and similar groupings in the former colonies (see section 3.8).

1.2 The development of forest policy and the institutional framework of forestry in France

1.2.1 Legislation

As the extent of recent reforestation suggests, the heavily wooded and diverse character of the modern French countryside is by no means an original condition. Legislation over a period of two centuries has exerted a significant influence over the development of the landscape. The primary aims of the various Acts have included the control of deforestation; reforestation; enhancement of soil, watershed and dune protection; control of fire risk (particularly in the dry Mediterranean zone); and increasingly of late, conservation of wildlife.

The first recorded forestry legislation in France was the Royal Forestry Regulation of 1219, to control wood-cutting on Crown lands. An embryonic forestry administration was created in 1291, with the appointment of roving inspectors, *Maîtres des Eaux et Forêts*. A true *administration des Eaux et Forêts* was founded as early as 1346, in the form of an autonomous forest authority. The first regulation of private forests dates from 1520, and throughout the sixteenth century there was a progressive increase in the power of the forestry administration to intervene in private forests, so as to guarantee fuelwood and timber supplies.

The structures of the modern forestry institutions were laid in the period 1820–7, with the reorganisation of the forestry administration in the aftermath of the Revolution, the issuing of a new Forestry Code (*Le code forestier*), and the creation of a forestry school at Nancy. The latter laid down the first principles of a French silvicultural system, based on established German methods as well as existing practice in France.

The period 1857–1914 was a time of great innovation in forestry. Roads were opened in the forested areas offering new management possibilities; an extensive planting programme was initiated; community use rights were restricted within the national forest estate; a number of new training schools were opened; and the first forestry research laboratories were created at the *Ecole de Nancy*. A law of 1882 on the protection of

1. This figure includes the 250,000 ha of poplars and the acreages of isolated copses and orchards which are counted as agricultural land for census purposes.

2. France is second only to Portugal, in European terms, in relation to the proportion of private ownership. Almost 75% of private owners in France live in rural *communes* with less than 5,000 inhabitants. (*Ministère de l'Agriculture, 1995*)

3. These include local authorities at the levels of *région, département* and *commune*.

forests in the mountains (*la Restauration des Terrains en Montagne, RTM*) sought to use forest conservation to ensure the protection and management of vulnerable areas, and there were significant plantings in the Alps, Pyrenees and elsewhere.

The inter-war years were marked by relative inactivity, although the law of 1922, *le Régime des Forêts de Protection*, introduced a powerful instrument of legal protection over the forest estate. The post-war years (1945-) have been characterised by an intensification of activity in terms of both legislative and administrative changes. The most recent major legislation is the law of 1985 concerning the management, development and protection of forests (*La Loi Relative à la Gestion, la Valorisation et la Protection de la Forêt Française*). The land law of 1985 also has implications for forests, particularly in relation to the co-management of forests and agricultural areas.

Management plans (*plans simples de gestion, PSG*) were introduced in 1963 as part of a series of important changes in forestry administration. Management plans are now required for all private forests greater than 25 ha. Possession of a PSG confers certain benefits on the owner, including the freedom to clear fell. PSGs are optional for blocks between 10 and 25 ha (though there are financial incentives to encourage their preparation even for such small areas). As of 1989, PSGs were in existence for 2.4 million ha of private forests (out of a potential area of 3.5 million ha), and a further 1 million ha was subject to other regulatory schemes.

1.2.2 Present-day administration

Legislation of 1963 introduced a new forest authority (*Sous-Direction de la Forêt*), which is nowadays a unit of the *Direction de l'Espace Rural et de la Forêt (DERF)* of the *Ministère de l'Agriculture et de la Pêche*. The Forest Authority is responsible for the development and application of policy; forest management and protection; marketing and promotion of wood; forest land-use planning and control of production; promotion of research, training and education; and supervision of forestry agencies such as the *Fonds Forestier National (FFN)* and *Centres Régionaux de la Propriété Forestière - CRPF* (see below). The Authority is also responsible for a variety of grant payments to producers, through the *Service Régional de la Forêt et du Bois (SERFOB)*. The 1963 law also led to the creation of a Forestry Commission, the *Office National des Forêts, ONF* (whose functions are considered further in section 3.4.1), and the setting up of a forestry extension service based in the 17 *CRPF*. These provide extension advice on a range of issues including the preparation of management plans. In some areas extension services are also provided through the *Chambres d'agriculture (Ministère de l'Agriculture, 1995; Eurofor, 1994)*

The *Fonds Forestier National (FFN)* was established in 1946 with the aim of reducing the country's dependence on imported coniferous pulp through the promotion of the indigenous production and marketing industry.⁴ The *FFN* offers a number of different types of loans, as well as grants in cash and kind, to promote afforestation and reforestation, in return for adherence

to the fairly stringent technical standards laid down by the *ONF*. Most of the planting and restocking in France since 1946 has been financed by the *FFN*, the total planted to date being c. 2,500,000 ha (*Ministère de l'Agriculture, 1995; Eurofor, 1994:1295*).

There are seven national parks in France, covering an area of 150,000 ha. In addition, there are 25 nature reserves (*réserves naturelles*) with an area of 43,000 ha, 56 *forêts de protection* (62,000 ha) and 122 *réserves biologiques* (25,000 ha).⁵ In all, about 2% of the national territory now has protected area status.

1.2.3 Producer associations

Small producers are grouped into producer associations (*Syndicats de propriétaires forestiers sylviculteurs*). There are 76 associations spread throughout the various *départements*, and these are grouped into a national federation of private forest owners (*la Fédération des syndicats de propriétaires forestiers sylviculteurs*). Both of these act to promote and protect the collective interests of their members to whom they also provide technical and financial support (*Eurofor, 1994*).

Among producer associations, *groupements* are an important and distinctive feature of French forest management. There are two types of *groupement*. The first is the *groupement forestier*, a legal entity usually formed by a group of close family members, which offers certain tax advantages but involves the surrender of individual ownership. The second (formerly known as *groupement de gestion* though this term now subsumes all types of *groupements*) is a form of co-operative in which individual ownership is retained, and whose members co-operate on fairly restricted commercial and related grounds (group purchasing and marketing, etc.). A total of 720,000 ha is currently under the former type of ownership, with 3,600 *groupements*, while 600,000 ha is under the latter type, involving 5,000 individual owners.

1.3 Public perceptions of forestry

It is tempting to see the limited pressure on natural resources within the national territory as a cause of the relative weakness of the French environmental lobby. Certainly, the 'Green Movement' in France is less strong than that in, say, Germany or the Netherlands. However, environmental concerns are locally important in many areas – and growing everywhere (as witnessed, for example, by the ban in some *départements* on planting poplar trees in the interests of biodiversity). Tensions between the interests of biodiversity conservation and production are sometimes marked. The extent of forest fires, particularly in the Mediterranean coastal zone, is a cause of widespread public concern.

France has played a leading role in a number of important international forest and environmental conferences, including the convening, under the auspices of President Mitterand, of the 1986 Silva Conference on temperate forest conservation and the conservation and management of the ecosystems of the Sahel, and the 1990 Strasbourg Conference on the preservation of European forests.

4. The *FFN* is financed from a special Treasury fund, independent of the government's normal budgetary processes.

5. This figure includes both metropolitan France and the overseas territories.

2. HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY⁶

2.1 The French colonial empire

France's colonial empire was largely established in the second half of the nineteenth and the early years of the twentieth centuries, and included territories in Africa, South America, South-East Asia and the Pacific. The West and Central African colonies were established in the period 1895–1922;⁷ the colonies in South-east Asia between 1863–1886;⁸ the Maghreb, 1830–1909;⁹ the colonies in the Pacific, 1843–82.¹⁰ Most of the possessions achieved independence in the period 1956–62, although a few remain linked to France, either as full overseas departments, of equal rank with metropolitan *départements* (such as Guadeloupe, Martinique, Réunion, and Guyane), or as overseas dependent territories (New Caledonia, French Polynesia).

This vast colonial empire included a wide variety of biomes, from tropical rain forest to tropical drylands and deserts.

2.2 The colonial forest service

A colonial forest service was only slowly established, hindered in the early years by the civil administration's desire to achieve rapid economic development of the colonies (Guillard, 1987). The first attempts to set up a forest administration were in Martinique (1853), Réunion (1872), Cochin China and Indo-China (1862–6) and Madagascar (established in 1896 though not effective till 1905). The impetus to these innovations was provided by the twin pressures of the development of tropical timber production in the colonies and the deleterious effects on forests of land conversion to agriculture (it is estimated that in Madagascar alone, 1,300,000 ha of forest were destroyed in the period 1890–1912), largely through land conversion in the small farm sector.

The 1920s saw the publication of numerous forestry regulations for the colonies. In 1923, the first decree governing the organisation and management of the colonial *Service des Eaux et Forêts* was issued.¹¹ A number of other decrees and ordinances were issued in the period 1923–9, which led to the gradual establish-

ment of a full corps of colonial officers of the *Service des Eaux et Forêts*.

The mandate of the colonial forestry service was broad: establishment of a colonial forest estate; drawing up a forest inventory; studies of tropical timbers; protection of forests and control of shifting cultivation, burning and soil degradation (a particular problem in the groundnut basin of Senegal, where export crop production expanded rapidly); desertification; silvicultural management. The staff and means to implement these aims were remarkably limited: the best organised of all the colonial forestry departments, Indo-China, had only one conservator and 27 inspectors/sub-inspectors for an area of 30 million ha, 21 million of which were state forests. In 1912, Madagascar possessed only one forest agent and three local guards; by 1931, it had 6 officers, 26 junior officials and 39 locally-recruited staff, whose brief was to manage 9 million ha of forest and undertake a sizeable programme of reforestation. Nevertheless, the achievements were often impressive. In Côte d'Ivoire between 1926 and 1930, two, sometimes three, officers managed to survey two-thirds of the area of dense forest (12 million ha); create 50,000 ha of protected areas, 72,000 ha of botanical reserves and 15,000 ha of enrichment zones; manage 8,000 ha earmarked for production of fuel for the railways; create a forest research station; establish a programme to control forest fires; and initiate a legislative programme which was later to become the 1935 Forest Law for the whole of French West Africa.

A series of legislative measures was introduced in the 1940s in relation to the management of the *Service des Eaux et Forêts* of the colonies. This culminated, in 1950, in a number of decrees which redefined the administration of the service and the deployment of its personnel. The mandate of the Colonial Service was to manage the state forests and all other forms of public and customary forests. The *Service des Eaux et Forêts d'Outre-mer* was headed by an *Ingénieur général* under the authority of the *Direction générale de l'Agriculture, de l'Élevage et des Eaux et Forêts* of the *Ministère de la France d'Outre-mer*. There were federal services in each of the three major territories (West Africa, Equatorial Africa, and Indo-China) under an *Inspecteur général* or *conservateur*, and a local service in each territory under a *conservateur*.

In the early years, recruitment to the colonial service was restricted to graduates of the *Ecole de Nancy*, though in-country training was later introduced for locally employed staff. Commencing in 1940, there was a substantial increase in the proportion of colonial forest officers graduating from Nancy, relative to officers of the metropolitan service. While, in the period 1925–33, only 47 of the 279 graduates of Nancy were colonial officers (17%), the proportion had grown to 92 out of 179 (51%) by 1945–54. As decolonisation took effect, however, the proportion declined substantially; in the period 1955–64, only 13 graduates out of 165 (8%) were destined for the colonial service.

As of 1955, the *Corps des officiers-ingénieurs des Eaux et Forêts d'Outre-mer* comprised about 200 officers, 114 of whom were in field postings outside of the colonial capitals. 24 were posted in Madagascar, 13 in Gabon, 10 in Côte d'Ivoire, with smaller numbers elsewhere. Silvicultural research was undertaken at

6. This section draws heavily on Guillard, 1987.

7. Senegal, where there had been French settlements since the 17th century, came under a French Governor from 1854 and became part of French West Africa in 1895 along with Mali and Upper Volta (Burkina Faso). They were joined by Ivory Coast and Niger in 1904. Congo (Brazzaville) and Gabon came under French administration in 1889, and became colonies of French Equatorial Africa in 1910. Chad joined in 1913. Cameroon was divided between the British and the French in 1922.

8. Cambodia became a French colony in 1863, Cochin China (the southern tip of present-day Vietnam) in 1867, and Vietnam in 1884–6.

9. Algeria was progressively brought under French dominion in the period 1830–1909, and Tunisia in 1888. Morocco was divided into French and Spanish Protectorates in 1912.

10. Tahiti came under French control in 1843 and, with neighbouring islands, became a colony in 1880–2. New Caledonia came under the French flag in 1853.

11. Indo-China was excluded from this decree.

various locations in savanna and humid forests, and significant investments were made in a number of areas, including reforestation, wildlife management, regulation of hunting and soil conservation.

2.3 The colonial timber trade

A sizeable timber industry was established in the colonial period. Exports of logs from the colonies grew rapidly: in 1927, French West Africa (mainly Côte d'Ivoire) exported 118,000 tonnes, Cameroon 51,000 tonnes, Gabon and Congo, 324,000 tonnes – collectively, more than half of the export value of both French West and Equatorial Africa. Even today, the former African colonies still export upwards of 3.7 million m³ of logs, 1 million m³ of sawnwood, and over 200,000 m³ of plywood and veneer¹² (1995 figures, *pub.ITTO*, 1996).

2.4 Overseas Departments and Territories

One aspect of France's colonial inheritance is that it now possesses a sizeable tropical forest estate of about 8.8 million ha in its overseas departments and territories. Most of this is in Guyane (8.3 million ha), with small areas on Réunion (87,700 ha), Guadeloupe (66,400 ha) and Martinique (46,500 ha). There is also significant forest cover in the overseas territory of New Caledonia (372,000 ha of moist forest, 393,000 ha of mixed forest and scrub, and 20,700 ha of mangrove). The situation in Guyane is dealt with further in the chapter concerning DGs V, VI and XVI.

3. STRUCTURE OF DELIVERY OF DEVELOPMENT ASSISTANCE

3.1 Development assistance commitment

France is one of the leading donor nations in terms of aid commitments, third in order of aid volume (US \$7.95 billion in 1993) and sixth as a percentage of GNP (0.63% in 1993). Over half of its bilateral aid is targeted on low-income countries, mostly in sub-Saharan Africa. Half the bilateral aid is tied to procurement from France (DAC, 1994; Naudet, 1997).

3.2 Organisation of the bilateral aid programme

The French system of aid delivery is unusual for its complexity. At least eight ministries and a central government executive agency are involved in bilateral co-operation on a significant scale. Aid recipients have differential access to financial and technical assistance according to a well-established structure of country priorities.

There are three major categories of aid recipient (OECD, 1994):

- (i) 37 'pays du champ' (this is sometimes translated as 'concentration countries' or 'sphere countries') which are associated with France through formal agreements of co-operation. Fourteen of these belong to the franc zone, all of them in sub-

Saharan Africa. Membership of the franc zone gives access to a common currency on a fixed parity with the French franc, which is in theory (though increasingly less frequently in practice) freely convertible between the member states. The other major members of the group are Francophone countries in Africa and the Caribbean, though other countries (for example, Mozambique and Namibia) have recently also joined. Guinea-Bissau is in process of joining the franc zone (*Acte d'adhésion* of 18 April, 1997, signed in Cotonou), bringing the total number of states in the zone to 16. The 'pays du champ' accounted for almost half of all French overseas assistance in 1991–2.

- (ii) The three overseas territories in the Pacific and the island group of Mayotte in the Comores, which together account for 14% of official development assistance (oda) (1991/2). French Polynesia and New Caledonia receive 90% of the aid going to this group.
- (iii) About 100 other countries ('other developing countries') which together account for the remaining development assistance. In this grouping, the major recipients are the three Maghreb countries (Morocco, Tunisia and Algeria), with which France has close historical and geographical ties, and Egypt; together these four account for 40% of aid to the 'other developing countries'. Other important recipients of aid within this group include Indonesia, China, Thailand, Ecuador, India and Mexico.

The delivery of French bilateral aid is differentiated by the status of the receiving country largely in terms of the above categorisation.¹³ The *Secrétariat d'Etat chargé de la Coopération* (the former *Ministère de la Coopération*) is responsible for financial and technical co-operation with the 'pays du champ', except for balance-of-payments aid, which is handled by the Treasury Department of the *Ministère de l'Economie, Finance et de l'Industrie*. The latter also handles financial aid to the 'other developing countries'. Technical co-operation with the 'other developing countries' is handled by the Directorate-General for Cultural, Scientific and Technical Relations (DGRCST) of the Ministry of Foreign Affairs (*Ministère des Affaires Etrangères*). The *Secrétariat d'Etat Chargé de l'Outre-mer* (formerly *Ministère des Territoires et Départements d'Outre-Mer*) covers aid to the Overseas Departments and Territories. Other Ministries are responsible for bilateral technical co-operation programmes in various partner countries and territories; these include the Ministries of Health, Education, Agriculture, Social Affairs, Youth and Sports, Scientific Research, and (until its recent incorporation into *Economie et Finance*) Industry (Naudet, 1997).¹⁴

12. Of these quantities, the volumes sold to metropolitan France are: 730,000 m³ of logs, 100,000 m³ of sawnwood, and over 20,000 m³ of plywood and veneer (1995 figures, *pub.ITTO*, 1996). In the case of *Okoumé*, 1m³ is equivalent to 0.6 tonnes.

13. This outline takes account of the reorganisation of the government announced by the incoming Prime Minister, Lionel Jospin, on 4 June 1997.

14. It should be noted that despite the various changes in government structure which have taken place in recent decades (witness the reorganisation of June, 1997), the relationships between France and the *pays du champ* have been characterised by a remarkable degree of continuity, by the standards of international aid, and there has been a significant and steady concentration of bilateral aid to the benefit of this grouping.

3.2.1 *Secrétariat d'Etat chargé de la Coopération*

The Ministry of Co-operation administers the *Fonds d'aide et de coopération (FAC)*, which covers economic and social infrastructure projects. The Ministry is represented in the 'pays du champ' by cultural and technical co-operation missions (*Missions de Coopération*). The development priorities of the Ministry are broad: rural development, the environment, major infrastructure, health, education, military co-operation, telecommunications and culture are all eligible for its aid. In the field of rural development, natural resource management – including forest resources – has come to occupy an increasingly important position. The total aid budget of the Ministry of Co-operation is currently about FF 6.7 billion per annum (c. US \$1 billion). FF 1.4 billion of this comes from the FAC.

3.2.2 *Caisse française de développement*

The French Development Fund – *La Caisse française de développement, CFD* (formerly *Caisse centrale de coopération économique, CCCE*) – is a public executive agency under the authority of the Prime Minister and Minister of Economy, Finance and Industry. In the past, the division of responsibilities between the CFD and the Ministry of Co-operation depended on the status of the transfer in question – the former handling loans and the latter grants. Since 1990, the division has been more sectorally based, the CFD handling the productive sectors, while the Ministry handles the social sectors. The CFD, like the Ministry of Co-operation, provides development aid to the 'pays du champ'; its brief covers finance and technical assistance for production projects, structural adjustment programmes, senior staff training, etc. The CFD has overseas representation in 40 partner countries, as well as in the overseas departments and territories.

The CFD has a number of subsidiaries, including the *Société de Promotion et de Participation pour la Coopération (P.RO.PAR.CO)* and the *Centre d'Etudes Financières et Bancaires (CEFEB)*; the various subsidiaries are collectively known as 'groupe CFB'. P.RO.-PAR.CO is an agency dealing with the promotion of private enterprise and the privatisation of public enterprises. It works in 91 countries and territories in Africa, Asia, the Caribbean and the Pacific. CEFEB offers training programmes and seminars of varying duration in the fields of banking and finance.

The CFD manages a fund of about FF 15 billion, 73% of which is invested in projects, the remainder being programme aid. Only a small proportion of this goes to forestry aid. Less than 0.6% is formally designed as 'forestry', although, when projects in which forestry is a subcomponent are also taken into consideration (such as natural resource management and craft and industry projects with forestry components), the total investment rises to about 1.5% (1991–5).

3.2.3 *Fonds français pour l'environnement mondial*

The French Fund for the Global Environment (*Fonds français pour l'environnement mondial, 'FFEM'*) was established in 1994, and reflects France's interest in

global environmental protection policy, in line with the conclusions of the 1992 UNCED Conference. Though managed bilaterally, it parallels in many ways the Global Environmental Facility of UNDP/World Bank, and intervenes in rather similar areas. The operations of the FFEM are supervised by an interministerial steering committee. The fund is considered further in sections 4.3 and 4.4.

An organogram of the main bilateral agencies is provided in Figure 1.

3.3 Personnel

3.3.1 *Ministère de la Coopération*

The Ministry of Co-operation is the most important organisation involved with development aid, in terms of both financial means and numbers of personnel. The Ministry comprises two *directions* and one *service*:¹⁵

- the *Direction du développement* with four *sous-directions* (see Organogram);
- the *Direction de l'administration générale*, with several *sous-directions* (personnel, budget, IT, etc.);
- the *Service de coordination géographique et des études*, in which is located the *Mission des Etudes, des Evaluations et de la Prospective (MEEP)* which is responsible for project monitoring and evaluation.

Forestry projects are monitored by the *Bureau des ressources naturelles et de l'environnement (DEV/ERN)* of the *Sous-direction du développement économique et de l'environnement (DEV/E)*, staffed by a bureau chief and five *chargés de missions*, deployed as follows:

- one *chargé de missions* for forests (institutional support and policies, forestry management, forestry sector development, wood industries);
- one *chargé de missions* for biodiversity and protected areas;
- three *chargés de missions* dealing with fisheries, mining, and water resources

Within the *Sous-direction du développement institutionnel (DEV/I)*, two sections are able to finance projects in the forestry sector:

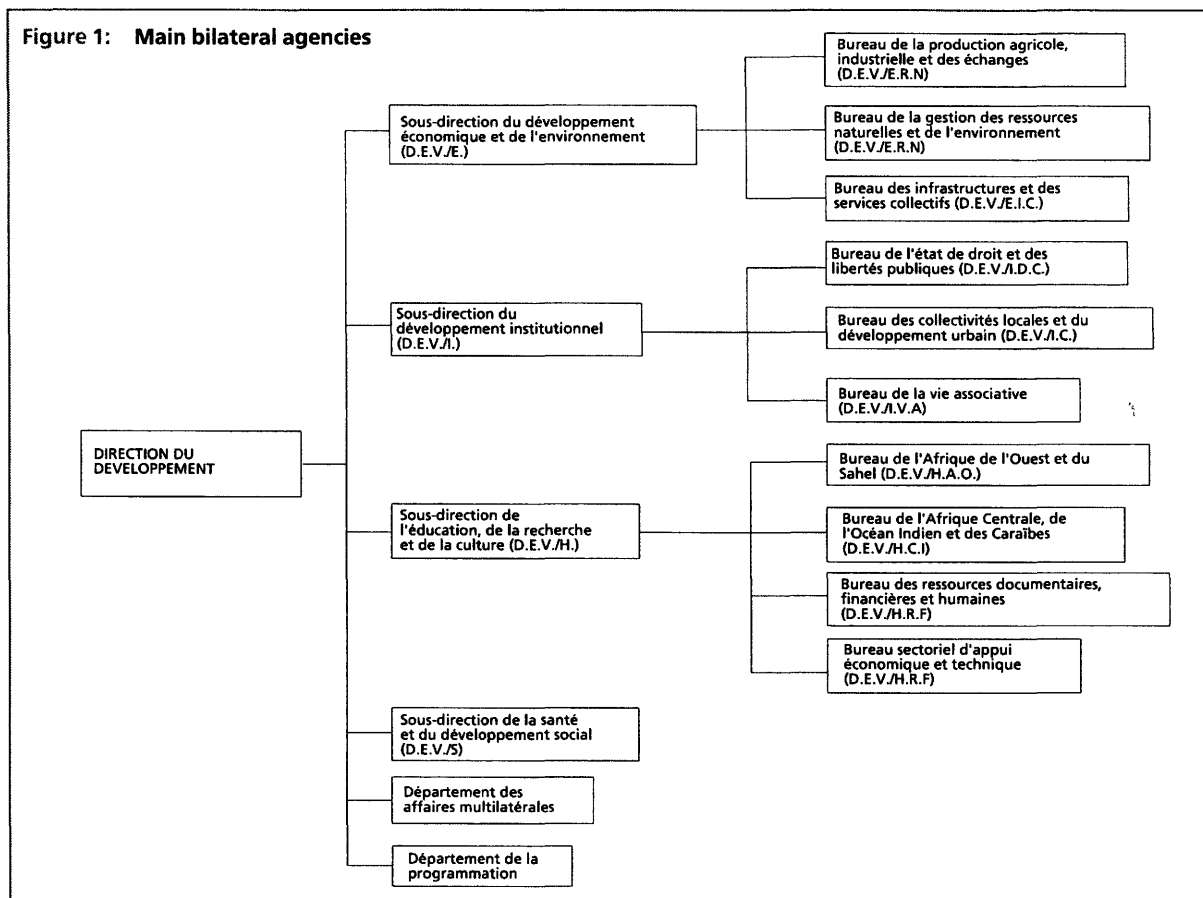
- the *Bureau des collectivités locales (DEV/ICL)* which provides support for the policy of decentralised co-operation (see sections 3.8 and 5.2); and
- the *Bureau de la vie associative* which finances projects in the NGO sector (see sections 3.6 and 5.3).

The *Sous-direction de l'éducation, de la recherche et de la culture (DEV/H)* finances forestry sector training, particularly the project 'CRESA forêt-bois in Cameroon (see section 5.1.1 footnote 18). It also has a supervisory role in relation to technical assistants working in forestry training institutions (Yammoussoukro in Côte d'Ivoire and Dschang in Cameroon), and has responsibility for the CAMPUS university exchange programme (see section 5.2).

140 advisory staff (5 of them forestry specialists), at the level of *diplômé* of an *école d'ingénieurs* or university, are currently (1997) employed by the

15. A 'service' is a division of a 'direction'; each *direction* is likely to comprise several *services*.

Figure 1: Main bilateral agencies



Ministry, at the *Direction du développement* in Paris and in the following *sous-directions*:

- Direction (DEV) 8
- Sous-direction DEV/E 30
- Sous-direction DEV/I 34
- Sous-direction DEV/H 45
- Sous-direction DEV/S 23

There are currently 500 *assistants techniques directs*, *ATD*, (of whom 80 are *coopérants du service national*, *CSN*) working in the *pays du champs*, in fields covered by the *Sous-direction du Développement Economique et de l'Environnement*.¹⁶ 26 of these (5 of them *CSN*) are managed by the *Chargé de mission des forêts* of the *Bureau de la Gestion des Ressources Naturelles et de l'Environnement*.

3.3.2 Other Ministries

Several *directions* within the Ministry of Agriculture are concerned with international co-operation:

- in the *Direction de l'Espace Rural et de la Forêt*, there is a *Chargé de Mission* dealing with international affairs, who represents France on the Inter-governmental Panel on Forests of the UN Commission on Sustainable Development;
- in the *Direction de la Production et des Echanges*, there are several geographical desks within the *Service des Relations Internationales* (Africa, Asia, etc.).

In the Ministry of the Environment, there is a *Service des Relations Internationales* responsible for policy matters and monitoring of development projects.

3.4 Aid delivery

French aid is delivered through a variety of partner agencies. These include:

- French development research institutes such as the *Centre de Coopération Internationale en Recherche Agronomique pour le Développement (CIRAD)* and the *Institut Français de Recherche Scientifique pour le Développement en Coopération (ORSTOM)*, as well as the *Centre National de Recherche Scientifique, CNRS*, the Museum of Natural History and the universities;
- French NGOs, some of which have sound development credentials and provide potential partners for co-operation activities. One limitation of this grouping is its heavy Sahelian bias and relative lack of interest in the humid tropics;
- French commercial firms, both manufacturers (eg. Vergnet, which supplies wind and solar pumps) and consultants (see section 3.7), as well as public agencies with environmental interests (agencies concerned with satellite monitoring are particularly strong in France; one example is CNES).

3.4.1 The importance of research in aid delivery

Natural resource research figures very prominently in the aid profile, and two specialist agencies, *CIRAD* and

16. This number does not include French experts working in projects funded by France and international agencies.

ORSTOM, receive the bulk of resources devoted to this theme. CIRAD focuses mainly on applied development research, particularly in relation to natural resource management, while ORSTOM is more oriented to basic scientific research. More recently, the *L'Office National des Forêts (ONF)* has begun to develop a competence in tropical forestry research.

CIRAD was set up in 1984, as the result of a merger of eight research institutes specialising in sectoral research. In addition to the forest sector, for which the agency had hitherto been the CTFT (*Centre Technique Forestier Tropical – see Box 1*), other focal areas included cotton, food crops, livestock, oil crops, textiles, horticultural beverage crops, rubber, and machinery. CIRAD, with its head office in Montpellier, co-operates with 90 countries and has researchers on long-term postings in some 50 of these. It employs 1,800 people (50% of them scientists) deployed in its seven departments, as shown in Table 1.

CIRAD has a budget of around FF 1 billion, 60% from the Ministry of Research and 40% from contracts with public and private sector agencies. CIRAD also takes part in training young French and foreign scientists. In 1995, it helped to train 808 researchers, including 411 nationals from countries of the South.

The activities of CIRAD-Forêt are considered further in section 6.1.1.

ORSTOM, which was set up in 1946 as the *Office de la Recherche Scientifique et Technique Outre-Mer*, became the French Scientific Research Institute for Development in Co-operation (*Institut Français de Recherche Scientifique pour le Développement en Coopération*) in 1980, while retaining the internationally known acronym ORSTOM.

In 1995, it had a budget of FF 1.14 billion (including FF 1.078 billion from the Ministry of Research). Its staff were deployed as shown in Table 2.

ORSTOM is organised into departments (earth, ocean and atmosphere; continental waters; health; societies, urbanisation and policy; agricultural environments and activities). The department for agricultural environments and activities (*Milieux et activités agricoles, MEA*) has the largest number of researchers. Among its activities are studies of the problems of erosion, agrarian systems (natural resource management by rural societies) and wildlife (birds and ungulates), all topics which affect the forest sector. About 20 researchers are involved in this work. ORSTOM has 32 centres and missions, including 5 in metropolitan France (Montpellier, Bondy, Brest, Orléans and Paris) and 5 in the Overseas Departments and Territories (Guyane, Réunion, Martinique, New Caledonia and French Polynesia).

ORSTOM's activities in the forestry sector are considered further in section 6.1.2.

Office National des Forêts. ONF is responsible for managing all forests in France subject to the *régime forestier* (ie. state and local authority forests – 30% of the total forested area). The heir to a national administration with several centuries of experience of forest management, ONF has a multiple mandate in the management and development of the forests for which it is responsible: sustained timber production, maintenance of biodiversity, and public access. ONF works primarily in the national territory (including Overseas Departments such as Guyane), though more recently, it

Table 1: Distribution of staff by department – CIRAD

	No of staff
Annual crops (CIRAD-CA)	470
Perennial crops (CIRAD-CP)	301
Livestock and veterinary medicine (CIRAD-EMVT)	167
Forestry (CIRAD-Forêt)	179
Farm production and rural systems (CIRAD-SAR)	125
Fruit and horticultural production (CIRAD-FLHOR)	246
Joint laboratories, documentation and training (CIRAD-GERDAT)	309

(Source: CIRAD, 1996)

has begun to work in other countries, including those traditionally associated with the development agencies such as CIRAD. For example, it has been involved in a growing partnership (funded by the French Ministry of Co-operation) with the Forest Development Agency (SODEFOR) of Côte d'Ivoire, dealing with development procedures for gazetted forests and for staff training (especially in accounting and administrative management). This partnership has helped SODEFOR move from a rather cumbersome and costly administrative management to a more dynamic approach, involving some sub-contracting work. ONF is also active in other developing countries, notably Cameroon (the Dimako pilot integrated development project), Madagascar (Environmental Action Plan) and Brazil (developing eucalyptus plantations for industrial charcoal).

3.5 Multilateral assistance

French official development assistance (*l'aide publique au développement* or 'APD') stood at US\$7.4 billion in 1996, equivalent to 13% of the total commitments of the OECD-DAC. Three-quarters of this was bilateral, and the rest multilateral. Multilateral aid was spent as follows:

- European Union – 50% (US\$5.5 billion)
- International financial institutions (World Bank, IMF, regional development banks and funds) – 30%
- United Nations – 5%
- Other – 15%

Table 2: Distribution of staff by geographical posting – ORSTOM

Metropolitan France (of whom 260 in Montpellier)	964
Overseas Departments and Territories	178
Africa and Indian Ocean	271
Latin America	111
Asia/Pacific	38
Other areas and international institutions	23

(Source: ORSTOM, 1996)

3.5.1 European Union

The Multilateral Affairs Department of the Ministry of Co-operation coordinates multilateral aid, particularly in relation to the European Union. Consultation with the EU is handled at national level by the sectoral *sous-directions* of the Ministry of Co-operation in association with the European Commission, and overseas by the *Missions Françaises de Coopération et d'Action Culturelle* in association with the EU Delegations. France is involved with two pilot programmes in inter-European development co-operation, in Côte d'Ivoire and Mozambique. Co-operation with the EU is facilitated by the posting of French *Coopérants du Service National (CSN)* as assistants to EU Delegations (currently 6 per year in Africa), by regular training sessions for French technical assistants on the theme of 'working with international agencies', by the organisation of regular meetings to monitor development programmes, and by participation of the Ministry in international discussions on the future of the Lomé Convention.

3.5.2 United Nations

In 1995, French contributions to the main UN agencies were as follows:

• UN Volunteer Programme	FF	2.0 million
• UNSO	FF	2.5 million
• UNDP	FF	100.0 million
• UNESCO	FF	126.0 million
• UNEP	FF	16.6 million

(Source: Ministère de la coopération, 1996)

3.5.3 World Bank

France is currently the fourth largest shareholder in the IBRD, with 4.6% of the capital, and the fourth most important donor to the International Development Association (IDA), with 7.4% of contributions. French funding to the Bank is concentrated particularly on sub-Saharan Africa (40% of its IDA contributions were devoted to the region in 1994–5, 40% of these being invested within the Franc zone).

3.6 Non-governmental organisations (NGOs)

NGOs are playing an increasing role in the system of French development aid. The majority of French International Solidarity Associations (ISAs) are grouped together into nine collectives or umbrella bodies, according to their objectives: support for development projects; emergency work; posting of volunteers; development education; environmental protection for sustainable development; and assistance to migrant workers. Since 1983, there has been a permanent dialogue between these coordinating bodies and the government authorities through the Development Co-operation Commission. The Commission gives equal representation to the public authorities (nine ministries) and the nine ISA umbrella organisations. It commissions studies on relevant topics, particularly in the fields of rural development, natural resource management and biodiversity and publishes an annual directory of ISAs.

The International Environment and Development Collective (*Collectif Environnement Développement International, CEDI*), set up in 1991 as part of the

preparatory work for the 1992 UNCED Conference, aims to heighten the profile of French environmental associations on the international stage. The CEDI, which is also responsible for follow-up to UNCED and the implementation of the commitments arising out of Agenda 21, acts as an interface between environmental protection movements and the public authorities, constituting a permanent pressure group *vis-à-vis* the latter, especially in relation to the environmental dimensions of national and international policy.

Funding is also given to information and networking activities. 40 French-speaking bodies have set up an information system known as IBISCUS, which seeks to meet the information and communication needs of those working in co-operation and all others interested in development issues in the South. IBISCUS provides an abstracting service (currently 70,000 documents), and summary notes and statistical tables on the economic situation of countries in Francophone Africa.

3.6.1 NGOs and debt reduction activities

For some years now, NGOs have been able to take part in reducing the debt of developing countries, while increasing their scope for such operations through the debt conversion mechanism. The Conversion, Debt, Development and Environment Association (*L'Association Conversion, Dette, Développement, Environnement, ACDE*), which was set up following a round table on debt, brings together ISAs for the purpose of redeeming the bank debts of developing countries on the secondary debt market and, following their conversion into local currency, using this as an instrument to fund development projects. ACDE carried out 4 conversion operations in 1992, for a total value of \$500,000, and 11 operations in 1993, amounting to just under \$1 million, mainly relating to Madagascar. Projects in the field of health, small enterprises, rural development and protected areas have all been funded by debt conversions.

3.7 Development companies/consultancies

Out of the fifty or so French consultancy companies involved in international rural development aid, there are about ten active in the field of tropical forestry. This group includes companies such as BCEOM (*Bureau Central d'Etudes Outre-Mer*), SECA (*La Société d'Eco-Aménagement*) and FRM (*Forêts-ressources-management*), all of which have worked for the French Government, as well as four other national and international organisations.

3.8 Decentralised aid to local authorities

'Decentralised co-operation' is the name given to another characteristic aspect of French development aid – twinning arrangements between French local authorities (*collectivités publiques*) and communities in the South. These take place at three administrative levels – *Région, Département and Commune*.

There are two key dates with regard to decentralised co-operation:

- In June 1990, on the occasion of the Conference of Heads of State of French-speaking countries held in La Baule in Brittany, France declared its intention

to treat recipient countries' moves towards democracy as a criterion of aid conditionality. Citizen empowerment and decentralisation of government authority were viewed as integral to this theme.

- (b) The law of 1992 on the territorial organisation of the French Republic gave a legal foundation to the development activities of local authorities. Local authorities were authorised to sign agreements with foreign administrations 'within the limits of their competence and respecting France's international commitments'.

The state encourages decentralised co-operation primarily by means of co-funding. This is based on various arguments:

- acknowledgement of the know-how of local authorities and their ability to mobilise civil society;
- the conviction that relations between local structures have a more human touch and are longer lasting;
- the need to share the financial burden and the human resources devoted to international aid.

Despite these good intentions, concrete achievements to date have been rather limited. Only the largest of the communes have sufficient resources to participate in co-operation activities (not more than about 1% of the category), although around 35% of departments and 75% of regions are taking part. The share of an authority's budget allocated to co-operation with foreign countries rarely exceeds 0.5%.

Expansion of the scheme has been limited by the low levels of democratic authority of many potential partner communities in the South, and by their frequent inability to enter into direct relationships with local authorities in the North. Few have sufficient revenue, and those that do are usually managed by personnel delegated from the state level, rather than by local public servants as this category is understood in France. Consequently, many of the French authorities have focused more on economic and social development activities, often through projects implemented by NGOs, than on direct support to parallel public bodies in the South. The promotion of decentralised co-operation with countries in Eastern Europe in the period since 1990 has also had a negative effect on the level of resources allocated to co-operation with countries in the South.

4. DEVELOPMENT ASSISTANCE STRATEGY

4.1 Introduction

France's long experience of development aid derives largely from the special relationship that has been maintained for more than 35 years with the French-speaking countries in Africa. Experience acquired in the former French colonies south of the Sahara (the main sphere of influence) has gradually been extended to other countries, particularly Francophone countries such as Zaire and, more recently, Lusophone countries such as Mozambique.

The French approach to development has moved

forward considerably in recent decades, from a sector-based and production-oriented approach (improving yields and cropping systems by the dissemination of technical innovations produced on research stations, without too much regard for the real conditions of rural producers) to a broader approach seeking to take into account all components of the agrarian and livelihoods system. This development has been translated into several generations of projects (initially 'sector-based projects', followed by 'integrated projects', then 'village land-use management' [*gestion des terroirs*] and, finally, 'local development' projects – see section 8).

France aims to ensure consistency in the international co-operation activities funded in the field of environment. It is keen to maintain a strong presence at international fora monitoring the implementation of the UNCED recommendations, and is committed to helping the countries of the South, especially the '*pays du champ*', play an active role in these fora.

4.2 Research strategy

Ministry of Co-operation policy in the field of research is designed to meet two objectives:

- (i) to contribute towards the building and maintenance of a scientific community in the countries where the Ministry works;
- (ii) to help to produce the necessary knowledge for development, using the support of the French scientific community to promote exchanges of information, joint research programmes, etc.

It is because of the Ministry's concern to help countries find their own routes to development that it regards scientific research as such an important component of development. The aim is to make scientific knowledge available to policy-makers and development practitioners, so as to enhance their decision-making capacities.

Development thus requires the existence of a scientific community in the partner countries which is able to:

- produce the knowledge and information essential for development policies
- be in a position to plan the future of their economies and societies and thus develop a capacity to make proposals, and provide expertise and advisory capabilities.

Research training is mainly provided by universities and the specialist research institutions, and (on a much smaller scale) the *écoles d'ingénieurs* (see section 6.2).

4.3 Tropical Forestry Strategy

4.3.1 Policy principles

In the field of forestry and the environment, French policy seeks to apply three principles of intervention:

- (i) to respond clearly to the long-term interests of partner countries in natural resource management, as these are the productive basis of their economies;
- (ii) to bring the scientific capacity of French development research institutes such as ORSTOM and CIRAD to the service of the developing world;
- (iii) to build on a limited but exemplary series of field activities and achievements.

The overall framework for French development co-operation is sustainable development as defined and adopted at the UNCED Conference. French co-operation therefore pursues three objectives:

- (i) contributing, by means of activities in the South, to the preservation of the overall environment (e.g. by setting up the FFEM);
- (ii) promoting French environmental know-how; this knowledge is very broad and relates to fundamental scientific research on animal and plant species, as well as to the use of advanced technologies such as satellite imaging (via the French 'SPOT' satellite), etc.;
- (iii) supporting the sustainable development of partner countries in areas of activity in which the long-term challenges are particularly important, especially in situations where human activity can cause irreversible ecological deterioration. These activities are mainly funded from two sources – FAC and CFD.

The tropical forest sector is a major area of concern, especially in view of the international sensitivities surrounding the issue of deforestation. French co-operation is very active in the scientific field (where a long-term perspective is regarded as essential) as well as in institutional support to forested countries and to the African Timber Organisation (ATO).

In the field of nature reserves and wildlife, French co-operation policy takes account of the advantages for national economies of the existence of nature reserves (game viewing or hunting), but also the need to involve the local people in protected area management.

A feature of recent work has been the implementation of the recommendations of the UNCED Conference. In particular, this has resulted in the signature in Paris in 1994 of the Anti-Desertification Convention and the establishment of the FFEM.

In 1995, the Ministry of Co-operation adopted a five year plan of action in the environmental field focusing on three main issues:

- protecting and exploiting nature reserves and wildlife, based on an integrated approach to land-use management;
- forest development;
- support for the preparation of environmental strategies, and for activities to build up the human and institutional capacity of partner countries.

4.3.2 Environmental studies and monitoring

In the field of environmental management, France regards the quality of information available to policy-makers as a crucial area of concern. This is especially the case with regard to the management of forest resources. Earth observation systems are a major industrial issue and a priority for French space policy. The 'SPOT 5' satellite programme has allowed France to become one of the most advanced countries in the field of satellite observation for civilian purposes. The dynamic SPOT process has led to the emergence of a skilled workforce in France, specialising in applications of remote sensing and geographical information systems.

French co-operation operates at a number of levels in the field of GIS:

- programmes are under way with national geographical information centres in Madagascar, Benin, Gabon and Mozambique. These aim to help the national services better perform their function as public services, in a cost-effective manner, while supporting their reorientation towards a service provider role, seeking to meet external needs in areas such as cadastral surveys and thematic project mapping. In several cases (Madagascar and Benin in particular), French aid is in the form of a contribution to the NEAP (National Environmental Action Plan), work that is also supported by other donors, including the World Bank;
- at regional level, French co-operation supports the AGRHYMET Centre based in Niamey, which works throughout the area covered by the CILSS (the Interstate Committee to Combat Drought in the Sahel);
- through the OSS (Observatory on the Sahara and Sahel), French co-operation supports projects to observe the environment and adapt information technology to the benefit of the African continent in the environmental field.

4.3.3 Protected Areas, wildlife and biodiversity

French policy with regard to wildlife and biodiversity is grounded in the principle of local participation. At national level, French co-operation supports the implementation of natural resource management strategies. At local level, France supports approaches which seek to harness the economic potential of protected areas for the benefit of the local people. This involvement is vital for there to be any prospect of sustainability.

4.4 International influences and French international activities in natural forest management

French aid to safeguard the tropical forest is thus based on the principle that it is by making a greater contribution to the essential development needs of populations and partner states that the forest can be conserved. This was the position adopted by France during the Conference of Ministers responsible for the forest in Central African countries in Libreville in April 1990, at the 10th World Forestry Congress held in Paris in September 1991, at UNCED in June 1992, and during the preparatory work for the April 1995 session of the Commission on Sustainable Development.

Aid to tropical forestry in Africa is provided at a number of levels:

- France is making a large contribution to the Global Environment Facility (FF807 m. over the period 1994–8). France has also endowed its own parallel fund (FFEM) with FF 440 m. over the same period. This is targeted on the preservation of biodiversity and world climatic balance; the protection of tropical forests is one of the priority budget allocations. These two sets of commitments represent a substantial pledge to the maintenance and enhancement of the global environment.

- French aid supports regional and national forest institutes in order to help Africa contribute to major international forest and environmental debates. In this regard, France is helping to enhance African expertise within the African Timber Organisation based in Libreville; supporting the Tropical Forest Action Programme (TFAP), especially in Congo and Gabon; and contributing to the establishment, by the International Centre for Forestry Research, of an African regional forest research network supported by CIRAD-Forêt. French aid is contributing to the identification and implementation of measures to increase the contribution of forests to state revenue. A series of projects has been established to encourage (for example):
- industrialisation of the timber sector (e.g. loans and shareholding by P.R.O.P.A.R.C.O in the logging industry of Côte d'Ivoire, Cameroon, the Central African Republic and Gabon);
- promotion and diversification of forest production (working on NTFPs in the Congolese forests);
- the sustained use of forest resources (the Dimako Project in Cameroon and a study on the competitiveness of African timber);
- international regulation of the timber trade (various studies, and work on the eco-labelling of African timbers).

The UN Specialised Agencies, especially the FAO, are important for publicising French approaches to development. Over and above its regular contribution to FAO (7% of the organisation's core income), France makes an additional contribution, approximately equal to 20% of the programme budget, to support forestry-related work.¹⁷

5. REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY SECTOR FUNDING

5.1 The environmental sector

Funding in the area of the environment falls into ten categories. At the end of 1995, the portfolio of ongoing projects of the Ministry of Co-operation amounted to FF 433 m., and was distributed as shown in Table 3.

Taking into account other projects dealing with the environment as a sub-theme, and training and education activities, the resources committed annually by the Ministry to the environment come to some FF 230 m., including FF 30 m. for forests and FF 15 m. for nature reserves, wildlife and biodiversity.

5.1.1 Forestry

The commitment of French aid for the forest sector in Africa has been FF 300 m. since 1992. A third of this has come from the Ministry of Co-operation and two-thirds from the CFD, spread over some twenty projects.

The Ministry of Co-operation actively supports the

Table 3: Thematic distribution of projects of the Ministry of Cooperation, 1995 (FF m.)

Environmental policy	17
Water	82
Urban environment	66
Renewable energy	11
Fishery resources	71
Forest resources	97
Nature reserves, wildlife and biodiversity	22
Locust control	16
Environmental study and monitoring	45
NGO support	6

(Source: Ministère de la coopération, 1995)

development of forest policy and legislation in partner states and the implementation of field projects and programmes to help local people manage their forests and improve their livelihoods. This is the objective of the 'Rural land and forest management project' in Mamou, Guinea, the 'Village management of timber resources' component of the project of support to decentralisation in Mali, and the population/forest interaction component of the Dimako project in Cameroon.

French aid supports the training of personnel responsible for protecting and managing forests and the establishment and transfer of scientific and technical skills. It provides support to the forest departments of the Ecole Nationale Supérieure Agronomique in Yamoussoukro (Côte d'Ivoire) and the Faculty of Agronomic Sciences of the University of Dschang (Cameroon); it is also supporting the establishment of a *Centre Régional d'Enseignement Spécialisé en Agronomie*, 'CRESA Forêt-Bois' in Yaoundé, Cameroon.¹⁸ Finally, a new form of partnership is evident in the transfer of knowledge and technology between ONF and SODEFOR in Côte d'Ivoire, with funding from the Ministry of Co-operation.

5.1.2 Wildlife management

The Ministry of Co-operation has committed FF 22.7 m. to this theme since 1992. Its resources are backed up by those of the FFEM, one of whose spheres of action is the preservation of biodiversity. The broad areas of concentration of ongoing programmes are as follows:

- rehabilitation and development of existing reserves (Manda in Chad, Niokolo Koba in Senegal and Bénoué in Cameroon);
- assessment and enhancement of the role played by the Banc d'Arguin in the renewal of natural resources in Mauritania;

17. This contribution is used to cover the costs of 3 or 4 Associate Experts in Forestry (approx.20% of French technical support) as well as US \$3-500,000 for forestry projects.

18. There are six CRESA, regional centres for training in agronomy according to a broad model laid down by a conference of francophone heads of state in 1989. Besides 'CRESA Forêt-Bois' in Cameroon, a second 'CRESA-forestier' is planned in Morocco, within the *Ecole Nationale Forestière d'Ingénieurs (ENFI)* in Rabat.

- organisation of hunting and overhaul of wildlife legislation (Burkina Faso);
- studying the interaction between humans and wildlife and setting up pilot operations for the protection of some seriously threatened species such as the black rhinoceros or elephant (Cameroon, Côte d'Ivoire);
- enhancing plant biodiversity by supporting production (Gabon and Madagascar);
- training, especially through the Garoua Wildlife school (Cameroon).

5.2 Research in the service of development

La Recherche au Service du Développement ('RSD') involves a number of different institutions (CIRAD, ORSTOM, CNRS, INRA, universities and *écoles d'ingénieurs*) and a great diversity of geographical areas, themes and methods. The budget devoted to RSD was FF 3.2 billion in 1993, more than 85% from public funds. The Ministry of Research remains the main donor, contributing 61%, with the other ministries together contributing 24%.

In 1993, the geographical and sectoral spread of RSD expenditure was as shown in Tables 4 and 5.

French co-operation uses many different instruments to foster research competence: the scholarship funds managed by the *Missions de Coopération* in consultation with the national authorities are the most important means employed, although ORSTOM also has a 'research allowance' budget line specifically set aside for students from developing countries. These funds may be used to award training grants for research. In 1994, a total of 638 grants was awarded, representing a financial outlay of over FF 33 m. Such grants allow for short and medium length courses at research laboratories. One form of grant (the *bourse d'excellence*) provides substantial support for students preparing research theses, whose work has been found to be of particularly high quality.

The Ministry provides funds to enable African researchers to participate in the major research programmes conducted by French specialist agencies in African countries (around FF 2 m. per year). Computerised information networks (electronic mail, fora, etc.) and access to international databases are also being developed. In order to foster inter-African exchanges, various thematic networks receive support from the French Government. One of these covers ecology.

Specific attention is given to North-South university

Table 4: Geographical spread of RSD projects, 1993 (by % allocated)

Metropolitan France	31
Overseas departments and territories	16
Sub-Saharan Africa, Indian Ocean	25
Other developing countries	24
Bilateral agencies	4

(Source: Ministère de la recherche, 1995)

co-operation in respect of research. The main scheme is 'CAMPUS', to which about FF 53 m. are committed annually.

Finally, the Ministry of Co-operation is the main donor to the multilateral Francophone organisation, AUPELF/UREF (*Association des Universités Partiellement ou Entièrement de langue Française/Universités des Réseaux d'Expression Française*). Around FF 100 m. are made available to this organisation which is responsible for fostering exchanges in higher education and research. Of this, FF 40 m. have been specifically earmarked to research. In addition, though on a smaller scale, support is given to research involving several universities through the fund for university co-operation, 'FICU'.

In total, more than FF 100 m. a year is devoted to development-related research activities. These resources are combined with the provision of more than 160 researchers as technical assistance at African institutes (not including trainers/researchers and research personnel from specialist French institutes established in Africa). In full-time equivalents (and including trainers/researchers, but not the staff of specialist institutes), more than 200 researcher-years are made available to Africa annually.

5.3 NGO funding

State funding to NGOs amounts to more than FF 300 m. per year. The bulk of this goes towards two sets of activities:

- subsidising the operation of the French volunteer association (*Association Française des Volontaires du Progrès, AFVP*);
- flat-rate payments to cover the social security of volunteers and other *coopérants*; this group includes young men undertaking development work as an alternative to national military service (*Coopérants du Service National, CSN*) in projects supported by NGOs.

5.4 Local authority development activities (coopération décentralisée)

The budget resources allocated by the state to decentralised co-operation come from the Aid and Co-operation Fund (FAC) as well as from a specific budget line established in 1986. From 1985 to 1992 (inclusive), this funding amounted to a total of FF 184.5 m. (including FF 136.2 m. from the FAC). In 1992, local authorities allocated around FF 100 m. to projects in the '*pays du champ*' (a considerable increase on the

Table 5: Sectoral Distribution of RSD Projects, 1993 (by % allocated)

Agriculture, rural development	48
Physical environment, natural resources, energy	19
Health	14
Humanities and social sciences	3
Other (information and training)	16

(Source: *ibid.*)

FF 40 m. spent in 1988). Sectoral distribution for FAC co-funding in 1995 is shown in Table 6.

Starting from an initial allocation of FF 5 m. in 1985, co-funding granted by the Ministry of Co-operation reached FF 27 m. in 1995. To date, the total allocation has been about FF 60 m. In Africa, there has been a strong concentration of activities on three Sahelian countries – Senegal, Mali and Burkina Faso, with a smaller number in Cameroon, Guinea and Togo. The three Sahelian countries together account for almost 50% of the co-funding awarded for decentralised co-operation by the Ministry of Co-operation. (The total allocation to these three under all co-funding arrangements is likely to be even greater since the local authorities whose projects are co-funded by sources other than the Ministry include small communes which work mainly in the Sahel in fields such as small-scale water supply and reforestation.)

6. STRATEGY ON RESEARCH AND TRAINING IN TROPICAL FORESTRY

6.1 Forestry research

France is one of the world leaders in tropical forestry research. Over several decades it has amassed a considerable wealth of knowledge of direct value to development work. The two main organisations for tropical forestry research are CIRAD-Forêt and ORSTOM.

6.1.1 CIRAD-Forêt

The mandate of CIRAD-Forêt is largely that of the old CTFT (with the exception of the fishing and fish-farming sector which was transferred to CIRAD-EMVT). Box 1 briefly reviews the history of the CTFT.

The activities of CIRAD-Forêt are organised into four programmes (natural forest, plantations, agroforestry and timber), each with research, training and development components.

The 'natural forest' programme. This involves methods for the sustainable management of tropical forests, meeting the objective of continuous timber production, but also taking account of biodiversity issues and the needs of local people. The programme covers: the design, establishment and monitoring of experimental systems investigating the effects of various silvicultural techniques on the dendrometric characteristics of forest (Côte d'Ivoire, Central African Republic; Gabon, Indonesia, Guyane and Brazil, all in partnership with national agencies); methods to reduce the damage caused by logging; economic and financial studies of various forest management options; methods for analysing the practices of local people; and relations between the state and private agencies involved in development management. CIRAD-Forêt is involved in various projects, in particular the integrated pilot development project (API) in Dimako, Cameroon ('API-DIMAKO'). Data collected in Guyane continuously since 1984 have made it possible to construct a simulation model of the dynamics of a forest, and this has provided a useful tool for foresters. With funding from the French Ministry of Co-operation, CIRAD-

Table 6: Local authority co-funding by FAC, 1995 (%)

Agriculture (including forestry)	6
Town planning/infrastructure	20
Local economic development	3
Institutional support to local authorities	19
Health	1
Cultural sector	2
Multi-sector	48

(Source: Ministère de la coopération (1993))

Box 1: Centre Technique Forestier Tropical (CTFT)

Over a period of 35 years, from its establishment in 1948 to its absorption into CIRAD in 1984, the CTFT was closely involved with most of the major research activities undertaken by France in the field of tropical forestry. (The organisation's origins in fact go back even further, to key historical events such as the establishment, in 1916, of an important programme to cover France's growing needs for aviation-quality timbers from tropical sources; the setting up, in 1923, of the Colonial Forestry Service; and the establishment, in 1924, of a colonial forestry research institute at Nogent-sur-Marne. The CTFT had its immediate roots in the *Section Technique Forestière* at Nogent, staffed by colonial foresters cut off from their overseas postings by the war.)

The mandate of the new CTFT was to undertake research on colonial forestry and timber, for which major demand was expected during the period of post-war reconstruction. The expansion of the Centre's programme continued even during the period of colonial withdrawal, with a number of industrial projects (work on the production of sawn timber in Cameroon and plywood in Gabon) and the opening of a number of overseas research stations (two initially in 1958, in Gabon and Congo-Brazzaville, with six further centres in the following decade).

In 1963, the *Bureau des Etudes Techniques (BET)* was established in the CTFT, and this led to its involvement in a large number of activities in the former colonies (most notably in Central Africa), including forest inventories, training programmes, reforestation projects, paper mills, and numerous silvicultural studies. By 1974, BET was working in more than forty countries in Africa, Latin America, Asia and the Pacific.

In the period 1975–84, CTFT was incorporated into the *Groupe d'Etude et de Recherche pour le Développement de l'Agronomie Tropicale (GERDAT)*. While maintaining its links with national forestry research programmes in several African countries, it also took on more basic research, particularly in Guyane and the Sahel. In 1984, it became part of CIRAD as a new department, CIRAD-Forêt. For a history of CTFT, see Catinot (1994).

Forêt is co-operating with CIFOR on a regional project ('FORAFRI'), which aims to take stock of French research on the silviculture of natural forests in five African countries (Cameroon, Congo, Côte d'Ivoire, Gabon and the Central African Republic).

The 'plantation' programme. This involves the selection and improvement of species of major commercial importance, the production of high quality seedlings, preparation of the soil and the maintenance of young plantations (with particular reference to fertilisation techniques). CIRAD-Forêt has a substantial seed laboratory in Montpellier, and works in close liaison with international agencies, especially FAO, to conserve genetic resources.

The 'agroforestry' programme. This involves producing technical reference materials for crops in agroforestry systems, such as: the combination of cotton and *Faidherbia albida* in Northern Cameroon; improved fallows (fallow planted with fast-growing leguminous species, particularly *Acacia mangium*, in Côte d'Ivoire); wood lots, especially *Faidherbia albida* lots in Burkina Faso (work which is conducted in partnership with *l'Institut de Recherche Burkinabe d'Ecologie Tropicale, IRBET*); live hedging, primarily for erosion control with secondary fodder production (Réunion), for protection against depredation by livestock (Sahel), or as shelter-belts (various coastal and irrigated areas).

The 'timber' programme. This is organised into four components: use of technical data, determinants of tree and timber quality, improving product performance and techniques for processing and working timber. The quality of trees and timber is studied using non-destructive methods (detecting internal faults, predicting stresses during felling and sawing, etc.). Improving product performance involves increasing the durability of timbers, particularly softwoods. Optimisation of processing is by low-energy drying techniques and low-cost preservation methods. This work, begun even before the establishment of CTFT, has allowed the technical characteristics of more than 1,000 species to be tested. The aim now is to enter all this information on a multi-media database.

Research units within CIRAD bring together researchers from several departments. The unit 'GREEN' deals with management of common pool resources, particularly forest and wildlife. Researchers from 'GREEN' are working, in Madagascar and elsewhere, on a local management system being set up by the administration as part of the second phase of the Environmental Action Plan (EAP). This group is also working in Niger on a project to enable rural communities to exploit forest resources on a sustainable basis for urban fuelwood supply.

A reorganisation of CIRAD will be undertaken in January 1998, which will affect all departments.

6.1.2 Forestry research in ORSTOM

Within ORSTOM, a new organisation is being established with nine major programmes. One of these programmes, 'Environment and Development in Forest Environments', deals primarily with the humid areas, covering both natural forest and reconstituted forest (plantations and agroforestry). It focuses on three themes:

- harvesting, conservation and enhancement of the resources of forest environments (characterising forest resources mainly in terms of biodiversity, technical production characteristics, local knowledge and sustainability of production methods);

- the regional dynamics of transforming these environments (changes over time, interaction between different modes of exploitation, tenure studies and indicators of the state of the environment), with widespread use of satellite tools, especially geographic information systems;
- public policy and procurement (links between local dynamics and economic, political and institutional contexts at national and international level, and conflict or synergy between legislation, customary rights and actual practices with regard to land use).

ORSTOM is involved in several programmes dealing with these themes, such as the 'Forresasia programme' in the Philippines and elsewhere (part-funded by the EU); the 'Rehabilitation of *Imperata* fallows' programme in Indonesia; the 'Environment and Societies in Central Africa' programme in Cameroon; the 'Highlands of Vietnam' programme (in conjunction with a number of partners, including the European Commission and the French Institute at Pondicherry); etc.

ORSTOM researchers are working on mangroves (in Madagascar, Vietnam and Senegal) and in areas surrounding national parks (Bandiar in Guinea, Niokolo-Koba in Senegal and 'W' in Niger). ORSTOM is involved in the 'Long-term Savannah' (SALT) programme, with researchers based in Niger, Mali and Burkina Faso; and the 'Fallows' programme working in the same three countries and also in Senegal and Côte d'Ivoire).

The organisation is also involved in building scientific capacity in the South through training in research and specific support: almost 1,000 students and professional researchers from countries in the South worked with ORSTOM researchers in 1995. ORSTOM is heavily involved in various PhD training courses, especially a course run by the University of Orléans. Modelling (simulating natural resource management) has an important place in this work.

ORSTOM plays an active role in the French Committee to combat desertification. It is also involved in the interdisciplinary programme at the *Centre National de Recherche Scientifique (CNRS)*, entitled 'Environment, life and society' begun in 1990. This programme has established collaborative links with the 'Long-term Savannah' and 'Inter-tropical Forest Eco-systems' (SALT and ECOFIT) programmes, the latter operating mainly in Brazil, Guyane and Vietnam. It has four components (ecological systems and human activity; dynamics of biodiversity and the environment; the environment, societies and sustainable development; and methods, models and theories for environmental research). The 'Dynamics of biodiversity' component represents the bulk of the French contribution to the international DIVERSITAS programme led by UNESCO.

Several programmes are in the identification phase, notably in Côte d'Ivoire (acquisition and management of residual forests in the South-West), Laos (analysing management systems for forest environments) and Madagascar (development of the biosphere reserve of Mananara-Nord).

6.1.3 Forestry research in the universities

Many universities are involved in research activities in the area of tropical forests and in training young foreign

scientists, especially from tropical countries. Some of this research work (such as the studies of forest ecology and architecture at the *Institut de Botanique*, University of Montpellier II) is of international renown and significance. Upwards of sixteen French universities are currently listed as having major active research programmes in fields of relevance to tropical forestry.

6.1.4 The French Institute at Pondicherry

The Union Territory of Pondicherry was a French colony from 1814 to 1954, when it became part of India. French is still widely spoken in the territory. The French Institut (*L'Institut Français de Pondichery, IFP*) was founded in 1956 with two sections, one dealing with the study of Indian languages and literature, and the other with vegetation mapping and phytogeography. Within the latter, the Department of Ecology and the *Laboratoire de géomatique* work on forestry issues, particularly in relation to the southern Indian states and other countries in South-east Asia (Vietnam, Sri Lanka, Nepal and Malaysia). About a dozen French and other European researchers work at the Institute, funded by either the Foreign Ministry or research organisations such as CNRS. The Department of Ecology deals with a number of themes: environmental dynamics and evolution (climate, soil, vegetation), functioning of ecosystems, evaluation and conservation of biodiversity. The *Laboratoire de géomatique* deals with geographical information systems, vegetation and bioclimatic mapping. The IFP is also involved in various other research programmes in the region, such as the joint *Institut Géographique de Vietnam/IFP/ORSTOM/Belgian universities* programme in the highlands of Vietnam.

6.1.5 ECOFOR

Among the recommendations of the 1990 Strasbourg Conference was a pledge on the part of the European Heads of State to reinforce research, both national and collaborative, on forest ecosystems (Resolution N° 6). In France, this led to the establishment of 'ECOFOR', with the membership of a number of institutions with interests in forestry research. Present membership includes CNRS, INRA, ENGREF and ONF. ECOFOR focuses primarily on temperate forest issues, with research programmes in the field of plantation forestry and the ecology of broadleaf forests (particularly beech), but it has an interest in tropical forests primarily through work in Guyane.

6.2 Education and training – Universities and 'Ecoles d'ingénieurs'

6.2.1 Editorial background note

Higher education in France involves two parallel and largely separate streams: on the one hand, there are the universities, which are broadly similar to universities elsewhere, and on the other, there are the *grandes écoles*, uniquely French institutions which are a product of the Napoleonic system.¹⁹

The standard university system involves three 'cycles' of training: the *premier cycle* of 2 years' duration leading to a DEUG (*Diplôme d'Etudes Universitaires*

Générales), which is undertaken immediately on completion of the highest school-leaving examination, the *Baccalauréat* (or *Bac*); the *second cycle* which lasts two more years and leads to a *maîtrise* (hence *Bac*' + 4 years); and the *troisième cycle*, the first year of which leads to a DEA (*Diplôme d'études approfondies* or to a DESS (*Diplôme d'Etudes Supérieures Spécialisées*), which may be followed by a thesis requiring a minimum of two further years of study (hence, a minimum of *Bac*' + 7 years).²⁰

The *Grandes Ecoles*, of which there are nine in the field of agriculture, are entered by a highly competitive examination (the *concours*) at the end of two years of preparatory study (*classes préparatoires*). Successful students then take a standard three-year course of training leading to a *Diplôme d'ingénieur* (at *Bac*' + 5 years).^{21, 22}

6.2.2 Forestry training in the 'grandes écoles'

The specialist course in tropical forestry is of two years' duration, taken at one of the *Ecoles Nationales du Génie Rural, des Eaux et des Forêts (ENGREF)*, of which there are five – in Paris, Montpellier, Nancy, Kourou (Guyane) and Clermont Ferrand. Nowadays, the *Grandes Ecoles* also offer training leading to a 'Mastère' (not to be confused with the university *maîtrise [deuxième cycle]*) for students who have completed the *diplôme d'ingénieur*. ENGREF offers a 'Mastère' entitled '*Sciences forestières, option foresterie rurale*', which is particularly relevant to foresters in the tropics. Rather similar is the professional training programme, FFSRC (*la Formation Forestière Supérieure pour les Régions Chaudes*) organised by ENGREF-Montpellier, which provides a 15-month course of specialist training in the field of tropical forestry for students who have completed their *diplômes* at another *école d'ingénieurs*. Like many of the courses of study in the professional stream, a feature of this course is a *stage* (period of training) overseas, involving an applied research project.

Several *écoles d'ingénieurs* offer specialised training in environmental studies; for example, the Mastère '*Développement rural et projets*' or the Mastère '*Systèmes d'information localisés pour l'aménagement des territoires*' (SILAT), both of which are offered in Montpellier by consortia of training institutions from within the 'AGROPOLIS' network.

6.2.3 Forestry training in the universities

There are a number of DESS courses available in forestry-related disciplines, such as the '*Gestion des systèmes agro-sylvo-pastoraux en régions chaudes*' of the Université de Paris XII at Créteil, or the '*Aménagement intégré des territoires*' organised jointly by the Universities of Paris, Toulouse and Montpellier (the

19. For a brief discussion of the French system of higher education in the natural resources field, see Brown (1995).

20. In theory the maximum period of study for the *thèse* is four years.

21. In the French educational system, 'ingénieur' is a status pertaining to qualifications in several alternative fields of applied study, and there is no necessary connection to engineering studies as these are understood in the Anglophone system (see Brown, 1995: 8–9).

22. Studies may be completed at an *école d'application* offering training in a specialist field.

latter is supported by UNESCO and attracts many students from the developing countries).

6.2.4 Other courses

Both the *grandes écoles* and the universities offer other in-service training courses (*formation continue*) in forestry-related fields. These are of variable duration, from one week to several months.

In 1970, the *Office National des Forêts* founded a national training centre near Nancy (*Centre National de Formation Forestière*), which offers training for ONF staff and for international forestry personnel. The Centre also provides custom-made training courses overseas.

The agricultural schools (*Lycées agricoles*) provide training for forestry *techniciens* (courses leading to *diplômes* at immediate post-Bac level) and for *techniciens supérieurs* (*diplômes* at the level of Bac plus two years). Since 1989, the CFPPA (*Centres de Formation Professionnelle et de Promotion Agricole pour Adultes*) have offered in-service adult education courses. A group of ten *lycées agricoles* has recently created, in collaboration with the CFPPA, an association '*Foresterie internationale*' which provides training in partnership with forestry colleges overseas (currently, Côte d'Ivoire, Senegal and Burundi).

There are also a number of private-sector providers of training offering courses in cognate fields, such as FORHOM, the training department of the BDPA-SCETAGRI company.

7. PROJECT CYCLE MANAGEMENT

In France, as elsewhere, the changing climate of public opinion has imposed increasing demands for transparency in public expenditure, and this has led to the routinisation of aid programme evaluation. A decree of 1990 specifies evaluation procedures in areas of public policy. Since 1995, an additional decree has required the evaluation of all projects costing more than FF 2 m.

A handbook on evaluation methodology was published by the Ministry of Co-operation in 1996, and a number of training sessions have been laid on in the Ministry to improve evaluation procedures.

Project cycle management procedures are influenced by the structure of in-country aid management, which is itself related to the status of the partner country. In the case of the '*pays du champ*', project identification and technical support are usually handled by the resident *Mission de Coopération et d'Action Culturelle* (Naudet, 1997). Ideas for projects may be initiated by either the host government or by the *Mission*, acting in consultation with national agencies. For larger projects, the *Mission* coordinates with the Ministry headquarters in Paris. Proposals are then put to the FAC Steering Committee which meets in Paris. The average length of the identification cycle, from initiation to start of implementation is about 18 months. Projects are usually implemented by the in-country *Mission*, rather than directly by the host government; where the latter takes responsibility, the *Mission* is likely to retain considerable influence (*ibid.*).

Projects in 'other developing countries' (ie. countries other than the '*pays du champ*') have usually been managed by the Ministry of Foreign Affairs or the

Ministry of Finance (now the *Ministère de l'Economie, Finances et Industrie*).

Project evaluation procedures depend on the internal structures of the institutions involved. The Ministry of Co-operation has a 'Mission for Studies, Evaluation and Prospective Analysis' (*MEEP*) which commissions a number of country and sector reviews annually (normally, two surveys of assistance to the '*pays du champ*', and up to eight aid sector reviews). These are undertaken by multi-disciplinary teams drawn from both the Ministry and external personnel; the members are required not to have taken any part in the preparation or management of the activities under assessment. Evaluation reports are internal government documents, though an annual review of activities is published, which is available to the public.

Evaluations of 'other developing countries' are undertaken by the Evaluation Unit of the Treasury Department (Ministry of Finance). 12–15% of the projects in such countries are evaluated each year. An annual summary is published. The Evaluation Unit also leads the evaluation working group for development co-operation programmes, which includes representatives of the Ministries of Co-operation, Finance and Foreign Affairs and the CFD. The CFD has its own internal evaluation department, and the Ministry of Foreign Affairs is in the process of establishing one.

8. PROJECT REVIEWS AND PROFILES

French activities in the field of research-action in the post-colonial period have been characterised by a number of distinctive approaches, several of which have had important implications for natural resource management, particularly (given the geographical concentration of French aid in the Sahel) as regards tropical dry forests. This section reviews three of the most characteristic of these approaches.

8.1 From 1960 to 1980: Focus on increased production

During this period, rural development activities focused on the introduction of technical packages designed to increase crop yields. In a relatively favourable economic context and with a stable natural environment, this approach achieved some success with cash crops (cotton, groundnuts, cocoa, coffee, etc.). However, the approach was open to criticism for failing to take sufficient account of the other components of the production system and the broader operation of the agrarian economy. Its limitations soon became apparent: the techniques and equipment introduced were of little benefit to food crop production (which used extensive methods); the area under cultivation was expanded and this led, almost everywhere, to the degradation of the natural productive potential of the most fragile lands; the latter in turn encouraged migration towards areas which still had land surpluses; etc. These problems were exacerbated by the cumbersome nature of the relevant government agencies and the interventionist approaches they employed. During the 1980s, with the appearance of so-called 'integrated

rural development' projects, these agencies also found themselves entrusted with the additional task of improving public facilities. Governments found it increasingly difficult to cope with such a broad mandate, leading to a marked deterioration in the quality of services to producers.

8.2 The 'Gestion des terroirs' approach

In the early 1980s, a new approach, '*Gestion des terroirs*' ('village land-use management'), was pioneered by French development researchers. This addressed two issues that previous projects had tackled only peripherally, if at all: sustainable exploitation of natural assets and participatory development by local communities (see Box 2).

Box 2: The 'Gestion des terroirs' approach

The '*Gestion des terroirs*' approach was first used in Burkina Faso in 1984. The approach draws on several different intervention models: rural awareness-creation (*animation*), 'research-development' (*recherche-développement*), etc. The approach is based on the concept of the '*terroir*' (village land). This term designates the geographical area over which a rural community has rights recognised by neighbouring communities. The *terroir* is made up of all cultivated and fallow land, silvo-pastoral areas and bush, whether under individual or communal tenure. Within the area of the *terroir*, as defined by customary law, the objective is to initiate (by means of advice and financial incentives) a two-fold process of:

- (a) rehabilitation and sustainable use of natural resources;
- (b) intensification of crop and animal production, and the strengthening of agricultural production services.

Typically, a *gestion des terroirs* project takes place in a number of stages including: external analysis; awareness-raising of the population about the problems of natural resource degradation; participatory analysis of the assets, constraints and potential of the land concerned; marking out of the *terroir* and zoning of the land; drawing up land-use management plans, creation of land-use committees and funding of implementation of the plans; monitoring and evaluation; etc. The main activities funded relate to areas such as:

- long-term management of land and natural assets (erosion control systems, development of valley bottoms, sustainable use of silvo-pastoral areas);
- intensification of production systems (agroforestry, diversification of production);

- establishment of infrastructure (stores for agricultural inputs, wells, mills, etc.).

Projects involve multi-disciplinary teams of practitioners (these normally include an agronomist, livestock specialist, forester and sociologist). The teams work with support from a central co-ordination unit, and from extension workers in the field. Projects are usually autonomous structures, under the aegis of the government water and forestry service, with senior national staff seconded from government service.

While interesting and innovative, this approach has, in some cases, proved detrimental to the concern to empower the local population. When imposed as compulsory stages, marking out of the *terroir* and establishing the development plans have sometimes aroused latent conflicts and caused the sudden rejection of the approach. In addition, the restrictive nature of the analysis (confined, by definition, to the borders of village land) does not always allow the *terroir* to be placed within the relevant socio-economic context. For example, few studies have dealt with the relationships between the *terroir* and its encompassing watershed, its relationship with the neighbouring settlements or towns, or its economic integration within wider production systems. Some of the village communities may also have been discouraged by factors such as the long length and scope of the external analysis, the tendency to focus excessively on the degradation of natural resources, and the cumbersome nature of the planning process. Finally, the land-use management committees have sometimes lacked both the representativeness and the authority to exercise their responsibility effectively.

Box 3: The 'Local Development' Approach

This differs from the *Gestion des terroirs* approach in the following respects:

- The new approach starts by carrying out an overall analysis of the area of intervention, so as to take fuller account of external relationships: production chains, inter-village relations and the interactions of villages with their wider environment.
- Projects no longer designate the target communities themselves, but respond to requests from communities who, following an information campaign, choose to ask for their support in well-defined areas.
- External analysis and the establishment of a land-use management committee are no longer imposed as preconditions, any more than marking out the *terroir* or the drawing up a multi-year plan of action. It is only subsequently, when the villagers have understood and accepted the need for it, that the project will assist them to carry out an analysis of the problems they face in exploiting their *terroir*.

The primary concern is thus to conduct investigations and fund community initiatives in a participatory way so as to guarantee their relevance to local needs. At an early stage, clear, transparent procedures are laid down with village representatives. These identify the methods of the preliminary investigation (feasibility studies), the funding and implementation of local initiatives, the tasks of each partner and the co-operative relationship between them. A local investment fund is set up to finance sustainable development initiatives (such costs are often recovered at a later date). This fund is used for activities such as land-use planning and natural resource management (including forest resources). The approach encourages the creation and structuring of local institutions for the sustainable management of common property (grazing, wooded areas, etc.). The intervention of French local authorities is encouraged, as part of a strategy of supporting the emergence of local African authorities (see section 3.8).

8.3 The 'Local Development' approach

Despite its imperfections, the *Gestion des terroirs* approach has helped to clarify the constraints on the sustainable development of rural areas. It has shown that the major issue is less often a matter of raising people's awareness of the problems of the degradation of their natural resources than of giving them the means to address such problems themselves.

Since 1984, some 30 *Gestion des terroirs* projects have been funded by French aid, mainly in West Africa.

The approach has gradually evolved into what French aid practitioners call 'local development' (see Box 3).

8.4 Recent trends in project management

Nowadays, the involvement of private or voluntary sector agencies is very much encouraged, in place of government technical services, and direct funding of beneficiary-led occupational or area-based organisations is a frequent conduit for aid. The promotion of new national agencies able to work on a contractual basis at the request of communities is encouraged both by calling on experienced French agencies which transfer know-how relating to approaches and project management, and by the provision of training in local development and business management.

French aid continues to encourage the establishment, at national level, of an institutional, legislative, economic and financial framework more favourable to rural development. It fosters rural credit structures, emphasising the establishment of decentralised systems, and encourages the establishment of new relationships between local government services and local communities.

9. CONCLUSIONS

France has a long and very varied experience of forestry management, both in the metropolitan territories and overseas. This experience encompasses a variety of tropical biomes ranging from tropical humid forest to tropical drylands and deserts. Many of the more innovative aspects of France's aid policy have had implications for forestry and the environment: exceptionally high investments in research; strong institutions of research and teaching operating according to a distinctive francophone model; decentralised aid through local authority linkages; stable long-term relationships with partner states at a range of institutional levels. France also benefits from an unusual experience (by comparison with most European states) of tropical forestry within the national territory, via its Overseas Departments and Territories. These features have combined to provide a unique profile of aid management. The major challenge which the country now recognises is to share this experience internationally.

REFERENCES

- Brown, D. (1995) 'Grandes écoles' and 'ingénieurs': a note on the French system of higher education and research in agriculture and development-related fields', in *Rural Extension Bulletin*, N° 7, special theme issue on 'Francophone perspectives in Rural Development', The University of Reading, UK.
- Catinot, R. (1994) *Le Centre Technique Forestier Tropical 1916-1984*, CIRAD, Montpellier.

- C.I.R.A.D (1996) *Le C.I.R.A.D. en 1995*, Montpellier.
- Eurofor (1994) 'France' in *L'Europe et la Forêt*, Parlement Européen, Strasbourg.
- Guillard, A. (1987) 'L'Administration des Eaux et Forêts dans les Colonies' in *Les Eaux et Forêts du 12 au 20 Siècle*, Editions: Histoire de l'Administration Française du Centre National de la Recherche Scientifique, Paris.
- ITTO (1996) *Annual Review and Assessment of the World Tropical Timber Situation*, International Tropical Timber Organisation, Yokohama, Japan.
- Ministère de l'Agriculture/D.E.R.F. (1995) *La gestion durable des forêts françaises*, Paris.
- Ministère de la Coopération (1993) *La politique du ministère en faveur de la coopération décentralisée - 1982/1992 - collection évaluation n° 21*, Paris.
- Ministère de la Coopération (1995) *L'action du Ministère de la Coopération dans le secteur de l'environnement*, Direction du Développement, Paris.
- Ministère de la Coopération (1996) *Réponses aux questions des parlementaires, la recherche au service du développement*, Paris
- Ministère de la Recherche (1995) *La recherche au service du développement*, Paris.
- Naudet, D. (1997) 'French Development Aid' in A. Cox *et al*, *How European Aid Works*, Overseas Development Institute, London.
- OECD (1994) 'France', *Development Co-operation Review Series* N°2, Development Assistance Committee, Paris.
- O.R.S.T.O.M. (1996) *L'O.R.S.T.O.M. en 1995*, Paris.

KEY CONTACTS

Ministère de la Coopération,
20 rue Monsieur,
75700 Paris
Tel: +33 1 53 69 30 06
Fax: +33 1 53 69 30 06

Caisse française de développement,
8 rue Boissy d'Anglas,
75379 Paris Cedex 08.
Tel: +33 1 40 06 31 31
Fax: +33 1 47 42 75 14

CIRAD-Forêt,
Campus de Baillarguet,
BP 5035,
34032 Montpellier, Cedex 1.
Tel +33 4 67 61 58 00
Fax +33 4 67 59 37 33

ACRONYMS

ACDE	L'Association Conversion, Dette, Développement, Environnement
ACCT	Agence de Coopération Culturelle et Technique
AFVP	Association Française des Volontaires du Progrès
API	Aménagement Pilote Intégré
AT	Assistant Technique
AUPELF	Association des Universités Partiellement ou Entièrement de langue Française
BCEOM	Bureau Central d'Etudes Outre-Mer
CEDI	Collectif Environnement Développement International
CEFEB	Centre d'Etudes Financières et Bancaires
CFD	Caisse Française de Développement
CFPPA	Centre de Formation Professionnelle et de Promotion Agricole pour Adultes
CIRAD	Centre de Coopération Internationale en Recherche Agronomique pour le Développement
CIRAD-EMVT	CIRAD programme dealing with livestock and veterinary medicine
CNRS	Centre National de Recherche Scientifique
CNFF	Centre National de Formation Forestière
CRESA	Centre Régional d'Enseignement Spécialisé en Agronomie
CRPF	Centres Régionaux de la Propriété Forestière
CSN	Coopérant du Service National
CTFT	Centre Technique Forestier Tropical

DEA	Diplôme d'Etudes Approfondies	RSD	Le Recherche au Service du Développement
DESS	Diplôme d'Etudes Supérieures Spécialisées	SALT	ORSTOM programme on long-term savannah development
DEUG	Diplôme d'Etudes Universitaires Générales	SECA	Société d'Eco Développement
ECOFOR	French research consortium on forest ecosystems	SERFOB	Service Régional de la Forêt et du Bois
ENGREF	Ecole Nationale du Génie Rural, des Eaux et des Forêts	SILVA	French (NGO) association 'SILVA, Arbres, Forêts et Sociétés'
ENSA	Ecole Nationale Supérieure Agronomique	SODEFOR	Société de Développement des Forêts
ENSAM	Ecole National Supérieure d'Agronomie de Montpellier	SPOT	French satellite programme
FAC	Fonds d'Aide et de Coopération	UAIC	Unité d'Afforestation Industrielle du Congo
FED	Fonds Européen de Développement	UICN	Union Internationale pour la Conservation de la Nature
FEM	Fonds pour l'Environnement Mondial (in English, 'GEF')	UNCED	United Nations Conference on Environment and Development (in French: <i>CNUED: Conférence des Nations Unies sur l'Environnement et le Développement</i>)
FF	Francs Français	UREF	Universités des Réseaux d'Expression Française
FFEM	Fonds Français pour l'Environnement Mondial		
FFM	Fonds Forestier National		
FFEM	Fonds Français pour l'Environnement Mondiale		
GERDAT	Groupement d'Etude et de Recherche pour le développement de l'Agronomie Tropicale		
GIS	Geographical information system		
IAM	Institut Agronomique Méditerranéen		
IFP	Institut Français de Pondichery		
IGN	Institut Géographique National		
INRA	Institut National de Recherche Agricole		
IRBET	Institut de Recherche Burkinabé d'Ecologie Tropicale		
MEEP	Mission chargée des études, des évaluations et de la prospective		
MNHN	Muséum National d'Histoire Naturelle		
NGO	Non-governmental organisation		
ONF	Office National des Forêts		
ONG	Organisation Non Gouvernementale		
ORSTOM	Office de la Recherche Scientifique Outre-Mer		
PAFT	Plan d'Action Forestier Tropical		
PN	Parc National		
PNAF	Plan National d'Action Forestier		
PNR	Parc Naturel Régional		
P.R.O.PAR.CO	Société de Promotion et de Participation pour la Coopération		
PSG	Plan Simple de Gestion		
RCA	République Centrafricaine		

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Laurent Bonnean, Nicolas Frelot, Bertrand Galtier and Olivier Hamel (Ministère de la Coopération); Guillaume Ernst (CFD); Bernard Chevalier (Ministère de l'Agriculture); François Besse, François Grison and Bernard Mallet (CIRAD-Forêt); Jean Estève and Bernard Vanniere (ONF); Michel Baumer (formerly of PNUD/FAO); Yves Birot (INRA); Bernard Bousquet (SECA); Antoine Cornet (ORSTOM); Christophe Crespin (FFEM); Antoine Guillard (formerly of ENGREF, Nancy); Louis Huguet (formerly of CTFT); Didier Narbeburu (AFVP), Emmanuel Torquebiau (ICRA).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to FF 6.10.

Federal Republic of Germany

Thomas Heindricks and Kathrin Schreckenber

Contents

1.	FOREST HISTORY	205
1.1	Forest cover, type and tenure	205
1.2	Evolution of forest use and forestry	205
1.3	Development of forest science	205
1.4	Forest law and administration	206
2.	HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY	206
2.1	Activities in foreign colonies	206
2.2	Colonial forest history	207
2.3	Objectives and impact of colonial forestry	207
3.	STRUCTURE OF AID DELIVERY	207
3.1	The Federal Ministry for Economic Co-operation and Development (BMZ)	207
3.2	Bilateral financial co-operation	208
3.3	Bilateral technical co-operation	209
3.4	Bilateral personnel co-operation	209
3.5	Multilateral co-operation	209
3.6	Project implementation by NGOs and consultancies	210
3.7	<i>Länder</i> and municipal activities	210
4.	TROPICAL FORESTRY DEVELOPMENT POLICIES	211
4.1	Development co-operation in general	211
4.1.1	Guiding principles	211
4.1.2	Volume of aid	211
4.1.3	Regional focus	211
4.1.4	Thematic focus	212
4.2	Tropical forestry development co-operation	212
4.2.1	Development of tropical forest policies	212
4.2.2	Development of strategies promoting tropical forestry	213
4.2.3	Definition of the 'Tropical Forestry' sector	214
5.	THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS	215
5.1	Volume of funding	215
5.2	Regional distribution	216
5.3	Project distribution by thematic nature	216
5.4	Project size and duration	217
6.	RESEARCH AND TRAINING	217
6.1	Research	217
6.2	Education and training in tropical forestry	218
7.	PROJECT CYCLE MANAGEMENT	218
7.1	Project identification and agreement	218
7.2	Project implementation – Financial co-operation (KfW)	219
7.3	Project implementation – Technical co-operation (GTZ)	220
8.	REVIEWS AND PROJECT PROFILES	220
9.	CONCLUSIONS AND TRENDS	222
	REFERENCES	222
	KEY CONTACTS	223
	ACRONYMS	223
	ACKNOWLEDGEMENTS	224

1. FOREST HISTORY

1.1 Forest cover, type and tenure

Germany has 10,844,000 ha or 29.1% of its land area under forest (BML, 1994). Without human presence Germany would be under almost 100% forest cover, with beech being the dominant species. 5,000 years ago, human impact became the major factor determining vegetation cover and composition. Repeated clearing by fire in the Bronze Age (3,500 years ago) led to the development of the first heath landscapes on the sandy, nutrient-poor soils of northern Germany. During the Middle Ages increasing colonisation led to a rapid decline in forest cover. Forests were converted to agricultural land, used as a source of fuelwood and construction timber, and as pasture for livestock. Forests became less dense as nutrients were lost through removal of litter to fertilise fields and regeneration was severely affected by livestock browsing. By the thirteenth century, forest cover had declined to about 30% (Enquete-Kommission, 1994). Due to timber and fuel shortages, medieval cities introduced simple forms of land use control and began to carry out artificial regeneration, mostly with Scots Pine.

In the following centuries forest cover fluctuated, experiencing temporary increases when wars and disease reduced the human population. By the early eighteenth century, however, the forest area had declined to its lowest level as the population grew, agriculture expanded, and industrialisation dramatically increased the need for timber and wood products for the domestic timber trade, for glassworks, saltworks and charcoal burners, and for export. Many mountain slopes were deforested for their large timber which was rafted downstream to supply Holland's growing ship-building needs (Klose, 1985). The species composition of the remaining forest also changed as an expansion of coppice management to supply the charcoal industry led to a reduction in beech and conifers, which regenerate poorly from stumps.

By the mid eighteenth century wood shortages threatened to restrict further industrial development and gradually led to a rethinking of forest use. This ushered in a period of reforestation and the widespread introduction of sustained yield management systems. In the few remaining forests, beech was re-established as the dominant species. In clear-cut areas, however, reforestation was possible only with less demanding species such as spruce, pine and larch, and in this way a large proportion of cleared land was rapidly reafforested (Enquete-Kommission, 1994). Today, these large coniferous stands are characteristic of the German forest landscape although, particularly in public forests, attempts are being made to convert them into site-specific multi-aged, structurally diverse, mixed forests. Recent years have seen a trend towards increasing forest cover as more and more agricultural land has been taken out of production in rural areas. Near cities, however, pressures for deforestation continue and a

scheme of compulsory compensatory afforestation is in force.

There are several types of forest tenure in Germany. In 1987, 30% of forest in the former Federal Republic of Germany¹ was in the hands of the state (predominantly at the *Länder* level), 24% was communal forest and 46% was in private hands (BML, 1994). Well over half of this private forest is in the hands of 430,000 small owners with wooded areas of below 50 ha each (Grayson, 1993). In the former German Democratic Republic, much of the state forest was private forest which was expropriated after the Second World War and is currently being redistributed to former owners. The final distribution of forest ownership is likely to be similar to that of 1945, i.e. 43% state forest, 8% communal forest, and 49% private forest (BML, 1994).

1.2 Evolution of forest use and forestry

For many centuries, the objectives of forest management were determined by the forest's importance as a reserve of agricultural land and a source of hunted and gathered products vital for subsistence. Only with the evolution from an agricultural to an industrial state did the growing need for wood and timber production give forestry an independent *raison d'être*. The introduction of coppice, coppice-with-standards and high forest management was the first step in a process leading to the development of sustained yield management. Instead of uncontrolled exploitation of individual trees, areas were divided into felling coupes to achieve a more controlled use of timber biomass. Not surprisingly, these developments began in the forests around saltworks and mines where the need for sustained timber supplies was greatest (Hasel, 1985).

Since the beginning of the present century, and particularly since the end of the Second World War, the sustained yield concept has gradually been replaced by a principle of sustainability which comprises not only the sustainable production of timber but also the objective of maintaining the many other forest products and services for the benefit of current and future generations (BML, 1994). A more natural style of management aims to achieve sustainability of all forest functions (use, protection and recreational). In recent years, however, growing public awareness of conservation issues has led to debate about whether the concept of multiple-use forestry – in which all forest functions are promoted simultaneously – goes far enough. Rather than simply focusing on the use-function of forests, there is now a growing demand for 'process-protection', which ensures the protection of all natural processes occurring in forest ecosystems.

1.3 Development of forest science

In Germany the development of a specialist forest science was closely linked to the increasing importance of timber as a raw material during the eighteenth century. Forest science provided the basic knowledge necessary to ensure sustainable management, particularly through planning and inventory methods, but also through silvicultural techniques for establishing, maintaining and harvesting stands.

Men like H.C. von Carlowitz, G.L. Hartig, H. Cotta, C. Heyer and W. Pfeil played a key role in establishing Germany's international reputation as the birthplace of

1. Germany is a federal nation consisting of 16 separate states or *Länder*, each with its own parliament and a high level of decentralised power. Reunification of the Federal Republic and the German Democratic Republic took place in 1989.

forest science and sustainable forestry. Their pioneering work was facilitated by many non-forestry developments, such as the discovery of artificial fertilisers and potash mining, improved breeding and international trading of cereals and wool, and the development of coalmining. All these were important prerequisites for the development of productive forests in that they relieved forests of the pressure to feed the population and provide sufficient fuelwood (Zundel, 1990).

The first academic forestry institutions were established at the turn of the nineteenth century, generally evolving from technical forestry schools like those in Göttingen and Tharandt near Dresden. The training provided by these institutions had a high reputation and its students were employed not only in the German forest service, but frequently also in those of other countries (see Section 2).

1.4 Forest law and administration

Amending and harmonising a multitude of long-standing state laws and locally-specific rules and regulations, a Federal Forestry Act was passed in 1975. This provided a framework within which details were defined by *Länder*-level laws (BML, 1994; Grayson, 1993). The five main objectives of the 1975 Act were to:

- conserve forests for their multiple functions;
- ensure proper management of forests to sustain their direct and indirect values;
- expand the forest area;
- advance the forestry sector;
- strike a balance between the interests of society and the vested interests of forest owners.

The 1976 Federal Act on Nature Conservation made the protection, care and development of nature and the landscape obligatory; it therefore has significant implications for the forest sector. While the two laws complement each other in their aim of sustaining biological diversity (BML, 1994), they also exemplify the growing conflict between an emphasis on the production function of forests, on the one hand, and on their conservation function, on the other.

At the national level, forests are the responsibility of the Federal Ministry of Food, Agriculture and Forestry (BML, *Bundesministerium für Ernährung, Landwirtschaft und Forsten*), with the exception of federal forest lands which, for historic reasons, are under the Ministry of Finance. The BML is responsible for the relevant legislation, collaboration with the *Länder* in the promotion of the forest sector, the coordination of forestry issues of national significance (including national inventories, market information), international forestry affairs, the planning and coordination of national-level research, and publicity work.

At the *Land* level, two main types of forestry administration exist. Much of southern Germany has unitary forest authorities which are responsible for forests under all types of ownership. In some of the northern *Länder*, however, the high proportion of private forest land has resulted in the creation of a *Land* Forest Administration, responsible for publicly owned forest, and a separate Forest Service Administration, which plays an advisory and regulatory enforcement role for the private forest sector (BML, 1994).

2. HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY

In the nineteenth century the quality of German forestry training was widely recognised in Europe, as was Germany's role in the development of sustained yield management systems. German foresters were employed not only in German but also in Dutch and British colonies where they played an important role in the development of tropical forest management systems.

2.1 Activities in foreign colonies

Two focal points of German activity in foreign colonies were to be found in Asia. In 1847 the colonial administration of the Dutch East Indies (now Indonesia) hired two German foresters, Mollier and Nemnich, to establish sustained yield forestry in the Javan teak forests, which were threatened by clearing for population settlement and for the production of timber for shipbuilding. In 1849–50 the two foresters replaced the hitherto unregulated removal of superior individual trees by a system of regular clearfelling of coupes with the retention of protective and seed trees (Mammen, 1964). In 1855 another German, von Rössler, drew up proposals for the reorganisation of the forestry sector in Java and helped to draft a forest law and new silvicultural recommendations, which constituted the beginning of planned forestry in Java (Mammen, 1964). In the years that followed, many German foresters joined the Dutch government service, where their main area of responsibility was the development of inventory and planning methods for ensuring sustained timber production. This tradition came to an end in 1934 when, as a result of the international economic crisis, all foreigners were dismissed from the Dutch forest service.

The second main area of German influence was British India. In 1864 the Viceroy appointed a German botanist, Dr Dietrich Brandis, as the first Inspector-General of Forests. Brandis, who is today remembered as one of the fathers of tropical forestry (BML, 1990), had previously been Superintendent of Forests in Burma where his main task was the safeguarding of teak production (Bruenig, 1996). He wrote the first manual for teak in Burma, introducing new inventory procedures to determine the proportion of teak in the forests. He also developed the *taungya* system of reforestation which combined selection silviculture with the traditional slash-and-burn shifting agriculture practised by the local population. This procedure allowed for extensive establishment of teak forests in the mountain regions and is still in use today, often considered to be the beginning of modern agroforestry (BML, 1990).

In 1867, at Brandis' request, two more German forest administrators, Dr W. Schlich and B. Ribbentrop, entered the British Indian service. Schlich established a central forest management office ('Imperial Working Plans Branch') and, in 1875, founded the specialist forestry journal *The Indian Forester*. His five volume handbook *Manual of Forestry* represents a classic work of forestry education (Mammen, 1964).² Ribbentrop introduced planned forestry in the Punjab, set up the

2. On his return from India, Schlich set up the first forestry school in England at Cooper's Hill in 1885, from where it moved to Oxford in 1905.

administration in several other provinces, and had a decisive influence on the establishment of experimental forestry in India. The first tropical forestry training institution, founded in 1878 in Dehra Dun by Brandis, was expanded by Ribbentrop into a forestry research institute and soon developed into an internationally recognised research and training centre. Towards the end of his period in India, Ribbentrop wrote the first basic forest history text for British India, a work still cited today (Mammen, 1964).

2.2 Colonial forest history

The period of German colonial forest history extended only from 1884 to the beginning of the First World War. In German East Africa, the first forest officers, were active from 1892. Their main concerns were to establish regulated forestry, undertake afforestation and develop management systems for mangrove forests. In Togo, Metzger established a forestry administration and began systematic research into forestry practice in 1906. He designated protection forests and was known for his savanna afforestation projects, particularly with teak.

With its extensive area of primary forest, Cameroon was considered to be the most significant colony for forestry in Africa. Exploration of these primary forests, in particular for their utilisation potential and possible conversion into commercial forests, was the main activity of Wiech, the director of the first imperial senior forestry division in Cameroon, who also attempted to introduce profitable operation to the vast wild oil palm stands in the north of the country (Wilhelmi, 1961, cited in Lemhöfer and Rozsnyay, 1985).

Links between the forestry experiences in Asia, the South Pacific, the German African colonies and Germany itself were maintained above all via the German academy of forestry in Hann. Münden, whose professors Büsgen and Jentsch organised study trips, from 1906 onward, to Indonesia, Cameroon and Togo. In the process, they drew up proposals for local forest management and established several forest reserves (Lamprecht, 1986).

2.3 Objectives and impact of colonial forestry

One of the main objectives of colonial forestry, as of the colonial economy in general, was the production of raw materials for German industry. Forestry measures were devoted primarily to the conservation and establishment of forests with the highest possible proportion of exportable timber. In 1912, Gieseler, the Prussian chief forester, wrote that the aims of forest policies in Cameroon should be to protect existing timber stocks, to establish teak and other valuable timber species, and to exercise control over the use of wild rubber and other forest products. The primary aim of forest conservation was therefore not the preservation of ecological diversity but economic usefulness.

German foresters brought to the tropics their tradition of forest management for sustained timber yields. Certain silvicultural concepts were adapted to tropical conditions, as in the case of Brandis' *taungya* system. Many, however, were applied as in Germany. Chief of

these was the widespread introduction of clearfelling and of the shelterwood system. Both systems were considered important ways of 'bringing under control the ungovernable species richness', and halting the deterioration of the stock brought about by existing practices of creaming only the best trees in each stand (Seibt, 1910). Their results were, however, disappointing and they proved unsuitable for the humid tropical forests.

With the loss of its colonies after the First World War, direct German influence on tropical forestry came to an end. Only after the Second World War, with the reconstruction of the German economy and its growing international influence did its forestry experience again play a more important role within the framework of incipient development co-operation. However, unlike the longer-term colonial powers, Germany's short-lived colonial activities had little obvious influence on the development co-operation which began in the 1950s.

3. STRUCTURE OF AID DELIVERY

In keeping with the country's federal structure, German development co-operation activities are implemented not only by the Federal Government but also by the *Länder* and the municipalities. In the tropical forestry sector, however, federal development co-operation is of particular importance. It consists of approximately two-thirds bilateral and one-third multilateral aid. The Federal Ministry for Economic Co-operation and Development (BMZ, *Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung*) is the key Federal institution responsible for bilateral aid, which is the focus of this chapter. For historical reasons, Germany has an unusual system in which three types of bilateral co-operation – financial, technical and personnel – are institutionally separated, each being implemented by one of a number of specialised development organisations³ discussed in greater detail below (Ashoff, 1996).

3.1 The Federal Ministry for Economic Co-operation and Development (BMZ)

The implementation of early German development co-operation was complicated by the involvement of several ministries (Foreign Affairs, Economic Affairs, Food and Agriculture) with sometimes overlapping areas of responsibility, and by the lack of German experts with experience of conditions in developing countries (White, 1965, cited in Hoffmann, 1980). In 1961 the growing volume of federal activities and the organisational model provided by other donor countries led to the establishment of the Federal Ministry for Economic Co-operation and Development (BMZ).

The BMZ is responsible for managing the federal development co-operation budget, which is fixed by Parliament on an annual basis. It does not directly implement any development co-operation activities or projects. Rather it is responsible for formulating federal development policies; elaborating appropriate guidelines; coordinating all bilateral aid programmes; and

3. The following will deal only with those organisations working in the forestry field.

coordinating activities with other donors and multi-lateral organisations (see Figure 1). The BMZ's budget accounts for about 70% of Germany's official development assistance (oda) (Ashoff, 1996). The remainder is channelled through other Federal ministries, particularly the Foreign Ministry; the Ministry of Education, Science, Research and Technology; and the Ministry of Economic Affairs (Wiemann, 1996).

The BMZ has nearly 600 staff in Bonn and Berlin. In addition to country desks, it has a Division (224, Environment, Resource Conservation and Forestry) which is responsible for coordinating forestry aid. The BMZ has no field offices of its own because the Foreign Ministry does not accept a parallel structure to embassies. Instead, the BMZ posts counsellors for development co-operation to German embassies in those countries (27 in 1993) which are major recipients of German oda (Wiemann, 1996).

3.2 Bilateral financial co-operation

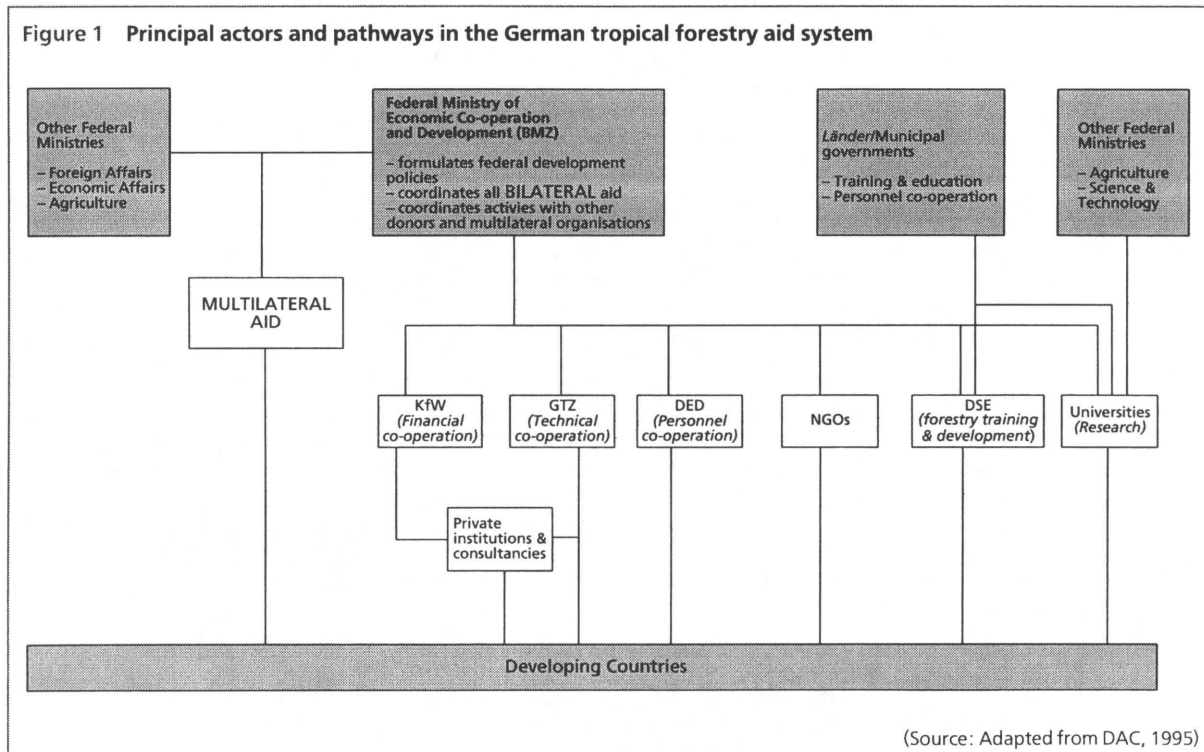
In budgetary terms, financial co-operation, also called capital assistance, is the most important category of development co-operation. Its aim is to promote new investments in developing countries, to increase their overall production potential and improve their social and physical infrastructure. Typically, financial co-operation finances goods and capital investments, such as the construction of roads or other infrastructure, as well as assistance in preparing and monitoring projects. More recently it has become an important instrument of programme aid. In such cases, the focus is on a set of integrated measures which concentrate on a specific sector, region or population group and are implemented as a coordinated package. Typical examples include integrated regional development, rural development programmes, credit programmes for small farmers and programmes to establish and equip basic health care

services (Press and Information Office, 1995).

Financial co-operation differs from technical and personnel co-operation (see sections 3.3 and 3.4) in that partner countries receive a grant or loan for a particular project, which they are solely responsible for implementing. Where necessary, a partner government may choose to seek technical assistance to help in implementation of the project. In effect, financial co-operation is complemented by technical and personnel co-operation which focus on providing partner countries with the human expertise needed to make effective use of financial aid. Although the three types of co-operation are not formally linked, there is a trend towards increasing collaboration (see Section 9).

Financial co-operation is given in the form of grants to countries classified as least developed countries. Other developing countries receive 30–40 year loans at favourable interest rates (0.75–2.0%) (Press and Information Office, 1995). Countries which would normally qualify only for loans, may also receive grants to promote activities in three critical areas: self-help to combat poverty; social infrastructure; and environmental protection measures. As part of the latter, all financial co-operation in the field of forestry is given in the form of grants.

Financial co-operation is administered by the German Development Bank (KfW, *Kreditanstalt für Wiederaufbau*) on behalf of the Federal Government. Established as a public corporation in 1948, the KfW is a bank owned 80% by the Federal Government and 20% by the *Länder* Governments. Its major activity is the promotion of the German economy by granting investment loans and export credits and by assuming guarantees. In the field of co-operation with developing countries, the KfW has 380 staff, 240 of whom are technical specialists including 4 forestry experts. Until recently, the KfW operated exclusively from its head



offices in Frankfurt, but field offices with limited technical support functions are now being tried out in some of the major recipient countries (Wiemann, 1996). First experiences in Cairo and New Delhi are encouraging and may lead to the establishment of offices in other countries (Duve, KfW, pers. comm., 1997).

With the exception of a few older projects, financial co-operation funds have only been used for forestry projects since 1988. Before then, technical co-operation (see Section 3.3) was considered to be the most appropriate way of resolving forestry and tropical forest conservation problems. Forestry projects by their nature usually require more than straightforward capital investments. Whenever possible financial co-operation funds are therefore integrated into national sector strategies (e.g. Tropical Forest Action Plans) or tied to projects and programmes which have already been prepared with support from the GTZ (see Section 3.3), the World Bank or the regional development banks.

Three basic types of forestry financial co-operation can be distinguished:

- projects concerned with sustainable economic use of forests, e.g. large-scale timber afforestation, rehabilitation and enrichment planting of natural forests, support for partner institutions, forest inventories, road construction, plantations and purchase of materials;
- conservation activities, e.g. support for existing or newly designated conservation areas through funding of road construction, boundary marking and purchase of materials;
- establishment of Protected Forest areas, e.g. buffer zone development activities including agroforestry and soil conservation components.

3.3 Bilateral technical co-operation

Technical co-operation aims to increase the productivity of both people and organisations in developing countries by transferring technical, economic and organisational knowledge and skills. It is always carried out in collaboration with government or non-government organisations in the partner countries, with the aim of rapidly enabling them to carry out their responsibilities without external help (Press and Information Office, 1995).

Established in 1974 and owned by the Federal Government, the German Agency for Technical Co-operation (GTZ, *Deutsche Gesellschaft für Technische Zusammenarbeit*) is mandated to plan, implement and monitor technical co-operation measures on behalf of the BMZ. In line with its status as a private limited company, the GTZ also undertakes commissions from other organisations such as partner countries, the European Commission, international financial institutions and other donors (GTZ, no date a).

In addition to a staff of over 1,300 at its head offices near Frankfurt, the GTZ employs some 1,500 field staff and 5,000 locally contracted personnel (Wiemann, 1996). Technical and administrative support for projects is provided by GTZ Service Offices in over 50 countries (Wiemann, 1996). Recently the GTZ has changed its organisational structure, giving more responsibility to its overseas employees. This is intended

to improve efficiency by encouraging the resolution of problems at their point of origin, and by promoting regional networking of technical experts. As with the KfW, the GTZ does not directly implement projects; its staff act as consultants in projects or programmes for which institutions in the partner country are responsible.

Within the GTZ, Division 4240 is responsible for Forest Resources Management and Nature Conservation. Separate Concept Papers have been produced for each of these two 'Activity Areas'. The Division has about 10 professional staff (GTZ, no date b) who act as an in-house consulting agency, supplying technical advice to the country desks which are responsible for individual projects, providing technical backstopping for ongoing projects, and carrying out conceptual planning within the field of forestry and conservation. (GTZ, 1993). Approximately 95 experts are currently assigned to 80 Forest Resources Management projects and an additional 20 experts are working in about a dozen Nature Conservation projects (GTZ, no date b). Activities aim to support the political, institutional, socio-economic and technical processes necessary to achieve sustainable management of forest resources.

3.4 Bilateral personnel co-operation

The development of human resources and expert advice plays a particularly important role in German bilateral co-operation. In addition to the many experts recruited by the GTZ and KfW, over 60 foresters are posted in development projects by the German Development Service⁴ (DED, *Deutscher Entwicklungsdienst*), a non-profit organisation entirely funded by the BMZ. Founded in 1963, the DED was modelled on the American Peace Corps. It is responsible for the selection, preparation and supervision of development workers during and after their 2–6 year posting in projects implemented by partner country institutions. It also recruits German volunteers for the European Volunteer Programme and the United Nations Volunteers.

The main provider of tropical forestry training and development is the BMZ-funded German Foundation for International Development (DSE, *Deutsche Stiftung für Internationale Entwicklung*). The DSE runs courses (both in Germany and abroad) for technical and managerial personnel from developing countries as well as preparing German experts for their work overseas. It also maintains the largest documentation and information centre on development issues in Germany.

3.5 Multilateral co-operation

About one-third of German oda takes the form of multilateral assistance. Its management is shared between the BMZ (international financial institutions and some UN organisations), the Federal Ministry of Foreign Affairs (UN) and some other Federal Ministries (e.g. BML for FAO; Federal Ministry for Economics for the International Tropical Timber Organisation). Four Federal Ministries (Economics, Finance, Foreign Affairs and the BMZ) are jointly responsible for European programmes (DAC, 1995), which receive 20% of total German oda (Michel, 1997). In addition to its statutory

4. Formerly known as the German Volunteer Service.

membership contributions to the EU and UN organisations, Germany also provides funds for a number of international NGOs such as the World Conservation Union (IUCN) and the intergovernmental organisation, ITTO. These may be of a general nature or designated as funds-in-trust linked to specific projects.

Germany considers that the complexity of tropical forestry issues requires a development co-operation approach that goes beyond the level of bilateral projects. Individual projects can be more effective if integrated into programmes, and international activities need to be coordinated within an overall framework. In the view of the Federal Government, the World Bank – as the single most important financial institution active in the field of development co-operation – must play a key role in designing, funding and coordinating international measures and programmes to conserve the tropical forests and develop forestry in the tropics (BML, 1995). Thus in 1991, a German-French initiative resulted in the World Bank (together with UNEP and UNDP) setting up the Global Environmental Facility (GEF) to support measures which contribute to global environmental protection, including tropical forest conservation. With a contribution of US\$ 240 m. (12% of the total), Germany is the third largest contributor to the GEF after the US and Japan (BML, 1995). It was also Germany's Chancellor Kohl who, in 1990, initiated the process which led to the setting up of the World Bank-coordinated 'Pilot Programme to Conserve the Brazilian Rainforest' (see Chapter on DG IB). With multilateral contributions of DM 253 m., and additional bilateral contributions of DM 50 m., Germany funds 60% of the total programme (BML, 1995).

Germany has also supported the WB-coordinated National Environmental Action Plans, playing a leading role in those of Madagascar and Benin. Similarly, it participated in the development of Tropical Forest Action Plans in numerous countries, and supported the FAO coordination office with DM 4.5 m. funds in trust over a period of three years. As the TFAP continued to be heavily criticised, Germany pushed hard for the creation of an independent TFAP Consultative Group (BML, 1993), a wish that was fulfilled to some extent by the establishment of the Forestry Advisers Group a short time later. This informal committee of forestry experts from the development administrations of bilateral donors and multilateral organisations discusses the conceptual principles underlying development co-operation in the field of tropical forestry. Since 1993, the German representative has chaired the group and has consequently provided a much needed impetus for the further development of programmatic approaches to forest conservation (BML, 1995).

Since 1989 the BMZ has funded a GTZ project on 'Support to International Programmes in Tropical Forestry' (TWRP, *Tropenwaldrelevante Programme*) which participates in all international initiatives and global fora on tropical forests in order to feed national-level experiences into the international dialogue. TWRP also supports tropical countries in their efforts to implement relevant international agreements within the framework of their national forest programmes and in line with their development priorities (BMZ, 1997).

3.6 Project implementation by NGOs and consultancies

In the past an average of just over 6% of the total BMZ budget has been devoted to collaboration with NGOs (DAC, 1995). As a rule, government subsidies do not exceed 75% of the estimated funding requirements of such projects, except in the case of pilot projects, which the Federal Government may fund in their entirety (Press and Information Office, 1995). Currently about 150 NGOs are supported by the BMZ, with five political foundations⁵ receiving just under half the funds available for co-financing, and the two main Christian church foundations⁶ receiving a further 41%. The NGOs themselves raise the equivalent of a further 11–12% of official development assistance from their own funds and donations. In the tropical forestry field, however, NGOs play a minor role.

Private consulting companies, on the other hand, are beginning to play an important role in the implementation of German development co-operation, including forestry activities. While the KfW with its small number of forestry specialists has always relied on consultants to assist in the preparation and supervision of projects, the GTZ is now also buying more and more consultancy services 'on the market' (rather than relying on in-house expertise). This trend is in part due to the government's aim of enhancing the efficiency of the public services sector by subjecting it to the performance criteria of the private sector. The GTZ is therefore required to put all development projects out to tender and can only implement those for which its own involvement is clearly advantageous. It is hoped that, by involving a wider range of development experts, the innovatory potential of consultancy companies will help to develop the content of development co-operation further.

3.7 *Länder* and municipal activities

In keeping with Germany's federal structure, individual *Länder* provide about 9% of all ODA (BMZ, 1996a), although this is concentrated primarily on the education sector. Coordination at the Federal and *Länder* levels is assured by the BMZ's Federal-*Länder* Committee on Development Co-operation. Within the forestry field, the *Länder* contribution lies mainly in the funding of several advanced-level training establishments (see Section 6), and in seconding state foresters to overseas development projects. Thus the *Länder* currently provide 40% of the forestry experts employed in personnel co-operation. The GTZ and other implementing organisations are, however, moving towards relying less on staff from the German forest service, preferring to hire more tropical forestry specialists for their projects. The proportion of foresters seconded by the

5. The five political foundations are: the Friedrich-Ebert-Stiftung, the Konrad-Adenauer-Stiftung, the Friedrich-Naumann-Stiftung, the Hans-Seidel-Stiftung and the Stiftungsverband Regenbogen. Though affiliated to particular political parties, the foundations are autonomous in their activities, focusing on political education and support for all types of groups in developing countries, such as trade unions, women's groups and farmers' cooperatives.

6. These are the Catholic Agency for Development, and the Protestant Agency for Development.

Länder will consequently tend to fall in the long term.

German municipalities also engage in development activities in the context of partnerships and local government co-operation (Ashoff, 1996), but play virtually no role in the sphere of forestry. Nevertheless, they do exercise a substantial influence on public policy relating to tropical forests. Thus, the participation of many municipalities in the tropical timber boycott of the 1980s was an important ingredient in the public pressure which led the Federal Government to reconsider its forest development policies and announce its DM 300 m. tropical forest programme in 1988 (see Section 4).

4. TROPICAL FORESTRY DEVELOPMENT POLICIES

4.1 Development co-operation in general

4.1.1 Guiding principles

Basic guidelines for German development policy were adopted by the Federal Government in 1986. They define development co-operation as one of the key components of Germany's overall relationship with developing countries, together with foreign and economic policies. Within the guidelines, the main objective of Germany's development policy is stated to be 'improving the economic and social situation of people in developing countries and developing their productive abilities' (Press and Information Office, 1995). The guidelines stress that the aid relationship must be based on mutual respect of the sovereign political interests of donors and recipients (DAC, 1995).

4.1.2 Volume of aid

Germany is now one of the world's largest donors, providing aid to the tune of DM 14.9 billion in 1994 (BMZ, 1996a), and ranking fourth after Japan, the US and France (Ashoff, 1996). The 1986 guidelines stipulate that, in line with UN targets, the total flow of public and private money to developing countries should be at least 1% of GNP, and that German development aid should aim to reach 0.7% of GNP. However, the combination of a stagnating aid budget and a growing domestic economy have meant that Germany's oda/GNP ratio has been falling in recent years (Figure 2), dropping to 0.34% in 1994 and 0.31% in 1995 (Michel, 1997).

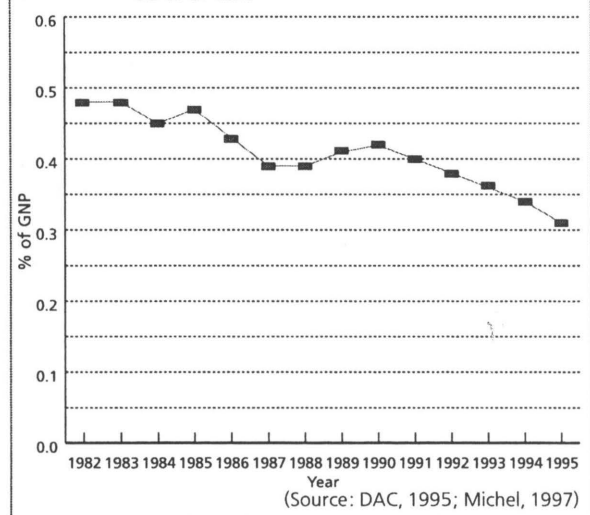
Domestic interests play an important role in German aid. In spite of an earlier commitment to untied aid, there has been a gradual shift towards more tying of aid in the 1980s and 1990s, with 52.1% of total oda tied to German supplies in 1993 (Wiemann, 1996).

4.1.3 Regional focus

Bilateral aid is concentrated particularly on sub-Saharan Africa and Asia and Oceania, as shown in Table 1. North Africa and the Middle East also receive a high proportion, a large part of it earmarked for Israel. Overall priority is given to the least developed countries, which may receive short-term emergency aid in addition to longer-term structural assistance.

In 1991 the BMZ took the innovative step of introducing five explicit criteria for the allocation of German bilateral assistance: (i) observation of human

Figure 2: Development aid disbursements (1982–93) as % of GNP



rights; (ii) popular participation in political processes; (iii) stability and due process of law; (iv) market-oriented economy; and (v) development-oriented domestic policies (Press and Information Office, 1995). The application of these criteria has contributed to shifts in oda allocations, with increases to countries like Bangladesh, Benin, Chile, Nepal and Zambia in 1992/3 and complete cessation of aid to Haiti, Malawi, Togo and Zaire (DAC, 1995).

In 1992/3 two-thirds of German bilateral oda was concentrated on only 19 countries plus the successor States of the former Yugoslavia. In spite of this degree of concentration, German technical co-operation projects were nevertheless being appraised, prepared or implemented in 150 countries in 1992, and financial co-operation projects in 105 countries (Ashoff, 1996). This wide geographical distribution dates back to the Federal Republic's earlier attempts to 'buy friends' by means of foreign aid after the Second World War, especially at the height of its competition with the German Democratic Republic in the 1960s and 1970s (Wiemann, 1996).

There is currently a recognised need to concentrate resources further and a system of Country Concepts

Table 1 Distribution of bilateral oda by region (%)

	1982/83	1987/88	1992	1993
Sub-Saharan Africa	33.4	34.2	26.9	33.5
North Africa and Middle East	17.9	17.4	24.7	8.8
Asia and Oceania	31.7	22.9	22.1	28.2
America	13.5	16.9	11.3	14.3
Europe	3.5	8.6	15.1	15.2
(share of Least Developed Countries)	33.2	32.2	24.3	29.0

(Source: DAC, 1995)

was introduced in 1992 as one means of achieving this. Country Concepts are developed by the BMZ as management instruments for aid relations with selected countries in a medium-term perspective, their main objective being to concentrate co-operation with any given country on a few priority areas. Concepts are elaborated by the BMZ together with other Ministries, implementing agencies, NGOs and country experts. Once approved by the Minister, they are binding for official financial and technical co-operation and serve as the basis for the selection of project proposals, the preparation of government negotiations, and for policy dialogue and coordination with other donors. Since 1992 about 40 Country Concepts have been produced as well as a number of regional ones (Wiemann, 1996).

4.1.4 Thematic focus

Between 1989 and 1993 the focus of German bilateral development co-operation was on social and administrative infrastructure and economic infrastructure. About 8% of bilateral aid went to the agriculture sector (including forestry) (Ashoff, 1996). Currently the BMZ has defined three key areas: poverty alleviation, environmental protection and resource conservation, and education, with the promotion of women as a supplementary crosscutting theme (BMZ, 1996a). In some thematic areas Sector Concepts have been developed by the BMZ as frameworks for the activities of implementing agencies. These include 'Rural development' (1988), 'Promotion of women in developing countries' (1988), 'Poverty alleviation through self-help initiatives' (1990), 'Tropical forests' (1992), and 'Health' (1994) (BMZ, 1996a).

4.2 Tropical forestry development co-operation

4.2.1 Development of tropical forest policies

In the 1980s information on the greenhouse effect, the ozone hole and the degradation of tropical forests, and reports such as *Global 2000*, put conservation centre-stage around the world. Environmental awareness and involvement in conservation activities were already very high among the German public. The Federal Government's first *Forest Damage* report in 1985 had initially focused attention on domestic forests. A broadly based citizens' movement demanded public information about the causes of forest damage and called for remedial action. When news of the destruction of tropical forests reached this highly sensitised public, it immediately became a contentious issue. A widespread call to boycott tropical timber was taken up by many public institutions and local authorities. At the same time the tropical forestry policy of the Federal Government was criticised, particularly for its support to private timber companies within the context of development co-operation and the strong emphasis it placed on the utility function within forestry activities (ARA/INFOE, 1989).

The Federal Government reacted by greatly increasing the proportion of forest and environment-related activities within its development co-operation. From 1987 onwards, a number of important measures were taken:

- In 1987 the Bundestag appointed an Enquete Commission to investigate the need for 'preventive measures to safeguard the earth's atmosphere'. It published an influential report (Enquete-Kommission, 1990) presenting the complexity of tropical forest issues and making recommendations for research and actions to be undertaken to conserve the tropical forests. It also obliged the Federal Government to report to Parliament every two years on its tropical forest conservation activities (Enquete-Kommission, 1994). Since May 1990, four reports (1990, 1991, 1993, 1995) have been submitted, detailing ongoing activities and indicating the progress made in implementing appropriate measures at the international, EU and national levels.
- In 1988 the Federal Government decided to increase the budget available for tropical forest conservation and forest development programmes, particularly within the context of technical co-operation. Since then around DM 300 m. of the BMZ's budget has been earmarked for tropical forest activities every year, representing a four-fold increase in the amount available before 1988. Germany thus contributes 15% of all international forestry aid, making it the most important bilateral donor in the field of tropical forest conservation (BMZ, 1996a).
- Since 1988 environmental impact assessments have been obligatory for all development activities. These should ensure that non-forestry development activities carried out in forest areas, such as road construction for example, do not result in unjustifiable damage to the forest resource.
- In 1988, financial co-operation began to be widely used to fund forestry activities. To provide an incentive for partner countries to undertake longer-term forest conservation measures, all financial co-operation in the field of tropical forestry is in the form of grants.
- Since 1989 there has been an increase in the funds made available for research related to tropical forestry (see Section 6).
- In 1992 the BMZ produced a Sector Concept on Tropical Forests (BMZ, 1992) which details the principles, guidelines and criteria underlying its tropical forest activities. This highlights the increased importance of the tropical forest sector within development co-operation in general, by obliging all non-forestry projects to include measures to reduce negative impacts on forest areas.

The public continues to exercise a major influence on policy development. In 1992, 35 environmental conservation associations founded the Environment and Development Forum (*Forum Umwelt und Entwicklung*). Funded in part by the BMZ and the Federal Ministry for the Environment, its primary aim is to coordinate information and educational work, and to challenge Government and Parliament to accelerate implementation of decisions taken at the 1992 United Nations Conference on Environment and Development (Forum U&E, 1995).

Another organisation that has traditionally made important contributions to BMZ policy development is

the German Forestry Association's Committee for International Forestry, founded in 1973. Composed of forestry experts with long-term experience overseas, the committee's concern is to highlight substantive and procedural problems of technical and financial co-operation in forestry and the timber industry, and to provide an impetus for solving them. Industry too, has been active. Thus, in 1992, an influential Tropical Forests Initiative was initiated by the timber industry, the timber and plastics trade union and timber importers to draw up, in co-operation with the tropical timber countries, a certification procedure for tropical timber and tropical timber products originating from sustainable resources.

With a view to creating a broader base of public support for its activities, the BMZ now involves many of these NGOs, as well as the major religious and political foundations, in the elaboration of its country and sector Concept Papers (BMZ, 1996a). One example of this collaboration is the position paper on 'Support of forest populations within the framework of the tropical forest programme', which recognises the particular experience and knowledge of NGOs in this field (BMZ, 1996b).

4.2.2 Development of strategies promoting tropical forestry

Forestry activities have been an important part of German development co-operation since its inception. By 1965 26 projects were under way in Latin America, Africa and Asia. Their main focus was on creating the basis for planned forestry (advisory services in the fields of forest policy, forest legislation, forest administration and the promotion of training); forest inventory as a precondition for the systematic use of natural forests; and assistance in the establishment of plantation forestry, considered to be an alternative to the low yields of natural forest management. Conservation of the environment and species and the particular needs of indigenous forest peoples were considered to be of secondary interest relative to more traditional forestry objectives (BMZ, 1992).

Most early activities consisted of individual technical co-operation projects, implemented through the forest administrations of partner countries. Such projects were often unable to do justice to the complexity of tropical forest issues and – with the exception of some training, inventory and afforestation projects – few produced successful or sustainable results (BMZ, 1992). In recent years, there has therefore been a shift in emphasis in an attempt to tackle the problem of tropical forest degradation more effectively. The current objectives and strategies for tropical forest support are outlined in the BMZ's 1992 Sector Concept on Tropical Forests. This defines the overall goal as supporting partner countries in their endeavours to protect their natural forest resources in accordance with their ecological, sociocultural and economic importance, and to utilise the forestry potential of existing forest areas and suitable afforestation sites for the benefit of the population and the economy, taking into account conservation requirements.

To achieve this overall goal, a number of objectives have been defined:

- To permanently secure indispensable protective ecological and regulatory functions of forest resources (as well as their re-establishment on degraded sites) by means of suitable forest protection measures and natural resource management activities. Important activities include establishment and management of forest reserves, national parks and the like.
- To secure the subsistence of people living in forest areas and improve the means to satisfy their basic needs, and to protect the natural living space and environment of ethnic minorities wherever necessary. Key activities include site-specific land use and agroforestry, development of peripheral areas, improvement of forest gathering systems and establishment of indigenous reserves.
- To achieve the regulated use of the raw material and energy potential of forest areas and afforestable sites to satisfy local needs and the development of handicraft enterprises, industry and export (particularly of manufactured products), taking into account environmental protection and sustainability⁷ requirements. Main activities include site-specific afforestation to produce fuelwood, timber and non-timber forest products; the sustainable use and management of forest stands (inventory, silviculture, resource use and management); and the use, processing and marketing of wood and other forest products.

The BMZ recognises that an essential precondition for achieving the above objectives is the improvement of the general context within which forest conservation and management take place. It is particularly concerned about the many extra-sectoral causes of forest destruction, including national (e.g. poverty, inequitable land tenure, population pressure) and international (e.g. tropical timber trade, foreign debt) factors. Furthermore, it recognises that there are many conflicts regarding the use of tropical forests; that existing economic valuation methods frequently promote the overexploitation of forests; that responsibility for decision-making about forest lands is often divided between several ministries and organisations, all of which may be handicapped by too few personnel and low budgets; and, finally, that forest people often have only a limited capacity to participate in decision-making about their forest homes. It therefore also offers legislative, institutional and training support (BMZ, 1992).

To increase the effectiveness of bilateral tropical forestry development co-operation, the 1992 Tropical Forest Sector Concept outlines a number of guidelines developed by the BMZ in consultation with the GTZ, KfW, NGOs and others, for the implementation of activities:

- Tropical forest assistance measures should be integrated into more comprehensive development and resource protection policies.

7. The BMZ's definition of sustainability includes the requirement that the ability of the forest to function and regenerate should be conserved, and states that complete protection is necessary in the case of forest areas that are indispensable for the survival of indigenous forest populations (BMZ, 1992).

- Bilateral assistance should be linked to the implementation of international programmes such as the ITTO objectives, TFAP and the World Heritage Convention.
- In all cases, activities should adhere to the principles of forest sustainability.
- Activities should only be supported after a thorough assessment of macro- and micro-economic factors, environmental and external impacts.
- Targeted strengthening of institutional structures is needed.
- Operational projects should be linked to the relevant tropical forest policy authorities at the national level in the partner country.
- Projects should aim to encourage active participation of the local population.

4.2.3 Definition of the 'Tropical Forestry' sector

Parliament's commitment to spend DM 300 m. each year on tropical forestry aid made it necessary to monitor whether this target was actually being met. This required a decision on the definition of 'tropical forestry projects'. In 1991 the BMZ therefore drew up the following guidelines:

The BMZ Tropical Forest Programme covers not only the humid tropics (i.e. tropical rain forest) but also the arid areas of the Third World and their vegetation types. In addition to direct forestry

activities (forest conservation and development including training and research), the BMZ Tropical Forest Programme also includes projects in which the forest or tree component plays an important role in the conservation of natural resources. It therefore includes selected projects dealing with watershed management, erosion control, combatting desertification, agroforestry, bufferzone development, etc. (BMZ, 1991, in Sepp and Haase, 1993).

This broad definition provides the basis for the annual list⁸ of projects contributing to the Tropical Forest Programme. The list is drawn up *post hoc*, with projects being given a 'Tropical Forest annotation' by the BMZ's country desk officers responsible for individual projects. There is thus no fixed overall budget for tropical forestry measures; rather, it is hoped that an aggregation of all relevant projects will approach the politically determined total. The list includes:

- all relevant technical and financial co-operation projects, funded by BMZ's country desks;
- a number of funds-in-trust projects (e.g. with IUCN and WWF) that are directly concerned with tropical forests;
- projects funded directly by BMZ's Division 224 from its 'Tropical Forest Conservation Fund' which amounts to DM 20–60 m. per year. Desk officers for countries in which tropical forestry is a priority may apply to Division 224 for support from this fund in addition to their country budget;
- projects funded directly by Division 224 from its 'Sectoral Fund', which is used to fund pilot approaches (e.g. the CIFOR criteria and indicators work) and supra-regional activities (such as some tropical forest research programmes).

The list excludes most of the support given to tropical forest research, projects supported by the 'Study and Expertise'⁹ funds, and much of personnel co-operation. Projects funded through German NGOs and religious or political foundations are also not included, although they may constitute up to 10% of tropical forest development co-operation (Speidel, BMZ, pers. comm., 1996). The list thus does not fully represent all the support provided to the tropical forest sector by the German Government, which must therefore exceed the targeted DM 300 m. per year.

There is no complete description of all the tropical forestry activities carried out by the GTZ, KfW or DED. The GTZ's Division of Forest Resources Management and Nature Conservation has published an outline of its activities (see Section 3.3). This does not, however, give a complete picture of the technical co-operation projects included in the Tropical Forest List, as some of these

BOX 1 Tropical forestry development activities of the German Democratic Republic

No appraisal of the GDR's development aid experience has yet taken place. In part, this is because the former GDR Government did not publish any official data about what it considered to be confidential development activities. Furthermore, following the collapse of the GDR in 1989, all its political structures were adapted to the West German system, thus ending the GDR's development activities overnight.

The GDR's international forestry links (both scientific and administrative) were embedded in the country's foreign policy. Initially, links were established only with other socialist states such as Cuba, Nicaragua, Laos and Vietnam. As the GDR became more widely recognised, however, its international forestry co-operation broadened to include forestry activities through FAO and UNESCO's Man and Biosphere Programme.

The main focus was in the scientific and educational field, based on an active exchange programme. The training of foreign students resulted in close academic ties with countries like Vietnam and Laos. In 1963 a department of tropical forest and wood industries was established in Tharandt, which provided university training for 250 foresters from tropical countries in its first 20 years. The GDR's technical and financial co-operation activities were limited, partly because of its own foreign-exchange difficulties, but experts were sent out to provide direct support in the development of national forestry administrations particularly in Cuba and Vietnam.

(based on Zundel and Schwartz, 1996)

8. It should be noted that this list covers committed rather than actual expenditure on projects in any given year. Since early 1996 any committed funds that have not been turned into useful projects within 8 years are canceled (Speidel, BMZ, pers. comm., 1996).
9. Separate 'Study and Expertise' funds exist for technical co-operation and financial co-operation projects for each partner country. They are used to finance preparatory and feasibility studies and are managed by the country desk officers at the BMZ.

(e.g. integrated rural development or erosion control projects) may be carried out by other GTZ Divisions.

Overall it is clear that there is as yet no comprehensive and unambiguous definition of the tropical forest activities supported through German development co-operation. Instead, the boundaries between the 'Tropical Forest' sector and neighbouring sectors such as agriculture, conservation and regional development remain fluid. On the one hand, this accurately reflects the development guidelines that forestry projects should be integrated into broader activities. On the other, it means that German tropical forest policy is not very sharply defined and claims of spending DM 300 m. a year are difficult to verify.

5. THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS

The information available on the thematic and regional distributions of projects generally relates either to financial (KfW) or technical (GTZ) co-operation projects. A useful study (Sepp and Haase, 1993) reviewing both was carried out in 1993 by the consultancy ECO for the GTZ. This analysed nearly

all the projects on the BMZ Tropical Forestry List from 1988 to 1992 according to their funding volumes, regional distribution and thematic focus.

5.1 Volume of funding

The total volume of funding committed for tropical forestry projects between 1988 and 1992 was DM 1.56 billion, reflecting the policy target of DM 300 m. a year. Of this about 40% was in the form of technical co-operation, 56% financial co-operation, and 4% funds-in-trust (Sepp and Haase, 1993). Table 2 shows the broad regional breakdown of these funds.

In recent years, financial co-operation has become increasingly important in the tropical forestry field. Thus, in 1995, the proportion of financial co-operation devoted to tropical forestry conservation and reafforestation measures was 6% (Table 3), having gradually increased from zero in 1989 (KfW, 1995a, 1996a).

The apparent discrepancy between the data for total volumes of financial co-operation funding in Tables 2 and 3 is because the data in Table 2 (based on the BMZ tropical forestry list) refer to funds earmarked for specific projects at intergovernmental negotiations, whereas the KfW statistics (Table 3) refer to actual expenditure. The difference for particular years is thus the result of the project evaluation process and the

Table 2: Funds approved in the context of the BMZ Tropical Forest Programme for technical co-operation (TC), financial co-operation (FC) and funds-in-trust (FIT) (DM m.) 1991-5

		Africa	Asia	Latin America	Europe	Supra regional	Subtotal	FIT	Total
1991	FC	98.4	84.0	16.0			198.4		198.4
	TC	51.0	21.6	34.3		21.6	128.5		128.5
	Sum	149.4	105.6	50.3		21.6	326.9	41.0	367.9
1992	FC	67.0	47.0	103.0			217.0		217.0
	TC	45.7	20.1	22.3		15.8	103.9		103.9
	Sum	112.7	67.1	125.3		15.8	320.9	3.1	324.0
1993	FC	49.0	42.0	15.0			106.0		106.0
	TC	60.3	41.4	43.5		20.5	165.7		165.7
	Sum	109.3	83.4	58.5		20.5	271.7	3.1	274.8
1994	FC	54.0	49.0	26.0			129.0		129.0
	TC	58.0	24.1	36.8	2.5	6.6	128.0		128.0
	Sum	112.0	73.1	62.8	2.5	6.6	257.0	1.5	258.5
1995	FC	17.5	27.0	80.8		10.0	135.3		135.3
	TC	44.5	29.0	13.7		23.0	110.2		110.2
	Sum	62.0	56.0	94.5		33.0	245.5	8.2	253.7

(Source: BML, 1995; BMZ, 1997)

Table 3: Annual financial co-operation commitments for tropical forestry projects 1991–5

	1991	1992	1993	1994	1995
DM m.	27.5	95.4	166.7	94.2	186.5
As % of total FC commitments	2	4	6	3	6

(Source: KfW, 1995a, 1996a, 1996b)

negotiation of project contracts (see Section 7), which can take a long time and during the course of which planned funding volumes for projects may change (Duve, pers. comm., 1997).

In addition to funding financial and technical co-operation projects, the BMZ also contributes to tropical forestry through debt-for-nature swaps, which are currently worth over DM 200 m. per year. Between 1993 and 1995 such agreements were concluded with 11 tropical countries (BMZ, 1997).

5.2 Regional distribution

In the period 1988–92, 44% of tropical forestry project funding went to Africa, 31% to Latin America and 22% to Asia. Figures for 1995 were fairly similar at 41%, 26% and 23% respectively (BMZ, 1997). While technical co-operation projects were fairly evenly distributed between the continents, financial co-operation projects were particularly concentrated in West Africa and South America (Sepp and Haase, 1993). Of 47 ongoing forestry financial co-operation projects in 1995, 25 were in Africa, 13 in Latin America and 9 in Asia (KfW, 1995b).

Comparing projects begun before 1988 with those begun between 1988 and 1992, Sepp and Haase (1993) found that, while the funding proportion for Africa had not changed, there had been a definite swing from Asia to Latin America. This could be accounted for primarily by the high allocation of financial co-operation funds to Brazil within the framework of the Brazilian Pilot Programme.

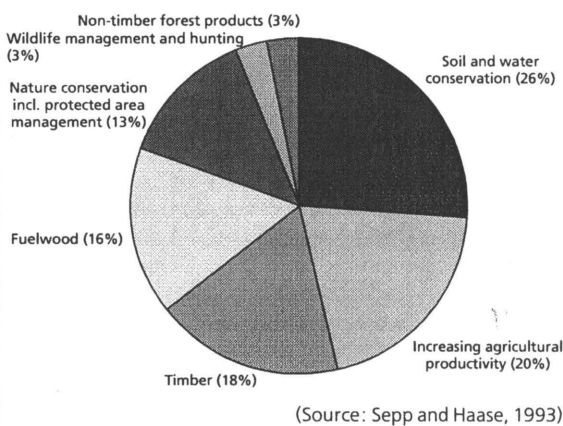
Within Africa a similar level of support is provided to each region, while Asian funding is targeted at Southeast Asia, and Latin America has seen a shift in funding from Northern to Southern countries. Distribution of funds by ecological zone differs in each continent, with dry forest being the most important in Africa, rain forest in Latin America, and mountain regions in Asia (Sepp and Haase, 1993). On the whole, the BMZ's particular concern about the fate of the rain forests means that assistance is increasingly being concentrated on moist regions (BMZ, 1997).

5.3 Project distribution by thematic nature

Within the current DM 300m. p.a. Tropical Forest programme, the thematic focus is on natural forest management, afforestation, agroforestry, institutional strengthening, rural development, combatting desertification, and protection of watersheds (BML, 1995). Many projects are of an intersectoral nature.

For projects begun between 1988 and 1992, the principal stated economic objectives are shown in Figure 3 (Sepp and Haase, 1993).

Figure 3 Principal objectives of forestry projects begun between 1988 and 1992



The average number of aims per project was 2.4, pointing to their frequently intersectoral nature. As might be expected, soil and water conservation was particularly important in dryland projects as was fuelwood production, while nature conservation (and protected area management) occurred mainly in the rain forest zone. In many projects conservation activities were integrated into measures to ensure sustainable regional development, e.g. the combination of specific forest conservation activities with development in adjacent buffer zones.

An analysis of the thematic components of 157 projects (79 in Africa, 36 in Latin America and 32 in Asia) found that each project had an average of 6 out of a possible 29 components (identified at a workshop on the basis of the GTZ classification). Institutional strengthening was a component of 60% of projects and another 44% were involved in some kind of forest inventory, diagnosis or planning. Training and capacity-building were mentioned by 50% of projects in Asia and Latin America but only by 25% of those in Africa. Controlling erosion was a component of a third of all projects in Asia and Africa but was less important in Latin America. The reverse was true for environmental awareness-raising which was most important in Latin America, where it was a component of 35% of all projects. Over half of the Asian projects were concerned with social forestry, whereas protected area management occurred primarily in Africa (Sepp and Haase, 1993).

Although a period of five years is a short time to determine trends, Sepp and Haase (1993) were able to compare the 52 projects which had begun before 1988 with the 105 which began between 1988 and 1992. There was a clear increase in the number of projects dealing with conservation. This agrees with figures showing that the increase in financial co-operation projects in the tropical forestry field since the late 1980s is accounted for primarily by resource conservation and protected areas projects (KfW, 1996b). Another trend appears to be towards increased management of existing natural forests, with less focus on afforestation. This appears to be contradicted by the large proportion of projects concerned with 'establishment of forest resources' in 1995 (see Table 4). The heading is

misleading, however, as it predominantly includes agroforestry projects. The Table, in which project components are categorised according to BMZ criteria, demonstrates just how broadly tropical forestry is defined in Germany, with fully one fifth of projects dealing with 'rural development, combatting desertification and watershed management.'

5.4 Project size and duration

The KfW used to support relatively large projects, which were criticised for being unwieldy and too high-risk. This has changed in recent years due to the growing proportion of projects in social sectors and forestry which have smaller funding volumes than traditional infrastructure or industry projects. Thus, between 1990 and 1995 the average size of all financial co-operation projects decreased from DM 23 m. to DM 17 m. (KfW, 1996a), with a lower average of DM 15 m. in the forestry sector (KfW, 1995b). Tropical forestry technical co-operation projects tend to be somewhat smaller, averaging DM 4–6 m. (GTZ, no date b), reflecting the different nature of the two types of project.

The average duration of financial co-operation projects in general is 11 years (from preparation to the final evaluation about 5 years after the end of the investment phase) (KfW, no date). The average duration of technical co-operation projects is 7.3 years (GTZ, no date c), although forestry projects tend to last about two years longer than this and, if preparatory phases are included, can easily extend beyond ten years (Sepp and Haase, 1993). This reflects the BMZ's conviction that forestry projects require a long-term commitment.

6. RESEARCH AND TRAINING

6.1 Research

In its first report to Parliament in 1990, the Federal Government highlighted the insufficiencies of existing tropical forest research. Basic research on tropical ecology had been carried out largely independently of bilateral assistance in developing countries, while applied research was generally limited to the concrete tasks of specific projects. A major research effort was called for (BML, 1990). Increased resources have since been provided from such a multitude of public and private donors that it is impossible to gauge the total volume of tropical forest research funding in Germany.

This includes the BMZ-funded establishment of the 'Tropical Ecology Accompanying Programme' (TÖB) in the GTZ in 1992. This supra-regional project provides information relevant to tropical ecology (particularly tropical forest ecology), supplies technical experts and supports applied research by development co-operation projects and German and local institutions, universities and NGOs (GTZ, 1996). Originally slightly less applied in nature is the programme of interdisciplinary 'Research into Tropical Ecosystems' funded by the Federal Ministry of Education, Science, Research and Technology (BMBF). This includes the SHIFT programme ('Studies on Human Impact on Forests and Floodplains in the Tropics'), which received DM 35 m. between 1989 and 1996. Growing out of a 30-year history of German-Brazilian co-operation in the field of tropical ecology research, the SHIFT programme supports basic and applied collaborative research with a number of Brazilian research institutions at sites in the Amazon, the Pantanal, and the coastal forests of the Mata Atlântica (BMBF, 1995). A dozen or so research projects,

Table 4: Regional and thematic distribution of approved financial and technical co-operation projects (by components^a), 1995.

Thematic category (as defined by BMZ)	Africa	Asia	Latin America	Supra- regional	Total	(%)
1. Conservation of forestry ecosystems	28	5	13	2	48	(20%)
2. Management of natural forests	16	10	11	1	38	(15%)
3. Establishment of forest resources, incl. agroforestry	19	19	18	2	58	(24%)
4. Institutional development (training, research, policy advice)	14	12	10	10	46	(19%)
5. Rural development, incl. combatting desertification and watershed management	27	5	13	6	51	(21%)
6. Biodiversity conservation			1	1	2	(1%)
Total number of project components	104	51	66	22	243	(100%)
Number of projects	77	42	48	19	186	

(Source: BMZ, 1997)

^a Some projects have more than one major thematic component and may therefore be counted under more than one thematic category.

primarily in South-east Asia and Africa, are also under way at the Institute for World Forestry, a component of the BML-funded Federal Research Institute for Forests and Forest Products (BFH, *Bundesforschungsanstalt für Forst- und Holzwirtschaft*) in Hamburg.

To improve the coordination of tropical ecology research in general, the BMZ and BML jointly established the Committee for Tropical and Subtropical Agriculture (ATSAF, *Arbeitsgemeinschaft Tropische und Subtropische Agrarforschung*) in 1990. This aims to promote agricultural, including tropical forest, research, strengthening the contribution of the Federal Republic and its research institutions in this area and raising public awareness of the main issues. Until 1996, ATSAF was also the home of the European Tropical Forest Research Network.

6.2 Education and training in tropical forestry

Within Germany three basic types of forestry education are available: a 2–3 year apprenticeship, a 3–4 year technical college diploma, or a 4–5 year degree at one of four universities – Freiburg, Göttingen, Tharandt and Munich. Many graduate foresters then have a two-year period of in-service training in one of the *Länder* forest administrations. This is followed by a Civil Service examination leading to a ‘*Forstassessor*’ (forestry official) qualification, a necessary prerequisite for those wishing to become senior forestry civil servants or to pursue an academic career.

In keeping with its long history, German forestry training is very thorough. Until recently, however, it has focused almost exclusively on temperate and specifically German forestry. This is changing as aid agencies seek to recruit foresters with tropical training. Thus the University of Freiburg now has a tropical forestry option as part of its forestry degree and has set up a course of tropical forestry lectures for Ph.D. candidates. The University of Göttingen runs a two-year MSc on ‘Integrated Tropical Agriculture and Forestry Sciences’ and the University of Tharandt offers a two-year English language MSc course in ‘Tropical Forestry’ (DSE, 1990). Some *Länder*, such as North Rhine-Westphalia, offer overseas internships as part of their in-service training, and the GTZ itself includes a number of foresters in its two-year training programme for ‘project assistants’.

The main provider of forestry training courses for personnel from developing countries is the Food and Agriculture Development Centre (ZEL, *Zentralstelle für Ernährung und Landwirtschaft*) of the DSE. This organises specialist courses and seminars both in Germany and in association with BMZ-sponsored tropical forest projects.

7. PROJECT CYCLE MANAGEMENT

7.1 Project identification and agreement

Concrete projects and programmes involving financial and technical co-operation develop during the course of an intensive exchange between the Federal Government and partner countries. The basic stages in this process are:

- As a background to intergovernmental negotiations (held every one or two years), the BMZ develops **national plans**, based largely on Country Concepts where these exist, to assist in the medium-term planning of co-operation measures with a specific country. National plans translate development policy principles into concrete priorities for development activities. Taking into account the partner country’s own development efforts and the activities of other donors, specific recommendations are made for co-operation measures, including rough targets for the volume of financial and technical assistance (Press and Information Office, 1995).
- At the **intergovernmental negotiations** (preceded by many consultative meetings), partner countries make a formal application to the German Government for assistance for specific projects or programmes. In most cases these proposals have been elaborated together with German embassy development counsellors, or jointly with GTZ (‘Pre-ZOPP’ or ZOPP1¹⁰) and KfW experts. Where proposals are insufficiently documented, the Federal Government may ask the GTZ or KfW to make a preliminary report to indicate whether the project is worth pursuing. In GTZ parlance this is termed the ZOPP2 or ‘Appraisal-ZOPP’ stage (see Table 5). If this feasibility study is positive, funds may be provided by the BMZ for the KfW or GTZ to assist in the preparation of a more complete proposal. The negotiations produce a jointly approved provisional project list.
- The proposed projects and programmes are then submitted to an appraisal on the basis of terms of reference elaborated during the ‘feasibility stage’. This appraisal (the ‘Partner-ZOPP’ or ZOPP3 in the case of the GTZ) takes into account: (i) whether the proposal is in line with the Federal Government’s development guidelines, its sectoral priorities, and the partner government’s development objectives; (ii) the volume of funding requested and the proposed implementation structure; (iii) the economic situation of the partner country and a needs assessment for the proposed project or programme; (iv) the technical design of the proposal including an environmental impact assessment; (v) the legal, organisational, management and financial capacity of the organisation carrying out the proposed project or programme, and its ability to continue with the activity after German support has ceased; possible consultancy and training needs; (vi) the personnel, material and financial inputs of all the partners; (vii) the economic, socio-economic and cultural impact of the proposal; and (viii) an assessment of risks and the probability of successful achievement of the proposed objectives. This confidential appraisal report is submitted to the Federal Government, together with a recommendation as to whether the proposal should be funded, to what amount and under what conditions.
- The Federal Government then decides whether to

10. See Section 7.3 for a discussion of the ZOPP (*Zielorientierte Projektplanung*) methodology.

Table 5: Individual steps in the various stages of ZOPP (objectives-oriented project planning)

	ZOPP 1 'Pre-ZOPP'	ZOPP 2 'Appraisal ZOPP'	ZOPP 3 'Partner ZOPP'	ZOPP 4 'Take-off ZOPP'	ZOPP 5 'Replanning ZOPP'
Time input depending on size of project	1 day	1–2 days	2–5 days	3–10 days	3–10 days
Participation analysis (determines interests, expectations and concerns of all people involved with project)	Limited information, specify only major groups	Information still limited, but list as comprehensive as possible, indicating gaps to be filled by appraisers	In-depth analysis	Review and supplement participation analysis, structure co-operation relationships	Review documents from ZOPP 4 and supplement, if necessary, particularly when redesigning project
Problem analysis and objectives analysis	As comprehensive as necessary but not too detailed, identify information gaps	Refer to ZOPP 1, but review gaps and indicate where more information is required	Resolve open issues, assess relevance of problems/objectives	Review and intensify existing analyses, prepare ongoing monitoring of problem situation	Review in the light of new problems encountered or modifications planned
Discussion of alternatives	Where sufficient information available, identify and assess alternative project approaches	Depending on the directives of the client/BMZ	If overall goal and project purpose cannot be achieved, appraisal result is negative. If result is positive, examine implementation alternatives at activity level	At activity level if applicable; depends on content of implementation offer/commission	Conduct in particular when redesigning project
Project planning matrix (PPM): summary of objectives/activities	Overall goal, project purpose, results/outputs, no activities	Pre-formulate activities	Binding definition of overall goal, project purpose, results/outputs; formulate activities	Determine activities, plan of operations and detailed internal project work plan	Reformulate overall goal, project purpose, results/outputs and activities
Result of ZOPP stages 1–5 is the basis for:	Preliminary offer/formal preliminary commentary	Terms of reference for appraisers	Project implementation offer	Concretisation of ZOPP 3; PPM as basis for plan of operations	New offer and/or basis for plan of operations

(Source: GTZ, 1991)

fund the proposal and whether it should be implemented by the KfW or the GTZ, or (increasingly) whether joint implementation is more appropriate. A positive decision is followed by an **inter-government agreement on individual projects**.

- The implementing agency (KfW or GTZ) is then responsible for signing **operational agreements** with the executing organisations in the partner country. It is also required to submit regular reports to the government, as well as a final report once the project has been completed.

There are thus three tiers of agreements for each project: (a) framework agreement between governments (covering all financial and technical co-operation projects); (b) individual project agreements between governments; (c) operational agreements between the GTZ or KfW and the executing organisation in the partner country.

7.2 Project implementation – Financial co-operation (KfW)

The investment phase of financial co-operation projects cannot proceed until all necessary agreements have been signed and any conditions regarding the disbursement of grants or loans have been met. The KfW often experiences difficulties in achieving the planned hand-over of its projects, usually because of the restricted capacity of national forestry departments to implement the project. Problems may occur where partner countries are unable to provide, or delay provision of, promised contributions, e.g. where political priorities or forest department staff may have changed. This then requires additional feasibility studies which may further delay implementation. Where necessary, the national executing agency may commission a consultancy firm to prepare the project in detail and supervise its execution. This is generally done on the basis of competitive

bidding limited to Germany. The contract may only be awarded with the approval of the KfW, which examines the technical, organisational and personnel qualifications of the applicants and the financial standing of the consultancy firm (KfW, 1995c).

At the end of the investment phase, the KfW carries out a 'final follow-up' analysis of the use of the funds, inspects the work that has been done and examines any discrepancies between the actual costs and execution time and the original plan. As the success of the project is measured, to a large extent, by how long its effects last, a further 'final evaluation' is carried out after the project has been operating for 3–5 years (KfW, 1995c).

7.3 Project implementation – Technical co-operation (GTZ)

The GTZ uses six main instruments in planning and implementing projects: objectives-oriented project planning (ZOPP), economic assessments, plans of operations, monitoring and evaluation, progress reports, and progress reviews. Most of these instruments are used in some way by other donors and will not be described in detail here. The ZOPP methodology, however, is so closely identified with the GTZ that it deserves further discussion.

The essence of ZOPP is that it involves teamwork, with all potential participants collaborating in planning the project, with the help of an independent facilitator. It aims to:

- formulate the basis for a project, arriving at clear-cut definitions and a common understanding of the problems which the project is intended to eliminate;
- provide a clear and realistic definition of the means for achieving the desired end, thus creating a working basis which is binding for all involved;
- create a basis for monitoring and evaluation;
- improve communication and co-operation between the project partners and the GTZ.

There are various planning steps for the purpose of project preparation (ZOPP 1–3) and implementation (ZOPP 4–5) as shown in Table 5. The main document to emerge from this process is an increasingly detailed project planning matrix or logical framework.

The ZOPP methodology has been a central management tool for GTZ projects since 1983. Experience has shown, however, that it is easy to concentrate on the planning content of ZOPP to the detriment of its role as a process for improving communication and the participation of all project stakeholders (GTZ, 1995). Furthermore, the ideal of maximum advance planning is not always appropriate in a complex and rapidly changing development environment. The GTZ therefore intends to apply the process more flexibly. Better results are expected from a minimal planning framework, limited to strategic goals and input ceilings and leaving as much as possible to a joint learning process during implementation (GTZ, 1995).

Just as the ZOPP methodology has come in for scrutiny within the GTZ, so has the project concept. The traditional concept of sector and country-specific projects continues to dominate German bilateral development co-operation. Within the GTZ, however, staff

are being encouraged to test more open and more integrated forms of development assistance such as:

- programmes which involve several national and international organisations and have easily interchangeable subcomponents;
- self-help efforts supported through open funds;
- private sector initiatives promoted through highly flexible financing, consultancy and training instruments (GTZ, 1995).

8. REVIEWS AND PROJECT PROFILES

The BMZ's evaluation unit regularly examines the effectiveness of German development co-operation by means of spot-checks on selected projects (2% of all measures financed in 1990/91) (Wiemann, 1996). In 1993 50 efficiency control measures were carried out, including 40 evaluations of individual projects or programmes, 5 thematic evaluations and 5 thematic cross-section analyses. Although the findings of individual evaluations are basically confidential, Parliament and the public are kept informed via the publication of condensed cross-section analyses of all the evaluations in a series of *BMZ Aktuell* publications (Wiemann, 1996). There has been no specific forestry sector evaluation other than the review of projects carried out by Sepp and Haase in 1993 (see Section 5).

The GTZ carried out an evaluation (GTZ, no date c) of the 128 projects it completed in 1993, nearly one-third of which had specific environmental and resource conservation objectives. About four-fifths of all projects were assessed as having successfully or adequately achieved their development policy aims. To increase this proportion the report recommended a more in-depth assessment of the political, economic and institutional framework during project preparation, as well as the introduction of an 'orientation phase' to precede implementation. It also proposed a shift from training individuals to capacity-building for institutions. Finally, it advocated greater devolution of responsibility for planning and implementing projects to local GTZ offices and projects themselves in order to ensure more flexible implementation of activities.

The KfW evaluation of all financial co-operation projects which had their final evaluation in 1992/3 produced broadly similar results. Of the 153 projects and programmes, 71% were considered to be successful from the point of view of development policy. Projects in the agriculture (including forestry) and industry sectors showed an above-average rate of failure, mostly due to a difficult external environment (e.g. excessive host government intervention, questionable economic policies). The economic, social and political context of projects was found to be critical in determining their success, as was the institutional capacity of the executing organisation in the partner country. To overcome the latter problem, the report suggested that some projects might need to be preceded by a phase of institutional strengthening through the GTZ, and recommended that resources should be concentrated within key sectors in partner countries (KfW, no date).

BOX 2 Ethiopia: Shifting aid priorities

German involvement in forestry co-operation in Ethiopia demonstrates the shift from an early focus on afforestation to an increasing concentration on training and then on forest policy advice at the national level, followed by a complete shift to working at the regional level.

German forestry advisers were first invited to the then Abyssinia by Emperor Menelik II in 1907. At that time 'modern' forestry consisted of the establishment of *Eucalyptus* plantations around larger cities to provide fuelwood and construction timber. The remnants of these early interventions can still be seen around Addis Ababa today. Afforestation was similarly the focus of Germany's first forestry development project, which began in Ethiopia in 1959 and was managed by the precursor of the GTZ until 1965. Following the drought of the early 1970s, a new project was launched in 1974 with the twin objectives of increasing afforestation (with the planned production of 500,000 seedlings per year) and combatting erosion. Food-for-work programmes involved local populations in constructing terraces and maintaining tree nurseries. 1986/7 saw a change in the focus of technical co-operation from that of providing local-level technical inputs to the provision of forestry advisory services. A training centre was renovated and a system of in-service training concentrated initially on producing a cadre of national foresters with the necessary skills to manage nurseries and lead inventory teams. The focus shifted again when policy advisers were brought in to

help in the drawing up of forest policy guidelines, the identification of protected areas and the development of appropriate management plans.

By the early 1990s, however, it became clear that Germany's long-term involvement in Ethiopia's forestry sector had done little to halt or reverse the country's rapid deforestation rates. Even the 300,000 ha of afforestation and 400,000 km of terraces and soil bunds implemented since 1974 could not combat the effects of a long war followed by the demobilisation of Africa's largest army. Notwithstanding successful experiences in areas such as Jelo-Muktar, Setema Forest and Mount Yegof, the decision was taken in 1994 to end one of Germany's longest-running development projects. During the intergovernmental negotiations of that year, Germany outlined the conditions that would have to be in place before further technical co-operation in the forestry sector could be contemplated. These included laws to protect the remaining forests, enforcement of forest legislation, resolution of tenure questions, greater participation of local populations in forest management, incentives for afforestation, and decentralisation of forest administration from Addis Ababa to the regions. Although renewed national-level co-operation still awaits these changes, the possibilities for a new phase of forestry co-operation at the regional level are being tested with an integrated forestry project in Abada/Dodola.

(Adapted from Adelman, 1994)

BOX 3 Mexico: Sustainable timber harvesting

The Quintana Roo project in Mexico is typical of many German forestry co-operation projects. Not only was it a long-running project (15 years) with a large research and training component, but it also embodied the conviction of German foresters that timber harvesting, if managed in a sustainable way, can be a vital component of forest people's livelihoods.

As early as the late 1970s a technical co-operation pilot project was established to look for alternatives to the existing over-exploitation and destruction of the humid forests in south-eastern Mexico. The project concluded that successful management would have to be in the interests of local people, offering them viable prospects for the future. In 1983, when the governor of the State of Quintana Roo handed an expired timber concession of over 500,000 hectares to local village communities (*ejidos*), the *Plan Piloto Forestal* project was set up to give ten *ejidos* the opportunity to develop a permanent community forest management system. The Mexican-German team of advisors were asked to support the *ejidos* in learning and deciding for themselves how to manage the forest and the resulting income.

Taking a highly participatory approach, unusual for its time, the GTZ project provided technical advice to enable *ejidatarios* to: inventory the forests and stocks of timber; draw up plans for sustainable forest management; divide the forest into different land-use zones including areas for protection; apply appropriate methods of tree-felling, extraction and regeneration; and develop plans for the protection of wildlife and for eco-tourism. In addition to this technical support, the GTZ strategy also emphasised the institutional and policy basis of community forest management. One of the important institutional developments was the establishment of the Society of Ejido

Forest Producers (SPFE), which coordinated policy, extension, research and marketing strategies. Following a careful process of dialogue involving a radical change in State attitudes to community forestry extension an agreement was reached between the Ministry of Agriculture and Natural Resources, SPFE and the GTZ which gave SPFE the responsibility for providing paid extension advice to individual *ejidos*. Taking a pro-active approach, SPFE also began to take a lead in setting market prices in the State, and successfully lobbied for the removal of State subsidies which had acted as a disincentive to investment in both the sawmills and the forests. The initially sceptical State forest authority began to appreciate the advantages of the new forest management system and gradually delegated more of its forest supervision and protection roles to SPFE's foresters.

Progress was not always easy. As incomes from the forest began to increase the *ejidos* had to establish mechanisms to distribute profits, especially in the form of an improved communal infrastructure. Particularly problematic was the need to balance the desires (and profits) of *ejidos* with different types of resources (size of forest and species composition) and with different traditions and management goals (such as the indigenous Mayan groups). Certain technical issues also required further research such as the question of how to process and market hitherto unused timber species, and how to improve regeneration of mahogany, the most important local species. By the early 1990s, however, the project was no longer technically or financially dependent on GTZ, and today over 50 *ejidos* in Quintana Roo and neighbouring states are managing their forests according to the model developed in the *Plan piloto forestal*.

(Richards, 1992; GTZ, 1997)

9. CONCLUSIONS AND TRENDS

Germany has a long-established international reputation as the birthplace of sustainable forestry and its foresters were widely employed in the forest services of various colonial powers. Chief among these were the Dutch and the British, and it was in Burma, India and Java that German foresters developed tropical forest management systems that were to form the basis for forest management throughout the Asian and African colonies.

Today, Germany remains influential in the forestry field, contributing 15% of total international forestry aid, thus making it the most important bilateral donor. This large volume of funding is in part due to pressure from a well-informed and environmentally active public. Germany also plays a key role in supporting several important multilateral programmes such as the Global Environment Fund and the Brazilian Pilot Programme, both of which it was instrumental in initiating. This reflects Germany's belief that the extreme complexity of forestry issues can only be tackled in an integrated manner, where possible within the framework of national strategies or international programmes.

Within its bilateral tropical forestry co-operation activities, Germany has been tending away from the early technically oriented projects which focused on forest inventories, afforestation and individual training. Instead, in recognition of the many extra-sectoral factors that underlie forestry problems, it is increasingly looking for ways to tackle the political, institutional and socio-economic context within which technical solutions can be attempted. There is thus a trend away from straightforward forestry projects to integrated projects in which the forestry component is one of a number of complementary development options.

A similar trend in favour of a programmatic approach is in conflict with Germany's unusual institutional separation of financial and technical co-operation (Ashoff, 1996). Traditionally, technical co-operation implemented by the GTZ was considered to be the most appropriate way of tackling tropical forestry issues. Since 1988, however, when Chancellor Kohl announced a large increase in funding for tropical forestry activities, financial co-operation measures (implemented by the KfW) have come to predominate in the forestry field. Although theoretically quite separate, in practice the distinctions between the two are becoming less and less clear, particularly in forestry where partner countries often lack the capacity to implement large capital assistance projects without a certain amount of accompanying technical expertise. Recent years have therefore seen increasing collaboration between financial and technical co-operation, e.g. in the respective funding of protected area demarcation and the development of an adjacent buffer zone.

Close collaboration is necessary to overcome the limitations imposed by a highly differentiated development co-operation system, in which the division of labour between the BMZ and the major implementing agencies (KfW and GTZ) is not always clear. Different approaches to the funding and definition of forestry projects by the three institutions make it difficult to obtain a complete overview of German tropical forestry activities. On the other hand, this pluralism, which also

involves a multitude of NGOs, private foundations, the *Länder* and municipalities, is a strength in that it allows for the flexibility to tackle a range of complicated issues in a variety of ways.

REFERENCES

- Adelmann, K. (1994) 'Spuren einer Sisyphus-arbeit'. (Traces of a Sisyphus task). *Akzente aus der Arbeit der GTZ* 4, 25-28.
- Arbeitsgemeinschaft Regenwald und Artenschutz/Institut für Ökologie und Aktionsethnologie (ARA/INFOE) (1989) *Das Regenwald-Memorandum. Zur Verantwortung und zum Handlungsbedarf der BRD für den Erhalt der verbliebenen tropischen Regenwäldern.* (The rain forest memorandum: responsibilities and necessary actions of the FRG to save the remaining tropical rain forests).
- Ashoff, G. (1996) 'The development policy of the Federal Republic of Germany'. *Development and Co-operation* 5, 26-31.
- BMBF (1995) *Forschung für den Tropenwald.* (Tropical forestry research). BMBF, Bonn.
- BML (1990) *Schutz und Bewirtschaftung der Tropenwälder - Tropenwaldbericht der Bundesregierung, unter besonderer Berücksichtigung der tropischen Feuchtwälder.* (Conservation and management of tropical forests - the Federal Government's Tropical Forest Report, with particular attention to tropical rain forests). BML, Bonn.
- BML (1993) *Protection and management of the tropical forests - 3rd Tropical Forest Report of the German Federal Government.* BML, Bonn.
- BML (1994) *Nationaler Waldbericht der Bundesrepublik Deutschland.* (National forest report of the FRG). BML, Bonn.
- BML (1995) *Schutz und Bewirtschaftung der Tropenwälder - 4. Tropenwaldbericht der Bundesregierung.* (Conservation and management of tropical forests - 4th tropical forest report of the Federal Government). BML, Bonn.
- BMZ (1992) 'Sektorkonzept Tropenwald'. *Entwicklungspolitik-aktuell* 14, BMZ, Bonn. (Available in English as: BMZ (1995) German Development Assistance. Sector Concept Tropical Forests. *Entwicklungspolitik-aktuell*, March 1995, BMZ, Bonn.)
- BMZ (1996a) *Entwicklungspolitik: Jahresbericht 1995.* (BMZ Annual Report, 1995). BMZ, Bonn.
- BMZ (1996b) 'Förderung von Waldvölkern im Rahmen des Tropenwaldprogramms'. (Support to forest populations within the context of the tropical forestry programme). *Entwicklungspolitik-aktuell* 62. BMZ, Bonn.
- BMZ (1997) *Tropical forest conservation and German development co-operation: five years after Rio.* BMZ, Bonn.
- Bruenig, E.F. (1996) *Conservation and management of tropical rainforests: An integrated approach to sustainability.* CAB International, Wallingford.
- DAC (1995) *Development Co-operation Review Series: Germany.* Development Assistance Committee, OECD, Paris.
- DSE (1990) *Aufbaustudien Dritte Welt.* (Advanced training courses on developing countries). DSE, Bonn.
- Enquete-Kommission 'Schutz der Erdatmosphäre' des Deutschen Bundestages (1990) *Schutz der tropischen Wälder. Eine internationale Schwerpunktaufgabe.* 2nd report submitted by the 11th German Bundestag's Enquete Commission 'Protecting the Earth's Atmosphere'. Economica Verlag, Bonn.
- Enquete-Kommission 'Schutz der Erdatmosphäre' des Deutschen Bundestages (1994) *Schutz der Grünen Erde - Klimaschutz durch umweltgerechte Landwirtschaft und Erhalt der Wälder.* 3rd report submitted by the 12th German Bundestag's Enquete Commission 'Protecting the Earth's Atmosphere'. German Bundestag, Bonn.
- Forum Umwelt & Entwicklung (1995) *Drei Jahre nach Rio - Bilanz 1995.* (Three years after Rio). Forum Umwelt & Entwicklung, Bonn.
- Gieseler, F.R. (1912) 'Was lehren uns die Anfänge unserer kolonialen Forstwirtschaft?' (What can we learn from the beginnings of our colonial forestry?) *Zeitschrift für Forst- und Jagdwesen* XLIV, 222-233.
- Grayson, A.J. (1993) *Private forestry policy in Western Europe.* CAB International, Wallingford.
- GTZ (no date a) GTZ: a service organisation for Europe's technical assistance effort. Publicity brochure, GTZ, Eschborn.
- GTZ (no date b) 'Forestry resources management, forestry products and conservation of nature: Service package - Division 4240'. Mimeo, GTZ, Eschborn.

- GTZ (no date c) *Erreicht die technische Zusammenarbeit die gesetzten Ziele? Projektergebnisse der GTZ und ihrer Partner.* (Is technical co-operation achieving its objectives? Project results of the GTZ and its partners). GTZ, Eschborn.
- GTZ (1991) Methods and instruments for project planning and implementation (outlines). GTZ, Eschborn.
- GTZ (1993) Concept and fields of action of the activity area 'Forest Resources Management'. Brochure, GTZ, Eschborn.
- GTZ (1995) Project cycle management (PCM) und Zielorientierte Projektplanung (ZOPP). GTZ, Eschborn.
- GTZ (1996) *Tropenökologisches Begleitprogramm (TÖB): Ziele, Konzeption und Vergabekriterien.* (Tropical ecology accompanying programme: aims, concepts and eligibility criteria). GTZ, Eschborn.
- Hasel, K. (1985) *Forstgeschichte. Ein Grundriß für Studium und Praxis.* (Forest history: basic theory and practice). Parey Verlag, Hamburg.
- Hoffmann, W.K. (1980) 'Vom Kolonialexperten zum Experten der Entwicklungszusammenarbeit'. (From colonial expert to development expert). *Sozialwissenschaftliche Studien zu internen Problemen*, Vol. 50. Saarbrücken.
- KfW (no date) Results of financial co-operation: Third evaluation report on projects promoted in developing countries. KfW, Frankfurt am Main.
- KfW (1995a) *Bericht über das Geschäftsjahr 1994.* (Annual report, 1994). KfW, Frankfurt am Main.
- KfW (1995b) 'Finanzielle Zusammenarbeit mit Entwicklungsländern: Projekte der Tropenwalderhaltung' (Financial co-operation with developing countries: tropical forestry projects). Mimeo, January 1995. KfW, Frankfurt am Main.
- KfW (1995c) Co-operation with developing countries: the procedures followed in the financial co-operation of the Federal Republic of Germany. KfW, Frankfurt am Main.
- KfW (1996a) *Förderung der Entwicklungsländer: Perspektiven der finanziellen Zusammenarbeit. Jahresbericht 1995.* (Support to developing countries: perspectives on financial co-operation. Annual report, 1995). KfW, Frankfurt am Main.
- KfW (1996b) 'Sektor Landwirtschaft: Zusagen nach Jahren Branchen' (Agricultural sector commitments by sector and year). Mimeo 14/5/96. KfW, Frankfurt am Main.
- Klose, F. (1985) *A brief history of the German forest - achievements and mistakes down the ages.* GTZ, Eschborn.
- Lamprecht, H. (1986) *Waldbau in den Tropen.* (Tropical forestry). Parey Verlag, Hamburg.
- Lemhöfer, D. and Rozsnay, Z. (1985) 'Leben und Werk von Franz Heske'. (Life and work of Franz Heske). *Göttinger Beiträge zur Land- und Forstwirtschaft in den Tropen und Subtropen*, Heft 9.
- Mammen, E. (1964) 'Wirken deutscher Forstwirte in Übersee vor 1914'. (Activities of German foresters overseas pre 1914). *Forstarchiv* 35 (6), 117-123.
- Michel, J.H. (1997) *Development Co-operation. Efforts and policies of the members of the Development Assistance Committee.* OECD/DAC 1996 Report. OECD, Paris.
- Press and Information Office (1995) North-South Partnership: Germany's commitment to development and co-operation. Press and Information Office of the Federal Government, Bonn.
- Richards, E.M. (1992) *The forest ejidos of South-east Mexico: a case study of participatory natural forest management.* Rural Development Forestry Network Paper 13c, ODI, London.
- Seibt, K. (1910) 'Die Waldungen in unseren Kolonien und deren Benutzung'. (Forests in our colonies and their use). *Forstwissenschaftliches Centralblatt*, 615-617.
- Sepp, S. and Haase, G. (1993) Inventur und Kategorisierung der Tropenwald-relevanten Vorhaben der Entwicklungszusammenarbeit. (Inventory and categorisation of tropical forestry co-operation activities). Consultancy report for GTZ. ECO, Oberaula.
- Wiemann, J. (1996) 'German development aid' in: Cox, A., Healey, J. and Koning, A. (Eds). *How European aid works: a comparison of management systems and effectiveness.* ODI, London.
- Zundel, R. (1990) *Einführung in die Forstwissenschaft.* (Introduction to forestry). Ulmer Verlag, Stuttgart.
- Zundel, R. and Schwartz, E. (1996) 50 Jahre Forstpolitik in Deutschland 1945-1994. (50 years of forest policy in Germany 1945-1994). Unpublished manuscript.

KEY CONTACTS

Bundesministerium für Ernährung, Landwirtschaft und Forsten (BML)
International Forest Policy Division
Rochusstr. 1
D - 53123 Bonn
Tel: + 49 (228) 529 4336
Fax: + 49 (228) 529 4262

Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ)
Division 224: Environment, Resource conservation and Forestry
Friedrich-Ebert-Allee 114 - 116
D - 53113 Bonn
Tel: + 49 (228) 535 3752
Fax: + 49 (228) 535 3755

Senior Forestry Officer
Kreditanstalt für Wiederaufbau (KfW)
Palmengartenstr. 5-9
D - 60325 Frankfurt am Main
Tel: + 49 (69) 743 10
Fax: + 49 (69) 74 31 2004

Deutsche Gesellschaft für technische Zusammenarbeit (GTZ-GmbH)
Division 4240: Division of Forest Resources Management and Nature Conservation
Dag-Hammarskjöld-Weg 1
D - 65760 Eschborn
Tel: + 49 (6196) 79 1250
Fax: + 49 (6196) 79 7333

ACRONYMS

ATSAF	Arbeitsgemeinschaft für tropische und subtropische Agrarforschung (Working Group on Tropical and Subtropical Agricultural Research)
BFH	Bundesforschungsanstalt für Forst- und Holzwirtschaft (Federal Research Centre for Forests and Forest Products)
BMBF	Bundesministerium für Bildung, Wissenschaft, Forschung und Technologie (Federal Ministry of Education, Science, Research and Technology)
BML	Bundesministerium für Ernährung, Landwirtschaft und Forsten (Federal Ministry of Food, Agriculture and Forestry)
BMU	Bundesministerium für Umwelt, Naturschutz und Reaktorsicherheit (Federal Ministry for the Environment, Nature Conservation and Nuclear Safety)
BMZ	Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (Federal Ministry for Economic Co-operation and Development)
CGIAR	Consultative Group on International Agricultural Research
DED	Deutscher Entwicklungsdienst (German Development Service)
DSE	Deutsche Stiftung für Internationale Entwicklung (German Foundation for International Development)
EC	European Commission
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environmental Facility
GTZ	Deutsche Gesellschaft für technische Zusammenarbeit (German Agency for Technical Co-operation)
ITTO	International Tropical Timber Organisation
IUCN	World Conservation Union
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
NGO	Non-governmental organisation
oda	official development assistance
SHIIFT	Studies on Human Impact on Forests and Floodplains in the Tropics
TFAP	Tropical Forestry Action Plan
TÖB	Tropenökologisches Begleitprogramm (Tropical ecology accompanying programme)

TWRP	Tropenwaldrelevante Programme (Support to international programmes in tropical forestry)
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
WB	World Bank
ZOPP	Zielorientierte Projektplanung (objectives-oriented project planning)

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Prof E Bruenig (BFH), Dr D Burger (GTZ), Dr H Dotzauer (GTZ), Dr T Duve (KfW), Frhr. P von Fürstenberg, Mr G Haase (ECO), Dr M Homola (GTZ), Mr Hopp (DED), Dr C Mersmann (GTZ), Dr Ollmann (BFH), Dr K-P Pischke (KfW), Dr U von Poschinger-Camphausen (ATSAF), Prof J Pretzsch (Dresden University), Mr Rogg (DED), Dr T Schneider (BFH), Dr J H Schröder (BFH), Mr. M. Schwoerer-Böning (BML), Dr S Sellen (KfW), Mr S Sepp (ECO), Dr D Speidel (BMZ), Prof Weidelt (Göttingen University), Dr C Weigner (ATSAF), Dr G Wolf (KfW), and Prof Zundel (Göttingen University).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to DM 1.81.

Greece

Constantine Varelides and Michael Richards

Contents

1.	FOREST HISTORY IN GREECE	227
2.	EVOLUTION OF GREEK INVOLVEMENT IN TROPICAL FORESTRY	227
3.	STRUCTURE OF AID DELIVERY	227
4.	STRATEGY	228
5.	FORESTRY PROJECTS	228
6.	RESEARCH AND TRAINING	229
7.	PROJECT CYCLE MANAGEMENT	229
8.	PROJECT REVIEWS	229
9.	CONCLUSION	229
	REFERENCES	230
	KEY CONTACTS	230
	ACRONYMS	230
	ACKNOWLEDGEMENTS	230

1. FOREST HISTORY IN GREECE

Greece is a predominantly mountainous country with a land area of some 13 m. ha, approximately half of which is forested. About half the forested area is classified as industrial forestry, with a total standing volume of 138 m. cubic metres, 56% of which is coniferous (31% fir, 10% black pine and 15% other conifers) and the remainder beech (20%), oak (17%) and other broadleaves (Ministry of Agriculture, 1992). The rest of the forest area is composed of evergreen broadleaves used mainly for grazing and fuelwood. Nearly two-thirds of the total forest area is owned by the State, the rest belonging to local communities, monasteries, private sector groups and individuals.

The Greek Forest Service was established in 1836. Initially it focused its efforts on identifying the productive forest areas, and bringing them under management. This involved the opening of virgin forests, and introducing silvicultural methods to restore forest areas degraded through over-cutting and grazing. The Forest Service has had to counter the problem of erosion in particular, much of the industrial forest area being located in the mountainous areas, as well as along the northern border. Another important activity was the reforestation of the bare hills (due again to over-cutting and over-grazing) in and around towns and cities. The wooded hills of Athens are a legacy of this period of activity.

In the 1950s, the emphasis was on the control of erosion resulting from the terrain, over-grazing and lack of forest cover. This involved engineering works (reducing gully slope, dams, jetties, etc.) to reduce the speed and damage from the torrents, and vegetation recovery in the catchment areas. For example, narrow hand-made terraces called '*gradoni*' were planted on steep eroded banks, pines were replanted in the catchment areas, and poplars and willows were planted in the gulleys. In order to tackle the over-grazing problem, the Forest Service developed mountain meadows to compensate for loss of grazing land. This required a considerable extension effort, as well as replanting with desirable fodder species.

At the same time poplar cultivation was promoted throughout the country. State and private plantations were created where there was sufficient underground water, using improved clones, vegetative propagation, mechanical site preparation and tending methods, and fertilisation, based on the work of the Forest Research Institute of Thessaloniki. Sand-dune stabilisation was another activity of the early 1960s, with a major project in the coastal dunes of the western Peloponnese. After preliminary work with fences and grasses, the area was planted with acacias, pines and eucalypts.

In the late 1960s and 1970s, the focus was on extensive reforestation through industrial plantations, particularly on the mountain slopes, involving the use of heavy machinery. The main species used for the upland plantations was black pine (*Pinus nigra*) and for the lowland areas, maritime pine (*P. pinaster*), brutia pine (*P. brutia*) and eucalypts on frost-free sites. Land reclamation on mining sites is another important recent forestry activity.

Fire prevention and suppression has been, and still is, an issue of great importance in Greek forestry. To

reduce the danger, fire breaks and watering points are combined with extension work through the mass media; daily forecasts on fire risk are issued in the summer. The Forest Service is responsible for coordination of the suppression forces (fire brigade, air force, infantry and the general public) as well as having its own forest fire brigade.

Today, in response to international and domestic environmental pressures, the focus of the Forest Service has shifted to recreation forests, national parks and protected areas. Recreation forests have been created in the vicinity of the main towns, as well as in areas suitable for outdoor activities such as skiing, mountain walking, bird watching, river fishing, etc.

Forestry activities are supported by two Forest Research Institutes (in Athens and Thessaloniki). Professional forestry training takes place at Thessaloniki University and three Polytechnics (Drama, Karditsa and Karpenisi), while forest guards, fire fighters, and game-keepers are trained at Forest Service Schools.

2. EVOLUTION OF GREEK INVOLVEMENT IN TROPICAL FORESTRY

Arguably the main commonality between the domestic experience and tropical forestry lies in some of the silvicultural principles involved in maintaining the ecological relationships. The interaction of terrain, climate and ecology has been well-studied and practised in Greek forestry, providing a good basis for understanding some of the complexities in tropical areas, particularly in the drier savannah areas. The experience of afforestation of dryer sites, erosion and fire control, dune stabilisation, grazing management and grass-roots extension would appear to be particularly relevant, as reflected in the nature of the bilateral projects and consultancy missions described in section 5.

Lacking colonial links and only recently an aid donor, Greece has had little contact over time with the tropics, except as a result of importing tropical timber. Its interest in tropical forestry has come about mainly through membership of UN organisations like FAO and UNDP, and the more sectoral ITTO, IUFRO and Silva Mediterranea, and attendance at international fora such as UNCED and associated environmental Conventions like the Paris Convention on Desertification (Ministry of Foreign Affairs, 1991). Greece has also provided forestry experts on several FAO and EU project missions, as well as for longer-term assignments, including, for example, FAO missions to Jordan (forest genetics) and Djibouti (forest recreation), an EU mission to Nigeria (range management), and a long-term posting on a World Bank-supported afforestation project in Nigeria.

3. STRUCTURE OF AID DELIVERY

Development assistance has gradually increased in recent years, reaching US \$189 m. or 0.15% of GNP in 1996, with a target to reach 0.2% of GNP in 1997 (Ministry of National Economy, 1997). However, this aid is primarily orientated to the Balkan States, the countries of the former USSR, and the Middle East, so

very little goes to tropical countries. Less than a quarter of Greek aid has been in the form of bilateral aid, 76% of the 1996 commitment being to the EU and other multilateral organisations. Bilateral official development assistance (\$45 m. in 1996) can be broken down as follows:

• Financial assistance:	\$32.2 m.
• Technical co-operation (including forestry) and operational costs:	\$6.7 m.
• Food aid:	\$5.3 m.
• Emergency aid:	\$0.3 m.

The Ministry of National Economy is responsible for managing Greece's aid programme. It devolves the financial and management responsibility for technical co-operation projects to Ministries with the appropriate technical capacity; in the case of forestry this means the Ministry of Agriculture. There is no sectoral allocation for forestry.

It should be noted that the structure of technical co-operation aid delivery is largely based on food and emergency aid, and could prove inadequate for larger technical assistance projects which involve more than the payment of salaries, travel expenses and equipment bought in Greece and transported out. For example, there is no provision as yet for handling an independent aid project budget.

Project appraisal and evaluation of government-supported projects are normally carried out by experts in the appropriate Ministry. In terms of administration, forestry projects are normally handled by the EU and International Relations Development Assistance Department of the General Secretariat of Agricultural Policy in the Ministry of Agriculture. The Department consults the appropriate section of the General Secretariat of Forests (also in the Ministry of Agriculture) for appraisal and evaluation of a forestry aid proposal. The General Secretariat of Forests either carries out the task itself or asks for technical assistance from the Forestry Research Institutes or the universities. The final go-ahead is given by the Ministry of National Economy endorsing the recommendations of the Ministry of Agriculture.

Appraisal and evaluation of non-governmental projects follow the procedures set by the financial sponsor of these projects. Some consultancy firms have undertaken forestry tasks as part of other major projects (see section 5). Other small consultancy firms undertake the appraisal and implementation of forestry projects inside Greece and may gradually expand their overseas

operations. Currently, however, there is no Greek forestry consultancy firm in the international market.

NGO aid, based on fund-raising and EU finance, is also limited to the provision of technical assistance and equipment, but on a much smaller scale. Most Greek NGOs are small charities focusing on emergency, food and medical aid. Although there have been some agricultural projects, such as work with livestock co-operatives in Kenya (by ELINAS) and the establishment of a model farm in Zaire (Greek Orthodox mission), there has been no forestry project to date.

4. STRATEGY

Greek experience in tropical forestry has so far been limited mainly to involvement with multilateral agencies and individual experts on project missions. In general, technical co-operation projects are identified on an *ad hoc* basis, mainly by Greek foresters participating in multilateral missions or working as in-country advisers. The decision to support a particular project is based on an assessment of the funds available (in competition with other sectors), the existence of appropriate Greek technical expertise, and the receptivity of the recipient country to the project idea.

The current general trend in Greek public opinion to reduce government involvement in favour of the private sector may promote a more flexible and efficient approach in the aid programme involving independent agencies. A second important influence is the rise in social and environmental awareness, which has shifted interest away from state-managed industrial forestry to NGO-based or grassroots agroforestry and community forestry programmes. The involvement of NGOs, which are mainly charities, tends to attract public sympathy.

As regards country selection, regional preference is for the Balkan countries, followed by countries of the former Soviet Union, the Middle East, and only then Africa, Asia, etc. However, the system is flexible enough for a well-presented project to be approved, whatever its geographical location. The kinds of projects favoured currently by Greece are those in which the country's forestry research and development experience can be used. Thus, afforestation, industrial plantations, range management, erosion control, combatting desertification and agroforestry are likely areas of focus in the future.

5. FORESTRY PROJECTS

Four main types of tropical forestry involvement can be identified: bilateral projects, long-term advisory posts, a number of consultancy missions for multilateral agencies, and private sector projects. Three bilateral projects involving technical assistance, training and equipment were identified, the latter two being still at the planning stage:

- a 1992 afforestation project in Inner Mongolia, China, involving the University of Joannina, Greece (see section 8);
- a 'Tropical Forest Protection' project in Benin, with a 1997 budget of \$25,000;
- a 'Tropical Forest Ecosystems' project in Africa, with a 1997 budget of \$62,500; this project, to be

Table 1. Greek official development assistance (oda) 1993-96 (US \$ m.)

	1993	1994	1995	1996
Bilateral oda	15.1	32.5	26.9	44.5
Multilateral oda	75.4	89.6	125.4	144.2
Total oda	90.5	122.0	152.3	188.6
% of GNP	0.10	0.12	0.13	0.15

(Source: Ministry of National Economy)

implemented by the Forest Research Institute of Athens, aims to recover degraded savannah ecosystems in the Sahelian zone.

A private sector project involving forestry activities was a road construction and land stabilisation project in Libya, involving the EDOK-ETER Company (1980–83). The forestry component involved a 20 ha nursery with about 2–3 m. plants, sand dune stabilisation, erection of 500 km of windbreaks, and roadside planting.

6. RESEARCH AND TRAINING

The main research interests of the two Greek Forest Research Institutes in Greece (Athens and Thessaloniki) include forest management and economics, silviculture, forest genetics, forest protection, forest hydrology, forest ecology, land reclamation, forest recreation, wood technology and mountain meadows. The recent allocation of bilateral aid funds has facilitated some joint research projects with developing countries. Some research is also carried out at the forestry schools.

There is a university level forestry school in Thessaloniki. The forestry degree requires five years of study, including practice in the university and state forests. There are also three polytechnic-level forestry schools. Tropical forestry as such is not included in the curricula of Greek forestry schools, although elements of it, especially relating to dry savanna conditions, are found in such courses (within the forestry training) as ecology, silviculture and hydrology. Qualifications for lower cadres such as forest guards, forest fire fighters and game keepers are obtained in training, usually over a six month period, within the Forest Service.

7. PROJECT CYCLE MANAGEMENT

Project identification can occur in a number of ways:

- through individual professional contacts with the recipient country (this is the most common way in practice);
- in the form of a government-to-government request, as part of a general bilateral aid agreement which is channelled by a Greek representative in the country to the Ministry of Agriculture;
- from an international organisation;
- from an independent agency looking for partners.

Project ideas are normally submitted to the Ministry of Agriculture, which vets the project in terms of Greek technical and financial support capacity, the expected impact of the project, and whether it is environmentally sound. When the initial appraisal by the Ministry of Agriculture is positive, a preliminary costed proposal is worked out, and submitted to the recipient country for its response. It can then be finalised into an implementation plan, which is sent to the recipient country for final approval. Financing can then be approved. This procedure has proved adequate for the small technical assistance projects currently undertaken by Greece.

The Technical Adviser (usually from Greece, or recruited internationally), apart from advising the national project manager on technical matters, is responsible to the Greek government for the progress

of the project, keeps the donor accounts, arranges (in collaboration with the project manager) consultancies, training and any other matter affecting the use of aid funds. In effect (s)he co-manages the project on Greece's behalf.

Constraints identified in the current system, in terms of its capacity to manage larger forestry projects, include the need for an independent project budget and accounting system, decentralisation and flexibility in project management, staff appraisal reports, and detailed monitoring and evaluation procedures. No evaluations by independent agents of Greek forestry projects have so far taken place.

8. PROJECT REVIEWS

The 'Use Rare Earths' project for the afforestation and prevention of desert expansion in Inner Mongolia, China

This project revolved around a particular method of planting developed at the Greek University of Joannina and called 'Kallidendron' after its inventor. It involves a planting medium consisting of soil, fertiliser and a water-absorbing compound that helps the plant survive water stress and grow satisfactorily in dry conditions. This technology had already been demonstrated in a number of African and Middle Eastern countries.

This 1992 project was included in the Sino-Greek Scientific and Technological Co-operation Agreement, and was implemented jointly by the Science and Technology Commission of Inner Mongolia and the University of Joannina. The Greek contribution included technical assistance, the provision of agrochemicals and training. The Chinese contribution included the trees and labour for planting. Some 15,000 fruit and forest trees were planted on seven experimental sites. Apart from the local training, a study tour in Greece was arranged for four people.

9. CONCLUSION

Greek involvement in tropical forestry has been limited mainly to participation in international organisations and fora, small technical assistance projects, and the contributions of Greek experts to multilateral missions. However, this involvement is gradually expanding. Greek technical assistance, based on the country's forestry background, has mainly concentrated on dryer tropical areas, and particularly on ecological and silvicultural aspects of reforestation. The present structure of aid delivery in the Ministry of Agriculture is adequate for small-scale forestry projects, but would need to be improved for larger projects. Most project requests come through individual professional links. Consultancy firms have yet to be used in forestry aid, but it seems likely they will be in the future, building on their considerable experience with domestic forestry projects.

REFERENCES

- Ministry of Agriculture (1992). *Results of the First National Forest Survey*. General Secretariat of Forests, Athens (in Greek).
- Ministry of Foreign Affairs (1991). *National Report of Greece for the United Nations Conference on Environment and Development*. MFA, Athens.
- Ministry of National Economy (1997). *Application for admission to the Development Assistance Committee (DAC)*, MNE, Athens.

KEY CONTACTS

Forest Policy Department
General Secretariat of Forests
Ministry of Agriculture
Hippokratous 3-5
Athens
Tel: +30 1 3608042
Fax: +30 1 3608685.

EU & International Relations Development Assistance
General Secretariat of Forests
Ministry of Agriculture
Aharnon 5
Athens
Tel: +30 1 5244851

Forest Research Institute
Terma Alkmanos
Ilisia
Athens 115.28
Tel: +30 1 7784850
Fax: +30 1 7784602

Forest Research Institute of Thessaloniki
Vasilika
Thessaloniki 570 06
Tel: +30 31 461171
Fax +30 31 461341

ACRONYMS

DAC	Development Assistance Committee of the OECD
Dr	Drachma
ELINAS	Greek Institute of Solidarity and Development
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GNP	Gross National Product
ITTO	International Tropical Timber Organisation
IUFRO	International Union of Forestry Research Organizations
MFA	Ministry of Foreign Affairs
MNE	Ministry of National Economy
NGO	Non-Governmental Organisation
oda	official development assistance
OECD	Organization for Economic Cooperation and Development
UN	United Nations
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with many people including the following: Dr D. Matziris and Dr. G. Brofas, Forest Research Institute, Athens; Mr. A. Gadjios, Thesprotia District Forest Office; Mr. N. Efstathiadis, General Secretariat of Forests, Ministry of Agriculture; Mrs E. Boulkou, EU & International Relations Development Assistance, General Secretariat of Agricultural Policy, Ministry of Agriculture; Mrs E. Kraya, Directorate of International Relations, Ministry of National Economy; Ms C. Manjou, Greek Institute of Solidarity & Development (ELINAS); Father Avramides, Committee of Inter-Christian Relations; Mr. Hajielias, Doxiades Associates.

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to Dr 284.79.

Ireland

Philomena Tuite and David Brown

Contents

1.	DOMESTIC FORESTS AND FORESTRY	233
1.1	The history of Irish forests	233
1.1.1	Ancient laws of land and woodland	233
1.1.2	The Norman influence	233
1.1.3	Forest exploitation, 1500–1800	233
1.1.4	Estate afforestation, 1700–1800	233
1.1.5	The Act of Union and ‘absenteeism’	234
1.1.6	The Irish Famine, 1845–9	234
1.1.7	Movement for Land and Social Reform	234
1.1.8	Land transfer and its impact on forestry	234
1.2	The development of Irish forestry	234
1.2.1	Towards a national forest policy	234
1.2.2	The growth in the private forest sector	235
1.2.3	Irish forestry today	235
1.3	The institutional framework of forestry in Ireland	235
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	235
2.1	The tropical timber trade	235
2.2	The Irish missionary presence in the tropics	235
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE	236
3.1	Development Assistance Commitment	236
3.2	Organisation of the aid programme	236
3.2.1	Irish Aid	236
3.2.2	The Agency for Personal Service Overseas (APSO)	237
3.2.3	Higher Education Development Authority (HEDCO)	237
3.3	Personnel	237
3.4	The NGO sector	237
3.4.1	NGO co-financing scheme	238
3.5	The commercial private sector	238
4.	DEVELOPMENT ASSISTANCE STRATEGY	239
4.1	Official aid strategy	239
4.2	NGO strategies	240
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	240
5.1	Official aid programme, 1994	240
5.2	Distribution of NGO projects	240
5.3	Official co-financing of NGOs	241
6.	FOREST RESEARCH AND TRAINING	241
6.1	Forest research	241
6.2	Higher education and training in forestry	241
7.	PROJECT CYCLE MANAGEMENT	242
8.	PROJECT REVIEWS	242
8.1	Irish Aid programme in Tanzania	242
8.1.1	Gairo Agroforestry and Land-use project (GALUP)	242
8.1.2	Kilosa Environmental Action Plan	243
8.1.3	Tanga Coastal Zone Conservation Programme	243
8.2	Irish Aid programme in Sudan	243
9.	CONCLUSION	243
	REFERENCES	244
	KEY CONTACTS	244
	ACRONYMS	244
	ACKNOWLEDGEMENTS	244

1. DOMESTIC FORESTS AND FORESTRY

The history of Ireland is reflected in the history of its forests. The rural idyll which characterises external perceptions of Ireland belies a land which is one of the most deforested in Europe, and whose deforestation has been, to a significant extent, a manifestly political phenomenon. Ireland, never itself a colonial power, was long a colony of another European nation (Britain). This dependent status, and the injustices and hardships which accompanied it (most notably the Great Famine of 1845–9), have had their influence on Irish attitudes to humanitarian aid. They have contributed to the solidarity which many Irish people feel with the developing world, a solidarity underwritten by Ireland's long history of missionary work and its prominent role in international peacekeeping and humanitarian affairs.

1.1 The history of Irish forests

In Irish folk history, the country was known as '*Fidh-Inis*', the wooded isle. The remains of ancient forests found at great depth in Irish boglands are evidence of widespread and undisturbed forests during early human habitation. The Mesolithic peoples (6000 BC) were hunters and gatherers who concentrated seasonally around forest edges, lake-shores and the coasts. Forests in the lowlands were dominated by oak, ash, elm and yew associations, with widespread hazel. Willow, birch and alder forests were found in the wetter sites while pine was found on the higher ground.

Three thousand years later, the Neolithic agriculturalists arrived from the northern regions. These were cultivators and pastoralists who rapidly cleared the land for tillage (mainly oats) and for pastures. Hazel, ash, hawthorn and holly were common firewood species. Hazel nuts were also an important part of the human diet, and hazel scrub was maintained as wood pasture (Rackham, 1986).

Bog development was the most important early factor in forest change in Ireland. As the boglands developed, starting about 5,000 years ago, species dominance shifted. Large areas of forests comprising oak, birch, ash, alder, yew and pine were colonised by bogs. Hazel became widespread, and formerly abundant species, such as elm and Scots pine, declined rapidly under human influence.

1.1.1 Ancient laws of land and woodland

The Brehon Laws, dating back to the seventh century AD, are the oldest known land laws in Ireland. Under Brehon law, there was no concept of private ownership or land transfer. The dominant concept was of land use, and with the right of use came certain obligations. Penalties could be imposed for poor management of trees, and tree listings and classifications were included in the Brehon Laws. The ancient population, the Celts, treated woodlands as commons, held jointly by the members of a tribe. Early management systems may have existed for species such as hazel coppice (used for wattle) and hazel and elm woodlands for wood pasture.

1.1.2 The Norman influence

The invading Norsemen (eighth–eleventh centuries) and later the Normans and Anglo-Normans (from 1169)

abandoned traditional land and timber laws and introduced the concepts of possession and dispossession of land. Leasing and sub-leasing of land were introduced. The Normans contributed substantially to forest decline, with large-scale forest clearances from 1200 AD, mainly in the most fertile areas (O'Carroll, 1987). Clearing for year-round grazing was widespread, and felling for fuel and construction placed heavy pressure on the woodlands. A trade in the export of Irish oak emerged by the late fourteenth century, and continued for 300 years and more (McCracken, 1977).

1.1.3 Forest exploitation, 1500–1800

The English Tudor dynasty (1485–1603) adopted a policy of conquest in Ireland, confiscating Irish lands and transferring them to English settlers. Ireland's forests acted as refuges for both the Irish and the Tudor armies. In the late sixteenth century, Queen Elizabeth I of England ordered the destruction of Irish forests and woodlands, as a means of gaining greater control over the territory. Timber exploitation was encouraged, and this gave a boost to the English shipbuilding industry.

At the start of the seventeenth century, 12.5% of the country was forested. Two hundred years later, the cover was less than 2% (McCracken, 1977). There were three main causes of this deforestation. The first was the high domestic demand for wood, wood products and fertile arable and grazing land, as new settlers arrived from England and Scotland, and new towns and villages appeared. The second factor was the growing export trade in Irish timber, mainly oak. And thirdly, industrial development was also a voracious consumer of wood. From the sixteenth century, industries such as iron-smelting and glass-making were heavy users of charcoal. One ton of iron required 2.5 tons of charcoal – the equivalent of roughly an acre of 5-year old oak coppice (Neeson, 1991). Industrial growth in Britain and Europe also created a demand for other export products, many of them dependent on wood or wood products (casks for transport, bark for tanning skins, etc.).

As the Irish forests declined, imports of timber increased. By the late 18th century almost all of the country's need for softwoods was coming from Norway and Russia (at this time, Ireland had no softwood supply of its own), and from the mid 18th century, it was also importing quantities of ash, beech and oak from England, and mahogany and ebony from Central America and West Africa.

1.1.4 Estate afforestation, 1700–1800

The Dublin Society (later the Royal Dublin Society) was formed in 1731, and in 1741 introduced a premium scheme for afforestation which lasted for forty years. Its beneficiaries were mainly large landowners who, experiencing new-found security of ownership, began to invest in the development of their properties (Neeson, 1991). Regular planting premiums were introduced in 1765 for the planting of oak, ash, elm and pine, and in 1783, these were increased for enclosed plantations of not less than 10 acres, supporting 2,000 trees or more per acre. Other planting schemes were introduced over the next two decades. In the period 1766–1806, an estimated 25 million trees were planted, largely as a result of the Society's efforts.

1.1.5 The Act of Union and 'absenteeism'

With the Act of Union in 1800, the United Kingdom of Britain and Ireland came into being. As London replaced Dublin as the capital of Ireland, so was there a rise in the distinctive Irish phenomenon of the 'absentee landlord'. Rents were increased to support the landlords' extravagant lifestyles, and years of harsh living for the Irish tenant farmers ensued, characterised by evictions, insecurity and food shortages (O'Brien, 1977). The independence movement grew in the countryside, fuelled by tenurial insecurities and land repossession.

Around this time attitudes to tree species selection began to change. Interest in conifers as a quick-growing and cheaply-maintained alternative to the oak grew steadily, aided by a shift in demand, as iron ships began to replace the traditional oak-built vessels. This period was a watershed not only for the oak but for the character of natural woodland in Ireland. The demise of the oak stimulated a fresh approach to the denuded landscape. Scientific interest was nurtured in exotics such as Douglas fir and Sitka spruce from the Americas, which thrived on difficult acid soils. Plans were stalled, however, as climatic and social conditions in the 1840s led to a national potato blight and a five-year period of great deprivation and suffering.

1.1.6 The Irish Famine, 1845–9

The Great Famine resulted in the death of almost one million people from hunger and disease, and led to the start of a movement of mass emigration of 2 million people, mainly to Canada and the United States (Kee, 1981). In the short term, the decline in the country's population, from 8 million in 1841 to 6 million in 1851, changed the national population structure, and substantially reduced the number of small tenant family members dependent on subsistence farming.

1.1.7 Movement for Land and Social Reform

A national Irish movement in an organised sense had its beginnings in 1793. The common perception among many Irish people was that trees represented a tangible sign of land dispossession. Decades of persecution resulted in a strong focus on land and land rights by the majority of the Irish population who were predominantly tenants with little security of tenure.

The Famine years provided a stimulus to political solidarity at home and led, ultimately, to increased access to external financial support from the emigrant community. The land agitation movement grew in strength from 1879 onwards, and secret agrarian societies transformed themselves into an efficient and organised Land League. The Land Acts of 1881 and 1885 met some of the demands of the Land League by giving tenants fairer rents, guaranteed tenure and free sale, with compensation for land improvements made during tenancies. Substantial transfer of ownership followed the Land Purchase Act of 1903. This required landlords to sell to tenants if 75% of them were willing to purchase, and credit for purchases was made available by the state. In the period 1903–1920, 9 million ha changed hands. By 1917, a true Irish farmer class had emerged, and two-thirds of all farmers owned their own land.

1.1.8 Land transfer and its impact on forestry

While the passage of the 1903 Act was a welcome move in terms of land and social reform, its effects on forestry were less positive. Under the new law, landowners were unable to retain ownership of the trees on any land they were forced to sell. Though a woodland preservation scheme was introduced, this was severely underfunded. Landowners, realising that they had little chance of adequate compensation, destroyed large acreages of private woodland and sold the timber to the sawmillers. In effect, landlords sold their former woodlands as purely agricultural land.

The ex-tenants who became the new owners likewise had little incentive to preserve their trees. Many of them needed quick revenue and income from annual crops. Almost three-quarters of the sawmills which existed in 1907 came into being in the aftermath of the Land Acts of 1881 and 1903.

1.2 The development of Irish forestry

1.2.1 Towards a national forest policy

In 1907, a Departmental Committee on Forestry was established whose report, in 1908, laid some of the foundations for an Irish forest policy. The area under woodland in Ireland was estimated to be roughly 1.5% of the total and was shrinking, with only 400 acres planted annually. The Committee's main concern was that once land passed to tenant farmers, it was irretrievably lost to afforestation. It strongly recommended that the government assume responsibility for the acquisition of land for forestry development. The 1908 report envisaged roles for both state and private ownership in forestry development. Links were established with both Germany and France, and there was strong interest in scientific forestry.

With the creation of the Irish Free State in 1921, forestry was assigned to the Department of Lands and Agriculture. A modest programme of government afforestation was undertaken, with plantings growing from 200 ha in 1922 to 1,600 ha by 1933. Private woodlands continued to be neglected, however, with uncertainties as to the future of the timber export trade to the British market, and many reverted to grazing land. The new government recognised afforestation as a priority and encouraged a programme of replanting. The types of land available to afforestation were mainly marginal for agriculture. The principal species planted during the early years of the Free State were Scots pine, European larch and Norway spruce. The Forestry Act of 1928 sought to limit felling on private lands, and a planting subsidy was introduced.

During the Second World War, firewood demands increased as coal imports were restricted. Despite delays in seed supply from North America, 2,000 ha were planted annually throughout the war. By 1948, the long-term strategy of the government included a planting target of 10,000 ha over a 40-year period, in order to secure the country's softwood supplies. With developments in deep ploughing techniques, afforestation on the western peats began in the early 1950s. Two species, Lodgepole pine and Sitka spruce were planted on these peats and exhibited fast growth and high increment. By the year 1959–60, the annual planting target was achieved.

Economics came to feature strongly in Irish forest policy from the late 1950s. The need for efficiency was stressed in the 5-year Economic Expansion Programme of 1958. Maximum economic returns (rather than maximum wood production) were to be the goal. State forest lands increased substantially from the 1950s onwards; by contrast, private forest enterprise among small farmers was negligible. By the 1970s, the forest industry was severely affected by the international oil crisis, and falling prices coupled with rising production costs led to a recession in the industry. In 1973, Ireland became a member of the European Economic Community. Land prices rose sharply, and this affected the acquisition of land for forestry.

1.2.2 The growth in the private forest sector

When Ireland joined the European Community in 1973, the total forest area under private ownership was 81,963 ha (Purcell, 1979). By 1994, the area was 127,000 ha, 24% of the total forested area (COFORD, 1994). One of the major factors contributing to this expansion was the changing economic situation for 'conventional' agriculture. Surpluses, high market support costs and a decline in world demand all indicated poor prospects for traditional agricultural products and encouraged growing out-migration from the rural areas. Ireland benefited from the structural funds available to less developed areas of the European Community. Diversification was established as a rural development strategy, and the importance of forestry in rural wealth creation was recognised in Irish development plans (FOP, 1994).

At farm level, the major incentive to tree planting was provided by the guarantee of regular income in the short term, rather than the prospect of high future returns. Response had been poor under the first EC-assisted scheme, the Western Package Scheme, which covered only establishment costs (and almost half of the beneficiaries were investment companies rather than farmers). But private plantings improved dramatically with the introduction of increased grant levels and a compensatory allowance in 1987, as well as three new schemes which widened the eligibility of planters and the areas covered, and guaranteed income from plantation establishment for up to 15–20 years. Additional schemes were introduced in the early 1990s. These included grants for woodland improvement and reconstitution, assistance for co-operatives, and a forestry partnership scheme in which ownership of land is retained by the farmer but planted by the State Forestry Board, Coillte. Income received from all these schemes is tax-free.

The overall investment in private forestry since 1982 has amounted to IR£80 m. (of which IR£56 m. was from European Community financial assistance). In the decade to 1993, the area of private planting was 110,820 ha, 44% of which were covered by EC and Irish Government schemes. Investment companies dominated the planting programme in the period 1982–8, but these have gradually given way to private farmers, and by 1993 75% of all plantings fell into the latter category. Co-operative bodies have played an increasing role in the past decade. This is a new development; unlike many other European countries, Ireland lacks a history of co-operative forestry.

1.2.3 Irish forestry today

The forest sector in present-day Ireland comprises an expanding state and private sector with a combined forest area of 570,000 ha, 8% of the land area. This represents an eight-fold increase since the turn of the century. Ireland is still, however, the least forested country in the European Union. Coillte owns 390,000 ha (68%) while the remaining 180,000 ha are under private ownership. Ireland has the second largest proportion of forest in public ownership in Europe, surpassed only by Greece. It also has the highest per capita afforestation rate in Europe, with annual planting exceeding 20,000 ha. In recent years, over 60% of total afforestation has been in the private sector, with farmer plantings accounting for 85%.

Sawmilling capacity and technology have also expanded progressively in the last decade. Total wood production is currently 2.4 million m³ per annum. It is expected that, within 10 years, the wood processing industry will become one of the most important Irish industries.

1.3 The institutional framework of forestry in Ireland

Responsibility for forestry development now lies with the Irish Forest Service, under the Department of Marine and Natural Resources. The Department's responsibilities include national forest strategy, the development of private and public forestry, forest protection, support for research in forestry, multiple-use forestry and relations with the European Commission. The Forest Service is the forest authority in Ireland, and is the main body in the Department dealing with international forest conventions and agreements. It handles relations with the International Tropical Timber Organisation, and represents the government on the Intergovernmental Panel on Forests of the UN Commission for Sustainable Development.

2. HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY

2.1 The tropical timber trade

Never having been a colonial power or a major trading nation, Ireland has had little historical involvement with tropical forestry, except through the timber import trade. Imports of tropical hardwoods amounted to 70,000 tonnes in 1994, valued at £37 m., mainly from Ghana and Côte d'Ivoire.

2.2 The Irish missionary presence in the tropics

The strength of Irish missionary organisations (mainly Catholic, but not exclusively so) has been a long-term feature of Irish social and cultural life, and has provided the main means for its involvement in developing countries. The Irish missionary presence has been an entry point for both Irish bilateral and non-governmental organisations, and helps explain the geographical profile of much of Irish official and non-governmental aid (see section 3).

While education and health have been key sectors for development work by missionaries, forestry, agroforestry and agriculture have also figured to some degree. This is particularly the case in Africa (countries such as Kenya, Tanzania, Uganda, Zambia, Zimbabwe and Ghana). In South America, NGO-supported missionary work in the tropical forestry sector (in Brazil, Chile and Paraguay) represents the major Irish government funding to the sector on the continent (see section 4.2).

3. STRUCTURE OF DEVELOPMENT ASSISTANCE

3.1 Development Assistance Commitment

Until the 1990s, Irish overseas development assistance (oda) was small in volume and declining; the oda/GNP ratio fell from 0.28% in 1986 to 0.16% in 1991 and 1992. Almost two-thirds of the aid programme was taken up by contributions to the multilateral agencies, including the World Bank and the European Community. The appointment of a coalition government in 1993, and pressure from the junior partner, the Labour Party, to increase social expenditure, led to a pledge to increase Ireland's oda to 0.2% of GNP in that year, and by 0.05% thereafter, in support of a movement towards the UN target of 0.7% of GNP ('Programme for a Partnership Government', 1993-7). One result has been a steady increase in the bilateral programme (by 60% per annum).

In absolute terms, however, the Irish official aid programme remains small. In 1995, total multilateral and bilateral expenditure stood at only IR£106 m. (0.29% of GNP). There is no provision for programme

(budgetary) support to partner countries. Irish oda is in the form of grants and is not tied to procurement of goods and services from Ireland (OECD, 1995).

Aid expenditure for 1993 and 1994, broken down by sector, is indicated in Table 1.

3.2 Organisation of the aid programme

3.2.1 Irish Aid¹

Irish Aid is the name of the official development service of the Irish Government. Irish Aid is administered by the Development Co-operation Division (DCD) of the Department of Foreign Affairs (DFA), headed by an Assistant Secretary under a Minister of State with responsibility for overseas development co-operation. There are three sections within the DCD, 'Bilateral I', 'Bilateral II' and 'Multilateral Aid', each headed by a Counsellor.

The Bilateral Aid section has four First Secretaries – effectively Desk Officers – each with responsibility for a different group of countries. The four groupings are:

- Lesotho, Mozambique and South Africa
- Sudan, Ethiopia and Uganda
- Tanzania, Zambia and Zimbabwe
- Other partner countries, including Cambodia, Rwanda, Somalia and the former Yugoslavia.

There are seven 'priority countries': Ethiopia, Lesotho, South Africa, Tanzania, Uganda, Zambia and (since 1996) Mozambique.

Matters relating to emergencies and NGO co-financing are dealt with by the relevant Desk Officer. The Division has an Evaluation and Audit Unit, the staff of which formerly included a Rural Development and Natural Resources Adviser whose responsibilities covered tropical forestry. However, the officer in question was reposted in 1996, and was not replaced. Development Co-operation Offices (DCOs) in the priority countries are staffed by a First Secretary and by national personnel. Programme Officers deal with in-country support in each DCO.

There are two First Secretaries in the Multilateral section in Dublin, responsible, respectively, for EU and UN matters.

Funding of Irish Aid derives from two sources: a 'Central Fund', under the Department of Finance, which covers the EU Budget and the World Bank; and the 'Departmental Votes'. The Vote for International Co-operation is administered by the DFA and includes contributions to the European Development Fund (EDF), the UN General Budget, the Bilateral Aid Fund, the Irish Volunteer Programme – the Agency for Personal Service Overseas (APSO), other development organisations and emergency relief. The Vote for Agriculture includes the Irish contributions to the EU's quota for the Food Aid Convention, the World Food Programme and FAO. Many of the contributions to international organisations are mandatory, the exceptions being the Votes for Agriculture, Finance and Foreign Affairs.

Table 1: Distribution of Ireland's oda, 1993-4 (IR£ m.)

	1993	1994
A. Administration	1.1	1.4
B. European Union	17.9	25.1
<i>of which:</i>		
EU Budget (Development Cooperation)	10.9	17.2
European Development Fund	7.0	7.9
C. United Nations and World Bank	8.9	10.6
D. Bilateral Assistance	26.8	38.1
<i>of which:</i>		
Bilateral Aid Programme	16.8	24.7
APSO	4.7	7.0
Emergency Humanitarian Assistance	4.5	5.8
Refugees	0.8	0.6
Total:	54.7	75.2
<i>Total as a % of GNP</i>	<i>0.20</i>	<i>0.24</i>
	[GNP: £27.5bn.]	[GNP: £30.95bn.]

(Source: Irish Aid, 1994)

1. Following the change of government in 1997, the Irish Aid programme is being reorganised. The following section takes account of the changes up to July, 1997, though further changes are expected later in the year.

An *Inter-departmental Committee* (IDC) coordinates the aid efforts of the various departments, and includes representatives of the Finance and Foreign Affairs Ministries.

The *Irish Aid Advisory Committee* (IAAC) was established by the Department of Foreign Affairs in 1993. This is an independent body whose brief is to advise the government on matters of policy, aid strategy and the effective delivery of aid. It also commissions research on issues of relevance to the Aid Programme and, where appropriate, arranges for publication of research findings. There are no forestry professionals on this Committee at present, although it does have NGO members with experience of tropical forestry development work.

The IAAC initiates projects on specific topics of relevance to Irish aid. Each of these is directed by a Steering Committee comprising members of the IAAC and external appointees with appropriate experience. A report is submitted by each Steering Committee, and is often presented for discussion at a public meeting before being sent on to the Minister along with the Committee view. Each year, the IAAC organises a National Forum on a current topic of development aid, which provides an opportunity for dialogue and exchange between the government and the NGO sector.

3.2.2 The Agency for Personal Service Overseas (APSO)

APSO is a government agency established in 1973, the primary mission of which is the transfer of skills to developing countries by qualified Irish people, usually on two-year assignments. It also has a number of other functions, including co-funding of Irish personnel working overseas for other agencies (particularly Irish and international NGOs); staff training; maintaining a resource centre to support development organisations and workers, including consultants, overseas students, etc.; and educational grants for returning volunteers. It also acts as the Irish agent for United Nations Volunteers (UNV) and the European Volunteers for Development (EVD).

In 1995, APSO made 1,226 placements overseas, 43 of which were in agriculture and forestry. Almost all the Irish Aid or NGO personnel working in forestry projects have participated in APSO training. Funding for post-graduate research has included a study of pastoral agroecosystems in Kenya (1985) and Miombo woodland ecology in Tanzania (1989).

APSO, in collaboration with the Department of Crop Science, Horticulture and Forestry of University College, Dublin (UCD), has been responsible for two initiatives in recent years with regard to tropical forestry. In 1990, it organised and funded a study tour of forestry projects to Lesotho and Zimbabwe for final-year undergraduate students at UCD. And in 1993, it facilitated a study visit organised by UCD to the International Council for Research into Agroforestry (ICRAF) in Kenya.

3.2.3 Higher Education Development Authority (HEDCO)

This was founded in the late 1970s within third-level

colleges and universities to coordinate their role in overseas development co-operation. HEDCO has been involved in coordinating a number of multilateral projects and has managed some co-financed projects on behalf of the World Bank and its associated Economic Development Institute. In addition, it manages a number of projects for the bilateral programme, for which it is paid management fees. It has an advisory capacity in the placement of overseas fellows at Irish third-level colleges. For example, in 1994, two overseas students, from Ethiopia and Lesotho, were studying for an MSc in Forestry at UCD, under the Bilateral Fellowship Programme. Eight other students were on parallel courses in other rural development fields.

HEDCO also works in development education in Ireland.

State Agencies Development Co-operation Division (DEVCO)

This was established in 1975, with a view to promoting aid in areas appropriate to the Irish 'pool of expertise and competence'. Irish expertise has suffered from a very low participation rate in the management of bilateral programmes (only 2-7%). The strategy of DEVCO is to focus on long-term development, and on sectors whose potential is under-utilised. This latter category includes forestry. Two new commercial units have been established, one of which promotes the export of services by the agriculture and forest sector.

3.3 Personnel

Since 1996, there has been no professional officer at headquarters level responsible for natural resource management and forestry. The appointment of rural development specialists (rather than career diplomats) as Programme Officers to some of the Development Co-operation Offices (DCOs) in priority countries is a relatively new development, which indicates the government's concern to professionalise its aid delivery at field level (see section 4.1, with reference to the case of Ethiopia).

3.4 The NGO sector

The NGO sector has long been, and remains, a significant conduit for the management of both Irish and EU funds to tropical forestry and related fields. In overall terms, NGO expenditure exceeds that of the Bilateral Aid Programme (BAP). In 1990, the figure was almost twice that of the BAP, at IR£25 m. Roughly half of this comes from co-financing by the EU, bilateral donors and other international agencies, and the rest from private donations. In the region of 60% of expenditure is accounted for by two NGOs, Concern and *Trocaire* (Gaelic for 'mercy'). The other major Irish NGOs include *Gorta* ('hunger' or 'want'), Goal, Self-Help Development International (SHDI) and the Irish Foundation for Co-operative Development (IFCD). The Irish NGOs are formed into a confederation known as DOCHAS (formerly, CONGOOD).

Geographically, Irish NGO programmes are found in Africa, Asia and South America. On a regional basis, sub-Saharan Africa is the priority area, although there has been an increasing volume of support in recent years in South-east Asia, particularly Cambodia, Laos and

Bangladesh, from agencies such as Concern and Trocaire.

Some of the principal Irish-based NGOs are briefly reviewed below:

CONCERN (officially, 'CONCERN-Worldwide') is a 'voluntary non-governmental organisation devoted to the relief, assistance and advancement of peoples in need in less developed areas of the world. It seeks to concentrate on the poorest people in its countries of operation and seeks also to engage the peoples of both donor and recipient countries more fully in the practical struggle against poverty and injustice in the world'. Its origins were in the Nigerian Civil War (1966–70), when a request for assistance was made by the Holy Ghost Missionaries working in the area of Biafra. It has since built up an international reputation for its speedy and professional response in emergency and relief work.

Trocaire, the Catholic Agency for World Development, was established by the Bishops of Ireland in 1973 to 'express the concern of the Irish Church for the needs and problems of the developing countries and the issue of justice involved'. The agency has two main aims: 'to help those in need in developing countries and to make Irish people more aware of those needs and our duty in justice towards them'. The key values of Christian social teaching inspire its work: 'respect for human dignity; freedom from injustice and poverty; active promotion of equity and equality . . . ; participation of all in the work of justice and development; . . . justice as the basis of all actions' (Trocaire, 1993). Though its main emphasis is on long-term development, it has played a major role in humanitarian crises in countries such as Somalia and Rwanda. Except in emergencies, Trocaire is not an operational NGO but works in collaboration with overseas partners (usually other NGOs or community groups); in emergencies it also works with host governments. It is also involved in public education and lobbying on development issues in Ireland.

Self-Help Development International (SHDI) was established in 1984 in response to the Ethiopian famine, and relief and prevention of famine were central to its original aims. Its Board includes representatives of the Irish Farmers' Association, the Irish Countrywomen's Association, *Macra na Feirme* (young farmers' organisation), *Teagasc* (the agricultural advisory service) and other prominent rural associations and groups. Self-help through development is the overall aim of the agency. Its approach involves setting up a tripartite co-operation between the local farming community in the host country, the relevant agricultural authorities and the agency staff (who are all nationals of the host country). Elected committees represent the local farmers. Farmers identify their own problems and the agency focuses on addressing the issues they have raised.

Gorta was established by the Department of Agriculture in 1965 as a permanent body born of the FAO-linked Irish Freedom from Hunger Campaign. Gorta was Ireland's first non-denominational development agency, specifically established to channel Irish goodwill money to the developing countries. It has fund-raising committees in every county, and is the Irish sponsor of the annual FAO-sponsored World Food Day.

Gorta provides only long-term assistance through small projects; unlike most Irish NGOs, it is not

involved in relief and emergency aid. It focuses on agriculture and food-related projects, following a philosophy of prevention of famine and food shortage through small-scale projects aiming at self-sufficiency and self-reliance. It mainly works with missionary groups and finances materials, equipment, infrastructure (nurseries, training centres, bridges, etc.) and educational programmes. At present, there is only one expatriate working for Gorta in the developing world; skilled national staff are employed where necessary, although reliance is placed on existing government personnel wherever possible.

3.4.1 NGO co-financing scheme

This is a scheme by which the Irish Government co-finances NGO projects. At present most of the funds allocated under the scheme support small-scale, one-off development projects of a type in which the BAP would not normally be involved. The limit of co-financing is normally 75% of the cost of the project up to a maximum of IR£100,000, but most grants are much smaller than the ceiling amount. The scheme has traditionally been oriented towards the social sectors, but includes rural development and community forestry. It favours projects with a 'basic needs' approach, with long-term sustainability (rather than, say, emergency relief). The scheme is mainly directed at projects proposed by Irish or Irish-linked NGOs, but will also consider applications from developing country and other NGOs 'if they are exceptionally worthwhile' (DFA, 1995).

The scheme is managed by an NGO Co-financing Committee, chaired by the Counsellor for Bilateral Aid-I in the DFA, and with a membership drawn from Irish Aid, APSO and IAAC. NGOs have no representation, though dialogue is maintained through a National Forum on Development Aid and other means. The Committee meets quarterly. Two months advance notice is normally required of NGOs seeking to make an application for funds.

Block grants. Since 1994, a block grant scheme has been available to a 'small number of NGOs which have demonstrated a significant track record in development projects and involvement in the Official Aid Programme' (DFA, 1995). At present four NGOs receive DFA block grants. These are CONCERN, Trocaire, Goal and Christian Aid; the first two are implementing forestry projects under the scheme. The change towards the allocation of block grants has been interpreted by some observers as a welcome move towards programme funding and away from a project-by-project approach.

An evaluation of the NGO Co-financing Scheme was carried out by DFA in 1996. It is likely that multi-annual funding will become available under the Scheme in the future.

3.5 The commercial private sector

There is a small number of commercial companies, either public sector with a profit orientation or private sector. Coillte is representative of the former type, and EDC of the latter.

Coillte Teoranta, the Irish Forestry Board, was reconstituted as a limited company under the Forestry Act of 1988, and began operations in 1989, the shareholders being the Minister for Finance and the Minister for

Agriculture, Food and Forestry (both acting *ex-officio*). Coillte's long-term goal is to ensure that an internationally competitive timber processing industry is developed in Ireland.

Coillte's commercial involvement in tropical forestry has developed only recently, mainly through tendering for World Bank consultancies. Through its association with the former International Development Ireland Ltd (IDI), it has become involved in projects in Kenya, Fiji and Tanzania. Coillte provides expertise, through staff secondments with Irish Aid, to the Government of South Africa, as well as to some of the states of Eastern Europe, and has previously provided technical assistance to Tanzania. In Kenya, it provides silvicultural, management, engineering, procurement and harvesting expertise to the Institutional Strengthening Plantation Management Project, a US \$80 m. project funded by the World Bank.

Environmental Development Consultants Ltd (EDC) is an Irish-based international consulting company, which provides services in project management and training in the environment and development sectors. Its clients include the European Commission, the World Bank and Irish Aid.

4. DEVELOPMENT ASSISTANCE STRATEGY

4.1 Official aid strategy

The challenge for the official Irish aid programme has been to deploy what are, in absolute terms, small amounts of money to good effect in an international arena dominated by much larger states and agencies, with much more substantial resources and influence.

The principal instrument for aid delivery is now the bilateral programme. In recent years, this has seen a shift from a policy focus on 'hi-tech', relatively sophisticated, intensive programmes, heavily dependent on Irish technical assistance and mainly provided by consulting firms (for example, dairying and road-building schemes), to a less intensive approach, focused on the social sectors and livelihoods issues, and integrated with local management systems in the partner countries. Relief work represents a focal area in Ireland, whose importance can be attributed to the country's long traditions of missionary work and of social concern, its small independent status, and its influential roles in international emergencies and policing activities. Relief work is increasingly seen as part of a long-term commitment and strategy, leading from relief to rehabilitation and thence to sustained development.

Irish NGOs form an important national constituency, and currently receive IR£11.5 m. from the official aid programme (more than 10% of the total aid volume). Ireland also funds development work directly through the bilateral programme, on a government-to-government basis, work which is managed by the overseas embassies.

The official programme has many of the characteristics of a quasi-NGO: relatively unconstrained by national commercial constituencies; relatively small commitments of funds at project level; a broad area focus (particularly unusual for a bilateral donor); and a

high degree of flexibility in management. Paradoxically, this flexibility is seen as a major reason for the continuation of the official bilateral aid programme, rather than (as would be feasible, given the low volume) its re-routing through the NGOs. As NGOs become more constrained by the conditions imposed on their operations internationally, so, it is argued, is room created for a small government programme able to operate in an adaptable and responsive way.

Given the relatively small amounts of money available to Ireland's developing country partners (the largest programme, Ethiopia, receives less than IR£7 m. per annum from Irish Aid), the accent is firmly placed on an area-based approach. Except in one instance (Lesotho), this is seen as offering the most effective use of low aid volume in the context of a participatory philosophy.² The Ethiopia programme involves two area-based projects, both entirely integrated into national structures, with no expatriate technical assistance. The programme is supported by two Irish Programme Officers based in the Embassy, and by a small number of technical specialists (all Ethiopian).

Forestry is not – *qua* forestry – a major programme focus for Irish official aid, and there are no earmarked sectoral funds. It has been found difficult to give priority to forestry in small area-based programmes with low expenditure, and shortage of technical staff also limits the potential for forestry development.³

Nevertheless, forestry does enter into the programme as an important sub-component, albeit without firm financial targets or sectoral commitments. Forestry represents approximately a third of all expenditure in a small programme in Sudan (see section 8.2). In Ethiopia, conservation issues (including forestry and reforestation) are important components of the programme in Tigray, less so in the second project area, Sidama. Forestry is a small but increasing component of the Tanzania programme, in relation to work in social forestry (see section 8.1).

In terms of multilateral aid, forestry expenditure is represented by funding to the CGIAR centres (c. IR£500,000 in all, of which IR£100,000 is given to ICRAF). Doubts have been expressed in some quarters as to the effectiveness of such small contributions to the international research agencies, given the other demands upon Irish Aid.

The 1996 IAAC report, '*Irish Aid involvement in Sustainable Agriculture, Rural Development and Food Security*', had considerable relevance to the tropical forestry sector. This placed tropical forestry and agroforestry within the context of sustainable agriculture. It argued that 'the emphasis in forestry development should be on a *livelihood* approach, rather than a

2. The Lesotho programme covers a range of activities, often relatively narrow and focused, in a variety of sectors, including rural water supply, bridge-building, roads, technical education, health screening and disease control. Work was completed in 1994 on construction of a National Environment Centre at Masianokeng, to serve as a base for environmental educational activities.
3. As one indication of the small size of the labour pool: the recent recruitment by Coillte of 7 forestry experts for work in Kenya is said to have virtually cleared the pool of available, uncommitted forestry expertise in the country, at least temporarily.

narrow commercial approach'. In relation to development, the report used a series of case studies (none of them Irish Aid-funded) to emphasise:

- the inadvisability of nationalising forest land without due consideration of issues of community involvement and forest rights (India);
- the need for appropriate research and development support in relation to traditional agroforestry systems, such as the miombo *chitemene* systems (Zambia);
- the weakening of village land tenure systems and rights through the creation of State Forest Reserves, and the irrelevance of plantation forestry approaches to many community-level needs for forest products (Lesotho).

4.2 NGO strategies

The traditional preoccupation of Irish NGOs with emergency relief work, and the expertise which the country has developed in this field, have implications for forestry strategy. By and large, Irish NGOs are most active in drylands areas of Africa (Ethiopia, Sudan) and other areas with marginal and fragile environments (Rwanda, parts of Tanzania, Lesotho). Development programmes have tended to emerge out of emergency relief work, and have figured either as a short-term strategy to secure the basic needs of vulnerable populations (often, in the initial stages, as food-for-work schemes) or as part of a longer-term process to reconstitute the assets of the poor. In several projects, forestry and reforestation activities have been undertaken in support of these strategies.

Some of the CONCERN projects provide 'classic' examples of the ways in which famine relief provides an entry point for long-term work. The 'dual nature' of these programmes (short-term relief and longer-term development) has implications for their management, the accent being on a fairly broad, area development approach. The primary beneficiaries are the 'poorest of the poor' (now tending to be replaced in agency thinking by the 'absolute poor').

In recent years, Trocaire has focused increasingly on issues of entitlements and tenure in its development work. Its 1996 *Guiding Principles for Overseas Programmes* notes:

The importance of forests and trees in protecting the environment, providing food and fuel and precious genetic resources is now widely recognised. However the destruction of forests, mainly through unhindered commercial exploitation and population pressure continues unchecked in much of the developing world. It is the poor and marginalised who suffer the most from loss of forest cover, both in terms of fuel and food resources and environmental damage. The issue is closely bound up with entitlements to the forests which [are] rarely recognised by governments [with regard] to those who live there. Often these are minority groups of indigenous peoples who have no voice in the existing power structures. Efforts to combat deforestation supported by NGOs link an awareness-raising approach on environmental and justice issues with management approaches to ensure sustainable exploitation of the forest resources.

Reforestation in rural areas is approached on a community basis which tries to find ways to encourage planting and protection of useful species by individual farmers. (Trocaire, 1996)

Gorta's policy of concentration on small projects, long-term (rather than relief and emergency) assistance, and support for established partners, particularly missionary groups, leads to a rather different profile from NGOs such as the two discussed above. In the forestry sector, investments have tended to be on single-theme projects in limited areas: tree and agricultural nurseries (19 out of 28 projects), community plantations (2/28 projects), reforestation (3/28) and agroforestry (4/28). This agency seeks to 'fill à gap', as many international agencies are no longer involved in development projects which operate on small budgets. Small projects are viewed by Gorta as easier to manage, with lower overhead costs and greater effectiveness in aid delivery.

5. REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

The overall distribution of tropical forestry projects funded by official and NGO sources in Ireland, in the period 1984–96, is indicated in Table 2.

5.1 Official aid programme, 1994

Regional and thematic distribution of the official aid programme for 1994 is shown in Table 3.

Expenditure on forestry projects is not indicated in the Official Aid Statistics, except by reference to the project title. Thus, the 'Community Forestry' Project in Sudan accounted for IR£182,157 of the Sudan total (37%); 'Gairo Agroforestry Project' and 'Tanga Conservation', respectively, IR£114,040 and IR£289,984 (4% and 9.5%) of the Tanzania total; and Tigray Reconstruction, IR£254,143 (19%) of the Ethiopia total. It is likely, however, that significant forestry expenditures have been made within other projects, though there is no clear indication of forestry relevance in their titles.

5.2 Distribution of NGO projects

Among the NGOs, CONCERN provides the most substantial support to tropical forestry. Since 1984, a total of 13 forestry projects have been implemented in Africa and Asia with co-financing from the DFA, EU, the UK DFID (ex-ODA), Comic Relief and internal sources. Projects are usually operational, fairly large in size and (by NGO standards) of relatively long duration. The African-based projects have the longest histories. With the exception of the Tanzanian projects, early involvement in the sector in Africa was set against a background of successive food shortages, famine and, in some instances, regional conflict. Five projects are currently under way in forestry, to a total value of IR£2,887,725 (mean expenditure per project IR£481,286). These cover objectives such as:

- increasing the availability and accessibility of

fuelwood and wood products to target families, and promoting sustainable land-use practices (2 projects in Tanzania, begun in 1983 and 1985);

- increasing fuelwood and timber availability, protecting land from soil erosion, and increasing crop production in an environmentally sustainable way (Ethiopia, begun in 1984);
- improving the quality of life of the community by various means, including the promotion of reforestation and soil and water conservation (Ethiopia, begun in 1984);
- improving household food security and income, and improving village level management and control of indigenous forestry resources (2 projects – Cambodia, begun in 1991 and 1992).

Gorta's preference for much smaller initiatives is underlined by the small size of its forestry projects (mean, IR£7,161). A total of IR£200,575 was expended on 28 forestry projects in the period 1988–96, in Africa (Ghana, Kenya, Nigeria, Tanzania, Uganda, Zimbabwe), South America (Brazil, Chile, Honduras, Paraguay), and India. In addition, a total of IR£202,871 was spent in the same period, all in Paraguay, on projects which, while not specifically designated as 'forestry', involved resettlement of farmers in forest areas and thus had implications for the sector (5 projects, mean £40,574).

5.3 Official co-financing of NGOs

Co-financing of NGOs under the Bilateral Aid Programme involves a total of 279 projects to a value of IR£3,978,043 (1994). The mean value per project is IR£14,258. Major conduits for co-financing are missionary organisations (139 out of 279 projects – 50%) and the five main Irish NGOs – CONCERN, Goal, Gorta, SHDI and Trocaire (58 out of 279 projects – 21%). Other NGOs and charities account for most of the remaining projects. Very few of these projects would appear – at least from their titles – to be concerned with forestry matters. Only about 20 projects (7%) have titles which suggest possible forestry components ('integrated rural development', 'beekeeping', etc.), to a total value of IR£454,594. Only two specifically mention forestry or conservation themes; these are the Trocaire El Viejo Reforestation Project in Nicaragua, for which co-financing of IR£10,000 was provided, and the SHDI's Conservation Based Rural Development Project in Shoa, Ethiopia (IR£75,000).

6. FOREST RESEARCH AND TRAINING

6.1 Forest research

COFORD, the National Council for Forest Research and Development, was established by the government in 1993. COFORD coordinates all forest research in Ireland. It aims to stimulate appropriate and cost-effective research to secure long-term industrial viability and optimise social and cultural developments associated with forestry. Supported by EU funds, it engages in international networking and monitors progress to ensure effective transfer of technology. COFORD also

Table 2: Tropical forestry projects, 1984–96:

Region	Irish Aid	NGOs	Coillte	Totals
Africa	9 ^a	28	1	38
Latin America	—	10	—	10
Asia	—	3	—	3
Totals:	9	41	1	51

^a 6 projects initiated since 1994.

Table 3: Official development assistance programme, 1994 – summary of expenditure

Official Aid	Expenditure (IR£)
A. Geographical programmes	
Lesotho	3,185,093
Tanzania	3,054,973
Zambia	3,144,177
Sudan	494,414
Uganda	681,561
Ethiopia	1,310,926
Other Countries	3,424,820
Sub-Total – A	15,295,939
B. Democratisation	486,820
Co-financing with	
Multilateral Agencies	1,155,360
Co-financing with NGOs	3,968,043
Development Education	675,367
Training/Fellowships	622,367
Grants to Organisations & Courses	691,917
Programme Support	1,057,196
Sub-Total – B	8,656,931
Total:^a	23,952,870

(Source: Irish Aid, 1994)

^a Actual expenditure is slightly less than the total commitment of IR£24,705 million as indicated in Table 1.

acts as the 'contact point', and informal forum and facilitator, for governmental and non-governmental bodies with regard to both temperate and tropical forestry.

In 1993, COFORD joined IUFRO, the International Union of Forestry Research Organisations. It was appointed the Irish node for ETFRN (European Tropical Forest Research Network) in the same year, in which capacity it supports the Network's aims to promote the wise and sustainable management and protection of tropical forests and woodlands.

6.2 Higher education and training in forestry

The only forestry expertise at university level in Ireland is provided by the Forestry Section of the Department of Crop Science, Horticulture and Forestry at University

College, Dublin. Tropical forestry is a very minor component of the 4-year undergraduate course, though it is represented at post-graduate research level (MSc and PhD). An informal link arrangement between UCD, the Department of Foreign Affairs and ICRAF in Nairobi has permitted a number of post-graduate research projects to be undertaken in East Africa, with DFA/ICRAF support.

7. PROJECT CYCLE MANAGEMENT

Until recently, there was no formal requirement for *ex-post* evaluation of Irish Aid projects, most of which were of a long-term nature 'with no fixed timetables for completion' (OECD, 1995:27). Projects were (and continue to be) reviewed on a three-yearly cycle by the Evaluation and Audit Unit ('E and A') of the DCD (formerly the Planning and Evaluation Unit). All project reviews are submitted to the Project Appraisal and Evaluation Group (PAEG). This is a sub-committee of the IDC and consists of representatives of the Departments of Agriculture, Finance, Health, Education and Foreign Affairs. It meets regularly and acts as a management committee for the bilateral aid programme. It is also responsible for appraising the major project proposals. Financial approval is through the Department of Finance. The forest sector is not formally represented on this committee.

Outside of the E & A and PAEG procedures, there is no formal appraisal methodology, although consultants may be called on to give advice where necessary. The small size of many Irish aid projects, and their concern with low-specificity areas such as human resource development and capacity building are recognised as posing particular difficulties for project appraisal and evaluation (OECD, 1995:28).

A first attempt at a full country review was undertaken in 1994, with a joint Irish/Basotho review of the Lesotho Programme, accompanied by four in-depth project evaluations. Though very brief (only 2 weeks in all), this was felt to be a useful study, and a possible model for programme planning and review exercises elsewhere (OECD, 1995:27).

8. PROJECT REVIEWS

This section reviews two of the longest-established Irish Aid country programmes, in Tanzania and Sudan. The reviews highlight the distinctive character of official Irish development programmes, namely, long-term, flexible funding to broadly-based integrated rural development programmes concentrating resources on well-bounded local administrative units, and increasingly managed by national staff.

8.1 Irish Aid programme in Tanzania

Irish Aid has been working in Tanzania since 1979, initially by providing technical assistance and a capital fund to commercial agriculture (mainly dairy farming) in Kilosa District. More recently, the programme in this district has changed into one of area-based integrated assistance (the 'Kilosa District Rural Development Programme', KDRDP), with five principal components: education, rural transport infrastructure, health, rural economic development and the environment. Total

investments in Kilosa District now run at approximately IR£2 m. per year, 6.4% of which is accounted for by spending in the area of forestry and agroforestry (1994).

Forestry support has developed in a number of ways. From 1982 to 1985, a variety of micro-projects were funded in agriculture, forestry and related areas, in response to requests from interested groups and government departments. These were spread widely across the District and included coconut nurseries; a bull breeding centre (aiming to reduce environmental pressure by improving the quality, but not the quantity, of cattle in the area); viticulture; grain store construction; and fish farming.

After the reinstatement of district councils as a local government institution in 1985, Irish Aid adopted Kilosa District Council as its main partner, with the aim of improving capacity to provide basic needs and sustainable development. A Technical Co-operation Agreement was signed with the Tanzania Government in the same year. The programme is now one of the largest Irish Aid country programmes in volume terms, with expenditure of IR£3.1 m. per annum (1994) and rising, most of this being devoted to work in Kilosa District. In 1985, an Agricultural Adviser was appointed to work with the District Natural Resources, Livestock and Crops Officers. Capital and recurrent costs of the three Departments were covered, in order to enable them to implement a 'basket' of projects, including forestry and agroforestry.

8.1.1 Gairo Agroforestry and Land-use project (GALUP)

GALUP is based in the north-west of Kilosa District. The original project sought to address the problems of declining food yields and the linkages between low food production and environmental degradation. In the proposal, emphasis was given to the need to promote sustainable forms of land use, as well as training in agroforestry and soil and water conservation techniques, for forestry and agriculture personnel. A number of activities were organised around a central nursery and training centre. Re-training of village extension staff focused on combining soil conservation and tree planting with agronomy and livestock husbandry.

Over time, the role of the central nursery has changed, and farmers have begun to produce their own tree seedlings. New components have been added, including village land-use planning (with a strong emphasis on environmental conservation), bee-keeping, zero-grazing of improved cattle varieties, and oxenisation. Animation training for village extension workers has been provided as a means of stimulating demand for nursery and bee-keeping enterprises. Participatory rural appraisal techniques have been used as a diagnostic tool, to investigate the variable adoption of the different technologies on offer. In 1996, Irish Aid began supporting land-use planning at village level, in three of the project villages.

GALUP has a Steering Committee at village level, which includes senior District staff. The project is headed by a Project Manager (a Tanzanian national, and a forester). From 1990 to 1995, there were two expatriate advisers (one seconded from Coillte), but, following the country review in 1995, it was decided to

indigenise the project fully, and there are no longer any Irish advisory staff.

An environmental planning exercise was conducted in 1995, and a one-year environmental project plan drawn up. This committed GALUP to a continuation of its existing activities, plus additional forest gazettement and environmental components outside of the Gairo Division.

8.1.2 Kilosa Environmental Action Plan

Kilosa District suffers from serious environmental problems in all Divisions. The main vegetation type, miombo woodland, has been over-exploited for many years, because of both agricultural expansion and charcoal/fuelwood production. Late-season fires are widespread, some spreading into the adjacent Mikumi National Park (where agricultural encroachment and poaching of game pose additional threats). In 1995, an environmental planning workshop was held in Kilosa, as a first step towards developing a District Environmental Action Plan. Planning objectives were identified for the coming year, and a further planning exercise was scheduled for late 1996.

8.1.3 Tanga Coastal Zone Conservation Programme

This was initiated in 1994, as a joint venture between Irish Aid and IUCN. The project is concerned with sustainable exploitation of natural sources, with a local livelihoods perspective. Community management of marine resources is the main focus, with attention given to mangrove swamp and coral reef rehabilitation and conservation.

Also included in the Tanzania Programme is the *Sokoine Agricultural Extension Training Programme*. This has been running for 10 years, as an institutional link between the Department of Agribusiness, Extension and Rural Development of University College, Dublin, and the Centre for Continuing Education at Sokoine University, Morogoro. This project is establishing links with GALUP regarding the promotion of agroforestry extension methodologies for village-based extension workers.

Building on the success of the KDRDP, a second District in Morogoro Region, Ulanga, was identified for Irish Aid support, and a similar programme began in 1996.

8.2 Irish Aid programme in Sudan

This programme was initiated in 1986, and is the longest-running Irish Aid forestry programme. The main forestry investments have been technical assistance and capital input support to the Forest National Corporation (FNC) in the Gezira Province of the Central State. Aid has been concentrated on Butana Province, an area of low mean annual rainfall (average 250mm., though a record low of only 10mm. was recorded in 1993). The population of the province is estimated at 385,000 persons. Subsistence farming predominates, though many of the men obtain seasonal work on the Gezira irrigation scheme.

In the first phase, from 1986 to 1991, the emphasis was on a community forestry programme, with three levels of activity: individual and homestead planting;

school planting; and compound and village planting.

A conservation-based approach was used, promoting tree-planting for fuel and poles, shelter belts, shade trees, and dune stabilization. Seedling production was carried out at two central nurseries and a number of communal nurseries supplying 40 villages in the catchment area. This phase involved both rainfed and irrigated establishments, with heavy emphasis on exotics, such as *Eucalyptus microtheca*, *Casuarina equisetifolia*, *Prosopis chilensis* and *Azadirachta indica*. Local *Acacia* species were also produced, as well as some fruit trees.

In the next phase, 1991–3, support to community forestry continued, and experimental work was undertaken in *Acacia-Balanites* riverine forest reserves. A fuel conservation and improved cooking project was introduced and initial work began in rainfed forest conservation. Planted woodlots were fenced in the early stages and, once a woodlot was established, the fence was moved to another site. Local demand for indigenous species proved very high, not least because of their quicker establishment and better field performance under low rainfall (with indigenous species, the fence could be moved after one season, while the exotics needed fencing for two years or more). In general, demand for indigenous seedlings in Butana exceeded the project supply. Within the fenced area, natural regeneration of grasses and woody vegetation, chiefly *Acacia spp.*, was also found to occur among the planted stock. The project strategy was thus adapted to include direct sowing of indigenous species such as *A.nilotica* and *A.senegal*. The project also contributed to seed harvesting and storage, which benefited users both within and outside the project area.

The project promoted charcoal use and trained women in the manufacture of improved fuelwood stoves. A local artisan was engaged to make charcoal stoves using fired clay and metal liners. Again, demand exceeded supply.

Rehabilitation and conservation of natural forests in rainfed and partially irrigated areas had been priority activities of the FNC for some years. The project supported this work (which was particularly challenging in the rainfed areas, because of the unpredictability of rainfall and the prevalence of wind erosion). The project worked with the FNC in direct sowing of up to 20,000 fedans per year.

Expenditure under the Bilateral Aid Programme amounted to IR£494,414 in 1994, including the forestry programme and other work in primary health care, water supply and microprojects. Though considerably diminished in volume since then (like other donors, Ireland has scaled down its presence in Sudan), the programme retains a small presence in the country on humanitarian grounds, and is directing its efforts to the needs of the poorest sections of the population.

9. CONCLUSION

The Irish aid programme provides one example of the ways in which a small European state with limited resources can seek to use its influence to the benefit of the developing world. Tropical forestry has not been a major sectoral focus for Irish aid, though given its main preoccupations – integrated area-based projects largely

in marginal environments – indigenous drylands forest management has nevertheless figured strongly in programme development. The ‘dual nature’ of the programmes of the main Irish NGOs (relief and rural development), itself a reflection of the strong humanitarian tradition in Irish society, has also led to the growth in knowledge and expertise in tropical drylands forestry.

In recent years, Irish foresters have experienced notable success within the national territory, and institutional changes have figured strongly in the remarkable growth of the Irish forestry industry. To date, this has had little impact on the developing world, save for limited consultancy work in plantations management and forest development. It remains to be seen whether the institutional models which have been applied with such success within the national territory prove to be of value in the rather different economic and social contexts of Ireland’s partners in the developing world.

REFERENCES

- COFORD (1994) *Pathway to Progress: A Programme of Forest Research and Development*, Dublin.
- DFA (1995) *Guidelines: NGO Co-financing Scheme*, Department of Foreign Affairs, Dublin.
- FOP (1994) *Forestry Operations Programme, 1989–93*, Stationery Office, Dublin.
- IAAC (1996) *Irish Aid involvement in Sustainable Agriculture, Rural Development and Food Security*, Dublin.
- Irish Aid (1994) *Ireland’s Official Development Assistance*, Department of Foreign Affairs, Dublin.
- Kee, R. (1981) *Ireland: a history*, Weidenfeld and Nicolson, London.
- McCracken, E. (1977) *The Irish Woods since Tudor Times*, David and Charles, Newton Abbot.
- Neeson, O. (1991) *History of Irish Forestry*, Lilliput Press, Dublin.
- O’Brien, G. (1977) *The Economic History of Ireland in the Eighteenth Century*, Porcupine Press, Philadelphia (reprint of the 1918 ed.).
- O’Carroll, N. (1987) *The Forests of Ireland: history, distribution and silviculture*, Turoe Press, Dublin for the Society of Irish Foresters.
- OECD (1995) *Ireland*, Development Co-operation Review Series, DAC-OECD, Paris.
- Purcell, T.J. (1979) *Inventory of Private Woodlands 1973*, Department of Fisheries and Forestry, Forest and Wildlife Service, Dublin.
- Rackham, O. (1986) *The History of the Countryside*, Dent, London.
- Trocaire (1993) *Strategic Plan for 1993*, Trocaire, Dublin.
- Trocaire (1996) *Guiding Principles for Overseas Programmes*, Trocaire, Dublin.

KEY CONTACTS

Irish Aid
Department of Foreign Affairs,
76–78 Harcourt Street,
Dublin 2.
Tel: +353 1 478 0822
Fax: +353 1 478 0952

COFORD
National Council for Forest Research and Development,
Agriculture Building,
University College Dublin,
Belfield,
Dublin 4.
Tel: +353 1 706 7700
Fax: +353 1 706 1180

ACRONYMS

APSO	Agency for Personal Service Overseas
BAP	Bilateral Aid Programme
CGIAR	Consultative Group on International Agricultural Research
COFORD	National Council for Forest Research and Development
CSD	Commission on Sustainable Development (UN)
DAC	Development Assistance Committee of the OECD
DCD	Development Co-operation Division (of the DFA)
DCO	Development Co-operation Office
DEVCO	State Agencies Development Co-operation Division
DFA	Department of Foreign Affairs
DFID	Department for International Development
DOCHAS	Irish NGO Federation (formerly CONGOOD)
E & A	Evaluation and Audit Unit of the DCD
EC	European Commission
EDC	Environmental Development Consultants Ltd
EDF	European Development Fund
ETFRN	European Tropical Forest Research Network
EU	European Union
EVD	European Volunteers for Development
FAO	Food and Agricultural Organization of the United Nations
FOP	Forestry Operations Programme
GALUP	Gairo Agroforestry and Land-use Project, Tanzania
GNP	Gross National Product
HEDCO	Higher Education Development Authority
IAAC	Irish Aid Advisory Committee
ICRAF	International Council for Research in Agroforestry
IDC	Inter-Departmental Committee
IDI	International Development Ireland Ltd
IFCD	Irish Foundation for Co-operative Development
IRÉ	Irish punt
IUCN	International Union for the Conservation of Nature
IUFRO	International Union of Forestry Research Organisations
KDRDP	Kilosa District Rural Development Programme
NGO	Non-Governmental Organisation
ODA	Overseas Development Agency
oda	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PAEG	Project Appraisal and Evaluation Group of the DCD
SHDI	Self-Help Development International (NGO)
UCD	University College Dublin
UN	United Nations
UNV	United Nations Volunteers

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following:

Aine NíDubháin (UCD); Fergal Mulloy and Eugene Hendrick (COFORD); Martin Greene, Séan Hoy and Andréa Kearney (Department of Foreign Affairs); Henry Philips (COILTTE); Laurence Roche (formerly of the University of Wales at Bangor); Richard Flockhart (GORTA); Jo Thomas (CONCERN-Worldwide).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to IR£1.49.

Italy

Paolo Navone and Gill Shepherd

Contents

1.	DOMESTIC FORESTS AND FORESTRY	247
1.1	Forest cover, type and tenure	247
1.2	Development of forestry	247
1.3	Forest policy and the institutional framework	248
1.4	Public perception of forestry	249
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	249
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY	250
3.1	Organisation of the aid programme	250
3.2	Development assistance commitment	251
3.3	Personnel	252
3.4	Bilateral assistance	252
3.5	Multilateral assistance	253
3.6	Non-Governmental Organisations	253
3.7	The Regions	254
3.8	Assisted Credit	254
3.9	DGCS and Consulting Companies	254
4.	DGCS DEVELOPMENT ASSISTANCE STRATEGY	254
4.1	Background	254
4.2	Recent developments in DGCS strategy	255
4.3	Forestry Strategy	255
4.4	International influences	255
4.5	NGOs and environmental strategies	255
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	255
5.1	Introduction	255
5.2	Bilateral and multi-bilateral programmes	256
5.3	Regional distribution	256
5.4	Thematic distribution	257
5.5	Distribution of NGO projects	257
6.	TROPICAL FORESTRY RESEARCH AND TRAINING	258
7.	PROJECT CYCLE MANAGEMENT	258
8.	THE INFLUENCE OF ITALY'S MULTI-BILATERAL EXPERIENCE IN COLLABORATION WITH FAO, ON ITS BILATERAL FORESTRY PROGRAMME	258
9.	CONCLUSIONS	259
	REFERENCES	260
	KEY CONTACTS	260
	ACRONYMS	260
	ACKNOWLEDGEMENTS	260

1. DOMESTIC FORESTS AND FORESTRY

1.1 Forest cover, type and tenure

Italy has the biggest range of types of forest of any country in Europe, from the Alpine forests of the north through the mainly deciduous forested hills and plains of Central Italy to the sub-tropical Mediterranean conditions of the south. One fifth of the country is mountainous, 60% hilly and only 20% consists of lowland plains.

According to the Ministry of Agriculture and Forests (*Ministero dell'Agricoltura e delle Foreste*, MAF) National Forestry Inventory, 1983–5, (MAF, 1988), forest cover in Italy amounts to 8.675 m. ha. This is made up of 6.436 m. ha of forest, (2.577 m. ha of high forest and 3.858 m. ha of coppice), together with 2.240 m. ha of other woody formations such as bush, Mediterranean scrub and so on. Broad leaf trees represent 80% of the total, and conifers 16%. Average forest cover stands at 28.8%, with averages ranging from 41.2% in the north and 23.2% in the centre to 21.3% in the South. The average forest area per inhabitant is less than 2,000 m², though it increases to nearly 8,000m² in such Alpine regions as Valle d'Aosta, Trento and Bolzano provinces. The total standing volume is nearly one billion m³, close to that of Germany (1.062 billion m³) and France (1.639 billion m³). Mature forest contains volumes of 163 m³/ha while coppice reaches 88 m³/ha. The main reason for the high standing volume is the decrease in forest utilisation in Italy since the Second World War.

However, the average productivity of Italian forests, slightly over 3 m³/ha/year, is among the lowest in the EU (MAF, 1990), well below France, Spain and Portugal whose mean annual increments stand at over 4 m³/ha/year and the UK and Germany (5.4 m³ and 5.6 m³ respectively). Only poplar plantations in the plains of the Po Valley constitute an exception to this low productivity. Here, by contrast, annual volumes of 25–35 m³/ha/year – among the highest financial internal rates of return in the EU – are produced from clones selected for disease and insect resistance. At the moment these poplars, covering about 1% of the total forest area, generate 60% of the wood produced for industry.

The contribution of the forestry sector to the national economy is marginal. In 1986 the added value of forestry represented less than one third of that of fisheries, and just 2% of that of agriculture.

Wood production has greatly decreased in the last 30 years, falling from more than 13 million m³ at the beginning of the 1950s to the present 8 million m³. In the same period the country's degree of self-sufficiency in industrial timber fell from about 60% to 17%.

Almost all forests (95%) are concentrated in mountainous and hilly areas, mostly on slopes of more than 20–25%. While it is understandable that these agriculturally marginal lands are the most likely to be forested, the terrain makes forest management costly, and offers major obstacles to the introduction of mechanisation. High management costs and low economic returns from forests, particularly coppice, have led to the present state of neglect. It is estimated that only one third of forests are under management (MAF, 1990, 1994;

Piussi, 1994).

About 66% of the total forest estate belongs to private owners, with average holdings of about 3 ha. The small patches of forest found within the farm boundary constitute, in aggregate, about 24% of total farm area in Italy. The last Agriculture Census (MAF, 1988) indicated that 843,000 farms included forest. Undoubtedly this fragmentation and the lack of specialised forest management limits the economic potential of forests.

Publicly owned forests are controlled by the State, Regions and Communes, the last-named holding almost three-quarters (73%) of the total. Many once State-owned forests have been transferred to the Regions following the regionalisation of responsibility in agriculture and forestry in the 1970s.

An important share of the total forest area is owned by community organisations. In this category can be found community forests dating back to the Middle Ages and even Pre-Roman times. Alpine community forests (such as Magnifica Comunità di Fiemme, and Regole di Cortina d'Ampezzo, etc.) are the best known and best managed.

Another institution dating back to early times is that of *'usi civici'* (traditional use rights). Though these rights are found in all kinds of forest, regardless of the form of tenure, they are commonest in publicly-owned forests, especially those belonging to communes. In Southern regions, the unregulated exercise of these use rights for grazing has had a noticeably negative impact on forest regeneration (Ciancio, 1996; Piussi, 1994).

1.2 Development of forestry

Forests began to grow back from about 8,000 BC at the end of the last glaciation period, and were colonised first by hunters and gatherers. By the fifth millennium BC, a shift to livestock raising and agriculture was under way, and both fire and shifting cultivation were making inroads into the forest and opening up fertile lands. During the Bronze and Iron Ages, woodfuel use increased as first pottery and metal-working and later glass-making became increasingly important. By the end of the Etruscan period (c.300BC) extensive deforestation in central Italy was already resulting in widespread soil erosion.

Over the course of the Roman period, Italy's landscape came completely under the control of settled populations. Agricultural land was all privately owned, while designated forest and pasture lands remained public property and were collectively used. Communal use of these lands was enshrined in usufruct rights, the *usi civici*. These were strengthened during the fifth century barbarian invasions of the Goths and Visigoths, and still exist in many areas today.

As the Roman Empire expanded, forests were further depleted by demands for ship-building timber for the fleet on which its military and trading supremacy depended, and for the fuel to support its industries. At the same time, rural social structures concentrated labour on high value-added crops such as grapes, and left the remainder of the territory for more extensive use. Since cereals were supplied by the Empire's outer provinces, extensive livestock raising was the commonest and most profitable use for the remaining lands.

From the fall of the Roman Empire until the tenth

century AD, the forest had fewer demands upon it and grew back, assisted by a favourably humid and warm climatic period. But the population and the economy began to expand again from the tenth to the fourteenth century, and lands which had been abandoned to forest and swamp were slowly brought back into cultivation. Cities developed, requiring timber and fuel for construction and energy. As forests came under renewed pressure, the first legislation for the regulation of their use was introduced.

Though both the plague and the period of hunger which followed it caused population losses in the fourteenth century, the economies of Italy's city states continued to develop, and rapidly expanding trade led to the development of a series of ports and shipyards over the next century. First Pisa and Genoa, and then Venice, Messina, Palermo, Civitavecchia, and Livorno began to make enormous demands on forests for ship-building. At their point of maximum output, it is estimated that these shipyards together needed 18,000 m³ of timber per year. The need to assure timber supplies for military ship-building prompted the implementation of forest inventories (the first was carried out by Venice in 1498) and the widespread adoption of more restrictive forest legislation. Venice's forest code was considered a model for the period, and was adopted by Austria when it decided to upgrade its Trieste shipyards.

At this period monasteries and monastic orders had an important role in reforestation, and in research on the management and utilisation of forests. The activities in this field carried out in Camaldoli and Vallombrosa from the fourteenth century onwards are well documented (Di Bérenger, 1982). During the same period, in other parts of Italy, plantations of both local and exotic species were first planted.

By the eighteenth and nineteenth centuries, free-market economic attitudes and the demands of industrial development were beginning to lead to increased rates of destruction in the forest that remained. Landlords reclaimed much land from customary-use tenants, leaving many of them with holdings too small to make a living. The latter sought additional land by cutting into marginal areas in upland forest. In the South the process was somewhat different. Here the agrarian structure had always been characterised by large private estates (*latifondo*), and by the lands and estates of the Catholic Church and the religious orders. With the unification of Italy in 1861, all these lands, estimated to cover about a third of the total area of Italy, were confiscated and sold off, with considerable subsequent deforestation.

Italy's first forest law after unification dated from 1877, and included legal restrictions designed to conserve watershed forests. These banned forest felling above the altitude to which the chestnut would grow, but allowed the use of forests below this limit. Deforestation during the period up to the turn of the century was massive. Estimates of the forest lost range from 736,000 ha to about 2 m. ha. Among the many reasons for this loss was the rapid growth of the railway system, which expanded its network from 2,100 km in 1870 to 16,000 km in 1900 and used vast quantities of timber for sleepers and bridges. The squandering of public forests on this scale ended in 1910, when a special Agency for State Forests was founded with the

responsibility of protecting and extending the forest estate by acquiring lands and reforestation. Later, in 1923, Forest Law 3267 was promulgated, which linked forest conservation to watershed protection in particular.

Reforestation became an increasingly important policy from 1920 onwards, spurred initially by the need to supply raw materials for the domestic pulp and plywood industries. Later when economic sanctions were imposed on Italy following the invasion of Ethiopia in 1935, additional planting took place to replace charcoal imports. Throughout the period from the 1920s to the Second World War, the plantation of poplars in the Po Valley and of conifers in mountain and upland regions was strongly promoted. After the war, reforestation continued but increasingly for environment protection (Di Bérenger, 1982; Ciancio, 1996; MAF, 1994; Piussi, 1994).

1.3 Forest policy and the institutional framework

Forest policy in Italy is still based on the Forest Law of 1923 which was characterised by severe restrictions on any change of use on land under mountain or upland forest. The rationale behind this policy had been the trend, marked at the time, for the expansion of agriculture at the expense of forest on marginal and fragile soils. The policy of forest protection and expansion, both to protect the environment and for industrial purposes, was managed by the Agency for State Forests. However, it was implemented by an institution known initially as the Forest Militia (*Milizia Forestale Nazionale*) and re-named the State Forestry Corps (*Corpo Forestale dello Stato*, CFS) after the Second World War. This was the institution in charge of planning, monitoring, policing, providing technical assistance, and carrying out reforestation on public and private lands (Ciancio, 1996).

However, the pressure on the uplands and on forests has steadily decreased over the last half-century, as a result of new employment opportunities in the industrial sector, of the replacement of woodfuel with fossil fuel as source of energy, and of the decline of grazing. As a result forest policy now focuses almost exclusively on the protection of the forest as an environmental asset. Forest law 431 of 1985 endorses the restrictions on change of use of forested terrain originally found only in upland areas, and extends them, again for conservation reasons, to forests and woodlands throughout the lowlands as far as the coast. These restrictions now cover 98% of forest country-wide. Only the rationale for the policy has changed. Its target is now the challenge to forests coming from their increased use for leisure and tourism, as the country has industrialised.

However, the new policy is not without its consequences for the forest and for its multitude of private owners. The negative effects of obliging farmers to maintain any forest already on their land, have been studied by Di Bérenger (1982), one of the major forest scientists of the new Italian state, who has re-examined the impacts of Venice's historical Forest Code from this perspective. It was clear that, under this code, trees on public or private land belonged to the Treasury, and

were protected by restrictive rules. Because farmers were unable to profit from any oak trees which happened to grow on their land, they regarded such trees as a negative asset and eradicated them as soon as they began to appear. It was thus no surprise that, by the beginning of the seventeenth century, only 18 of the hundreds of private oak forests registered in Friuli during the sixteenth century remained.

With a few differences, the situation has now been reproduced in the rural Italy of today, even if trees on private land now belong to the owner. It explains why Italian farmers, who have participated more enthusiastically in the EU set-aside programme (Regulation No. 1094/88) than any other Member State, setting aside 733,450 ha in the first four years alone, have nevertheless planted only a few thousand hectares with trees.

As a Ministry of Agriculture and Forests document (MAF, 1994) points out, 'due to environmental and land use restrictions, reforestation has to be an irreversible decision (for the farmer)'. The inevitable result is that, given the parallel negative incentives of restrictive legislation and the low profitability of forestry, reforestation is almost entirely left to the State.

Forestry was the responsibility of the Ministry of Agriculture and Forests¹, until the shift of responsibility for agriculture and forests to the newly formed Regions in the 1970s. The main task of the Ministry is now policy coordination, especially in the sphere of international relations, and more particularly with the EU. A Directorate of Forests is responsible for sectoral coordination within the Ministry. The State Forestry Corps, (the Forest Militia) comes under this directorate except in the case of the five Regions under special statute (Friuli Venezia Giulia, Sardegna, Sicilia, Trentino, and Valle d'Aosta) where this body comes under the Regional authority. The definition of relative responsibilities and competencies between the Ministry and Regions has not been easy. (Indeed, the Regions have held two referenda which voted to abolish the Ministry.) Operations are, however, the full responsibility of the Regions, including the application of EU rules, and the formulation, implementation and monitoring/evaluation of relevant projects for the sector.

1.4 Public perception of forestry

Forestry in Italy is relatively young, by contrast with other European countries such as France or Germany. In consequence, the ties with national forests are weaker for most citizens, apart from those who live close by or whose employment is linked to the forests. Even 'green tourism' is less developed in Italy than in some other European countries, though this attitude is changing as a result of information provided at school and through the media, and as the stresses of urban living become more evident. At the same time there is a growing interest in the protection of moist tropical forests, as the media and environmental organisations point out the threat to their survival along with their functions of climate regulation and biodiversity protection.

Over the last thirty years, but especially in the 1960s and 1970s, holiday homes and tourist resorts and infrastructure have been built in some of the most

beautiful areas in Italy. These have often been in forests and woodlands, and have resulted in environmental degradation which has offended many citizens and spurred debates in the media. Law 431 of 1985 was introduced in part in response to this situation. This makes proposals for change in national forest policy difficult. To make continued ownership of forest more attractive to farmers, there has to be some economic benefit from it. But if less stringent norms are introduced to address farmers' problems, public sentiment is likely to oppose them.

2. HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY

The colonial history of Italy is recent compared with that of many other European countries. Eritrea became the first African colony of Italy at the end of the nineteenth century (1890). Somalia (1905), Libya (1912) and Ethiopia (under Italian rule from 1936 to 1941), completed Italian colonial domains in Africa.

A policy for the protection of forest resources was set in place in Eritrea once the colonial administration was established, but it failed to address the real reasons for deforestation, namely military operations and the construction of infrastructure. Senni (1915), in his article on forest legislation in Eritrea notes that the restrictive policy was ineffectual because the administration lacked the capacity to enforce it. Furthermore, European residents represented the most serious danger to forests, yet sanctions were far more likely to be directed against indigenous people. There was ambiguity surrounding the local population's traditional user-rights over trees and the concept of public ownership, and confusion as to whether or not change of use of forested land should be allowed.

By 1910, in Eritrea, policy had been further elaborated, and different categories of forest, for different purposes, were defined. A Corps of Forest Guards was created with the functions of control, law enforcement, and supervision of reforestation operations. In particular, a policy of reforestation with exotic and high-value indigenous species was implemented, with the creation of state nurseries, incentives for the creation of private nurseries by the local population, subsidies for reforestation, and private ownership over planted trees (Guidotti, 1934). In 1937, the responsibilities of the Forest Militia were extended to Italy's colonies. This marked the definitive adoption of the metropolitan policy of direct state responsibility for the protection, development and management of forests and the establishment of a forest estate (*demanio forestale*).

The initial years of colonial rule had been characterised by studies and inventories of the existing forest species and the problems of the sector. The value of the dryland forests was seen as modest from the point of view of timber exports. Their main value was environmental, though some non-timber forest products such as incense, myrrh, and gum-arabic were of considerable economic importance. However, these forests took on new significance with the creation of Italian East Africa, and the need to produce import substitutes as a consequence of economic sanctions imposed on Italy

1. Newly re-named the Ministry of Agricultural Policies

by the League of Nations. Research trials were set in place both to test the suitability of various exotic tropical species for local conditions, and to evaluate the industrial potential of local species. The collapse of Italian colonial rule in 1941 marked the end of these programmes (Fiori, 1902–1912; Giordano, 1940; *ibid*, 1941; Senni, 1938).

Italy also has a considerable interest in tropical forests as a major importer of tropical hardwoods. Its importers, coming from mainly small and medium-sized businesses, have maintained links with African tropical timber-producing countries throughout the post-war period. Since the Italian wood industry specialises in transformation, importing raw materials and exporting final products, it has been obliged to assure its channels of supply. These importers (of particular importance in such countries as Côte d'Ivoire, Liberia, Cameroon, etc.) were instrumental in the identification and promotion to Italian consumers of African hardwoods for furniture production². Later, as policies in the tropics have shifted to limit the export of roundwood, the Italian timber industry has begun to develop local saw mills and intermediate wood industries at source.

Sadly, while French commitment to tropical forests has in part been influenced by the Michelin company's campaign in their favour, the same cannot be said of Italian industry. The hundreds of small-to-medium Italian companies with an interest in tropical forests and the countries where they are found, have no access to policy-makers and make no impact on Italian foreign policy in the sector.

3. STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY

3.1 Organisation of the aid programme

Italy began to address the issue of development co-operation late by comparison with other European countries. The main reasons were the lack of a long colonial tradition, the country's difficult international position at the end of the Second World War (Italy joined the United Nations only in 1955), and its resulting internal economic problems, which obliged it to concentrate all its efforts on national development.

The first law on the subject of development co-operation is Law 1222 of 1971. This limited aid to the provision of services such as technical assistance, without developing a project concept for aid or undertaking any analysis of possible impacts on the recipient country. The initial provision was L.50 billion for five years.

Law 38 of 1979 established a Department for Development Co-operation (*Direzione Generale per la Cooperazione allo Sviluppo*, DGCS) within the Ministry of Foreign Affairs (*Ministero degli Affari Esteri*, MAE), with its own structure and administrative and

budgetary autonomy. The law introduced the use of grants and soft loans for project implementation, and provided a budget six times larger than the earlier one. However, its focus is on development co-operation as a tool for enhanced international commercial relations (Censis, 1993; IAI, 1994).

In 1985, following growing public concern at the disastrous effect of the 1983–4 African drought and the starvation in the Sahel which followed it, Parliament passed Law 73. This granted extraordinary powers to a State Under-Secretary charged by the MAE with the creation of a survival fund for people threatened by hunger and under-nourishment. The budget made available was L.1,900 billion to be spent in 18 months.

The impact of the concept of 'extra-ordinary aid' was mixed. On the one hand it provided a transition to a broader style of development co-operation. On the other, because it exempted relevant DGCS departments from the duty to compete with each other for funds, it allowed a lack of transparency which gradually increased until it covered almost all aid activities. Parliament passed a bill in 1995 abolishing extraordinary aid and delegating to emergency aid the task of providing immediate relief in case of disasters.

Law 49 of 1987 can be seen as the first attempt to define the goals of Italian aid. The law sees co-operation as an integral part of Italian foreign policy, fostering solidarity among peoples and the establishment of basic rights according to UN principles. Its immediate objectives can be summarised as support for the basic needs of people in developing countries, such as safety and food security, together with the promotion of more sustainable economic, social and cultural development, better mother and child health, an enhanced position for women, and the conservation of the environment (MAE, 1987).

The law makes the DGCS responsible for the implementation of co-operation programmes, either directly or through outside contracts. In this, it is assisted by the Central Technical Unit (*Unità Tecnica Centrale*, UTC) which offers support in such tasks as the identification, formulation, appraisal, implementation, monitoring and evaluation of co-operation programmes. General oversight is provided by the MAE and the Interministerial Committee for Economic Planning (*Comitato Interministeriale per la Programmazione Economica*, CIPE)³. It is headed by the Minister of Foreign Affairs, and includes Ministers from the Ministries of Planning and Finance (*Ministero del Bilancio e Tesoro*, MBT) and Foreign Commerce (*Commercio Estero*). More detailed guidelines, the approval of projects and programmes worth more than L.2 billion, and of soft loans, are the responsibility of a Steering Committee, chaired by the Minister of Foreign Affairs and composed of administrators from the same Ministries plus a representative from *Mediocredito Centrale* the financial institution responsible for the control of co-operation loans. Finally a Consultative Committee, made up of representatives from research institutions, NGOs and the Regions and who are involved in the field of Development Co-operation,

2. For instance, Italians have always regarded walnut as the hardwood of choice for furniture. Timber importers have created a considerable demand for Tanganyika Walnut, (the West African species *Lovoa trichlioides*), needless to say neither walnut nor from Tanganyika.

3. Until 1993, the functions of this Committee were carried out by the Interministerial Committee for Development Co-operation *Comitato Interministeriale per la Cooperazione allo Sviluppo*.

offers its opinions on the plans and guidelines issued by the Steering Committee, and on the yearly report presented to the Parliament.

The law specifies that developing countries receiving Italian Official Development Assistance (oda) should be given a more substantial role in helping to set priorities for co-operation. Local Technical Units (*Unità Tecnica Locale*, UTL) established within Italian Embassies are charged with negotiating and agreeing Country Programmes with recipient countries, and providing data for the identification of projects. So far, however, Country Programmes have been drawn up only for priority countries.

A new Development Co-operation law is currently in preparation. Meanwhile, the 1995 Bill has not only abolished extraordinary aid, but also set in place various measures to improve transparency and efficiency. These include compulsory use of logical frameworks, and strengthened technical, economic and financial control throughout the entire project cycle. Finally, the Bill specifies that communities (e.g. Palestinian communities within Israel), as well as States can be recipients of oda. The current structure of the DGCS is shown in Box 1.

3.2 Development assistance commitment

Official Development Assistance (oda) increased greatly during the 1980s when the total, expressed as a percentage of GNP, more than doubled. Because Italy adopted a co-operation policy comparable to those of its partner industrialised countries only late in the day, it was eager to show a commitment to its international obligations commensurate with its status and economic importance. However, it was unable to match budget increases with strengthened managerial capacity sufficiently rapidly, and this led to inefficiencies. The problem lay in the need for innovative organisational arrangements within a rigidly bureaucratic administrative structure.

Figure 1 indicates the investment for oda (bilateral, including grants, loans and food aid, and multilateral) in million US dollars per year from 1981 to 1994.

Development assistance as a percentage of GNP increased in this period from 0.19% in 1981 to 0.40% in 1986 to reach its peak in 1989 with 0.42%. It declined to 0.31% in 1993, and to as little as 0.14%, according to preliminary data, in 1995. It was predicted that oda would slightly increase to 0.16% in 1997, still far from the OECD average of 0.30%.

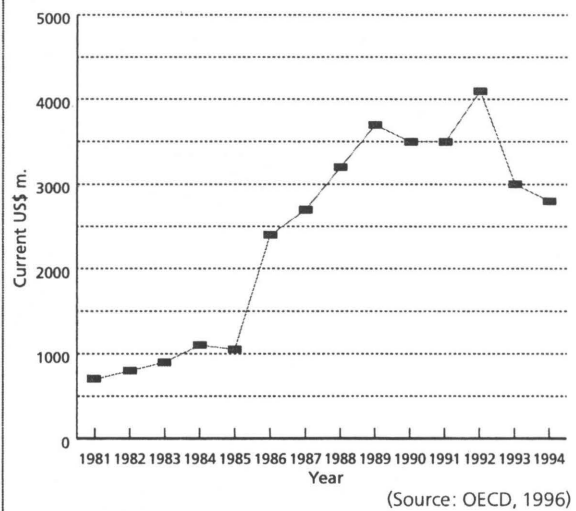
At the beginning of the 1990s Italian aid faced a number of problems, which caused its drastic decline. These stemmed in part from budgetary problems which required a rescheduling of public expenditure. But it also had to contend with public disappointment with development aid. Some of these attitudes – such as impatience with the limited impact of co-operation policy to date, and the influence of the impact of the Cold War on North-South relations were not unique to Italy. Others were more specific to the Italian situation. Above all, public disillusionment was fuelled by the Office of the Prosecutor's Enquiry, Operation 'Clean Hands' (*'Mani-pulite'*), which ran from 1992 to 1996. This enquiry investigated cases of corruption involving politicians, administrators and businessmen, and investigated development co-operation among other areas

Box 1: The Structure of DGCS

The DGCS has 19 departments with the following responsibilities:

- 1 Information, organisation of meetings and conferences;
- 2 General Affairs
- 3 Legal Affairs
- 4 Liaison with EU and International Organisations
- 5 to 10 Geographical units
- 11 NGO
- 12 Studies and proposals for the improvement of the condition of women and children and the promotion of the role of women in society
- 13 Training and co-operation with universities
- 14 Extra-ordinary Aid
- 15 Central Technical Unit
- 16 Financial co-operation/soft loans
- 17 to 19 Personnel, Finance, Administration.

Figure 1: Italian aid totals, 1981–94



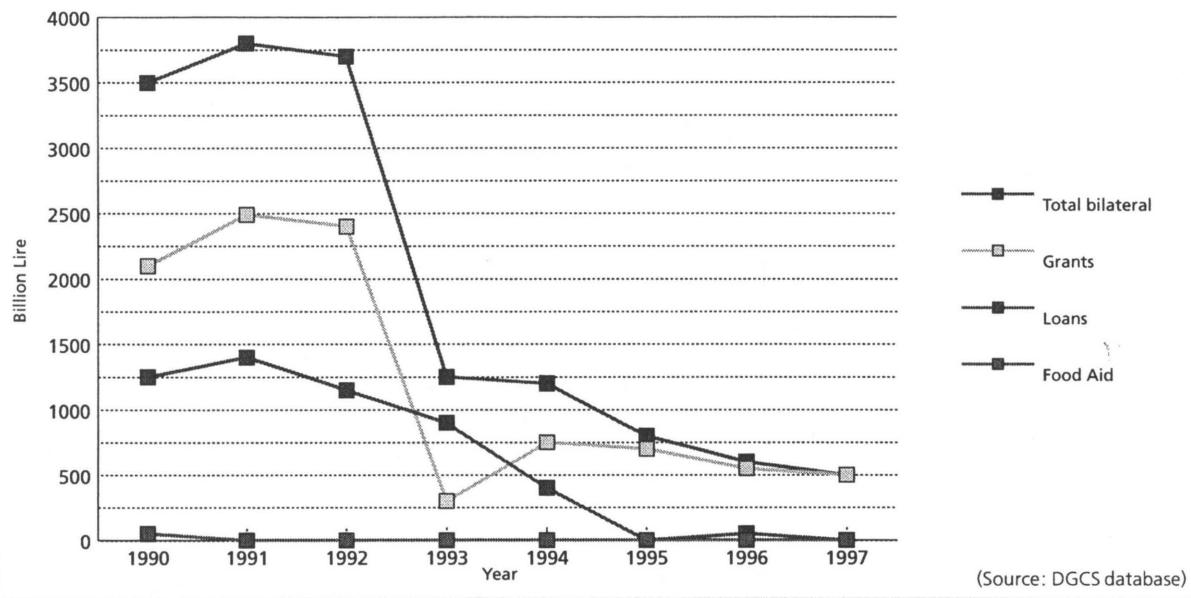
(Rhi-Sausi, 1994; Camera Dei Deputati, 1995).

The trend inversion in the 1990s is clearly illustrated in Figure 2, where spending on bilateral co-operation including loans, during the period 1990–97, is indicated in L. billion.⁴

During the period 1990–95 the percentage of the state budget managed by the MAE for development co-operation fell from 0.90% to 0.37%. The sum made available to the MAE for oda in 1997 was L.572 billion, compared with L.1,429 billion in 1993 and L.3,831 billion in 1991.

4. The DGCS database, maintained at Ministero degli Affari Esteri, is the source of most of the tabulated data in this chapter.

Figure 2: Bilateral spending, 1990–97



3.3 Personnel

The total number of personnel in the DGCS is 520. Technical divisions, in particular, are noticeably understaffed. It was specified, for instance, in the law of 1987 that the Central Technical Unit would be staffed by 120 technicians. But the maximum ever reached was only 104, and numbers today stand at only 41. It is calculated that there is a staff shortage across the board of about 15%. The budget allocated for the DGCS in 1997 was L.62.8 billion or 12% of total allocated oda resources. A particular human resource problem is posed by the fact that the DGCS is staffed by diplomats. Since, according to MAE rules, they are transferred every 4–5 years, there is never sufficient staff continuity to create a durable managerial structure.

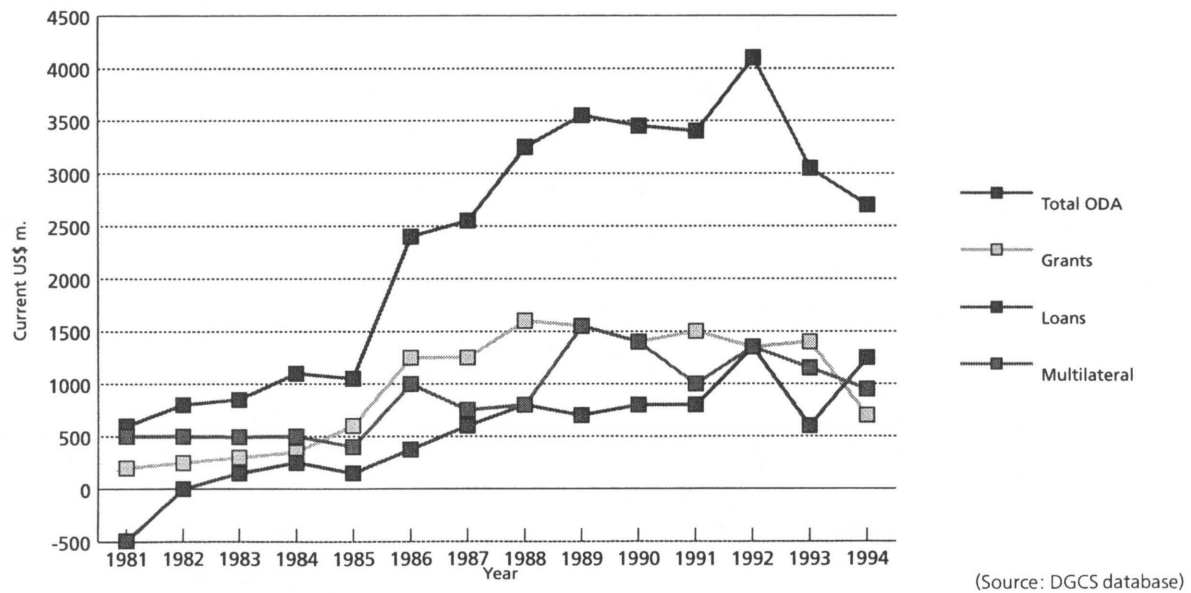
3.4 Bilateral assistance

Bilateral grants and soft loans, voluntary contributions to international organisations, and food aid all come under DGCS and are managed by their own departments within it.

Expenditure during the 1980s and early 1990s followed the trend indicated in Figure 3.

The geographical distribution of expenditure during the whole period put sub-Saharan Africa in first place, followed by the countries of the Mediterranean Basin and Near East, Latin America and Asia. However, the importance of Africa decreased over the period, the Mediterranean Basin and Near East maintained its importance, and Latin America and Asia increased their share of total oda, especially during the period when aid

Figure 3: Bilateral assistance, 1981–94



policy was increasingly shadowing Italy's own economic interests. The geographic priorities notionally set during the period were not always followed. The rate of concentration, representing the amount received by the top 25 countries as a percentage of total oda, was 65.3% in 1989-90 (MAE, 1995).

New guidelines set by the MAE in 1995 (MAE, 1995), narrow and intensify the geographical focus of co-operation activities to the following:

- the Eastern Mediterranean, where it can provide a contribution to the Middle East peace process, particularly the Israeli-Palestinian negotiations;
- the Western Mediterranean and Albania, to assist political and social stabilisation;
- the Horn of Africa and Southern Africa (SADC area) to assist the peace and reconstruction process.

Depending on available budgetary resources, aid to Latin America and Asia will focus on the development of human resources and, particularly in Asia, support for the development of local enterprises.

Since the new guidelines were put in place, the concentration of oda has increased. In 1997, the top 20 countries received about 80% of all aid. In 1995, 44% of total aid went to the lowest-income countries (with a per capita income of less than US\$ 675) and 91% went to mid-low-income countries (with a per capita income of less than US\$ 2,695).

Bilateral co-operation has mainly financed production activities and infrastructure, above all, the production of goods and services and economic infrastructure. Much support has also gone to the energy sector. Assistance to social and administrative structures has been funded at a fairly low level, compared both with other sectors of Italian oda, and with the DAC/OECD average for the social sector itself.

3.5 Multilateral assistance

Italian policy has been to support and strengthen its commitment to multilateral co-operation, and it implements this policy through both multilateral and multi-bilateral channels.

Among its multilateral activities are the following.

- (i) The European Development Fund (EDF) and the Community budget earmarked each year for co-operation with non-ACP developing countries. During the 1981-90 period these contributions corresponded to about 33% of total multilateral oda.
- (ii) International financial organisations, e.g. the World Bank group, the Regional Development Banks (African, American, Asian, Caribbean), and the International Fund for Agricultural Development (IFAD). The Italian contribution to the Global Environmental Facility (GEF) also comes under this category. These contributions amounted to about 45% of total multilateral oda during the 1981-90 period, with peaks of up to 56%. Co-ordination between these contributions and the rest of the development co-operation programme is managed by the MAE (Ministry of Foreign Affairs) and the MBT (Ministry of Planning and Finance).
- (iii) Contributions to UN organisations and other international organisations, may be compulsory,

voluntary or multi-bilateral. Contributions to these organisations represented 22% of Italian multi-lateral oda during the period 1981-90.

- Compulsory contributions are established on a multi-year basis according to quotas established by international agreements.
- Voluntary contributions are autonomously decided by donor countries.
- Multi-bilateral contributions are co-financed by the donor country and by one or more international organisations. Multi-bilateral funding gives donors the chance to earmark funds given to multilateral organisations for some of their own priorities.

Contributions to the organisations listed in (i) and (ii) above are managed directly by the Ministry of Planning and Finance. Contributions to the organisations listed in (iii) come within the development co-operation budget managed by the MAE.

In recent years, the most significant changes in development policy (apart from the overall reduction of oda), have been the setting of new geographical priorities, and the increased resources allocated to multilateral ends. The two are connected: the new geographical priority areas are selected on the basis not of trading links but of Italian international policy, while the closer links with international organisations indicates a new commitment to Italy's role in the international community.

If work with international organisations before the end of the Cold War was dictated only by the need to be present, while allowing others to formulate policies, the Italian presence now in these same institutions is seen as an opportunity to take part in the active formulation and maintenance of international relationships. Italian participation in peace keeping and emergency relief actions is also part of this same approach.

3.6 Non-Governmental Organisations

Many of the NGOs active in Italian development co-operation are volunteer-sending agencies with some link to the church. Their presence in developing countries increased in the late 1960s when Italian citizens first gained the right to opt to work as volunteers in technical assistance for the period of time they would otherwise have had to spend on military service. International NGOs such as the World Wildlife Fund (WWF) are also represented. During the 1981-90 period, the main concentration of NGO projects was to be found in Africa with 111 projects, followed by South and Central America.

The importance of NGOs in Italian aid has increased over time, and under Law 49 of 1987, NGOs are now represented on the Consultative Committee for Development Co-operation and on the NGO Commission, chaired by the General Director of the DGCS.

The funds available to NGOs grew three-fold between 1985 (US\$ 39.1 m.) and 1990 (US\$128.3 m.). In 1985 NGO projects represented 6.3% of total oda grants, and in 1990, 9.8%. Over the same period the DAC country average moved from 2.1% to 2.8%. In 1997 the total DGCS contribution to projects implemented by NGOs was due to amount to 5% of all grant

aid managed by the DGCS.

In 1981, NGO projects were financed from private sources or from their own fund-raising, while MAE and EU financing represented about 34%. This percentage increased to nearly 48% in 1985 and more than 50% in 1990. In the case of individual NGO projects, law 49 specifies that DGCS financing should be up to 70% for projects identified and promoted by the NGO itself, and 100% for DGCS projects entrusted to them.

Within Italy, one of the NGOs which has taken an environmental campaigning function in recent years is 'Italia Nostra', a cultural organisation which campaigns to protect both historical buildings and the countryside.

3.7 The Regions

Law 49 also lists Italian Regions and Local Administrations as potential actors in development co-operation. In fact only about 55% of the country has adopted regional legislation for co-operation, and activities have been modest so far.

Where regional activities have been undertaken, these have so far concentrated on information dissemination, education for development, and training and support. The objective has been to stimulate public opinion, to plan development co-operation activities at the local level, and to promote the implementation of development projects. Communes, through their National Association, are also involved in a programme aimed at decentralisation and the strengthening of local administrations for development co-operation activity.

3.8 Assisted Credit

Besides bilateral soft loans managed by the DGCS, the Ministry of Planning and Finance allocates resources to supply a Revolving Fund managed by *Mediocredito Centrale* to offer soft loans to developing country governments and Italian enterprises engaged in joint ventures with developing countries. However, the geographic area in which these credits may be used is shrinking for the following reasons:

- an agreement has been reached among OECD countries to exclude countries with a per capita income of more than US\$ 2,785 from soft-loan lending;
- many of the poorest countries cannot even afford the debt service of soft loans;
- these soft loans are tied to the use of services and goods originating in Italy. This makes it impossible to co-finance such projects as infrastructure projects with the World Bank or other international financial organisations.

In 1997 it was planned that the only countries eligible for this form of loan would be the low-medium income countries of Asia and the Mediterranean Basin (MAE, 1997).

3.9 DGCS and Consulting Companies

During the expansion of co-operation activities at the beginning of the 1980s, DGCS staff were too few for the resources they had to manage. For this reason many of the activities eventually funded were suggested by the recipient country in the absence of either a country programme or a list of agreed priorities. The country also often named the consulting firm which it had

selected to implement the activity, usually the Italian company with which there had been contacts at the project identification phase. In this way consulting firms were often in positions of considerable influence over the decisions taken by Italian co-operation, procedures were insufficiently transparent, and opportunities for corruption multiplied.

Law 49 of 1987 addressed this problem, introducing the principles of country programming and competitive bidding in awarding contracts. However, contracts by private negotiation were continued until appropriate procedures for competitive bidding could be drawn up on the basis of those in use inside Italy. As a result, competitive bids were the exception rather than the rule for co-operation projects until 1995. Companies made use of a loophole in the law which allowed private negotiation where there was an exceptional and demonstrated need for it in the recipient country. The powerful position of certain companies explains why some sectors were prioritised in the aid programme. A good example is the energy sector, where the interests of recipient countries and powerful Italian state or parastatal enterprises were well-matched.

4. DGCS DEVELOPMENT ASSISTANCE STRATEGY⁵

4.1 Background

Italy's experience in the field of tropical forestry is relatively limited for a variety of reasons, including the fact that its colonies did not include any tropical moist forest areas. No large-scale forestry sector industries emerged, therefore, during the colonial period or after. Nevertheless, the large group of small and medium-sized wood processing enterprises represents an important national asset in terms of added value and employment, even though, as previously mentioned, they have had no access to DGCS policy-making processes.

During the rapid expansion phase of the 1980s and early 1990s, the aid programme was reactive rather than pro-active, relying on requests for projects from the recipient countries, rather than on country programmes focusing on identified problems and opportunities. The agriculture and forestry sectors are usually at a disadvantage when competing with others, if requests are based not so much on real priorities as on those which appeal to politicians. Furthermore, as has been suggested, interested Italian companies were probably influential in determining the projects presented to the DGCS for funding.

As already noted, contributions to international organisations have for a long time been more a matter of respecting commitments than of using the opportunity offered by these fora to develop Italy's international policy. In these circumstances, it is hardly surprising that there was little enthusiasm for adopting the policies and guidelines formulated by these organisations.

5. The data presented in sections 4, 5, 7, 8, and 9 of this chapter are based on those available from the DGCS database, and on the results of interviews conducted within DGCS.

However, in this same period Italian development co-operation began to explore more effective ways of implementing its programme, given its shortcomings in efficiency. Through multi-bilateral co-operation, staff working in bilateral co-operation began to be exposed to proven approaches and instruments. Participation in FAO's Tropical Forestry Action Programme (TFAP) was conceived of as an occasion to involve co-operation in the formulation of programmes of agreed and prioritised forestry projects. The joint execution with FAO of social and community forestry projects exposed Italian aid to up-to-date approaches and methodologies (FAO, 1996). Co-operation with the Development Assistance Committee at the OECD and with the institutions of the World Bank allowed it to refine its instruments and guidelines.

4.2 Recent developments in DGCS strategy

In recent years, as noted above, there has been a sharp decrease in the volume of resources allocated for Italian aid, as a consequence of a reduction in public expenditure in general. Italy was the fifth largest donor in 1993, the tenth in 1995 and has probably sunk lower down the league table in 1997 (MAE, 1997; Dini, 1997).

However, this period of cutbacks could prove positive if the opportunity is seized to rationalise and improve efficiency, and this is what Italian co-operation is attempting to do. In 1995 CIPE approved the guiding principles for a new aid policy and the reform of Italian co-operation. These rationalised aid planning and spending; specified areas and countries of concentration; specified greater spending transparency and new spending procedures; and gave more importance to monitoring, evaluation and project cycle management methodologies.

The recent increase in the importance of the multi-lateral programme for Italian co-operation, is a reflection of an increased interest in the sector policies and guidelines of international organisations. DGCS is eager to adapt, and to coordinate its approaches, methods and procedures with those of relevant institutions, in particular the EU and the DAC/OECD. In this context it is not surprising that objectives and principles in the forestry sector mainly reflect those agreed at the UN's global conferences and conventions.

4.3 Forestry Strategy

The DGCS has not provided itself with a Forestry Strategy as such. Mention of the forestry sector can be found only in passing, in official Notes and documents concerning the environment, agriculture, primary health care, etc.

Italy's main exposure to changing forestry thinking and strategy has been through its collaboration with FAO on multi-bilateral projects (see section 8). The FAO-Italy Consultative Committee is a body composed of 4 senior members of DGCS and 4 FAO representatives. Their task is the monitoring and technical review of projects co-funded by the two entities under multi-bilateral arrangements (FAO, 1996).

In 1990, this body agreed that a strategic component of the multi-bilateral programme would be forestry and the environment, to be developed through projects involving the participation of local people and commu-

nities, and addressing the underlying causes of deforestation as they are linked to human poverty. There are currently about 37 multi-bilateral projects, some of which are forestry projects. Since then the multi-bilateral programme with FAO has implemented innovative approaches in the field of protection, conservation and the building of country capacity, and has in turn influenced the bilateral programme. Italy and FAO have co-operated in the formulation of some interesting recent initiatives such as the tree planting component of the Egypt Environment Action Plan; soil and water conservation in Tunisia; and a forestry programme in Albania.

Italy is also interested in the development of forestry guidelines and approaches among international organisations such as the World Bank family including the Global Environment Facility (to which it is a contributor) and the European Commission.

4.4 International influences

In spite of the fact that there is no Italian Forestry Strategy, principles agreed by international fora, such as the 1992 UNCED Conference in Rio, the Climate Change, and Biodiversity Conventions, etc., have been promptly adopted and reflected in internal Notes. A recent Note produced by the Environment Section of the Central Technical Unit (UTC) in DGCS, for instance, analysed the consistency of recently approved environmental projects with a large forestry component, in the light of the UNCED Agenda 21 guidelines.

4.5 NGOs and environmental strategies

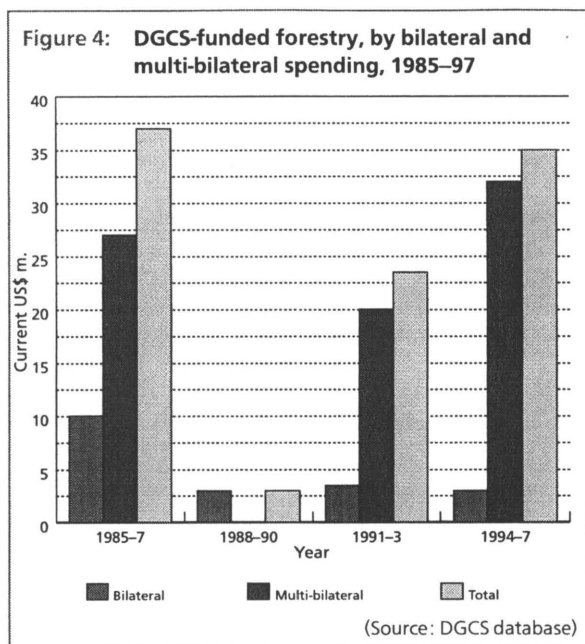
As mentioned above, there is a close relationship between DGCS and NGOs. In particular, NGOs engaged in development programmes have a representative on the Consultative Committee for Development Co-operation. Environmentalist NGOs, either Italian or international such as WWF, and based in Italy, often act to mobilise Italian co-operation by lobbying, through direct contacts and by participation in workshops on specific topics.

Their objectives are often to influence the sectoral policies of international organisations, or to counteract projects or programmes which they consider to have a potential negative effect on the environment. They also played an advisory role when principles and guidelines for environmental programmes were debated and adopted.

5 REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

5.1 Introduction

Co-operation in the forestry sector has not always followed the strategies of Italy's bilateral aid in other sectors. The great importance of multi-bilateral aid in the forestry programme – the result at least in part of the presence of FAO in Italy – has allowed a more flexible distribution of resources to contingent priority areas. For instance, most forestry projects have been directed to the poorest sub-Saharan African countries while, in the same period, an increasing number of

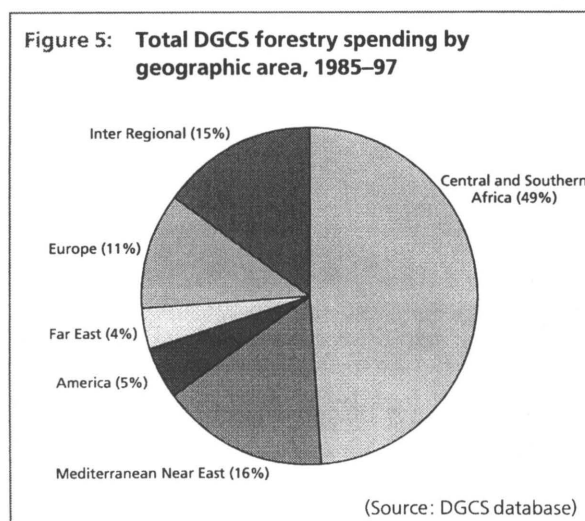


bilateral projects in other sectors were focused on lower and upper middle-income countries in Latin America. Italian participation in global and inter-regional forestry programmes such as FAO's 'Forest, Trees and People' Programme, TFAP and the Global Forest Resource Assessment programme, has also had the same effect.

The process of change since 1985 in the tropical forestry sector has been accelerated by the multi-bilateral programme as well. Most of the projects implemented with the FAO Forestry Department have conservation and sustainable forest management using participatory approaches as their objectives.

Since it was decided in 1995 that development co-operation policy should support Italian foreign policy, and should concentrate on a restricted number of priority countries selected for their strategic and humanitarian importance, bilateral and the multi-bilateral strategies should now draw closer.

Italian forestry aid amounted to US\$ 97.17 m. during the period 1985–97. During 1985–94, the only period



for which comparable data are available, this represents a mere 0.25% of total Italian oda. However, the figure includes only pure forestry projects. In reality there are, for instance, important forestry components in integrated rural development projects, often based on soil and natural resource protection. Conservatively estimating a 30% forestry component in IRDPs and adding this to forestry aid, it becomes clear that about 83% of DGCS forestry expenditure goes on pure forestry projects and a further 17% within IRDPs (DGCS Data Base and FAO, 1996). Other forestry components can be found in environment, watershed management, and food security projects, but they are not presented as such in DGCS statistics.

5.2 Bilateral and multi-bilateral programmes

As already mentioned, the FAO-Italy Consultative Committee agreed in 1990 to give priority to environmental projects, especially those in the forestry sector, to be implemented in such a way as to ensure local participation in all aspects of the project cycle. The result was the large importance that the multi-bilateral programme now assumes in the forestry sector. The total oda in the sector in 1995–6 was more than US\$ 97 m., of which 82% was spent multi-bilaterally, and 18% bilaterally (DGCS Database and FAO, 1996).

As shown in Figure 4, the multi-bilateral programme has steadily increased in importance from 1990 onwards. Before this date, projects were arbitrarily selected and often the result of individual initiatives. An example of this is the large wood processing training centre established for the SADC countries.

5.3 Regional distribution

The regional focus of Italian co-operation has always been mainly on Africa, even if changes in policy have shifted the relative weighting of each region over time. Large special relief programmes for natural or man-made disasters in Africa have had strong support from Italian public opinion.

Figure 5 shows the distribution of forestry aid, bilateral and multi-bilateral, during the period 1985–97. Assistance to countries in Central and Southern Africa represents nearly half of the total, while the Far East and Central and South America, with about 5% each, are of marginal importance. However there is a large inter-regional component including projects and programmes with field locations in many countries and regions, so the total actual weighting is a little different from that indicated.

If we consider the distribution of forestry aid over the 13 year period 1985–97 (Figure 6), we find a complex picture. The level of aid decreased after 1985–87, and has only recently recovered to a similar level.⁶ Africa is no longer the main destination for funds. The Mediterranean-Near East area has increased in line with Regional policy, and part of the aid has been directed to East European countries to support the transition to a market economy.

6. The 1994–7 period is a four year period, while the previous periods are each of three years.

5.4 Thematic distribution

Figure 7 attempts to indicate the nature of the forestry projects which come under DGCS. The division is merely indicative, since projects are now much more multidisciplinary and integrated, and it is common for them to include afforestation, sustainable forest management, research and development activities in the field of social forestry, country capacity building, etc. Community forestry projects all have in common a strategy centred on local people's development and their involvement in implementation, but forestry objectives may vary. Afforestation projects are more generally conducted by the forestry administration and do not necessarily involve local people.

Observing the development of forestry funding during the 1985-97 period (in Figure 8), a sustained increase of projects targeted towards both community development and forests can be identified, in line with the recent trends in international forestry aid referred to by the FAO/Italy Consultative Committee (FAO, 1996).

The drastic drop in oda funds for commercial forestry is a result of changing Italian forestry co-operation strategies. In the past, a few large projects of this kind were funded, often more as a result of a conjunction of interests between recipient countries and Italian companies than because of any explicit aid strategy.

Research projects as such have not been funded since 1990. However, there are still a few applied research components in some community forestry projects.

5.5 Distribution of NGO projects

NGO-implemented forestry projects are funded out of the bilateral budget, 22% of the budget being disbursed through them. NGO projects concentrate on social forestry and biodiversity protection, and NGOs are felt to be well suited to carry out projects in these fields. Indeed, since these topics are among Italian forestry aid's main priorities, the NGO share of funding for them would be even larger if more of them had specific experience in these fields. NGO-implemented forestry projects mainly concentrate in Central and South America (69%), and represent the bulk of Italian aid in the sector there. The remaining 31% is spent in sub-Saharan Africa.

Figure 6: Changes in the regional balance of DGCS forestry spending, 1985-97

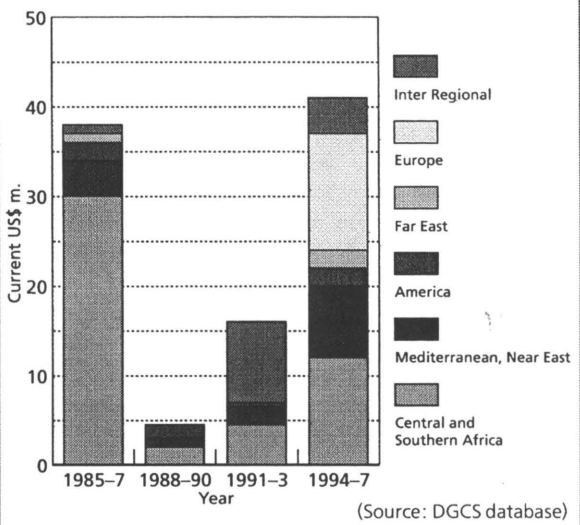


Figure 7: Total DGCS forestry spending by thematic area, 1985-97

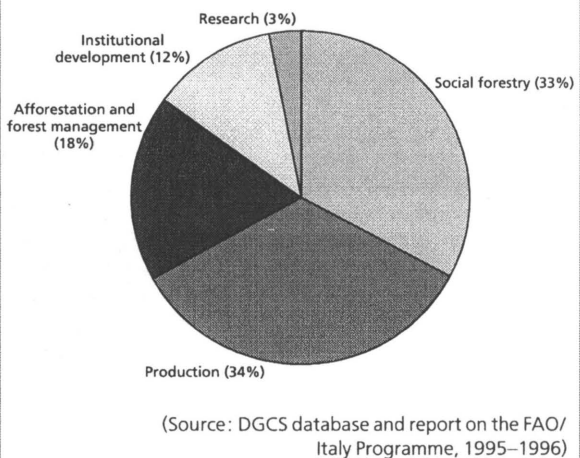
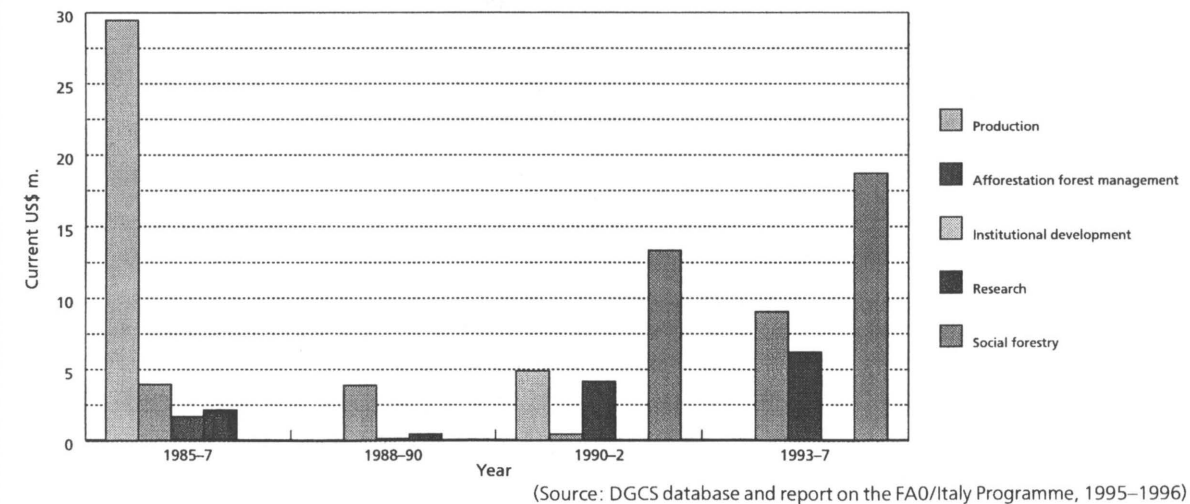


Figure 8: Changes in the thematic balance of DGCS forestry spending, 1985-97



6. TROPICAL FORESTRY RESEARCH AND TRAINING⁷

The *Istituto Agronomico per l'Oltremare* (Overseas Agronomy Institute, IAO) was established in Florence in 1912 to support agriculture and forest management activities in the colonies. It still plays the same role for the Italian co-operation programme, and is not a part of the university system.

No comparative synthesis has been made of tropical forestry research undertaken during the colonial period in Eritrea, Somalia, Libya and Ethiopia. It lies scattered in university archives. However, a colonial herbarium was established in Florence, and research was undertaken on dryland tree species and medicinal plants. Forest inventories and trials were also conducted in all four countries. Additionally, in Libya, research was undertaken on the planting of shelterbelts, and on sand-dune fixation. This research is now, of course, well over fifty years old, and some has been lost.

The Silviculture Research Institute (*Istituto Sperimentale per la Selvicoltura*) was established at the University of Florence in 1922, initially for Italian and Mediterranean forestry research⁸ and later for tropical forestry research as well. After the Second World War a forestry teaching faculty was established with a postgraduate course in tropical and sub-tropical agriculture, which included some tropical forestry. Tropical activities concentrated mainly on Tunisia, Algeria, and Morocco.

Until 1960, only the University of Florence had a forestry faculty, Arezzo, Padua and Viterbo following in the 1960s. After Regionalisation in the 1970s (and the devolution of responsibility for agriculture and forests) each Region wanted its own university. Forestry departments were created in the Universities of Bari, Bologna, Palermo, Reggio Calabria, Sardinia, Torino and Trieste.⁹

The Ministry of Foreign Affairs began to give some support to tropical forestry projects from the 1960s onwards. However, the projects were often selected geographically on the basis of current interests and policies rather than the areas in which Italy had particular competence. The projects selected did, however, sometimes prioritise wood technology, in which Italy has a comparative advantage. For instance, the *Istituto per la Ricerca sul Legno* (Wood Research Institute) in Florence, which is part of the National Council for Research (*Consiglio Nazionale delle Ricerche*, CNR) has conducted research on wood technology, woodfuel including improved techniques for charcoal production in semi-arid countries and harvesting techniques, in West Africa, South-east Asia and Latin America. Similarly, the Poplar Research

Institute, and the Centre for Forestry and Agriculture Research in Casaletto, near Milan, which both come under the parastatal SAF (*Società Agricola Forestale*), have undertaken highly successful research financed by Italian Co-operation to introduce Italian poplars to China, Latin America (Argentina and Chile) and Turkey.

While the Mediterranean, North Africa and the Near East have probably remained the main area of comparative advantage for Italian forestry researchers, there is also experience (above all at Florence) in West and Central Africa and the SADC countries, Amazonia, Brazil and the Andean region, and the Indian sub-continent and South-east Asia. So far, however, Italian institutional coordination with international research centres such as CIFOR and ICRAF has been practically non-existent.

The State Forestry Corps are trained at the Italian Academy of Forest Science (*Accademia Italiana de Scienze Forestali*) in Florence – an Army College originally. Italian institutions have also provided training for technicians from developing countries. The universities of Padua and Florence have run training programmes in Somalia and Mozambique. The Institute for Wood Technology at San Michele all'Adige (Trento), another CNR institute, has conducted training for technicians from Latin America. Private institutions have also been involved in training. CEFAS, an institute managed by the Chamber of Commerce in Viterbo, ran training courses for students from developing countries until 1995. SCM, a leading wood processing company, organises training courses for technicians from developing countries.

7. PROJECT CYCLE MANAGEMENT

Project cycle management methods using logical frameworks (objectives-oriented project planning) were adopted in principle by Italian co-operation in 1995. The methodology selected was based on that of DG VIII in the European Commission, and the DGCS has commissioned the preparation of manuals. A series of courses have been conducted, both in the Central Technical Unit in Rome, and in Local Technical Units in Italian embassies in developing countries, to train DGCS personnel in the application of the method.

While Country Programme documents will still be vital for project identification and selection, logical frameworks will give projects clearer goals. So far, however, these project cycle management methods have not been widely applied in the aid programme. The delay has been caused by plans for the restructuring of official development co-operation, which will re-assign responsibilities among the main actors in the DGCS.

8. THE INFLUENCE OF ITALY'S MULTI-BILATERAL EXPERIENCE IN COLLABORATION WITH FAO, ON ITS BILATERAL FORESTRY PROGRAMME

DGCS staff recognise that Italian funding in the forestry sector has achieved some interesting results, which should now be analysed in a systematic way. It would

7. There is no easy way of characterising all the tropical forestry research undertaken by Italian institutions. The following brief summary is based on personal interviews with Professor Riccardo Morandini (Universities of Florence and Arezzo), and individuals in DGCS, the Ministry of Agriculture and Forests and FAO. The Italian entries in the European Tropical Forestry Research Network (ETFRN) Directory for 1996 were also consulted.

8. The headquarters of the pan-Mediterranean working group 'Silva Mediterranea' was established there in that year.

9. There are now too many foresters – 200–300 a year – being produced in Italy.

Box 2: The influence of Italy's multi-bilateral experience in collaboration with FAO, on its bilateral forestry programme

Projects and programmes implemented by Italy with FAO's Forestry Department since the early 1990s have been characterised in approach by:

- community participation;
- the harmonisation of the interests of different actors through dialogue, and a common engagement in seeking appropriate solutions;
- strengthening of local administrations in the planning and implementation of projects and programmes.

This took place through the use of methodologies and tools favouring people's participation, including improved information-sharing, and the provision of relevant training.

Italy has participated in a variety of initiatives using these methods. In the Mediterranean and Near East regions, projects have worked out an approach for sustainable forest management by finding a compromise between the different interests of government and local communities. In the southern Sahara, the protection and use of forest for food security were similarly negotiated through participatory approaches. Italy has also had a role in global programs, such as those for the Participatory Management of Natural Resources in the Uplands; the strengthening of local administration in decentralised planning and local

community participation within the context of National Forest Action Plans (NFAPs); and in various pilot projects in Africa, Asia and Latin America.

Lessons learned there were later applied to Italy's bilateral programs. Italian assistance to the tree-planting component of the Egyptian Environmental Plan was influenced by lessons learned in developing NFAP methodologies, and the approach was shifted from the originally-proposed state implemented top-down approach to a more community-based one.

A large soil conservation project in Tunisia, which ran into implementation problems because of conflicts between government and local communities over natural resource management, was reformulated using methods developed within FAO/Italy multi-bilateral projects: notably the Participatory Upland Management project and the Forestry and Food Security in the Mediterranean and Near East project.

Italian co-operation is also using methodologies and operational guidelines developed by the FAO/Italy programme, within its large programme of assistance to Albania's Forestry Sector, which needs reformulated objectives and priorities to keep pace with social and economic change there.

be useful to present results in international fora where they could be debated and confronted with other methods and approaches, refined, and used to shape future interventions in the sector. However, this task still lies in the future.

Instead Box 2 reviews the ways in which Italy's multi-bilateral experience in collaboration with FAO has helped to shape the thinking in its bilateral programme.

9. CONCLUSIONS

Italian co-operation developed late compared to the majority of OECD countries and grew too quickly in the initial period without equipping itself with the necessary organisational and administrative structure to face its increased commitments.

Italian tropical forestry co-operation had other problems when it started.

- The history of colonial Italian tropical forestry had been short, and had not included valuable forest areas which might have given forestry an economic importance nationally.
- The timber importers engaged in furniture production had little political influence with the Italian government, which therefore never considered the sector a strategic one.
- Research was diffuse and Italian comparative advantage initially unclear.

In these circumstances, policy-makers hesitated to engage in a sector in which they were not sure whether Italy could provide the necessary capacities and technologies.

Earlier co-operation agreements with recipient countries often included an arbitrary selection of projects, in countries selected for unclear geographic priorities,

rather than an analysis grounded in country priorities and oda policies. As a result, a large part of the funds available went to sectors of interest to local politicians and powerful Italian industrial groups, sowing the seeds for what would become a national scandal and a major problem for Italian co-operation.

In this situation, the forestry sector had no chance to emerge as a priority, except in the case of a few projects supported by NGOs and scientific organisations. Italian co-operation has chosen instead to implement most of its tropical forestry programme through the multi-bilateral channel, gaining experience and participating in progressive development and protection experiences in the field at the same time.

Meanwhile, co-operation policy has been changing. Taking stock of previous experience, reforms have been introduced, and the process is not yet finished. Resources have decreased, as a result of reductions in public expenditure, and this represents a good opportunity to improve efficiency. The new form of Italian co-operation which has emerged is now closer to international standards, as a result of the choice to give more emphasis to active participation in international organisations, and to enhanced co-ordination with other development agencies in international fora.

For all these reasons policies will be much more in line with those of Italy's closest partners, above all those in the EU, at the end of the ongoing process of reform. In due course, and from this new standpoint, Italy will be able to plan its contributions to international debates on tropical forestry policies and processes.

REFERENCES

- Camera Dei Deputati, Servizio Studi. (1995) *Dossier Indagini Conoscitive*. Direzione Generale per la Cooperazione allo Sviluppo, Rome.
- Censis (1993) *Libro Bianco sulla Co-operazione Italiana allo Sviluppo degli Anni 80*. Fondazione Censis (Centro Studi Investimenti Sociali), Rome.
- Ciancio, O. (ed.) (1996) *Il Bosco e l'Uomo*. Accademia Italiana di Scienze Forestali, Florence.
- Di Bèrenger, A. (1982) *Archeologia Forestale, Ovvero dell'Antica Storia e Giurisprudenza Forestale in Italia*. Direzione Generale per l'Economia Montana e per le Foreste, Rome.
- Dini, L. (1997) *Relazione Previsionale e Programmatica al Parlamento sull'Attività di Cooperazione allo Sviluppo per l'Anno 1997*. Ministro degli Affari Esteri, Rome.
- FAO (1996) *Programma di Cooperazione Italia/FAO Rapporto sui Progetti di Sviluppo Agricolo 1995-96*. FAO, Rome
- Fiori, A. (1902-1912) *Boschi e Piante Legnose dell'Eritrea*. Edizioni dell'Istituto Agronomico Coloniale Italiano, Florence
- Giordano, G. (1940) *Il Problema Forestale dell'Impero*. Quaderni Italiani, Edizioni IRCE, Rome.
- Giordano, G. (1941) 'Le Utilizzazioni Boschive dell'Africa Orientale Italiana nei Reguardi della Conservazione e del Miglioramento del Patrimonio Forestale'. *L'Agricoltura Coloniale*, Luglio 1941. Regio Istituto Agronomico per l'Africa Italiana, Florence.
- Guidotti, R. (1934) *Boschi e Servizio Forestale in Eritrea*. Istituto Agronomico Coloniale Italiano, Florence
- IAI, Istituto Affari Internazionali (1994) *L'Italia nella Politica Internazionale*. Edizione, Rome.
- Ministero degli Affari Esteri (1987) *Nuova Disciplina della Cooperazione dell'Italia con i Paesi in Via di Sviluppo. Testo della Legge N. 49 del 26 Febbraio 1987. Il Regolamento di Esecuzione*. Rome
- Ministero degli Affari Esteri (1995) *Relazioni Annuali sull'Attualizzazione della Politica di Cooperazione allo Sviluppo, 1985-95*.
- Ministero degli Affari Esteri (1997) 'Programmazione della Cooperazione allo Sviluppo per l'anno 1997'. *DIPCO (Dipartimento Cooperazione)*, *Bollettino della Cooperazione Italiana* No. 11, Rome.
- Ministero dell'Agricoltura e delle Foreste. (1988) *Schema di Piano Forestale Nazionale*. Gazzetta Ufficiale della Repubblica Italiana, Rome.
- Ministero dell'Agricoltura e delle Foreste, Corpo Forestale dello Stato. (1990) *Strategia Forestale nella Comunità Europea. Elementi di Politica Forestale Italiana. Orientamenti per una Politica Forestale Europea*. Collana Verde N. 78, Rome
- Ministero dell'Agricoltura e delle Foreste, Corpo Forestale dello Stato. (1994) *Italy Country Case Study*. OECD Workshop on Forestry, Agriculture and the Environment, 17-20 October, Madrid
- OECD (1996) In Italian: *Esami Sulla Cooperazione allo Sviluppo in Italia*. A.16. (In English: *Italy*. Development Co-operation Review Series, No.16) OECD, Paris.
- Piussi, P. (1994) *Selvicoltura Generale*. Unione Tipografica Editrice Torinese, (UTET) Torino.
- Rhi-Sausi, J. L. (ed.) (1994) *La crisi della Cooperazione Italiana*. Rapporto CeSPI (Centro Studi di Politica Internazionale) sull'Aiuto Pubblico allo Sviluppo. Edizioni Associate, Rome.
- Senni, L. (1915) *Note sulla Legislazione Forestale Eritrea*. Istituto Agronomico Coloniale Italiano, Florence
- Senni, L. (1938) 'Problema Forestale e Selvicoltura nell'Africa Orientale Italiana'. *L'Alpe*, *Rivista Forestale Italiana*, Confederazione Turistica Italiana, Milan.

KEY CONTACTS

Ministero dei Affari Esteri
La Farnesina
Direzione Generale per la Cooperazione allo Sviluppo (DGCS)
Unità Tecnica Centrale
via Contarini, 25
00195 Rome
Italy
Tel: +39 6 3691 4603
Fax: +39 6 3240585

Istituto Agronomico per l'Oltremare (IAO)
Ministero degli Affari Esteri
via Anotonio Cocchi, 4
50131 Florence

Italy
Tel: +39 55 50611
Fax: +39 55 5061333

Istituto Sperimentale Selvicoltura
Piazzale delle Cascine, 28
1-50144 Florence
Italy
Tel: +39 55 365798
Fax: +39 55 360137

ACRONYMS

ACP	African Caribbean and Pacific
Censis	Centro Studi Investimenti Sociali (The Centre for Studies in Social Investment)
CeSPI	Centro Studi di Politica Internazionale (The Centre for Studies in International Politics)
CFS	Corpo Forestale dello Stato (State Forestry Corps)
CIFOR	Center for International Forestry Research
CIPE	Comitato Interministeriale per la Programmazione Economica (Interministerial Committee for Economic Planning)
CNR	Consiglio Nazionale delle Ricerche (National Council for Research)
DAC	Development Assistance Committee
DGCS	Direzione Generale per la Cooperazione allo Sviluppo (Department for Development Co-operation)
EDF	European Development Fund
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GNP	Gross National Product
IAI	Istituto Affari Internazionali (The International Affairs Institute)
IAO	Istituto Agronomico per l'Oltremare (Overseas Agronomy Institute)
ICRAF	International Center for Research in Agro-Forestry
IFAD	International Fund for Agricultural Development
IRDIP	Integrated Rural Development Project
L.	Italian lira
MAE	Ministero degli Affari Esteri (Ministry of Foreign Affairs)
MAF	Ministero dell'Agricoltura e delle Foreste (Ministry of Agriculture and Forests)
MBT	Ministero del Bilancio e Tesoro (Ministry of Planning and Finance)
NGO	Non-Governmental Organisation
oda	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
SADC	Southern Africa Development Conference
TFAP	Tropical Forestry Action Programme
UN	United Nations
UNCED	United Nations Conference on Environment and Development
UTC	Unità Tecnica Centrale (Central Technical Unit)
UTL	Unità Tecnica Locale (Local Technical Unit)
WWF	World Wildlife Fund

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Mr G Arru (FAO-Italy Consultative Committee); Dr G Carabba (DGCS); Mr O Fugalli (FAO and IUFRO, retired); Professor R Morandini (Forest Research Institutes of Florence and Arezzo); Dr Marina Puccioni (IAO, Florence); Dr S Salvatici (Ministry of Agriculture and Forests); and various other individuals within the DGCS and the Ministry of Agriculture and Forests.

Note on currency: on 1 September 1997, US\$ 1 was equivalent to L.1767.00.

Luxembourg

Vincent Glaesener and Kathrin Schreckenber

Contents

1.	TEMPERATE FORESTRY IN LUXEMBOURG	263
1.1	Forest cover, type and tenure	263
1.2	Forest institutions	263
1.3	Role of forestry in the Luxembourg economy	263
2.	HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY	263
3.	STRUCTURE OF AID DELIVERY	263
3.1	The Ministry of Foreign Affairs, External Trade and Co-operation	263
3.2	Bilateral co-operation	264
3.3	Multilateral co-operation and funds-in-trust	264
3.4	Co-operation with non-governmental organisations	264
3.5	Technical assistance	264
4.	TROPICAL FORESTRY DEVELOPMENT POLICIES	265
4.1	General development co-operation policies	265
4.1.1	Volume of funding	265
4.1.2	Regional focus	265
4.1.3	Sectoral distribution	265
4.1.4	Project size and duration	266
4.2	Co-operation in the tropical forestry sector	266
4.2.1	International negotiations	266
5.	THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS	266
6.	RESEARCH AND TRAINING	266
7.	PROJECT CYCLE MANAGEMENT	266
8.	REVIEWS AND PROJECT PROFILES	267
9.	CONCLUSION	267
	REFERENCES	267
	KEY CONTACTS	268
	ACRONYMS	268
	ACKNOWLEDGEMENTS	268

1. TEMPERATE FORESTRY IN LUXEMBOURG

1.1 Forest cover, type and tenure

The Grand Duchy of Luxembourg has a forest cover of 33% (or 88,600 ha), making it one of the most forested countries within the European Union (Direction des Eaux et Forêts, 1996). Unlike some of its neighbours, the country has always maintained a high degree of forest cover, leading to its being called the 'Département des Forêts' during the French occupation from 1795 to 1814. Forest cover has never fallen below the 31% experienced in 1865 (Ministère de L'Environnement, 1994).

About 46% of the forest is made up of deciduous stands (60% beech and 30% oak) which are predominantly situated in the south. Evergreen stands (80% spruce and 6% Douglas fir) make up another 36% of forest cover and are located mainly in the north. The area of coppice is declining and currently stands at 15%, with the remaining 3% of forest land classified as non-wooded. Current forest management aims to achieve a more balanced age structure, in particular to resolve the problem of Luxembourg's aging beech stands.

Of the total forest area, 53% is owned by approximately 13,000 private owners (with an average of 3.7 ha each), of whom over 9,000 own less than 2 ha. The remaining 47% of forest is in public hands, with 74% classified as communal forests, 23% state-owned and 3% owned by public institutions (Parlement Européen, 1994; Direction des Eaux et Forêts, 1996).

1.2 Forest institutions

Public forests are managed by the 'Administration des Eaux et Forêts', which is controlled by the Ministry of the Environment and financially supervised by the Ministry of Agriculture. The Administration is staffed by about 20 senior foresters, 85 forest guards and 35 administrative staff, some of whom are based in six decentralised 'cantonnements', which are further subdivided into 58 'triages'. In addition to managing public forests, the Administration's staff are responsible for providing advice to private forest owners (including provision of state subsidies) and enforcing legislation, and may also carry out silvicultural interventions where requested. A 'Groupement des Sylviculteurs' represents the interests of private forest owners.

1.3 Role of forestry in the Luxembourg economy

The forest's ecological and social functions are accorded great importance in Luxembourg. The role of the forest industry in the national economy is minor, however, with the products from private and public forests together contributing only 0.1 – 0.2% of GNP (STATEC, no date). Between 1966 and 1996, the number of sawmills – mostly small family enterprises – declined from 180 to 15 and now process conifers almost exclusively.

Luxembourg is unusual within Europe in that it consumes only about 120,000m³ of its own production while about 200,000m³ are exported, primarily to

Belgium and Germany (Direction des Eaux et Forêts, 1996). In 1992 total production was 325,000m³, compared with imports of 445,000m³ and exports or re-exports of 580,000m³ (Office of Statistics, unpublished data). Overall the timber industry in Luxembourg is characterised by weak processing capacity which leads to the export of unprocessed timber and a dependence on imports for finished products (Parlement Européen, 1994). The balance of accounts of public forests is negative.

2. HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY

Luxembourg's involvement in development is fairly recent compared to that of some of its neighbours. The country's small size, relatively recent independence (1867), and lack of colonial past have meant that it has no history of involvement in tropical forestry.

3. STRUCTURE OF AID DELIVERY

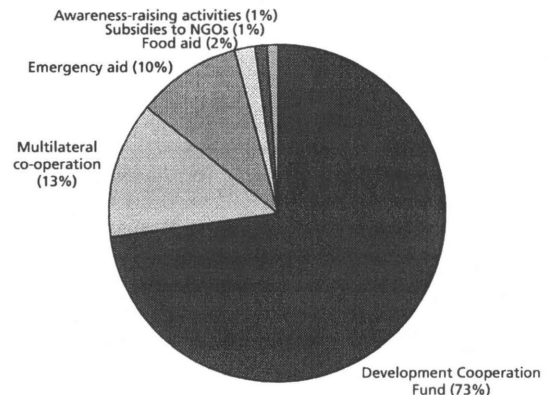
3.1 The Ministry of Foreign Affairs, External Trade and Co-operation

The Ministry of Foreign Affairs, External Trade and Co-operation (*Ministère des Affaires Etrangères, du Commerce Extérieur et de la Coopération*, MAE) is responsible for 82% of public sector aid, with the remainder being managed by a number of other ministries, in particular the Ministry of Finance (8%) and the Ministry of National Education (9%). Within the Ministry of Foreign Affairs aid is managed by an independent Co-operation Department (*Service de la Coopération*) which has a staff of about 8 people (MAE, 1995b).

In 1996 public aid managed by the Ministry of Foreign Affairs amounted to about LUF 2,000 m. distributed among six sectors (Figure 1).

As can be seen in Figure 1, the Development Co-operation Fund (*Fonds de la Coopération au Développement*, FCD) represents just over 70% of the Ministry's aid budget (and about 60% of total public aid). Unlike other government budgets, funds in the

Figure 1: Distribution of aid managed by the Ministry of Foreign Affairs, 1996



(Source: data provided by MAE, 1996)

FCD are not subject to the government's annual budgeting exercise but can be disbursed over several years, thus allowing for greater flexibility in the financial management of longer term projects and programmes (MAE, 1995b). In 1996 the FCD had a budget of LUF 1,400 m., which was distributed as shown in Figure 2.

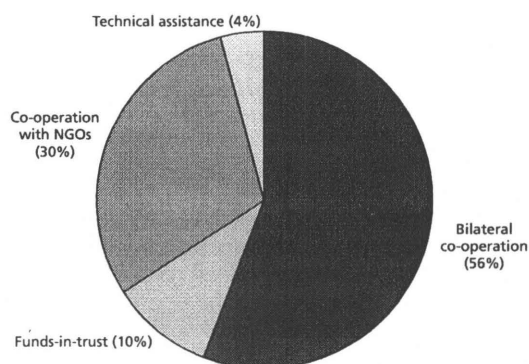
3.2 Bilateral co-operation

An initial lack of domestic capacity for managing development projects meant that most of Luxembourg's aid in the early 1990s was channelled through multilateral organisations. Recently this situation has been reversed, with the volume of bilateral co-operation rising by over 40% between 1994 and 1995 alone. It is now the most important instrument of Luxembourg's development co-operation, representing about 40% of total official development assistance (oda) in 1996. Of this bilateral co-operation, 80% is implemented by a private company, Lux-Development, with the remainder being managed directly by the Ministry's Co-operation Department.

Created in 1978 to promote Luxembourg's exports and to develop co-operation with other countries, Lux-Development was restructured in 1993 to become the principal implementing agency for the bilateral co-operation programme under the mandate and control of the Ministry. Its permanent staff consists of only nine professionals but is complemented as necessary by external collaborators and freelance consultants. Technical experts and staff of development projects are recruited primarily within partner countries (Lux-Development, no date).

The terms of bilateral co-operation are fixed in bilateral accords either on a project by project basis, or in general co-operation agreements with a view to long-term programmes with target countries (see section 4). In line with recommendations by the OECD's Development Assistance Committee, most FCD funding consists of grants to the government of the beneficiary country. Unlike many other countries, Luxembourg does not give any tied aid but has a clear separation between development aid and the promotion of external trade (MAE, 1995b).

Figure 2: Distribution of Development Co-operation Fund, 1996



(Source: data provided by MAE, 1996)

3.3 Multilateral co-operation and funds-in-trust

Multilateral commitments accounted for about LUF 505 m. (or 27% of total oda) in 1995 (MAE, 1995b). Of this the majority (72%) went to the European Union with LUF 127 m. earmarked for the 7th European Development Fund and LUF 236 m. for the general development co-operation budget of the European Union (MAE, 1995b). Various United Nations organisations, in particular the World Health Organisation and the United Nations Development Fund (UNDP), receive most of the remainder of multilateral commitments.

In addition to these contributions to the general budgets of multilateral organisations, Luxembourg also makes funds-in-trust contributions to specific projects and programmes. These are made from the FCD, accounting for 10% of this Fund in 1996, and are targeted at a number of international organisations with UNDP and the World Health Organisation being among the major recipients.

3.4 Co-operation with non-governmental organisations

Non-governmental organisations (NGOs) are an important instrument of Luxembourg's development co-operation. Their projects are financed with private funds and through co-financing arrangements with the Ministry of Foreign Affairs. In 1996 the Ministry officially recognised 68 NGOs (all based in Luxembourg) for such co-financing arrangements. Prior to 1996, the Ministry contributed an additional 100% (and in some cases even 200%) of the NGO's project costs. The new Development Co-operation law of January 1996, however, raised the government's contribution to up to 300% of the NGO's contribution for those projects implemented in target countries¹ (with a ceiling of LUF 12 m. per project) (MAE, 1995a). In 1996 the Ministry agreed to co-finance about 200 NGO projects (from 250 proposals) to the tune of LUF 400 m. or 30% of the FCD. This is a marked increase on previous years, with only LUF 217 m. being devoted to NGO co-financing in 1994. The increase is accounted for partly by the larger average size of individual project costs being covered by the government. The Ministry also provides donations and subsidies to NGOs. These are not paid from the FCD, however, and are relatively modest sums (1% of oda).

3.5 Technical assistance

In addition to funding projects, the Ministry also spends about 4% (LUF 45 m. in 1995) of the FCD on technical assistance. This includes training young development professionals as Junior Programme Officers in UNDP and the European Commission, and sending experts (particularly teachers) and volunteers to work in partner countries. It also covers the participation of developing country nationals in short training courses in Luxembourg.

1. See section 4.1.2 for a list of target countries.

4. TROPICAL FORESTRY DEVELOPMENT POLICIES

4.1 General development co-operation policies

Luxembourg's co-operation activities date back to the 1980s when the first law relating to development aid was passed (1982) and a budget line established (1985). Development aid based on co-operation agreements with partner governments, however, was only launched after the Grand Duchy joined the OECD's Development Assistance Committee in 1992. A new law on Development Co-operation, prepared in consultation with NGOs, came into force in January 1996, replacing all earlier laws.

4.1.1 Volume of funding

Since 1986, the Grand Duchy has experienced an almost explosive expansion of its official development assistance. From a modest LUF 221 m. in 1986 it has increased more than ten-fold to reach LUF 2,400 m. in 1996, equivalent to 0.45% of GNP. Unlike most other countries which have reduced or frozen their development aid contributions, Luxembourg's aid budget is increasing and is expected to reach 0.7% of GNP by the year 2000 (see Figure 3). The fact that the aid budget is determined independently of the overall budget of the Ministry suggests that this figure is likely to be achieved. Development aid has now become one of the country's most important budget items.

4.1.2 Regional focus

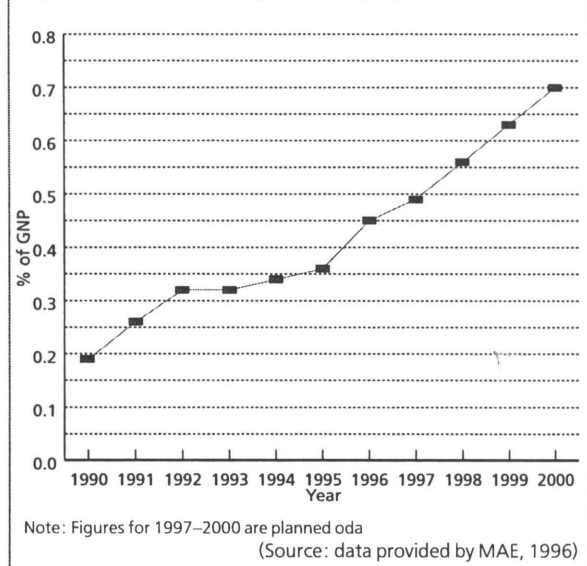
Until 1988 most Luxembourg aid was channelled through multilateral organisations. The great increase in bilateral aid since 1993, however, has allowed for greater control of the distribution of funds. In 1996 the FCD provided funds for about 80 countries, mostly through projects co-financed with NGOs. As can be seen from Figure 4 the majority of this aid was destined for Africa.

In 1993 the OECD's Development Assistance Committee remarked upon the wide distribution of Luxembourg's oda and advised a greater regional concentration of efforts. Following this recommendation the Ministry of Foreign Affairs introduced a system of target countries in 1993. This policy prioritises the least advanced countries of sub-Saharan Africa and also takes account of the following criteria:

- stability of the political situation and respect of democratic principles;
- modest size of the country or region concerned, in proportion to the size and means of the Grand Duchy;
- UNDP human development indicators;
- Francophone nature.

The final decision about which countries are included on the list of target countries is made by the Minister of Foreign Affairs with parliamentary approval. In 1996, eleven countries were included on the list and shared about 30% of oda: Burundi, Cape Verde, Mauritius, Namibia, Niger, Senegal, Tunisia, El Salvador, Ecuador, Nicaragua and Vietnam. The main reason for the continued wide distribution of aid is the broad

Figure 3: Luxembourg oda as a proportion of GNP

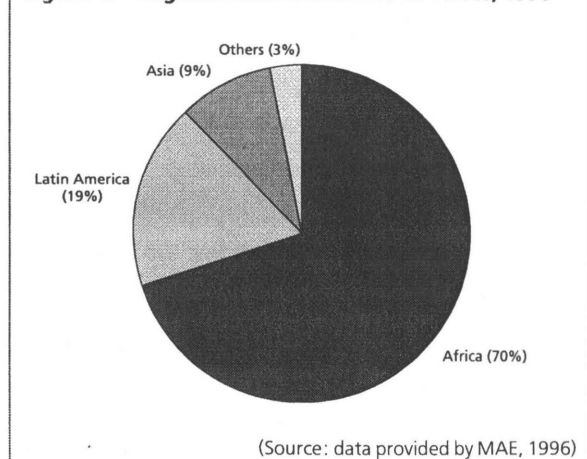


geographical distribution of projects co-funded with NGOs. The government is trying to influence the regional distribution of NGO projects by increasing subsidies for projects in target countries to a maximum of 300% (of the NGO contribution) relative to the 200% available for projects in non-target countries (MAE, 1995b).

4.1.3 Sectoral distribution

An interministerial committee on development co-operation exists to advise on the overall priorities of development policies. Aid is provided in all the sectors considered to be a priority for development in the Third World. A particular emphasis is placed on the social and health sectors, integrated rural development, small and medium-scale infrastructure, and human resources development (MAE, 1995b). Participation of local populations especially women, as well as local employment-creation initiatives, are particularly encouraged (MAE, 1995b). There is no estimate of the volume of funds allocated to the environment (including agriculture and forestry) as most projects integrate a range of different activities.

Figure 4: Regional distribution of FCD funds, 1996



4.1.4 Project size and duration

The average length of projects funded by the Ministry of Foreign Affairs is 1–4 years. There is no ceiling on the financial volume of bilateral projects, but they must be in line with the scale of aid provided by a state as small as Luxembourg. For this reason, projects of a larger scale are usually financed through contributions to international organisations or as bilateral contributions in association with other donors. This also applies to Luxembourg NGOs, which are generally small-scale institutions with only modest means. They therefore prefer limited and localised actions.

4.2 Co-operation in the tropical forestry sector

Projects focusing purely on forestry tend to be fairly large-scale and require long-term support in order to ensure positive results. The funding volumes required for such projects are not in line with the scale of Luxembourg's development co-operation budget. In its bilateral projects the Ministry of Foreign Affairs therefore usually only funds forestry as a component of multi-sectoral integrated projects.

The same is true for NGOs, which prefer to fund shorter term activities in the social sector. Any interventions in the forestry sector are generally part of integrated projects or carried out in conjunction with other Luxembourg or foreign NGOs.

The fact that any forestry activities tend to be components of other projects makes it very difficult to estimate the total amount of funding devoted to tropical forestry.

4.2.1 International negotiations

The Ministry of Environment deals with domestic climate, water and air quality issues and is therefore responsible for follow-up to the United Nations Conference on Environment and Development and any discussions relating to the Climate and Biodiversity Conventions. Follow-up to the Intergovernmental Panel on Forests process is in the hands of the Forest Administration.

5. THEMATIC AND REGIONAL DISTRIBUTION OF FORESTRY PROJECTS

Currently the Ministry (through Lux-Development) funds only one forestry project in the Okavango Forest of Namibia (see section 8). In recent years a number of NGO projects have incorporated forestry activities. These include eight projects with agroforestry components in Burkina Faso (*Chrétien pour le Sahel*); reforestation and forest management training in the High Plateaux of Ethiopia (Caritas); reforestation and joint forest management activities in Ahmedabad, India (*Aide à l'enfance de l'Inde*); the establishment of agroforestry and silvopastoral systems, and the training of community leaders in the Maras region of Peru (*Eng Bréck mat Latäinamerika*); and reforestation of hillsides in the Kathmandu Valley, Nepal (Scouts for Community Development).

6. RESEARCH AND TRAINING

Advanced level professional forestry training is not available in the Grand Duchy. Academic foresters are therefore trained in Germany, Belgium, Austria, France or Switzerland. The Forest Administration runs a school to train forest guards and provides courses for lumberjacks. Luxembourg has no forestry research organisation or institution specialised in tropical forestry. However, the Administration maintains good relations with several foreign universities and research institutions.

7. PROJECT CYCLE MANAGEMENT

An advantage of the modest scale of Luxembourg's development aid is that the small number of people involved can communicate easily and take a very flexible approach to project management and implementation. The Ministry's main concern is to allocate the greatest possible proportion of funds to the project itself by reducing management costs to the minimum. For projects funded and managed by the Ministry or Lux-Development technical experts and staff are recruited locally wherever possible with the role of intermediaries being reduced to a minimum. This is also in line with the desire to involve local populations in projects as much as possible.

Bilateral aid projects managed by the Ministry and Lux-Development go through six phases (Lux-Development, no date):

1. Broad planning

- identification by the Ministry of the general policy, orientation and principles of co-operation;
- sectoral, geographic, financial and thematic strategies;
- suggestions for programmes or projects.

2. Identification

- preliminary drafts of project ideas elaborated by Lux-Development and the national authorities of beneficiary countries;
- evaluation of ideas by the Ministry in the context of its global objectives and desired results and activities;
- decision on whether the project should pass on to the next stage.

3. Formulation

- Lux-Development is mandated by the Ministry to carry out a feasibility study of the social, economic, financial, technical and organisational aspects of the proposal;
- preparation of the project document by Lux-Development together with local partners;
- submission to the Ministry for approval.

4. Directive

- examination of the proposal by the Ministry;
- decision made to accept (or not) the proposal and financing;
- negotiations with the beneficiary government;
- drawing up of a bilateral co-operation agreement or protocol;

- release of funds.

5. Implementation by Lux-Development

- recruitment of consultants and experts;
- initiation of professional services, work, equipment and materials;
- organisation and training;
- calendar of implementation, follow-up and progress reports.

6. Evaluation

- in parallel with implementation, Lux-Development or external experts analyse project results with a view to possible reorientation and to make recommendations for similar future projects;
- at the same time, the Ministry sends out external evaluation missions;
- at the end of the project, a final report and financial accounts are submitted to the Ministry by Lux-Development.

For NGO projects, the process is similar. Given the small size of Luxembourg NGOs, they tend to collaborate with each other or with foreign NGOs to benefit from their infrastructure, or recruit implementing staff at the project site. Any NGO wanting co-funding from the Ministry of Foreign Affairs has to provide the Ministry with a project outline. Depending on the length of the project, the NGO has to submit one or more progress reports as well as a final report. The Ministry carries out on-site evaluations of about ten NGO projects per year. Furthermore, the Ministry carries out audits of the implementing agency, Lux-Development, and five NGOs each year.

8. REVIEWS AND PROJECT PROFILES

There has not yet been an overall review of Luxembourg's very young programme of development assistance, nor of aid to specific sectors. Box 1 illustrates how Luxembourg's only forestry project is integrated into a programme of assistance to one region in Namibia.

9. CONCLUSION

While many countries are reducing their aid budgets, the Grand Duchy of Luxembourg has made considerable efforts in the field of development co-operation and, in terms of its GNP, is on the way to becoming one of the prime donors in the world. With an aim of devoting 0.7% of GNP to development aid by the year 2000, Luxembourg will, in 15 years, have moved from being a country with a minor aid programme to being proportionately one of the world's major donors.

As well as an increase in the volume of both bilateral and multilateral funding, Luxembourg's aid programme has also experienced a great improvement in the quality and implementation of projects. This follows a rapid increase in the professional expertise of personnel in the relatively new development and implementation bodies of the Ministry of Foreign Affairs, and the imposition of more rigorous criteria for NGOs wishing to obtain co-

financing. Government aid is carried out by a limited number of intermediaries and has a very flexible decision-making and implementing structure that greatly reduces administrative costs. This allows for a freedom of action and decision-making that increases the effectiveness of Luxembourg's co-operation and development policies (MAE, 1995b).

The history of Luxembourg, combined with the large budgets necessary to fund purely forestry projects, has led the government to orient its development policies towards sectors more in line with the funds at its disposal. The involvement of Luxembourg in tropical forestry is therefore modest.

REFERENCES

- Direction des Eaux et Forêts (1996) 'La forêt du Grand-Duché de Luxembourg' (The forest of the Grand Duchy of Luxembourg). Mimeo, Direction des Eaux et Forêts, Luxembourg.
- Lux-Development (no date) Lux-Development: Société luxembourgeoise pour la coopération internationale. Publicity folder, Lux-Development, Luxembourg.
- Lux-Development (1994) Project Document: NAM/134 Forestry Support for Okavango. Lux-Development, Luxembourg.
- Ministère de L'Environnement (1994) *L'Etat de l'environnement 1993* (The state of the environment 1993). Ministère de L'Environnement, Luxembourg.
- Ministère des Affaires Etrangères, du Commerce Extérieur et de la Coopération (MAE) (1995a) *La coopération luxembourgeoise rapport annuel 1994* (Luxembourg Co-operation, Annual Report 1994). MAE, Luxembourg.
- Ministère des Affaires Etrangères, du Commerce Extérieur et de la Coopération (MAE) (1995b) *La coopération luxembourgeoise rapport annuel 1995* (Luxembourg Co-operation, Annual Report 1995). MAE, Luxembourg.
- Parlement Européen (1994) *L'Europe et la forêt* (Europe and the forest). Office des Publications Officielles des Communautés européennes, Luxembourg.
- STATEC (no date) *Portrait économique du Luxembourg* (Economic Profile of Luxembourg). STATEC, Luxembourg.

Box 1 Forestry Support for Okavango, Namibia

Since 1994 the Ministry (through Lux-Development) has been funding a project in Namibia entitled 'Forestry support for Okavango' with a total budget of LUF 17m. In line with the Ministry's preference for aid through programmes, it is one of seven bilateral aid projects funded by Luxembourg in the Northern Okavango region. Other projects in the programme are concerned with improving radio communications between ministries in the region, supporting a teachers' training college, providing cartography training and equipment, improving the contribution of livestock to community development, establishing a local market and credit schemes, and facilitating project coordination. The aim of the forestry project is to protect the Okavango forest by collaborating with the regional Department of Forests and the Ministry of Agriculture as well as the Municipality of Rundu and local communities to achieve sustainable management of forest resources, by:

- development of agroforestry and intensive forestry
- establishment of a research nursery
- awareness raising campaigns for the local population
- search for an appropriate solution to the fuelwood supply problem around the town of Rundu

(Lux-Development, 1994)

KEY CONTACTS

Ministère des Affaires Etrangères, du Commerce Extérieur et de la Coopération
 Service de la Coopération
 6, rue de la Congrégation
 L-1352 Luxembourg
 Tel: +352 4781
 Fax: +352 222048

Administration des Eaux et Forêts
 67, rue Michel Welter
 L-2730 Luxembourg
 Tel: +352 402201
 Fax: +352 485985

Lux-Development
 7, rue Alcide de Gasperi
 B.P. 1503
 L-1015 Luxembourg
 Tel: +352 425211 1
 Fax : +352 433808

Cercle des ONG (NGO Association)
 5, av. Marie-Thérèse
 L-2132 Luxembourg
 Tel/Fax: +352 44743 342

ACRONYMS

FCD	<i>Fonds de la Coopération au Développement</i> (Development Co-operation Fund)
GNP	Gross national product
LUF	Luxembourg francs
MAE	<i>Ministère des Affaires Etrangères, du Commerce Extérieur et de la Coopération</i> (The Ministry of Foreign Affairs, External Trade and Co-operation)
NGO	Non-governmental organisation
oda	official development assistance
OECD	Organization of Economic Co-operation and Development
UNDP	United Nations Development Programme

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Mr. Marc Bichler (MAE), Mme. Marie-Paule Kremer (Ministry of the Environment), Mr. Edmond Lies (*Administration des Eaux et Forêts*), Mr. Stan Myck (MAE), Mme. Marie-Ange Schimmer (*Cercle des ONG*), Mr. Nicolas Schmit (MAE), and Mr. Pierre Thein (Lux-Development). Thanks are also due to Ms. Clare Hamilton (DFID, UK) for editorial inputs.

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to LUF 37.40.

Netherlands

Henk Lette, Bert van der Linden and David Brown

Contents

1.	HISTORY OF FORESTRY IN THE NETHERLANDS	271
1.1	Temperate forest history	271
1.1.1	The Public Forest Service in the Netherlands	271
1.2	The international timber trade	271
2.	FORESTRY IN THE COLONIAL PERIOD	271
2.1	The colonial expansion	271
2.2	Post-colonial interest in tropical timbers	272
3.	THE STRUCTURE OF NETHERLANDS' AID TO TROPICAL FORESTRY	273
3.1	Levels of official development assistance	273
3.2	The organisation of Dutch development aid	273
3.2.1	Official Aid	273
3.2.2	Aid delivery	275
3.2.3	Non-governmental organisations	275
3.2.4	Tropenbos	276
3.2.5	Project implementation	276
4.	TROPICAL FORESTRY POLICY	276
4.1	Background	276
4.2	Forestry Strategy	276
4.3	Aid delivery in Forestry Development Co-operation	278
5.	PROJECTS FUNDED BY REGION AND TYPE	278
5.1	Geographical criteria for selection	278
5.1.1	Disbursements in selected countries	279
5.2	Types of projects supported	279
5.3	Institutional channels for project assistance	279
5.4	Forest management models	280
6.	TROPICAL FORESTRY RESEARCH AND TRAINING IN THE NETHERLANDS	281
6.1	Educational courses in forestry	281
6.2	Training courses in tropical forestry	281
6.3	Other educational, training and research institutions	282
7.	PROJECT CYCLE MANAGEMENT	282
7.1	Project cycle	282
7.2	Ministry procedures	283
8.	REVIEW OF THE MAJOR FORESTRY PROJECTS	283
8.1	The need for flexibility	283
8.2	Case studies	284
8.2.1	Kenya Woodfuel Agroforestry Programme (KWAP)	284
8.2.2	The Kali Konto Project, Indonesia	285
8.2.3	Project: 'Desarrollo Forestal Participativo en los Andes'	286
9.	CONCLUSION	287
	REFERENCES	287
	KEY CONTACTS	288
	ACRONYMS	288
	ACKNOWLEDGEMENTS	289

1. HISTORY OF FORESTRY IN THE NETHERLANDS

1.1 Temperate forest history

In the country which is now known as the Netherlands, the human influence on the landscape has long been intense. It was not always so. The two most westerly provinces of the Netherlands derive their name from their once heavily wooded character (wood is *'holt'* in old Dutch, hence *'holt-land'* – Holland). However, records show that even by the time of Charlemagne (742–814) most of the natural forest had been lost. By the thirteenth century, shortage of forest resources was severe, particularly in the north.

Much of the timber loss in this period can be attributed to the use of wood as a fuel for iron smelting. The implications for rural populations were considerable. Forests provided a range of resources of general value, including firewood, timber for construction, leaf litter and peat (for maintaining soil fertility), as well as hunting areas and grazing lands (Corten, 1997). The extent of pressure on the resource encouraged local communities very early on to demarcate their forests and invest in their management (Buis, 1993; Corten, 1997). Local management associations were established in the late Middle Ages to regulate the use of forests and common lands, and to prevent encroachment by outsiders. These associations – *'marken'* in Dutch – reflected the prevailing patterns of land ownership, for voting rights were linked to the possession of agricultural land.

So was established the profile of the small-scale land management systems which came to characterise natural resource management in the Netherlands. These developed over the centuries into a system of regulations for tree planting and replanting, for cattle grazing, and for fencing of common and private lands, and they led also to the rise of shelter systems for the intensive management of cattle and other livestock. Under the influence of rising population pressure, much of the Netherlands' forest gave way to the heath moorlands which are still much in evidence in many parts of the country. Continued peat extraction led to heavy erosion of these moors, and drifting sand became a hazard to agriculture (Buis, 1985).

There is no history of large scale forestry or timber industry in the Netherlands, and today, as in the past, forest activities remain largely oriented to the support of other sectors such as agriculture and industry. High population pressure (the Netherlands is one of the most densely populated countries in the world¹) has led to a widespread public awareness of the impact of humans on the forests. It is perhaps unsurprising that community forestry has come to occupy a particularly important place in Dutch development aid.

1.1.1 The Public Forest Service in the Netherlands

The State Forest Service, SBB (*Staatsbosbeheer*), was founded in 1899, and initially managed only 13,000 ha. of forests, dunes and drifting sands. Nowadays it is

responsible for over 180,000 ha. of public lands, half of them forests, the other half comprising grasslands, moors, peat bogs, marshlands and recreational areas. SBB, a Directorate of the Ministry of Agriculture, Nature Management and Fisheries, has primary responsibilities for the management and development of forests, and for 'nature management'. In line with the overall policy of the Ministry (which is committed to public participation in planning activities), the service is regionalised, with 14 regional offices, each subdivided into districts. The regions are chosen for their ecological integrity, and do not necessarily correspond to administrative areas.

1.2 The international timber trade

The Netherlands has been a major importer of wood since as early as the Middle Ages (8–13th centuries). It was in the seventeenth century, however, that timber imports developed a real importance, mainly due to the growth of the Dutch shipbuilding industry. Nearly all the wood necessary for this industry was imported into the country from elsewhere (Buis, 1985). Much of the early imports of timber passed down the River Rhine into the Netherlands from its eastern neighbours. Gradually, the centres of trade shifted to the tropics, particularly the West and East Indian colonies.

Before the turn of the present century, imports of tropical timber were restricted to a few specialised hardwoods. Between the two World Wars, annual imports from the tropics grew steadily to between 50,000 and 100,000 cubic metres roundwood equivalent. After the Second World War, and particularly from the early 1960s, these imports rose significantly, and by 1987 had reached more than 1.5 million cubic metres roundwood equivalent (von Meijenfheldt, 1989). Species composition has gradually changed as the most coveted species (ebony, teak, mahogany and demerara greenheart) have been priced out of the market, to be replaced by more utilitarian species such as red meranti, merbau, azobé and ramin (*ibid*). In terms of its origins, the Dutch tropical timber trade closely resembles the pattern of world trade: around 80% comes from South-east Asia, 18% from Africa, and less than 2% from South America.

2. FORESTRY IN THE COLONIAL PERIOD

2.1 The colonial expansion

The Netherlands had an early interest in tropical forests, and the reasons for this (in addition to the rapid depletion of its own temperate timber resources) can be found in its colonial history. In the early seventeenth century, the Dutch led the world in trade, science and the arts, and it was in this period that the colonial empire was established. In 1619, the Dutch East India Company took Jakarta on the northern shore of West Java, and renamed it Batavia. Initially, Dutch influence was restricted to certain trading centres, but by the late eighteenth century control of the territory was complete. The Indonesian islands were proclaimed a Dutch colony in 1816. Surinam in South America was established as an English colony in 1650, and became

1. Almost 16 million people living in a total area of only 30,000 km² (over 500 per km²)

Dutch Guyana in 1667. The Dutch Antilles were also colonised in the seventeenth century, and remained a colony until they became a fully autonomous island group of the Netherlands in 1954.

By far the most important of these possessions was the Netherlands East Indies (Indonesia), where the Dutch retained a presence for over three centuries until 1949, when the country was proclaimed an independent state. Indonesia was also the most important of the Dutch colonies from the perspective of tropical forestry.

According to Kartasubrata and Wiersum (1993), three phases can be distinguished in Indonesia's forest management up to the end of the colonial period:

- the pre-colonial period with a large variety of indigenous management systems, about which little is known;
- the teak era which started around 1800 in which forest management concentrated on sustained teak production;
- the forest plantation era, starting around 1930, in which the main focus of forest management was on establishing new plantations for purposes of both industry and watershed protection.

It was the importance of the Javan teak forests to the metropolitan naval industries (and thus to the whole economy) that led to early Dutch attempts at tropical forest management. The first regulations on forest management in Indonesia were laid down in 1808 by the colonial governor Daendels, but these failed to prevent the over-exploitation of the resource (Smiet, 1990). In 1849, the first professional foresters were appointed, with a brief to develop improved cultivation practices of the teak forest estate (Boomgaard, 1992). By this time, the principle of public responsibility for the management of the resource in the interests of the metropolitan government, as laid down by Governor Daendels, had become firmly established in forestry policy. The principle that forest conservation was best assured by state stewardship over forest lands led logically to the establishment of a professional forestry service, with responsibilities for control of forest lands, tree species development and management practices (Peluso, 1991).

Initially, the Netherlands, like so many of its European neighbours, depended on Germany to develop its expertise in tropical forestry. Following the lessons of their German teachers, the Dutch foresters focused their attention on the attempt to achieve sustainable yields. This was technically and economically feasible for teak in Javanese conditions, despite long rotations, as the timber commanded a high price and labour was very cheap (de Graaf and Hendrison, 1993).

The Indonesian experience was crucial to the development of Dutch tropical forestry expertise, and many professional foresters were later to transfer the knowledge they had gained in Indonesia to younger generations from the Netherlands, its colonies and elsewhere.

The same can be said, albeit to a lesser degree, of the second most important of the Dutch colonies, Dutch Guyana (Surinam). Surinam was a Dutch colony continuously from 1667 to its independence in 1975, and its successive forest policies reflect its colonial past. The arrival of the Dutch completely changed the functions of Surinam's forests which had hitherto been

used by the indigenous population only for slash and burn cultivation and associated hunting and fishing activities. The high demand in the Netherlands for construction timber (again the naval industry was a central and strategic concern) reoriented the Surinam forests to the interests of the metropolis, and forest management became subordinated to the needs of trade. Timber was floated down the navigable rivers of the colony to the coast, from where it was transported to the Netherlands. Paradoxically, sawn wood was imported into Surinam from Europe, as sugar merchants back-loaded otherwise empty ships returning to the colony (Hendrison, 1990).

Around the turn of the present century, balata (*Manilkara bidentata*) experienced a boom in demand (its latex is used for a variety of culinary and industrial purposes), and thousands of tappers sought their fortunes as rubber prospectors in the interior. This led to concern in official circles as to the sustainability of the resource. Silvicultural experiments failed to stimulate natural regeneration of balata trees, and so felling was prohibited by law, an ordinance which is still in force (de Graaf and Hendrison, 1993). In 1904, the first Forest Service was established in Surinam, only to be abolished in 1925 following the failure of silvicultural experiments (such as the balata project) to generate a profit for the state.

With the economic upturn that followed the Second World War, the Surinam Forest Service was revived, under the name of *Dienst Lands Bosbeheer (LBB)*. Under the direction of LBB, hundreds of kilometres of all-weather trucking roads were constructed to open up the interior to the timber trade, and silvicultural experiments involving both planting and natural regeneration were commenced. Wood technology research focused on plantations of *Pinus caribaea* and on enrichment planting, though the latter met with many difficulties. On a more positive front, in 1964 Dutch and Surinamese researchers at the CELOS Research Institute began testing possibilities of monocyclic and polycyclic methods for natural regeneration and forest management. The 'CELOS model' which resulted from these efforts has developed into a complete management system for natural forests in Surinam, incorporating silvicultural, exploitation and logging aspects (see Box 1) and this made an important contribution to the development of sustainable forest management on a global scale (de Graaf and Hendrison, 1993).

The Netherlands' long colonial history resulted in the development of an extensive interest in, knowledge of, and capacity for, tropical forestry (DGIS, 1996b). Before the First World War, efforts were concentrated mainly on the exploitation of natural forests in Indonesia and Surinam, the development of silvicultural practices (relating primarily to teak plantations) and the establishment of forest management and research institutions. Academic forestry education in the Netherlands originated in this period.

2.2 Post-colonial interest in tropical timbers

Tropical forests have retained their importance to the Netherlands in terms of commerce and trade through-

out the post-colonial period, providing another justification for Dutch interest in the discipline of forestry. Of all the industrial tropical hardwoods exploited globally in the 1980s, 35–40% were traded internationally and about 3.5% of these were destined for the Netherlands. The five most important suppliers, together covering 95% of Dutch needs, were Malaysia, Indonesia, Cameroon, Côte d'Ivoire and Gabon. Almost all of this wood originated from natural forests, mostly in the rain forest zones (von Meijenfeldt, 1989).²

3. THE STRUCTURE OF NETHERLANDS' AID TO TROPICAL FORESTRY

3.1 Levels of official development assistance

The Netherlands has long shown a high level of commitment to international aid.³ Along with Denmark, the Netherlands was the first to define specific budgetary targets for aid. In 1967, the country pledged to increase its aid to 1% of net national income within four years, and in 1976, this was increased to 1.5%. The Netherlands reached the UN target of 0.7% of GNP for official development assistance in 1975, and since that time, it has remained among the leading DAC donors. Although official development assistance has declined somewhat in recent years, the country's aid volume remains high. The oda/GNP ratio declined from a high of 0.99% in 1986/7 to 0.81% in 1993, though this still represents an outlay of \$2.5 billion (OECD, 1994).

Bendix (1996) attributes this commitment to a number of factors. The Netherlands is a small country with a turbulent history, highly populated and heavily dependent on international trade. The country's own colonial history and, in the past, the high level of migration to the colonies (and the traumatic experience of decolonisation) have all served to foster a climate of cosmopolitanism. Its international trading activities also created a large and prosperous middle class that continues to act as its 'determining social force' (Bendix, 1996:24). One consequence of this history has been a high degree of national consensus in favour of public philanthropy and development aid, through the interventions of both state and civil society.

3.2 The organisation of Dutch development aid

3.2.1 Official Aid

Dutch official bilateral aid is organised in an unusual way. Since 1965, there has been a Minister for Development Co-operation of Cabinet rank, but this

Minister operates without a Ministry. The Minister's influence is exerted primarily through the Ministry of Foreign Affairs, though the Minister also has influence in other associated Ministries, such as Economic Affairs, Defence, etc. The position of Minister for Development Co-operation permits some degree of centralisation of donor assistance, but without the need for an independent structure of aid administration (Melkert, 1986). Prior to the administrative reorganisation of January, 1997, the Minister depended largely on the staff of the Directorate-General for International Co-operation (DGIS⁴) within the Ministry of Foreign Affairs, for the planning, management and much of the implementation of development co-operation activities. Since January, 1997, Country Desks have been transferred out of the DGIS into other parts of the Ministry of Foreign Affairs. This is intended to make it easier to integrate international co-operation with Foreign Affairs, though its effect has been a significant reduction in the size and compass of the DGIS.

Aid policy is coordinated by two interministerial bodies under the control of the Minister for Development Co-operation. The interministerial Co-ordination Committee for Development Co-operation (COCOS) is chaired by the Director-General of DGIS. The committee's mandate covers the whole range of aid policy and budgeting matters. In the event of irreconcilable differences of views within COCOS, decision-making is passed to the Council for Development Co-operation (ROS), a ministerial sub-committee chaired by the Prime Minister (OECD, 1994:10).

The Ministry of Foreign Affairs through its Directorate-General for International Co-operation bears primary responsibility for development co-operation and controls the budget for its implementation, including co-operation in tropical forestry. For 1997, the overall budget was set at 6,413 million Guilders.⁵ A number of other ministries are also involved in matters relating to tropical forestry. The Ministry of Agriculture, Nature Management and Fisheries (*Ministerie van Landbouw, Natuurbeheer en Visserij* or 'LNV') is responsible for policy development in international agricultural, forestry and nature management. The Ministry of Economic Affairs and the Ministry of Housing, Spatial Planning and Environment also have competences which impinge on international forestry.⁶ Another unusual feature of the Dutch system is the institute, *IKC-Natuurbeheer* ('IKC-N', the National Reference Centre for Nature Management) of the Ministry of Agriculture, which exists to secure the flow of information to policy makers and also acts as the Ministry's institutional memory. IKC-N has three departments, Nature Management, Landscape and Forestry, the last of which has a section for International Co-operation. The main activities of this section of IKC-N are advisory work on field projects (project identification,

2. These five countries exported 80% of their exploited industrial wood. The remaining 20% was used domestically. For present purposes, Singapore's trade in timber is included in the figures for Malaysia.

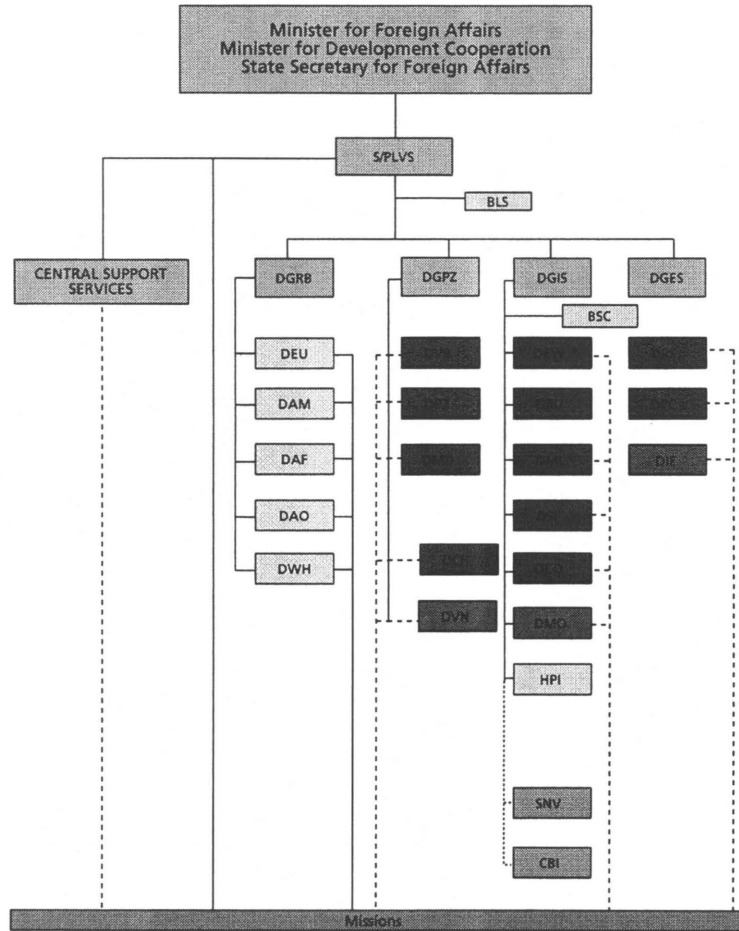
3. There is a preference in the Netherlands for the expression 'development co-operation' rather than 'aid'. The intention is to emphasise the importance of partnership in development. For the sake of brevity, the shorter term is often used in this chapter, though this is not to diminish the collaborative spirit.

4. *Directoraat-Generaal Internationale Samenwerking*, widely known as DGIS ('D-jis' to rhyme with 'aegis').

5. Approximately US\$3.3 billion.

6. The complexity of the system of forestry aid management is not without its critics. Kolk (1996) indicates problems of coordination arising out of the differing priorities of the four ministries involved.

Figure 1: Organogram of the Ministry for Foreign Affairs



- Ministers, State Secretary and senior civil servants
- Central support services
- Bilateral relations departments
- Policy theme departments
- Multilateral departments
- CBI and SNV
- Missions abroad

Ministers, State Secretary and senior civil servants

- S/PLVS Secretary-General/Deputy Secretary-General
- DGRB Director-General for Bilateral Relations
- DGPZ Director-General for Political Affairs
- DGIS Director-General for International Co-operation
- DGES Director-General for European Co-operation

Bilateral Relations departments

- DEU European Affairs Department
- DAM North Africa and Middle East Department
- DAF Sub-Saharan Department
- DAO Asia and Oceania Department
- DWH Western Hemisphere Department

Policy theme departments

- DVB Security Policy Department
- DMD Human Rights, Good Governance and Democratisations Department
- DCH Conflict Management and Humanitarian Aid Department
- DEW Economic Structure and Employment (Developing Countries) Department
- DRU Rural and Urban Development Department
- DML Environment and Development Department
- DSI Social and Institutional Development Department
- DCO Cultural Co-operation, Education and Research Department
- DES Economic Co-operation Department
- DPC Movement of Person, Migration and Consular Affairs Department

Multilateral departments

- DVN United Nations Department
- DIE European Integration Department
- DMO Multilateral Development Financing and Macroeconomic Policies Department

CBI and SNV

- CBI Centre for the Promotion of Imports from Developing Countries
- SNV Netherlands Development Organisation

Central Support Services

- BLS Office of the Deputy Secretary-General
- BSC Office of the Director-General for International Co-operation
- HPI International Co-operation Personnel Branch

formulation, monitoring and evaluation), desk studies to support the advisory work, and the establishment of databases on forestry and forestry-related topics. In geographical terms, IKC-N is concerned mainly with development activities in parts of Asia and Latin America. The forestry professionals within the Forestry and Biodiversity Support Group of the International Agricultural Centre (IAC), which is also within the Ministry of Agriculture, fulfill rather similar functions for Africa and parts of Latin America. IAC provides training services and organises seminars and workshops, on agriculture, natural resource management and rural development for staff from governmental and non-governmental organisations in the developing countries and Eastern Europe. It provides an employment service for experienced professionals in these areas, and maintains a database to support this work.

3.2.2 Aid delivery

Development-related activities in the Netherlands fall into three main spheres:

Activities carried out *in the Netherlands* concentrate on policy, project and programme monitoring and control and on awareness-raising, and involve the Ministry of Foreign Affairs (through the DGIS) and other ministries as well as NGOs. Regular meetings are held between the various ministries involved in tropical forestry through the Interdepartmental Working Group on Tropical Rainforests. This promotes development of policy for international fora, such as the Commission on Sustainable Development, the Intergovernmental Panel on Forests, the EU and the FAO Forestry Advisers Groups, etc. NGOs play an important role in awareness raising in the Netherlands, and also make inputs into policy development. They have occasional meetings with government departments on policy matters.

Activities carried out *in the developing countries* through official development assistance can be divided into two main channels, *bilateral* and *multilateral*. In relation to bilateral aid, priority is given to activities which are in line with Netherlands official policy on forestry aid, through a variety of consultative mechanisms: regular bilateral consultations between the Dutch Government and the governments of recipient countries; consultations between the sector specialists in the Dutch embassies on environment, forestry and rural development and other relevant personnel of the embassies in close collaboration with the local authorities, etc. These activities are coordinated through mechanisms such as the National Forest Action Plans, of which the Netherlands has been a prominent supporter since the earliest days.

Until recently, bilateral aid activities were managed according to a standard embassy structure, with DGIS officials complementing the diplomatic service personnel. About 60–70 DGIS staff were posted to key embassies around the world, with a Head of Development Co-operation functioning to coordinate DGIS activities in the larger embassies where several sector experts are deployed.⁷ With effect from January 1997,

7. At present (1/1997) there is only one sector expert with specific responsibilities for forestry (posted to the embassy in Vietnam), though there are three other forestry professionals with wider development briefs.

the system of aid management within the embassies has been reorganised, with the aim of devolving more responsibility to the field. Aid personnel within the embassies will henceforth be responsible for project identification, appraisal, approval, monitoring and evaluation while DGIS headquarters will cover policy development and support services, with a significantly reduced staff.

Prior to this reorganisation, there was a single Tropical Forestry Adviser at the DGIS headquarters in The Hague. The individual in question has now taken on additional functions, as head of the Rural Development Unit, and there is no one with specific responsibilities for tropical forestry. The Adviser to the Environment Programme has some responsibility for forestry matters, although his brief is primarily for biodiversity. However, it is the intention that forestry advice will be strengthened at HQ level to reinforce the new, decentralised structure. Sectoral and geographical emphases in this system are considered further in section 4.

In 1987, a 'Forestry Support Group', comprising the tropical forestry professionals from IKC and IAC, was formed to provide support for the DGIS, Ministry of Foreign Affairs and Ministry of Agriculture in their specialist field. In 1993, this was enlarged and renamed the Forestry and Biodiversity Support Group.

At the multilateral level, support is given to international fora such as the Commission on Sustainable Development, the Inter-governmental Panel on Forests, the Conference of Parties to the Conventions on Biodiversity and Climate Change, as well as the CITES Convention and to their respective secretariats. Ever since its establishment, the coordinating unit for Tropical Forestry Action Plans within FAO has been receiving support from the Netherlands, which still offers support to the plans on a regional basis. Other multilateral channels that are currently being supported include the European Union (coordination, coherence and complementarity between the European Commission and the Member States), the FAO Commission on Forestry and the non-governmental Forest Stewardship Council (in connection with the development of certification procedures for sustainably produced wood).

3.2.3 Non-governmental organisations

The Dutch development organisation SNV (Netherlands Development Organisation) and the MFOs (Co-financing non-governmental organisations),⁸ ICCO, BILANCE (recently formed from the merger of CEBEMO and VASTENAKTIE), NOVIB and HIVOS are important implementing organisations for aid programmes including forestry. BILANCE has links with the Catholic Church, ICCO is inter-church and HIVOS humanist. NOVIB has social democratic, non-religious leanings; since 1995 it has been a member of the 'OXFAM-International' group. To date, only SNV and HIVOS has had overseas representation. Until 1991, SNV was the governmental foundation for Dutch volunteers, though it now operates with a large degree of autonomy, as a quasi-NGO, and has taken on responsibilities for the management of a variety of grassroots development projects as well as for recruitment and

8. MFO stands for *Medefinancierings Organisatie*. The role of these organisations is discussed further in *Tweede Kamer*, 1990a.

management of technical co-operation workers.

The four MFOs occupy a unique position in Dutch development aid, receiving (as from 1994) a guaranteed 7% annually from the DGIS budget. They are thus permitted an unusual degree of confidence in their forward planning in comparison with most NGOs.

3.2.4 Tropenbos

Tropenbos is an international programme for the promotion of research on problems of deforestation in the humid tropics. It was set up in 1986 on the initiative of the Dutch Ministry of Education and Science, to gather and generate knowledge which might help to slow down the rate of deforestation. The programme addresses five principal themes: resource inventory, land use evaluation, ecological sustainability analysis, socio-economic local sustainability analysis, and the design of options for sustainable land use. The Tropenbos Foundation was established in 1988, in order to expand the international programme by networking and other means. The Foundation formulates, organises and finances objectives-oriented research programmes. In close co-operation with other research institutions and

the governments of the Netherlands and partner countries, several major multidisciplinary research sites have been established. Research is presently under way in Colombia, Guyana, Cameroon, Côte d'Ivoire, and Indonesia (Kalimantan). Extension and training work is also undertaken.

3.2.5 Project implementation

Project implementation is carried out through a variety of organisations, though usually with a local counterpart in the recipient country. For each project or programme a contract is signed between the Netherlands Government and the executing agency. Contracts are based on written project memoranda.

Among the major recipients of funding support from the Netherlands are multilateral organisations such as FAO, UNESCO, UNEP, the World Bank, GEF, ITTO, ESMAP and the regional development banks; the CGIAR research centres such as CIFOR and ICRAF and the regional CATIE; and international NGOs like IUCN, WWF, IIED and CARE.

The Netherlands' overall aid disbursements, by category and agency, are shown in Table 1.

Table 1: **oda net disbursements by main categories (US\$m.)**

	1992	% of total oda
Bilateral:	1,732	68.3
Grants	1,830	72.1
dev. projects/programmes	368	14.5
technical co-operation	979	38.6
food aid	113	4.4
emergency aid	182	7.2
debt forgiveness	81	3.2
support through NGOs	15	0.6
administrative costs	92	3.6
Loans	-98	-3.9
Multilateral:	805	31.7
UN Agencies	269	10.6
WFP	37	1.5
UNDP	83	3.3
UNICEF	18	0.7
UNFPA	32	1.3
EU	230	9.1
World Bank group	208	8.2
Regional development banks	59	2.3
Other multilateral	39	1.5
TOTAL	2,537	100.0

(Source: OECD, 1994)

4. TROPICAL FORESTRY POLICY

4.1 Background

Overall Dutch aid policy is laid down, periodically, in White Papers (which have budgetary implications), most notably those of 1990, 'A World of Difference' and of 1996, 'A World in Dispute'. Policy on tropical rainforests has been set out most recently in the Government's Policy paper of 1991.⁹

4.2 Forestry Strategy

Since 1981/82 substantial assistance has been provided to the tropical forestry sector (Pelinck and van Dijk, 1987). In the period 1950-78, assistance to national governments and industry dominated the forestry aid agenda. This period saw the continuation of what was basically the traditional forest policy of the colonial era, reoriented to the interests of the developing nations (*ibid*). Activities were concerned particularly with themes such as forest inventory, large scale plantations and support for the establishment of forest industries.

Increasing concern with environmental degradation and poverty in tropical countries led gradually to a new concept of 'social' or 'community forestry'. According to Pelinck and van Dijk, two international meetings in the early 1970s were crucial in reorienting the tropical forestry agenda in the Netherlands (as elsewhere): the Stockholm UN Conference on the Human Environment of 1972 (which established the environment as a central concern of development), and the World Bank meeting in Nairobi in 1973 (where rural poverty and development were identified as priorities for Bank lending, and the issue of the livelihoods of the poor were placed at the top of the international agenda). Five years later, in Jakarta, the VIIIth World Forestry Congress demonstrated the changing concerns of tropical forestry, with its theme: 'Forests for People'.

Whilst the pressures to place the human dimension at

9. English translation of 1992.

the centre of development efforts were thus international, the Netherlands can still count itself as amongst the earliest group of donors to incorporate a social perspective into its forestry aid. By the mid-1970s, it was already apparent that a mono-sectoral approach was contributing to, rather than limiting, deforestation and that a more integrated approach was needed in the aid programme, paying greater attention to the needs of the local populations who depend primarily on the forests. The Wageningen Agricultural University reorganised its Forestry Department in this period to focus attention on social aspects including agroforestry and people's participation in forest management. A social focus was given to the Netherlands' contribution to tropical forestry action plans from the earliest days. Whilst project experience in the developing world certainly played a part in consolidating this trend, it is arguable that influences emanating from the Netherlands were also influential. Such influences include the fragmentation of the Dutch forests which, for the most part, are integrated into a small-scale, multiple enterprise economy and the fact that the relationship between forestry and agriculture has long since been 'rediscovered' in this heavily populated land. In addition, the organisation of the Netherlands higher education curriculum (a forestry degree from the Wageningen Agricultural University, for example, requires four years of study, including six months practical work in the field) puts emphasis on the integration of forestry with other aspects of land management.

Since 1980, the DGIS's concern with environmental matters has steadily increased. In line with the new development approaches of the Dutch Government of the 1970s, which were focused on the small farmer and which were executed in a 'programmatically' (ie. flexible and integrated) way, attention was initially geared towards fuelwood activities in semi-arid regions as well as the integration of forestry components into rural development projects (DGIS, 1996b). In 1985, a stimulus was given to policy formulation and the development of supportive instruments by the issue of the DGIS document 'Ecology and Development Cooperation' (DGIS, 1985). Within the broad rubric of its support for the concept and implementation of Tropical Forestry Action Plans (later called Tropical Forest Action Programmes), the Netherlands focused its attention on three of the five priority areas of the TFAP: forestry in land use, fuelwood and energy, and institutional strengthening (DGIS, 1996b).¹⁰

The 1987 report 'Our Common Future' of the Brundtland Commission on Environment and Development re-emphasised the relationships between the issues of poverty, environmental degradation and economic development in relation to the concept of sustainable development. These concerns were incorporated into the policy of the Netherlands Government (*ibid*).

The Ministerial Conference on Pollution and Climate Change in 1989 in Noordwijk, the Netherlands, demonstrated the global importance of forests for stabilising climate change, and it was agreed that before

the year 2000 some 12 million hectares of forests should be planted worldwide, as a carbon sequestration mechanism. The UNCED summit in Rio de Janeiro in 1992 had a major influence on Netherlands tropical forest policy. Although the Netherlands Government had already adopted a specific policy on tropical rainforests, the Earth Summit in Rio reaffirmed its commitment to this theme (*ibid*; IKC-N, 1994).

Aid strategy is determined by the 'Policy on Tropical Rainforests' which was adopted in 1991 (Ministerie van LNV, 1992) and by the International Programme on Nature Management 1996-2000 (*Tweede Kamer*, 1995). Together they make up the framework to orient current activities and identify new initiatives.

The Netherlands Government is aware of the complexity of the threats to rainforest ecosystems and of its own limited ability to overcome them. In shaping its policy objectives, it has recognised five key issues:

- the right of sovereign states to autonomous control and use of the rainforest within their territory;
- the responsibility and commitment that all nations share in the face of global problems;
- the existence of international agreements, treaties and organisations;
- the fact that the destruction of the tropical rainforests will exacerbate the already fragile position of indigenous peoples dependent on the forest for their existence;
- the variations in ecological and socio-economic situations among regions and even nations with tropical rainforests, along with differences in their relations with the Netherlands.

With these issues in mind, the Dutch Government has adopted the following central policy objective as a frame of reference in determining its stance on individual cases:

"to encourage the preservation of the tropical rainforest through balanced and sustainable land and forest use, with a view to halting the current rapid progress of deforestation along with other environmental damage and degradation" (*Ministerie van LNV*, 1992).

The following orientations have been laid down in pursuit of this policy objective:

- active protection of surviving virgin rainforest;
- in principle, no collaboration with projects and developments that are harmful to the rainforests;
- encouraging planned land use and land management along with sustainable agriculture and forestry;
- with respect to the tropical timber trade, a concern for controlled harvesting, and encouraging the formulation and implementation of long-term planned timber production;
- national and international encouragement of afforestation and re-afforestation projects;
- strengthening institutions and legislation; empowering local populations;
- strengthening the political and social base in tropical nations;
- improving economic relations and relieving the debt burden;

10. The other two priority areas of the TFAP are forest-based industrial development and conservation of tropical forest ecosystems.

- increasing the scope for national and international tropical rainforest policy by strengthening research and institutions.

4.3 Aid delivery in Forestry Development Co-operation

Delivery of development assistance with regard to forests and forestry shows a trend of steady increase towards an expenditure of 113 million NG in 1995, of which 32 million NLG went to projects specifically on tropical rainforests. The targets for delivery within the framework of the Dutch policy on tropical forestry have been set at 150 million NLG a year since 1994 of which one third is reserved for activities directly related to tropical rainforests and the remainder (100 million NLG) for support of forest institutions, for formulation and implementation of national forest plans and programmes, and for participatory forest management and forestry activities (DGIS, 1996c). The intention is to create a fund of 0.1% of GNP for activities related to international environmental policy, starting in 1999 (*ibid*; *Tweede Kamer*, 1996). The Forestry and Biodiversity Support Group of IKC-N/IAC plays a pivotal role in preparing policy papers for the government in relation to these targets.

The shortfall of expenditure against the targets to date reflects both shortages of project proposals in conformity with existing policy and lack of appraisal capacity within the supervising agencies. The need to overcome these limitations has provided part of the justification for the decentralisation of aid management, with a shift of responsibilities to the embassies in the partner countries.

Besides a continuous growth in expenditure one can also observe changes of focus, with attention moving from the traditional fuelwood and agroforestry projects of the 1970s to institutional strengthening, forest planning, forest sector coordination, participatory forestry approaches and integrated watershed management in the last decade (DGIS, 1996b). Traditional fuelwood projects have increasingly been integrated into rural development projects as an aspect of the overall production system, particularly in the Sahel.

In making financial resources available, due attention has been given to the relatively long-term nature of forestry activities. The Dutch Government has shown itself ready to commit resources on a long-term basis where circumstances so demand, and major projects often run into several phases. The Kenya Woodfuel Agroforestry Programme (KWAP), for example, which began in 1983, completed its third phase in 1996; the Project: *Bois de Villages: Appui à la Foresterie Villageoise* in Burkina Faso commenced in 1979, and still receives some support, as does the Kali Konto Project in Indonesia, launched in 1979. In the Americas, the *Proyecto participativo de manejo de bosques y recursos naturales con pueblos indigenas* in Bolivia is now in its eighteenth year, and a project proposal is under consideration which will assure funding at least until 2001. This project has been supported by HIVOS since its inception, and has been provided with technical assistance by SNV since 1987.

Since 1984, the Dutch Government has adopted a policy of delegating implementation of activities in the

field to other organisations, and official Dutch-managed projects have been severely cut back. The private sector is intended to benefit from this policy change, particularly in the recipient countries. This is felt to be more cost-effective in the long run. For forestry the delegation of implementation activities has been an important channel of aid disbursement. The 'multi-bi' funding of projects has been extensively employed, with UN organisations, particularly FAO, acting in a quasi-commercial capacity for the implementation of projects supported by the Netherlands through a trust fund arrangement.

5. PROJECTS FUNDED BY REGION AND TYPE

5.1 Geographical criteria for selection

In the main reformulation of Dutch policy on development co-operation of 1984 (*Tweede Kamer*, 1984), an assessment was made of the criteria for the selection of countries which could benefit from Netherlands' aid. Before that date support was given to so-called 'concentration' countries. Since 1984, the main beneficiaries have been known as 'programme' countries, with additional categories of 'regional' countries (countries belonging to a region that is supported in an integrated manner) and 'sector' countries (countries that may be supported only to a limited extent for specific activities important for one of the sectoral policy priorities of the development co-operation).

Until 1984 continuity of co-operation between the Netherlands and the recipient country was one of the factors taken into account in making the selection. This continuity remained important after 1984 as a means of improving knowledge of countries, their populations and culture, and facilitated a structural approach to development co-operation. However, it was obvious by this time that too many activities were being implemented in too wide a variety of sectors in too many countries, resulting in a generally rather low level of impact. For this reason, it was found necessary to decrease the number of recipient countries (*Tweede Kamer*, 1984).

The 'programme' countries were selected on the basis of their per capita income not being above the IDA standard (in 1983, this was US\$795 per year). There was an additional requirement that their social and economic policies should be progressive. These countries coincided with the existing 'concentration countries': Bangladesh, Egypt, India, Indonesia, Kenya, North Yemen, Pakistan, Sudan, Sri Lanka and Tanzania. Criteria for aid were thus related to poverty status, social and economic development policy, and the human rights situation (*Tweede Kamer*, 1984). The 'concentration' regions were the Sahel, Southern Africa and Central America. In 1986 a fourth region was added to the concentration regions: the Andes region.

In the 1990 White Paper on development co-operation, *'A World of Difference'*, some changes were proposed in the number of selected countries and in the criteria for selection, especially with regard to the 'sector' countries. The new criteria were relevance to conceptual policy priorities together with a certain degree of geographical dispersal and balance (*Tweede Kamer*, 1990). In 1996, another important general

policy document on aid, 'A World in Dispute', was published and this led to a further geographical review (*Tweede Kamer*, 1996).

As from 1993, the countries eligible for development assistance were classified into the following categories:

- countries with regular co-operation (including the countries with which the Netherlands has signed a special sustainable development agreement, in which development co-operation is only one aspect among several);
- countries where co-operation will contribute to conflict resolution and rehabilitation; and
- countries in transition and subject to structural transformation towards a market oriented and democratic society.

Co-operation with countries in the first category is usually structural whereas this is not the case with the other two categories.

The current policy of the Ministry of Foreign Affairs concentrates activities in the following countries (DGIS, 1996a):

a. countries with regular co-operation

In Asia: Bangladesh, India, Nepal, Pakistan, the Philippines and Sri Lanka.

In Africa: the Sahel region: Burkina Faso, Ghana, Niger, Guinea Bissau, Cape Verde, Mali and Senegal; the Nile and Red Sea region: Egypt, Ethiopia, Yemen; the East Africa region: Kenya, Tanzania and Uganda; and the Southern Africa region: Mozambique, Zambia and Zimbabwe.

In Latin America and Caribbean: the Central America region: El Salvador, Guatemala, Haiti, Honduras, Jamaica and Nicaragua; and the Andes region: Bolivia, Ecuador and Peru. Special relations exist with Surinam, the Netherlands Antilles and Aruba.

Special sustainable development conventions have been signed with Benin, Costa Rica and Bhutan.

b. countries in conflict or in rehabilitation:

Angola, Occupied Territories,¹¹ Eritrea, Cambodia, Rwanda, Sudan and Somalia.

c. countries in transition:

Armenia, Bulgaria, Georgia, Moldavia, Romania, former Yugoslavia, Albania, Azerbaijan, Kyrgyzstan, Mongolia, Namibia, Vietnam and South Africa.

Since 1995, an internal Ministerial Memorandum has also been operative, which has required each country programme statement to include a paragraph on the status of its forests.

In relation to aid to forestry, an additional criterion for funding is relevance to the natural resource conditions and needs of the country in question. The policy paper adopted in 1991 re-emphasised the government's commitment to action in support of rainforests and this led to an extension of the number

of countries where rainforest-related activities may be implemented (*Ministerie van LNV*, 1992). These additional countries are Madagascar, Colombia, Cameroon, Laos and Papua New Guinea. Some activities are also undertaken in Brazil and Thailand (*Tweede Kamer*, 1994). The Netherlands is represented on the International Advisory Group for the Brazil Pilot Programme, and contributed almost 10 million NLG to the programme for the period 1992–8.

The selection of partners for forestry aid is thus a rather complex matter, with a mix of factors – socio-economic, political and economic – all playing their part in deciding eligibility.

5.1.1 Disbursements in selected countries

Recent expenditure on forestry development co-operation projects on a regional basis is shown in Table 2.

From the table it can be seen that spending on forestry activities within the framework of Netherlands development co-operation has increased considerably in recent years. Taking into account the expenditure in 1995 noted above, this trend seems likely to continue.¹² In addition, funding for activities of a worldwide nature has increased substantially.

5.2 Types of projects supported

The most recent information available on forestry projects is that for 1995, although the most complete information is for 1992. A total of 201 projects was in the implementation phase during 1992. Forestry aid by sector is shown in Table 3.

It is apparent that expenditure on projects concerned with the conservation of forest ecosystems increased substantially in the period 1986–92.¹³ This was partly because of the increasing attention devoted to management and preservation of biological diversity and tropical rainforests in the overall programme [DGIS and *Ministerie van LNV* 1993], and partly because of participation in the Global Environment Fund (47% of the expenditure in the GEF pilot phase has been on biodiversity). A decrease can be observed in expenditure on fuelwood and energy projects which is partly due to integration of these activities into broader rural development projects (*ibid*).

5.3 Institutional channels for project assistance

The channels through which forestry aid has been implemented are also of interest. Table 4 indicates the important part played by the multilateral agencies (particularly FAO) in Dutch forestry aid, and substantiates the trend towards increased funding of NGOs, largely at the expense of bilateral projects. 60% of expenditure in the years 1991–92 can be accounted for by only five implementing agencies: FAO (22%), GEF (14%), IUCN (19%), World Bank (7%) and SNV (also 7%). Only 5% of the project volume has been implemented directly through the DGIS' own implementing channels. Generally the latter concern forestry

11. ie. Palestine and the Israeli-occupied territories

12. Detailed breakdown of expenditure for 1995 is not yet available.

13. Included in these statistics (in addition to forest ecosystems) are other ecological types in the tropics, like wetlands.

Table 2: Disbursements in forestry development co-operation projects, 1988–95 (in NLGm.)

Area	1988	1990	1992	1995*
Worldwide	4.3	10.1	33.5	21.2
Africa, regional	0.0	0.5	0.0	
Nile and Red Sea	6.2	5.6	4.4	
East Africa	2.4	5.2	7.5	
Sahel	19.4	29.8	22.1	
Southern Africa	0.5	0.9	0.4	
Sub-total Africa	28.5	42.0	34.3	34.6
Asia, regional	1.2	2.7	2.5	
East Asia and Indonesia	6.4	8.7	7.8	
Mekong, Bangladesh, Pakistan, Bhutan	5.3	8.1	2.3	
Southern Asia	5.0	2.3	5.4	
Sub-total Asia	17.9	21.8	18.0	27.6
Latin America, regional	0.0	0.3	2.1	
Central America and Caribbean	4.3	10.0	5.4	
South America/Andes	4.7	8.4	10.8	
Surinam	0.0	0.0	0.0	
Sub-total Latin America	9.0	18.7	18.3	29.5
TOTAL	59.7	92.6	104.1	112.9

(Source: DGIS, MvanLNV, 1991 and 1993; FBSC (IAC/IKC) 1996 (*unofficial figures))

Table 3: Total disbursements of forestry aid, 1986–95 according to TFAP categories (NLG m.)

Programmes	1986	1990	1992	1995
Forestry in land use	23 (41%)	46 (50%)	47 (46%)	39.9 (35%)
Forest-based industrial development	0 (0%)	2 (2%)	0 (0%)	7.1 (6%)
Fuelwood and energy	7 (12%)	14 (15%)	6 (6%)	3.0 (3%)
Conservation of tropical forest ecosystems	1 (2%)	4 (4%)	30 (29%)	18.9 (17%)
Institutional strengthening	26 (45%)	27 (29%)	20 (19%)	43.8 (39%)
of which:				
Research	(21%)	(5%)		
Training	(12%)	(6%)		
General	(12%)	(13%)		
TOTAL	57 (100%)	93 (100%)	103 (100%)	112.9 (100%)

(Sources: DGIS, M van LNV, 1991 and 1993; and BLITTERSWIJK, 1991; FBSG (IAC/IKC) 1996)

components of broader rural development projects (*ibid*).

Within the framework of the Policy on Tropical Rainforests, the Netherlands also contributes to activities in countries with which it does not maintain a regular development co-operation relationship. It co-finances the Brazil Pilot Programme initiated by Brazil, the European Union and the World Bank, in 1990–91.

5.4 Forest management models

Interventions by the Netherlands in tropical forestry projects have used many different approaches, most notably (in the last two decades) variants of the 'participatory' approach.

Ever since the sub-Saharan village forestry projects in the late 1970s, where the participatory GRAAP 'model' was the basis of all local-level interventions, many

Table 4: Disbursements on forestry development co-operation according to implementing agency, 1990–95 (NLG m.)

Implementing Agency	1990		1992		1995	
Multilateral	48	(51%)	50	(48%)	46.2	(41%)
Bilateral	37	(40%)	27	(26%)	31.6	(28%)
NGOs ^a	9	(9%)	27	(26%)	35.1	(31%)
TOTAL	93	(100%)	103	(100%)	112.9	(100%)

Note(a) In 1993, the Netherlands development organisation SNV is classified as an NGO, while in 1990 it was classified as bilateral; this organisation alone counts for 7% of DGIS expenditure.

(Source: DGIS, MvanLNV, 1993; FBSG, IAC/IKC, 1996)

Dutch-funded projects have followed a participatory approach.¹⁴ Examples include the FAO Peru and Bolivia projects, the FAO *Desarrollo Forestal Participativo de los Andes*, the Kali Konto project in Indonesia, and the Malakand Social Forestry project in Pakistan.

Through these participatory approaches new types of activities have been formulated according to the interests of the various stakeholders. Starting with the fuelwood projects of the 1970s in sub-Saharan Africa (aiming at fixed acreages of Eucalyptus plantations per year per village), forestry interventions have evolved towards a more integrated approach involving the management of existing vegetation through concepts like *aménagement de terroir villageois*. These have involved intersectoral links (for instance, with annual crop production and soil conservation activities).

The only real 'forest management model', in the strict sense of the term that has been developed through Dutch interventions in tropical forests and in close co-operation with institutions in developing countries is the CELOS management system (Box 1). This was one of the first sustainable forest management models to include silvicultural, logging and harvesting elements.

6. TROPICAL FORESTRY RESEARCH AND TRAINING IN THE NETHERLANDS

6.1 Educational courses in forestry

The main institutions providing degree-level courses dealing with forestry, both temperate and tropical, are the Department of Forestry of the Wageningen Agricultural University (*Vakroep Bosbouw, Landbouwwuniversiteit Wageningen* or 'WAU') and the International Agricultural College, Larenstein (*Internationale Agrarische Hogeschool Larenstein* or 'IAHL'). WAU no longer offers a single specialism forestry course; since 1995, forestry issues have formed part of a new course in Forest and Nature Management, which covers four

main subject areas: forest and nature policy; forest and nature management; forest and nature development; and recreation and tourism. The course is of 5-years duration and leads to an Ir. (engineer) degree comparable to an Msc. IAHL offers higher vocational education in both tropical and temperate forestry, leading to an Ing. (engineer) degree, comparable to a BSc. These courses are of relevance to both temperate and tropical forestry.

Besides these programmes, which are mainly for Dutch forestry students, WAU and IAHL also offer international MSc courses in tropical forestry. WAU has a PhD programme. WAU has wide research and educational interests in tropical forests and trees as living systems and in the methods to use them sustainably to the benefit of user groups.

6.2 Training courses in tropical forestry

Shorter training courses in tropical forestry are provided by three institutions: the International Agricultural Centre (IAC, *Internationaal Agrarisch Centrum*) in Wageningen; the International Institute for Aerospace Survey and Earth Sciences, Forest Science Division (ITC) in Enschede; and the International Vocation Training Centre (*IPC Groene Ruimte*) in Arnhem.

IAC offers training programmes in agriculture, management of natural resources and rural development, to staff from governmental and non-governmental organizations in developing countries and Eastern Europe. It also provides advice and assistance to the Dutch government regarding policies, programmes and projects in the field of agriculture, natural resource management and rural development.

ITC provides a comprehensive service through 'knowledge transfer' (ie. education and advisory work) and 'knowledge development' (research) to strengthen the productive, innovative and management capabilities of individuals and organisations, primarily in developing countries, engaged in the acquisition, handling, presentation and use of geo-information. It aims to strengthen abilities to acquire geographic information, particularly through aerospace survey, and to contribute to the development co-operation goals of the Netherlands Government and other international development agencies through facilitating the efficient capture, analysis and use of geo-information in the resolution of development problems.

In relation specifically to tropical forests and forestry, ITC is concerned with the acquisition and use of information for decision-making in sustainable forest and tree management, in combatting deforestation and

14. GRAAP is a community animation approach developed in francophone West Africa in the 1960s and 1970s. The approach began to be used in the Netherlands aid programme in the early 1980s, in the *Bois de villages* ... project in Burkina Faso; support has since been given to the development of the methodology and its adaption to a range of management issues. For a description of GRAAP, see Bouyer (1995).

Box 1. The CELOS Management System (CMS)

CMS is a management system for tropical rain forests with defined objectives and planned harvesting and silvicultural treatments. It is a polycyclic system which aims to produce a forest in which several generations of trees are present which will be harvested sequentially on a 20–25 year rotation. It was developed in Surinam in a joint project of the Agricultural University Wageningen and the University of Surinam entitled "Human interference in the tropical rain forest ecosystem". The name CELOS derives from the Dutch name of the Centre for Agricultural Research in Surinam where the initial experiments were made.

The CMS may be classified as a modern forest management system as it includes the economics of harvesting of commercial timber and silvicultural treatment within the limitations set by the need to maintain the ecological stability of the forest.

The CELOS Management System consists of two components, the CELOS Silvicultural System (CSS) and the CELOS Harvesting System (CHS). The CSS favours the growth and enrichment of commercially valuable species. The CHS aims at efficient logging with a minimum of damage to the remaining stand and soil.

The starting point of CMS is a forest area allocated as a permanent management unit (with the most important function being the production of timber). The unit is planned and designed with the aid of the maximum available information, such as aerial photographs, terrestrial inventories (including a 100% inventory of potentially harvestable trees of commercially attractive species), and topographic and soil maps. The aim is to open up the forest in such a way as to minimise the disturbance to the ecosystem, while permitting harvesting operations to be carried out efficiently and economically. Logging intensity is restricted in order to minimize the damage to the stand and to prevent excessive loss of nutrients from the forest ecosystem. The Silvicultural System is based on the concept of 'biomass

dependent site quality', appropriate to situations in which large parts of the nutrients of the whole ecosystem are concentrated in the biomass, and not in the soil. It comprises several treatments, referred to as refinements, in which undesirable trees are killed by poison-girdling not cutting, so that the nutrients of the dying trees are slowly released and captured within the ecosystem, benefiting the growth of the remaining trees. The ecological balance is carefully monitored against disruption, as this process takes place. An adequate stock is maintained of tree species which may be commercially unattractive but which are necessary to sustain the forest ecosystem.

The full effects of the CMS on the ecosystem are as yet little understood. Changes in the populations of species of flora and fauna have been detected, but more research is necessary to determine the long-term effects on the forest ecosystem.

The CMS was developed in Surinam and is adapted to the conditions in that country: mesophytic forest on nutrient-poor soils in an area of low density of human population. These conditions are also met over the region covering much of the Guyanas (Guyana and French Guyane) and in the northern part of Brazil. In several parts of this region forest management systems based on CMS are being implemented. For other tropical regions, especially in areas of high population pressure, the applicability of the CMS is questionable. Nevertheless, some of the methods used in the Harvesting and Silvicultural System are also likely to be valid in tropical areas elsewhere.

Reference

Bodegom, A. J. van, and N.R. De Graaf (eds). 1991. *The CELOS Management System: a provisional manual*. National Reference Centre for Nature Management (IKC N), Department of Forestry, Wageningen Agricultural University, BOS Foundation. Wageningen, The Netherlands.

forest degradation, in conserving biodiversity, in environmental protection and in achieving social and economic development.

IPC provides educational training and advisory services in management of natural resources to a variety of target groups, both from the Netherlands and abroad.

All three institutions offer training courses focused on the needs of international students.

6.3 Other educational, training and research institutions

There are, in addition, well over twenty other university teaching departments and research centres, independent research organisations and foundations, NGOs and consultancy groups offering courses of varying duration relevant to tropical forestry. These and other organisations involved in tropical forest management are discussed in detail in the inventory prepared by BOS Foundation (1996).¹⁵

15. BOS Foundation, Organisation for International Forestry Co-operation (1996) *A guide to Dutch organisations on tropical forest and nature management*, PO Box 23, 6700 AA Wageningen, The Netherlands.

7. PROJECT CYCLE MANAGEMENT

The project cycle management models used in development projects are determined by the wide variety of conditions relating to the diverse organisations employed. Two general characteristics of project management in Dutch official aid are particularly worthy of review, namely, the procedures applied by the Ministry responsible for the approval of projects and the general project cycle used.

7.1 Project cycle

The *project cycle* involves a familiar sequence of stages: identification, formulation, appraisal, implementation, monitoring and evaluation. Project identification is carried out in several ways ranging from the simple adoption of a local proposal to the sending of special identification missions. Project ideas are often generated in the course of other funded projects or alternatively, emerge from framework planning mechanisms like the National Forestry Action Plans. If the project idea is in line with prevailing Dutch policy on development co-operation and its policy for forestry development in the tropics, and if the respective budgets allocated to the recipient countries contain appropriate funds, then the project idea may be developed into a project proposal,

with or without the assistance of the Dutch Government, as the case demands.

The formulation of project proposals has undergone considerable changes in recent years. Whereas in the 1960s and 1970s projects were mainly based on 'blueprint' models, by the end of the 1970s the programmatic 'process' approach had already come into vogue in the Netherlands. This allowed more attention to be given to the interests of target groups and categories.

The period needed for approval of projects at the Ministry level in the Netherlands has tended to be excessively long, due largely to staffing shortages within the DGIS. Since the most recent reformulation of Dutch foreign policy concerning development co-operation in 1996, all procedures relating to formulation, approval and implementation of normal projects are now in the hands of the embassies. This may be expected to shorten the identification and appraisal periods.

The implementation phase has seen major improvements in monitoring and evaluation systems in recent years. Evaluation of projects normally involves mid-term review and final evaluation at or near the end of the project phase. The Inspection Unit of the Ministry of Foreign Affairs also undertakes evaluations of country programmes or of thematic areas across a number of countries, on a random basis (IOV, 1992 and 1994).

7.2 Ministry procedures

Within the Ministry, the procedures for approval of project proposals are rather complicated. Variations occur according to the total budget required for the projects. After the project proposal has been submitted to the embassy, an identification memorandum ('IDMO') is prepared. This locates the proposal in relation to the development policy of the Netherlands towards the recipient country in question, and the policies of the recipient country itself. After appraisal, this analysis is elaborated in the 'memorandum of appraisal' ('BEMO'), which is then signed by the managers of relevant units within the Ministry. It is a requirement that all proposals are appraised against three criteria: the position of women, the environment and poverty alleviation.

External advice is provided by the Forestry and Biodiversity Support Group of the Ministry of Agriculture, Nature Management and Fisheries. For the larger projects, a project advisory committee is set up to deal with the request. Once all the units have approved the proposal, implementation can start as soon as the contracts are signed. During implementation the same Forestry and Biodiversity Support Group may be called on to monitor the project, at the request of the Ministry of Foreign Affairs.

Beginning in 1997, the majority of these administrative steps are to be handled by the respective embassies in the recipient countries, under the new policy on foreign affairs and development co-operation.

There are no special requirements as regards procedures for submission of proposals by external agencies. The use of the logical framework or other standardised formats is not obligatory (although, of course, proposals need to be presented in a coherent way). The essential requirements are that the proposal is shown to address an obvious need in the recipient country, to be

locally owned in a meaningful sense both by the recipient country and the implementing organisation, and to correspond to the Netherlands' priorities in both policy and budgetary terms.

8. REVIEW OF THE MAJOR FORESTRY PROJECTS

8.1 The need for flexibility

A feature of Dutch project management in recent years has been flexibility of execution, to take account of changing perceptions of the project rationale. In the early years, reforestation was often considered to be the solution to the problems of land degradation, but later on, changing perceptions of the environmental problems and the role of land use practices led to a more holistic view, and hence to the integration of forestry activities in agricultural systems and rural development programmes.

Conservation and sustainable management of natural forest resources have become increasingly important project themes. This shift in approach can be observed in all projects in which reforestation is an important activity. In the fuelwood projects in Burkina Faso and Kenya, the multipurpose use of trees has been integrated into agroforestry systems management. In the Jalapa Valley Project in Nicaragua, the Participatory Forest Management Project in Bolivia, and the Malakand Social Forestry Project in Pakistan, the development of management schemes for the natural vegetation has become part of the project activities. The research project CONIF-HOLANDA was set up specifically to investigate the possibilities of integrating agricultural practices with management of the natural forest vegetation in rural development projects.

Institutional strengthening has been increasingly recognised as a prerequisite for ensuring the sustainability of project activities. This often requires long-term assistance to allow the relevant institutions to make substantial adjustments in their policies and to train their staff to perform new tasks. Consequently, evaluations often reveal the necessity to extend the projects into a new phase in which the capacity of the institutions can be built up further by training and extension activities. This was recognised in the Village Forestry Project in Burkina Faso, the KWAP project in Kenya and the Malakand Social Forestry Project in Pakistan, where the forest services had to familiarise themselves with a participatory approach, and learn to be agents for technical assistance. In Latin America, where aid is directed to the reinforcement of networks (for example the 'Participatory Forestry Development Project' in the Andes region, the 'Participatory Forest Management Project' in Bolivia, the 'Forests, Trees and People' project, and the 'Project Support for the implementation of the National Forestry Action Programmes' of Ecuador, Bolivia and other Andes countries), network activities have had to be followed by other efforts to consolidate the results and ensure their sustainability, independent of external support.

The role of women in the rural development process is another aspect that has gained increasing attention over the years. In all projects, activities can be identified

which aim to increase the economic independence of women and their influence on the planning of the rural development process. Through involvement in fuelwood schemes, which are directly related to their traditional tasks, women are increasingly involved in other forestry activities. Some projects have special women's components, for example the Jalapa Valley Project in Nicaragua and the Malakand Social Forestry Project in Pakistan; others have a generic gender aspect to all interventions and activities (for example, the Participatory Forest Management Project in Bolivia and the Village Forestry Project in Burkina Faso). Evaluations reveal that these activities need long-term project support. Considerable training and extension are needed to strengthen and consolidate the position of women in rural development processes.

The increase in attention given to environmental problems can be attributed to experiences gained in forestry projects, notably in the Sahel. These experiences are now being exploited to help policy development and improve the execution of programmes with a rural development character. Institutional strengthening and the participation of the local populations, in particular women, are recognised as important conditions for the success of the programmes and the sustainability of the results.

8.2 Case studies

This section briefly reviews three forestry development projects, as illustrative of key themes in the Netherlands' aid programme of development assistance.

8.2.1 Kenya Woodfuel Agroforestry Programme (KWAP)

Introduction

During the 1970s and early 1980s, the environmental crisis received growing recognition from the international community. The International Council for Research in Agroforestry (ICRAF) was established and energy studies in a number of African countries led to rural afforestation initiatives. In Kenya, the Fuelwood Cycle Study which was jointly carried out by the Ministry of Energy (MOE) and the Beijer Institute (1981–82) led to the establishment of the Kenya Woodfuel Development Programme (KWDP) under the auspices of the MOE (1983–88). This operated in two districts (Kakamega and Kisii). The Netherlands has supported the project technically and financially.

KWDP (Phase I) (1983–88)

The overall objective was to focus research on the development of socially acceptable agroforestry technical packages within the two pilot districts, with the intention that these would provide the basis for replication elsewhere in Kenya. The project was also concerned with extension approaches and methods to increase fuelwood production, the development of replicable planning methods and personnel development to prepare, execute and monitor fuelwood projects. The KWDP recognised the existence of socio-cultural values (often gender-specific) relating to woodfuel and tree management. A Mass Awareness Programme (MAP) tackled this issue.

The Phase One evaluation called for continuation of

the programme so as to transfer the results to the district extension agencies. The original focus on fuelwood was broadened to agroforestry in order to include tree planting for various end uses. The project was reformulated (and renamed) and a rather different set of objectives and approaches was developed.

KWAP1 (Phase II) (1989–91)

The overall objective was now to develop a process of transfer of KWAP's knowledge on improved biomass production and extension methodologies to field extension staff. This was to be done in collaboration with district extension officers and other relevant organizations operating within the pilot districts.

A shift took place in tasks and target groups away from the original concern with research and development with farmers towards transfer to, and institutionalisation by, extensionists and trainers. Another important shift was the decision to include multi-purpose aspects of tree use, not just fuelwood. Fodder production, soil conservation, the maintenance of soil fertility and local seed production and supply were included as project activities.

The methods employed in training, extension and field activities followed the 2-way mirror approach, representing a big shift from conventional approaches to extension training which tend to emphasise the delivery of messages from extensionists to farmers. Use was made of a multiple means approach to develop public awareness, including mass rallies, follow-up meetings, agricultural shows, radio, drama, films, video and slides.

KWAP1 made a valuable contribution to the development of an approach to training, extension and technology development, making good use of existing government and non-government staff and resources. The focus on agroforestry proved to be a fruitful one, both as regards bringing together different line ministries, and contributing to the sustainability of farming systems for people with small land holdings in situations of significant land pressure.

The overall conclusion of the Phase Two evaluation was that satisfactory progress had been made in both districts towards achieving most of the objectives. The process of transfer of methods was proceeding satisfactorily and there were indications of good complementarity between co-operating agencies in planning and executing field work in agroforestry. This work was responding to the needs of the rural population in relation to woodfuel and other woody biomass requirements and was also in line with government policy of Kenya. Its contribution to environmental awareness was in line with the objectives of the Netherlands development co-operation policy.

Despite the emergence of new forms of inter-agency co-operation and problems of woodfuel supply in the two districts, application of agroforestry practices only took off to a limited extent. The outreach of district agencies to farm level was small due to lack of funds and logistic support, and the sectoral bias of the agency tended to limit the effectiveness of the approach. Many farms incorporated a number of new trees but only few developed the full potential of agroforestry. However, awareness of agroforestry was high at all levels.

It was recommended that further work be carried out to consolidate the achievements to date by:

- follow-up activities and support;
- training of new extension trainers and other target groups;
- monitoring and evaluation of effectiveness and impact of methods of transfer used.

This resulted in the formulation of KWAP2 (Phase III) in which attention was to be concentrated on farmer needs.

KWAP2 (Phase III) (1992–96)

This phase of the project was implemented in four new Districts. A period of withdrawal from the two old districts was also included in this phase. The objective of the phase was to develop a sustainable rural production environment for responding to the woody biomass needs of the rural households.

Farmers were directly involved in developing agroforestry options, and in analysing the socio-cultural constraints and potential in a participatory way. The KWAP approach concentrated on strong collaboration with existing organisations and institutions involved in agroforestry activities with the farming communities.

A considerable degree of institutionalisation and integration of programme activities was accomplished within the administrative and development organisations of the Districts. The agroforestry systems approach resulted in a zoning of each district into different agroforestry recommendation areas. Sensitization and training of Senior District Staff and extension staff in the agroforestry systems approach was successful in all districts.

The handing-over of KWAP activities in the old Districts has now been completed, but it is hoped to provide continuing support to the communities in question in order to reap the benefits of the programme's earlier activities.

References

- GIBBON, D. *et al.* (1990) *Evaluation of the Kenya Woodfuel Agroforestry Programme (KWAP)*. Nairobi, Amsterdam and Norwich.
- HOEKSTRA, D.A. *et al.* (1994) *Mid Term Evaluation of the Kenya Woodfuel and Agroforestry Programme (KWAPII)*. Nairobi/Terherne.

8.2.2 The Kali Konto Project, Indonesia

The rate of population growth has increased significantly in Indonesia in recent decades, especially on the island of Java. One of the consequences has been a more intensive pattern of land use, in some places leading to deforestation on slopes, and thus erosion and decrease in the production capacity of the soils. This has also affected the river system, causing sedimentation and inundation in the lowlands.

In order to address this problem the Indonesian Government began to develop watershed management plans. A request was made to the Netherlands Government to provide technical co-operation to help develop a plan for forestry as a basis for rural community development in one of the catchment areas of the Brantas River Basin in East Java. This resulted in the implementation of the Kali Konto project in 1979, coordinated by the Javanese Forestry Department *Perum Perhutani* in co-operation with the Netherlands National Forestry Service (*Staatsbosbeheer*). Kali Konto is one of the major tributaries of the Brantas river and

its catchment area covers about 25,000 ha. Two thirds of this area is forested and owned by the Indonesian Forest Service and one third consists of village agricultural lands. The project was originally prompted by the rapid sedimentation of a dam in the Kali Konto River, which was blamed on upriver deforestation.

Objective

The objective of the project was to draw up a master plan for forestry and agro-forestry for the upper watershed of the Kali Konto in such a way that a proper balance could be achieved between the environmental functions of the forest and the needs of the population. Secondary objectives were to draw up a planning and management model for a study area on Java as an example for all watersheds in densely populated areas of Indonesia. The following priorities were identified:

- improving living conditions of the local people, encouraging self-reliance and maintaining and increasing standards of living;
- creating sound and stable ecological systems;
- creating a forest system based on multipurpose management fitting in the national forest policy.

Strategy and methodology

In the first phase the focus was on agricultural and socio-economic aspects (including inventories of vegetation) in order to be able to make an appraisal of existing land use practices in the area and their impact on the environment. This appraisal was coordinated by the Netherlands Institute for Nature Management (RIN). Its results were used to draw up a master plan. One of the conclusions was that the sedimentation was not caused by deforestation but by land use practices on the village lands. It was also concluded that the forest land had the potential to fulfil the demands of both the local population and resource conservation, allowing optimal financial returns. It was recommended that there should be modifications to the policy, rules and regulations for the management of the Kali Konto forest land to allow the implementation of integrated management options. The appraisal called for surveys of the availability and use of natural resources and pilot trials to test various management models, and for a programme to transfer the experience and information to counterpart personnel and government authorities.

As a result several changes took place during the course of the project. In the first phase emphasis was on forestry management and reforestation. The second phase was broader in scope, and aimed at regional development (including village lands) and raising living standards. The third and the fourth phases were mainly concerned with the application of improved farming techniques and the development of a planning methodology for sustainable management of river basins.

This broadening of objectives extended the project area considerably beyond that for which the *Perum Perhutani* was responsible. Consequently, responsibility was transferred to the Ministry of Forestry's Directorate of Reforestation and Rehabilitation. On the Dutch side, the technical assistance project was put out to contract and the brief given to a consultancy firm. The research component was gradually expanded. This was encouraged by the DGIS. The new project staff concluded that

the earlier analysis had been deficient. Local erosion problems were less severe than had been assumed. This led to a shift away from a sectoral approach to one integrating environmental considerations into the framework of regional development.

The main activities of the project were:

- research: surveys of the availability and use of natural resources, social and economic studies, design and testing of improved techniques, etc. This category of activity received much more emphasis than had been originally planned;
- training courses: from 1986 onwards these were transferred to the School of Environmental Conservation Management;
- operational activities in such areas as forestry, income generation and improved land use in woodlands and village areas.

Results

The main effect is a better understanding of the causes of erosion in river basins like that of Kali Konto. Deforestation and agriculture proved to be secondary contributors; natural processes and the construction of houses, roads, etc. are likely to be significantly more important. Other outputs were reforestation of 1,680 ha between 1986 and 1989 and the encouragement of new agricultural techniques in the village areas. Though impact analyses are inadequate, the project may have helped increase the output of forest products (without leading to demonstrable overexploitation) and may have reduced water flows by five per cent in the dry season. On the social and economic side the project made a temporary contribution to increasing rural employment and incomes. Research showed no structural changes in income levels.

The project faced the consequences of a sectoral (forestry-based) background analysis: misidentification of the principal problems and a poor choice of location. In the course of implementation greater stress came to be placed on certain aspects of sustainable development, in particular greater awareness of surrounding conditions and intersectoral relations. The follow-up project appears to have drawn lessons with regard to need for careful project identification and formulation, with considerable care being taken over the choice of area and identification of local people's opinions and needs.

References

- IOV (1994). 'Environment and Development Co-operation. Evaluation of Netherlands' policy with regard to the environment, with special reference to Burkina Faso, Indonesia and Kenya. Summary evaluation report'. Ministry of Foreign Affairs, Directorate General International Co-operation. The Hague.
- LEMCKERT, J.D. (1987) Het Kali Konto project (The Kali Konto project), in: *Nederlands Bosbouw tijdschrift*, 59, nr.7/8, 1987, pp. 276-283 (in Dutch).
- RIN (1985) *Evaluation of forest land Kali Konto Upper Watershed, East Java. Final Report*. Volume I: Summary, conclusions and recommendations. In co-operation with: Project staff and project team of Proyek Kali Konto, Indonesia and State Forest Service (SBB) The Netherlands.

8.2.3 Project: 'Desarrollo Forestal Participativo en los Andes'

In 1989 the FAO regional project 'Participatory Forestry Development (PFD) in the Andes' was im-

plemented with Netherlands funding, to coordinate the national participatory forestry development programmes in several Andean countries, notably Bolivia, Colombia, Ecuador and Peru. The project was subsequently extended to include Argentina and Chile.

Objective

The objective of the project was the promotion of participatory forestry development in the Andes in order to improve the livelihoods of rural communities and preserve the environment.

Strategy and methodology

In the first phase emphasis was on the promotion of the concept of participatory and community forestry development through awareness creation activities. In the second phase emphasis was given to the reinforcement of the capacities of the national institutes and agencies supporting community forestry activities. The focus was on the evaluation and systematisation of experiences, methodologies and agroforestry technologies and the development of training programmes. In the first phase the regional project formed an autonomous structure with coordination units in each of the participating countries, whereas in the second phase the regional project served as a source of human resources and materials for the reinforcement of the institutional frameworks and national development programmes of the participating agencies.

Results

By means of training activities, the dissemination of numerous publications and exchange of experiences, more than 1,000 people from 80 organisations were reached in the first phase. Campaigns were set up to promote the integration of trees in the production systems of the farming communities in the Andes. This resulted in the development of a regional programme of research and transfer of forestry development technologies and contributed to the incorporation of PFD into the national Tropical Forestry Action Plans.

In the second phase (42 months for the regional project and 30 months for the Chile project) about 300 institutions, private agencies, NGOs and projects in the five countries participated in the programme. Many of these have expressed the desire to continue along the established lines using their own resources, following completion of the project.

The project has identified, selected, systematised and evaluated about 45 experiences concerning small forest-based industries, communal forests, agroforestry practices, extension methods and gender-related activities. These have been synthesised in a series of publications to guide the planning of future PFD activities. In order to disseminate the contents and results of the evaluation, 12 national workshops were organised in the 5 countries, in which representatives from public institutions, NGOs and community organisations participated. The recommendations formulated at the workshops were taken up by the participating organisations in the PFD networks.

A total number of 43 events were organised for the preparation and implementation of the 5 permanent national training programmes. These dealt with participatory community planning, agroforestry practices,

extension communications and participatory extension methods. 1,045 technicians, trainers and extensionists belonging to over 300 organisations from 5 countries have benefited from these training events. The evaluation mission concluded that there was a need for, and interest in, continuation of the training programmes after the completion of the project, but that their development needed more time. There was also a need to introduce the contents of the PFD into the curricula of universities and similar institutions.

In the five countries 194 institutions, agencies and NGOs have become affiliated to national PFD networks, representing an important tool for future forestry development. The regional project has contributed to co-operation between national networks, but no regional network was formed that could continue the exchange in an organised manner. Recommendations made to the regional project and the Chile project, to the governmental institutions and to FAO stress the importance of continuation of project activities in order to reinforce the PFD networks. It is felt that the projects still have not been consolidated enough to safeguard future sustainability and that there is need for additional external support to the countries concerned, either through a new regional project or through a series of associated national projects. It is hoped that the 'Forest, Trees and People Programme' (FTPP) of the FAO, which is co-financed by the Netherlands, could play an important role in this endeavour.

Reference

CASTILLA, J.L., C. DESLOGES and W. KRIEK (1995) *Informe de la Misión de Evaluación Final. Proyecto "Desarrollo Forestal Participativo en los Andes" GCP/RLA/090/NET, Proyecto "Desarrollo Forestal Participativo en los Andes-Componente para Chile" GCP/CHI/021/NET, Quito, Ecuador.*

9. CONCLUSION

Tropical forestry development has been a major interest of the Netherlands since colonial times. Tropical forestry expertise was acquired in colonial times, and built upon in a variety of ways in the post-colonial period. Forestry development activities have been intensified since the late 1970s.

A clear pattern of budget allocations can be observed since 1985, with the commitment to allocate substantial sums for forestry activities within the framework of the Tropical Forestry Action Plan. At present, a total amount of 150 million NLG a year is allocated for Dutch forestry aid, of which in 1995, around 113 million NLG was actually disbursed.

Significant shifts in policy have taken place over the years, from an initial support for fuelwood and energy projects in sub-Saharan Africa in the 1970s to a more institutional orientation in the 1990s. In recent years, much more attention has been given to tropical rainforests and biodiversity aspects, in line with developments in international policy.

In keeping with the policy on tropical rainforests, forestry development activities are currently focused on such themes as:

- protection and sustainable management of forests with special attention to the conservation of primary tropical rainforest and the encouragement

of sustainable forest management;

- protection of watersheds through maintenance and rehabilitation of the forest;
- participatory forestry and agroforestry;
- relationships between forests, trees and energy;
- institutional support and strengthening of local and national governments and other implementing organisations, such as NGOs as well as local community based organisations within the framework of National Forestry Action Programmes, training and education of personnel, applied research and dissemination of information to policy level, to governments, the private sector and the general public.

Projects are implemented by many institutions and organisations. For the Netherlands, the FAO has long been a major implementing agency, especially for activities oriented towards institutional strengthening and social forestry. For projects oriented towards protection of forests, IUCN and WWF are important implementing agencies. Local governmental institutions and NGOs, sometimes supported by international organisations, are also actively participating in the implementation of Netherlands aid.

REFERENCES

- BENDIX, P.J. (1996) 'Exemplary in Concept and Reach, The Development Policy of The Netherlands', *Development and Co-operation*, No.3/96.
- BLITTERSWIJK, D. van (1991) 'Netherlands Forestry Development Co-operation, Accomplishments and Future Directions', *New Trends in Tropical Forestry Development Co-operation*, BOS NiEuWsLetter No.23, Vol 10 (2), Stichting BOS, Wageningen.
- BODEGOM, A.J. van and de GRAAF, N.J. (1991) *The CELOS Management System: A Provisional Manual*, draft version, Informatie en Kenniscentrum IKC-NBLF, Ministry of Agriculture, Nature management and Fisheries, Forestry department, Wageningen Agricultural University and Foundation BOS, Wageningen.
- BOOMGAARD, P. (1992) 'Forest Management and Exploitation in Colonial Java, 1677-1897', *Forest Conservation History* No.36.
- BOUYER, P.-H. (1995) 'Seeing, reflection, action: GRAAP - a means of enabling rural people to analyse, interpret and take decisions about their world', *Rural Extension Bulletin*, No.7, Reading, UK.
- BUIS, J. (1985) *Historia Forestis: Nederlandse Bosgeschiedenis* (Forest History of The Netherlands), Volumes I and II, HES Studia Historica, parts I and II, published as a doctoral thesis, Agricultural University Wageningen and HES Publishers, Utrecht (in Dutch).
- BUIS, J. (1993) *Holland Houtland, De geschiedenis van het Nederlandse bos* (Holland Woodland, a history of Dutch forests), Amsterdam (in Dutch).
- CORTEN, I. (1997) 'Sustainable forest management and local participation in The Netherlands, the case of Stramproy', *Both Ends*, ZED-Books, London.
- DGIS (1985) 'Ecologie in Ontwikkelingssamenwerking: van aanhangsel tot integratie' (Ecology in Development Co-operation: from appendix to integration), DGIS/DST/TA, Ministry of Foreign Affairs, The Hague (in Dutch).
- DGIS (1996a) *Hulp in Uitvoering, Ontwikkelingssamenwerking en de herijking van het buitenlandse beleid* (Assistance in Implementation, development co-operation and the reformulation of foreign policy), policy paper, Ministry of Foreign Affairs, The Hague (in Dutch).
- DGIS (1996b) *Bossen en Bosbouw, Duurzaam bosbeheer/bossen en bomen* (Forests and Forestry, Sustainable Forest Management/Forests and Trees), working version of sector and issue policy paper for Development Co-operation, The Hague (Dutch, in draft).
- DGIS and MINISTERIE VAN LNV (1991) *Bosbouw en Biologische Diversiteit, Overzicht van activiteiten in de Nederlandse Ontwikkelingssamenwerking* (Forestry and biological diversity, an overview of activities in Dutch development co-operation), Ministry of Foreign Affairs, DGIS/DST/ML and DGIS/DST/TA and the Forestry Support Group of the Ministry of Agriculture, Nature

- Management and Fisheries, The Hague (in Dutch).
- DGIS and MINISTERIE VAN LNV (1993) 'Bosbouw en Biologische Diversiteit, Overzicht van activiteiten in de Nederlandse Ontwikkelingssamenwerking per 01.01.1993' (Forestry and Biological Diversity, An Overview of activities within the Netherlands Development Co-operation as per 01.01.1993), DGIS, Environmental Programme ((DST/ML) and the Technical advisory Unit (DST/TA), Ministry of Foreign Affairs, together with Forestry and Biodiversity Support Group (IKC-NBLF/IAC/OSL) of the Ministry of Agriculture, Nature Management and Fisheries, The Hague (in Dutch).
- GRAAF, N.R. de and HENDRISON, J. (1993) 'The Quest for Sustainability: Silvicultural Research in Surinam since 1900', in Wood, P *et al.*(eds) *Proceedings of the Tropical Silviculture Workshop*, IUFRO Centennial Conference in Berlin, 1-3 September 1992, Forest Research Institute, Kepong, Malaysia.
- HENDRISON, J. (1990) 'Damage-controlled logging in managed tropical rainforests in Surinam', in *Ecology and Management of Tropical Rain Forest in Surinam*, Wageningen Agricultural University, The Netherlands.
- IKC NATUURBEHEER WAGENINGEN (1994) 'Bossen en Bosbouw in de Nederlandse Ontwikkelingssamenwerking', contribution to a forestry development policy document, final draft version, *IKC Natuurbeheer*, Ministry of Agriculture, Nature Management and Fisheries, Wageningen (in Dutch).
- IOV (1992) 'Sector Programme for Rural Development, Programme Evaluation with special reference to Indonesia, Sudan, Rwanda, Tanzania and Nicaragua, Summary Evaluation Report', DGIS, Ministry of Foreign Affairs, The Hague.
- IOV (1994) 'Evaluation of Netherlands Aid Policy with regard to the Environment, with special reference to Burkina Faso, Indonesia and Kenya', DGIS, Ministry of Foreign Affairs, The Hague.
- KARTASUBRATA, J. and WIERSUM, K.F. (1993) 'Traditions and recent advances in tropical silvicultural research in Indonesia', in Wood, P. *et al.* (Eds) *Proceedings of the Tropical Silviculture Workshop*, IUFRO Centennial Conference in Berlin, 1-3 September 1992, Forest Research Institute, Kepong, Malaysia.
- KOLK, A (1996) 'The Limited Returns of Dutch Rainforest Policy', *International Environmental Affairs*, Vol.8 No.1.
- MEIJENFELDT, C. von (1989) 'The use of alternatives for tropical hardwood in The Netherlands', in *Netherlands Review of Development Studies*, Vol.2 1988/89, Institute for Social Science Research in Developing Countries, The Hague.
- MELKERT, A. (ed.) (1986) 'De Volgende Minister, Ontwikkelingssamenwerking binnen het Kabinet: 1965 tot ?' (The Next Minister, Development Co-operation within the Cabinet from 1965 till ?), *NOVIB*, The Hague (in Dutch).
- MINISTERIE VAN LNV (1992) 'The Dutch Government's Policy on Tropical Rainforests', Ministry of Agriculture, Nature Management and Fisheries, The Hague.
- OECD (1994) *Development Co-operation Review Series*, No.4 'The Netherlands', 1994, Paris, Development Assistance Committee, Organisation for Economic Co-operation and Development.
- PELINCK, E. and van DIJK, K (1987) 'Internationale Ontwikkelingen en Nederlands Beleid betreffende Bosbouw Ontwikkelings Samenwerking' (International Developments and Dutch Policy on Forestry Development Co-operation), *Nederlands Bosbouw Tijdschrift Vol 59*, No. 7/8, Wageningen (in Dutch).
- PELUSO, N.L. (1991) 'The History of State Forest Management in Colonial Java', *Forest and Conservation History*, Vol. 35:65-75.
- SMIET, A.C. (1990) 'Forest ecology on Java: conversion and usage in a historical perspective', *Journal of Tropical Forest Science* 2:286-302.
- TWEDE KAMER DER STATEN-GENERAAL¹⁶ (1984) 'Nota Herijking Bilaterale Samenwerking' (Reformulation Of Bilateral Co-operation), *Vergaderjaar 1983-1984*, 18 350, No.1-2, The Hague (in Dutch).
- TWEDE KAMER DER STATEN-GENERAAL (1990) 'Een Wereld van Verschil, Nieuwe kaders voor Ontwikkelingssamenwerking in de jaren negentig' (A World of Difference, New Framework for Development Co-operation for the 1990s), *Vergaderjaar 1990-1991*, 21 813, No.1-2, The Hague (in Dutch).
- TWEDE KAMER DER STATEN-GENERAAL (1994) 'Tropisch Regenwoud, Brief van Staatssecretaris van LNV' (Tropical rainforests, Letter from Secretary of State), *Vergaderjaar 1993-1994*, 21 517, No.19, The Hague (in Dutch).
- TWEDE KAMER DER STATEN-GENERAAL (1995) 'Programma Internationaal Natuurbeheer (PIN) 1996-2000' (International Programme for Nature Management, 1996-2000), *Vergaderjaar 1995-1996*, 24b 408, nrs. 1-2, The Hague (in Dutch).
- TWEDE KAMER DER STATEN-GENERAAL (1996) *Een Wereld in Geschil, De Grenzen van de Ontwikkelingssamenwerking verkend* (A World in Dispute, an Identification of the Frontiers of Development Co-operation), The Hague (in Dutch).

KEY CONTACTS

BOS Foundation
(Organisation for International Forestry Co-operation)
PO Box 23
6700 AA Wageningen
The Netherlands
Tel: +31 317 477 883
Fax: +31 317 424 988

Ministry of Foreign Affairs
Environment Programme (DML)
PO Box 20061
2500 EB Den Haag
The Netherlands
Tel: +31 (0)70 3486422
Fax: +31 (0)70 3485956

Ministry of Foreign Affairs
Programme on Rural and Urban Development (DRU)
PO Box 20061
2500 EB Den Haag
The Netherlands
Tel: +31 (0)70 3484393
Fax: +31 (0)70 3485956

International Agricultural Centre
Secretariat Forestry Support Group
PO Box 88
6700 AB Wageningen
The Netherlands
Tel: +31 (0)317 490111
Fax: +31 (0)317 418552

National Reference Centre for Nature Management
Ministry of Agriculture
Nature Management and Fisheries
PO Box 30
6700 AA Wageningen
The Netherlands
Tel: +31 (0)317 474927
Fax: +31 (0) 317 474930

ACRONYMS

BEMO	'Memorandum of appraisal'
BILANCE	Dutch NGO formed from the merger of CEBEMO and VASTENAKTIE
CARE	International NGO
CATIE	<i>Centro Agronomico Tropical de investigación y Enseñanza</i> (Tropical Agriculture Research and Teaching Centre, Costa Rica)
CELOS	Forest management system
CGIAR	<i>Centres du Groupe Consultatif pour la recherche agricole</i> Consultative Group on International Agricultural Research
CHS	CELOS Harvesting System
CIFOR	Centre for International Forestry Research
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CMS	CELOS Management System
COCOS	Interministerial Co-ordination Committee for Development Co-operation
CONIF-HOLANDA	Netherlands-funded research project
CSS	CELOS Silvicultural System
DAC	Development Assistance Committee

16. *Tweede Kamer* is the Second Chamber of the Netherlands Parliament, roughly parallel to the UK House of Commons.

DGIS	<i>Directoraat-Generaal Internationale Samenwerking</i> Directorate-General for International Co-operation	MFO	<i>Medefinancierings Organisatie</i> Co-financing non-governmental organisation
ESMAP	Energy Sector Management Assistance Programme	MOE	Ministry of Energy
EU	European Union	NGO	Non-governmental Organisation
FAO	Food and Agriculture Organisation of the United Nations	NLG	Dutch Guilder
FSC	Forest Stewardship Council	NOVIB	Netherlands Organisation for International Development Co-operation
FBSG	Forestry and Biodiversity Support Group (formerly FSG: Forestry Support Group)	ODA	Overseas development assistance
FTPP	Forest, Trees and People Programme	OECD	Organization for Economic Co-operation and Development
GEF	Global Environment Facility	PFD	Participatory Forestry Development
GNP	Gross National Product	ROS	Council for Development Co-operation
GRAAP	<i>Groupe de recherche et d'appui à l'autopromotion paysanne</i> – animation methodology	RIN	Netherlands Institute for Nature Management
HQ	Headquarters	SBB	<i>Staatsbosbeheer</i> , the Netherlands State Forest Service
HIVOS	Humanistic Institute for Development Co-operation	SNV	Netherlands Development Organisation
IAC	International Agricultural Centre	TFAP	Tropical Forestry Action Plan Programme
ICCO	Umbrella organisation of Protestant developmental NGOs	UK	United Kingdom
ICRAF	International Council for Research in Agroforestry	UN	United Nations
IDA	International Development Association	UNDP	United Nations Development Programme
IDMO	Project identification memorandum of the Netherlands Ministry of Foreign Affairs	UNEP	United Nations Environmental Programme
IIED	International Institute for Environment and Development	UNESCO	United Nations Educational, Scientific and Cultural Organisation
IKC-N	National Reference Centre for Nature Management	UNFPA	United Nations Fund for Population Activities
IOV	Operations Review Unit	UNICEF	United Nations Children's Fund
ITTO	International Tropical Timber Organization	WFP	World Food Programme
IUCN	International Union for the Conservation of Nature	WWF	World Wide Fund for Nature
KWAP	Kenya Woodfuel Agroforestry Programme		
KWDP	Kenya Woodfuel Development Programme		
LBB	<i>Dienst Lands Bosbeheer</i> , Surinam Forest Service		
LNV	Ministry of Agriculture, Nature management and Fisheries		
MAP	The Mass Awareness Programme of the Kenya Woodfuel Development Programme		

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Ko van Doorn (Ministry of Foreign Affairs, DRU/RR), Kees van Dijk (Ministry of Agriculture, Nature Management and Fisheries), Reinout de Hoogh (International Agricultural Centre), Jeannette van Rijsoort (Ministry of Foreign Affairs, DML/BD).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to NLG 2.04.

Portugal

Raul M. de Albuquerque Sardinha and Michael Richards

Contents

1.	FOREST HISTORY OF PORTUGAL	293
2.	PORTUGAL'S INVOLVEMENT IN TROPICAL FORESTRY	293
3.	STRUCTURE OF CO-OPERATION DELIVERY	294
3.1	Organisational structure of aid	294
3.2	Actors in aid delivery	297
3.3	Multilateral forestry initiatives	297
4.	STRATEGY OF FORESTRY CO-OPERATION	297
4.1	Sectoral priorities	297
4.2	Tropical forestry 'policy'	297
4.3	Reasons for a low priority for tropical forestry	297
4.4	Geographical priorities	298
5.	PROJECTS FUNDED BY TYPE AND GEOGRAPHICAL DISTRIBUTION	299
6.	RESEARCH AND TRAINING	299
7.	PROJECT CYCLE METHODOLOGY	300
7.1	Project identification and appraisal	300
7.2	Monitoring and evaluation	300
8.	PROJECT REVIEW	300
8.1	Guinea-Bissau Forest Industry Project	300
9.	CONCLUSION	300
	REFERENCES	301
	KEY CONTACTS	301
	ACRONYMS	301
	ACKNOWLEDGEMENTS	302

1. FOREST HISTORY OF PORTUGAL

Portugal's forest history revolves round a process of deforestation and reforestation. By the eighteenth century, reclamation of land for agriculture, expansion of animal husbandry and increased demand for wood and timber resulted in the forested area falling to about 5.5% of the total land area. This trend was only reversed in the nineteenth century when tree planting received the necessary scientific and state support. The development of the forest administration, the transition of Crown forest estates to public administration, and the role of the 'commons' are well documented (Baeta Neves, 1978; Devy-Vareta, 1985; Neiva Vieira, 1990; Brouwer, 1993).

Three main historical factors lie behind the development of public forest administration: the royal exercise of hunting rights, the administration of timber during the Portuguese 'seaborne empire', and, in the nineteenth century, the scientific movement which emerged from 'the Enlightenment'. In feudal times, the forests were all on Crown land where kings and noblemen exercised their hunting rights, and until the nineteenth century the granting of hunting rights came under a department of the royal household. The expansion of the Portuguese empire from the early fifteenth century, an empire that literally floated in vessels connecting the coasts of Africa, Asia and Latin America with Lisbon (Boxer, 1969), resulted in such rapid depletion of the royal forests that timber exports were prohibited in 1471, and the Portuguese Navy became dependent on imports of timber from Flanders and the Baltic. This situation led to various attempts to control timber extraction, notably the creation in 1450 of an office to manage the royal Leiria forest, and several laws to stimulate reforestation as in 1565 (Neiva Vieira, 1991). In 1797 responsibility for reforestation of the royal forests was placed under the Navy's Treasury Council.

The third root of public forest administration occurred during the 'Enlightenment' period, when a more scientific approach to agriculture and forestry was developed. Portugal's first professional forester, José Bonifácio de Andrade e Silva, was trained in Germany and, on his return at the beginning of the nineteenth century, emphasised the need for reforestation, improved protection and management of existing forests, and reorganisation of the administration of the royal forests. The Forest Service emerged in 1824, three years after the separation of the king's household from the government. At first the Forest Service was organised on a decentralised basis with 19 regional 'circunscriptions',¹ but in 1872 it was centralised into three divisions (north, centre and south). An 1886 law led to the first major attempt to reafforest the commons.

In 1901, a law was passed which explicitly recognised the hydrology, watershed protection and potential climatic impacts of forestry, and defined three types of forestry regime according to the type of land tenure²

and the level of state intervention: in the 'total forestry regime' on state land, the Forestry Service was the manager; in the 'partial forestry regime' on communal (parish or municipal) land, management was shared by the Forest Service and the 'owners', and in the 'simple forestry regime' on private land, the owner was the manager. However, a 1903 law obliged the commons and private owners to submit to Forestry Service interventions, permitting the state to stabilise sand dunes in coastal areas, and reforest communal mountain areas without resort to expropriation. In 1918 the Forest Service was again reformed into a central bureau, with 8 circunscriptions, 18 regencies and 121 cantons.

Reafforestation became the main priority in the 1930s, especially through the 'Afforestation Plan of the Commons north of the Tagus River'. This involved the Forestry Service reafforesting some 383,000 ha over a 20-year period from 1935 (Mendonça, 1961), but the programme's momentum tailed off due to a number of problems associated with the state interventions. Recognising that private sector participation in the forestry effort needed to be stepped up, the Forestry Development Fund was created in 1945 to provide tree planting credits and subsidies. At first this had little impact, but following a reorganisation in 1966, some 240,000 ha were afforested up to 1986. Following entry into the EU in 1986, ECU 111 m. were provided to set up the Forestry Action Programme, which aimed to reafforest 400,000 ha over a ten year period. Instead, however, there has been a decline in the pine area because of fire and policy problems, and domestic sources are now insufficient to meet industrial demand.

Recently there has been considerable popular criticism (led by NGOs) of plantations on social and ecological grounds, especially of exotics like eucalyptus, and while forest policy has become more socially orientated, weak incentives and lack of R&D have constrained the development of more 'ecological plantations'.

2. PORTUGAL'S INVOLVEMENT IN TROPICAL FORESTRY

Portugal's involvement in tropical forestry can be broken down into three main phases: the period of extensive collection of plants by both Portuguese and foreign explorers and sailors, the period of tropical exploitation, and the period of exotic industrial plantations.

The first phase refers initially to a significant two-way transfer of vegetative material between Portugal and the tropics. As stated by João de Barros (1552), 'the Portuguese carry with them all the seeds and plants and other things with which they hope to settle and establish themselves.' Explorers and naturalists made an important contribution to European botanical knowledge. For example, the *Flora Cochinchinensis* by João Loureiro, published in 1790 by the Lisbon Academy of Sciences, was probably the first tropical flora to be published in the world. Systematic flora collections were made from Angola in the eighteenth century, sponsored by the 'philosophical voyages' of the Portuguese Crown to search for 'objects of natural history' for the Royal Cabinet of Ajuda (Mendonça, 1961). However, most of

1. Circunscriptions, regencies and cantons were territorial divisions of the Forest Service.

2. In 1988, of a total forested area of some 306,000 ha, some 85% was under private ownership, 12% on communal land, and 3% on state land.

the initiatives were sponsored either individually or by academic institutions, for example an Angolan collection by the Count of Ficalho (1884).

Reference should also be made to the botanical missions supported by the Cartographic Commission created in 1883, and afterwards by its successor the Colonial Geographic and Research Missions Board. The latter had a mandate 'to launch systematic studies for the scientific knowledge of tropical territories in an organised way in the fields of geology, botany, zoology, anthropology and ethnography.' Its work, mostly since 1940, has been most significant in furthering botanical knowledge, although two important forestry studies were those by Carvalho *et al.* (1956) on Guinea-Bissau and Gomes (1950) on East Timor. Local government initiatives have proved more significant for the advancement of the forest knowledge of the territories, for example studies by Welwitsch (cit. Hiern, 1900), Gomes e Sousa (1926) and Gossweiler (1953). In 1948, it was superseded by the Centre for Botanical Studies.

The second phase refers to the exploitation of tropical forest timber. The Portuguese presence in India resulted in imports of teak from the fifteenth century, while Brazil became an important timber supplier from the seventeenth century. Despite the great demand for ship construction, tropical timber exploitation remained relatively insignificant, with the exception of 'Brazilwood' (*Caesalpinia echinata*), which because of its demand in textile dyeing became almost extinct by the nineteenth century. However, the Napoleonic occupation of Portugal and transfer of the Portuguese capital to Brazil resulted in the development of a taste for mahogany (*Swetania macrophyllia*) furniture, and, following the Second World War, there was intensive exploitation of the African colonies, especially of the African mahoganies (*Khaya* and *Entandophragma* spp.).

This recognition of the value of tropical, and especially African, timber species led to the creation in 1948 of the Wood Anatomy and Technology Laboratory within the Colonial Geographic and Research Missions Board, and in 1950 of the Tropical Forestry Commission. The latter had a broad mandate, and included a division of forest economy. But lack of funding and staff meant that its activities were limited to a few narrow technical studies. The activities of the Wood Anatomy and Technology Laboratory were more significant and yielded valuable information on tropical wood characteristics (see for example, Ferreirinha, 1955; Orey & Sampayo, 1955-9).

The studies of the colonial administrations were generally disappointing. While legislation instructed them to map forest formations and develop management plans, most of their work was orientated to evaluating wood potential and establishing minimum harvesting diameters leading to selective felling regimes. One reason for this was the lack of university-level tropical forestry training until 1953, when a tropical forestry option was introduced at the Forest Faculty of the Technical University of Lisbon (although the option was dropped in 1983). In the Faculties of Agronomy and Forestry in the Universities of Angola and Mozambique, there was very little research on natural forest management research, most of the work being on exotic plantation species. Other factors included the weakness of the forestry sections (subordinate to

agriculture), the dominance of short-term objectives, and the attitude among settlers that forestry was an obstacle to agricultural expansion. Commercial exploitation of tropical timbers in the African colonies was most intense in the 15 years prior to independence in 1975.

The third phase, involving industrial plantations in the Portuguese colonies, began in the early 1950s, although a big plantation programme in highland Angola and several regional forestry experimental stations date from the 1930s (Queiroz, 1950). For example, the Railway Company of Benguela planted about 55,000 ha (up to 1970) of eucalyptus (*E. camaldulensis* and *E. saligna*) to feed the train boilers. In Angola and Mozambique, regional networks of experimental stations were set up focusing on exotics, especially eucalyptus and tropical pines, and the private sector was active in helping develop a strong timber industry based on the plantations. An exception to this trend was a tropical forestry research station set up in 1953 in a remote humid evergreen forest area of Angola, but this was abandoned in 1960 after some useful research on forest formation and structure by Henriques (1968).

A significant body of colonial legislation affected forestry in the African colonies from the 1930s, particularly the development of research and development institutions. While legislation often stressed sustainable forest management, the allocation of resources was insufficient to support the legal measures. However, colonial legislators had more impact on the wildlife and ecology conservation front; for example, a Coordinating Committee for Nature Protection was created in each colony.

3. STRUCTURE OF CO-OPERATION DELIVERY

Portuguese net official development aid amounted to US\$308 m. in 1994 and \$271 m. in 1995, representing 0.35% and 0.27% of GNP respectively (DAC Statistics, 1997). Of this about 30% was multilateral aid. The latter represented a considerable increase on previous years (when it tended to be about 20%), largely due to a rescheduling of foreign debt.

A major characteristic of Portuguese co-operation or, as it appears in the aid statistics, Public Assistance to Development, is its concentration on its five African ex-colonies, the so-called Portuguese-Speaking African Countries (PALOPS). Concern for the needs of the PALOPs has been expressed in policy statements since 1975, and led to the constitution of the 'Portuguese-Speaking Community' in 1996. The PALOPs accounted for 80% of bilateral aid in 1994, and over 90% in previous years.

3.1 Organisational structure of aid

The Portuguese aid structure is characterised by its complexity and the large number of actors. There are essentially three main types of agencies involved in aid delivery. First there is the Ministry of Foreign Affairs, which has overall responsibility for co-operation, and three government or state-supported agencies which deal specifically with co-operation issues:

Table 1. Contribution of Ministries to Portugal's co-operation programme 1989–94 (%)

Ministries & Sec. of State	1989	1990	1991	1992	1993	1994
Foreign Affairs	39.3	34.3	27.2	20.6	21.4	16.3
Finance	42.9	5.0	62.3	68.2	65.8	74.3
Justice	0.9	0.4	0.2	0.4	0.4	0.5
Defence and Internal Affairs	0.6	1.3	1.2	1.0	1.9	1.4
Planning & Territorial Administration	0.3	2.8	2.3	3.8	5.1	4.2
Public Works, Transports and Communications	1.7	0.2	1.1	0.1	0.2	—
Industry and Energy	0.3	0.1	—	0.1	0.1	—
Agriculture, Forestry & Fisheries	0.9	1.5	0.9	0.2	0.2	0.1
Employment & Social Security	2.1	1.7	1.3	0.8	0.8	0.6
Education	1.7	1.4	1.2	0.7	0.9	0.1
Health	1.5	1.2	1.1	1.0	0.9	1.0
Trade and Tourism	1.4	0.8	0.6	0.2	0.2	0.4
Environment	0.2	0.3	0.1	0.1	0.3	—
Youth & Social Communication	2.5	2.7	0.2	2.4	0.8	0.1
Culture	0.7	0.7	0.1	0.1	0.4	0.3
Other Ministries & Secretaries of State	0.3	0.6	0.2	0.3	0.6	0.7

(Source: Ministry of Foreign Affairs, 1995)

- the *Comissão Interministerial para a Cooperação* (Interministerial Commission for Co-operation – CIC), which advises the government on co-operation policy, and attempts to coordinate the various ministerial policies and planning efforts, but has no executive powers;
- the *Instituto da Cooperação Portuguesa* (Institute for Portuguese Co-operation – ICP), which is mainly responsible for project selection, financial approval, monitoring and evaluation (although it will often subcontract these functions out to other public agencies or the private sector) and has offices in the main aid partner countries; and
- the Economic Co-operation Fund, an autonomous but largely state-funded institution promoting the involvement of the business sector in the aid programme.

A second set of institutions have a tropical or developing countries' orientation and a significant role in the co-operation programme, but are not exclusively orientated towards it:

- the Camões Institute (IC), which comes under the Ministry of Foreign Affairs and is responsible for the external promotion of Portuguese culture and language;
- the Tropical Health Institute (IMT), which researches tropical diseases, promotes Portugal's health co-operation policy, and strengthens health institutions in the tropics; and
- the *Instituto de Investigação Científica Tropical* (Tropical Scientific Research Institute – IICT). This was created in 1982, absorbing the earlier colonial

research structures. Tropical forestry research comes under the *Centro de Estudos de Tecnologia Florestal* (Tropical Forest Technology Centre – CETF). However its research capacity has been limited by an unclear mandate and a problem of discontinuity as a result of having been under three different Ministries since 1982.

The third set of institutions do not have a specific tropical or co-operation mission, but are involved in the aid programme on an occasional basis. They include all the main Ministries, since each Ministry or State Secretariat allocates a proportion of its budget to co-operation, generally speaking reacting to specific aid requests (see Table 1). For example, the Ministry of Agriculture, Forestry and Fisheries³ has a Co-operation Division. Within the Ministry, there are two agencies with a significant role in forestry co-operation:

- the General Forestry Directorate officially represents Portugal's forestry co-operation interests, and has been an important implementing agency of tropical forestry projects. It also participates in Mixed Commissions, supports partner country TFAPs, and has represented Portugal on the Commission for Sustainable Development, ITTO, the Desertification Convention, and in the area of Agenda 21 implementation; and
- the *Estação Florestal Nacional* (National Forestry (research) Station – EFN). While its main mandate

3. There have been many changes in the name of the Ministry over the years; for many years it was simply the Ministry of Agriculture (subsuming forestry), as reflected in official aid data.

Table 2. Distribution of Portuguese co-operation^a by sector 1991–94 (%)

	1991	1992	1993	1994
I – Services and social infrastructure	68.8	67.8	63.4	64.0
• Investments in Education	46.07	46.26	35.55	38.19
• Health	7.68	6.76	6.37	3.76
• Public administration	4.47	4.26	16.05	17.46
• Other social services	10.53	10.54	5.44	4.54
II – Services and economic infrastructure	4.2	9.5	5.2	15.1
• Transportation and Communications	3.41	8.62	3.71	12.19
• Energy	0.25	0.63	1.49	1.64
• Other economic infrastructures	0.57	0.27	0.01	0.23
III – Productive sectors	10.2	13.4	13.2	11.3
• Agriculture	3.67	3.41	2.23	2.18
• Industry	1.54	1.06	4.40	2.39
• Construction and building	1.44	0.79	2.58	0.81
• Commerce and Banking services	1.12	6.48	2.05	2.90
• Tourism	2.14	1.56	1.93	3.04
• Other	0.33	0.12	0.00	0.01
IV – Environment	1.0	2.5	0.9	...
V – Emergency food aid	0.1	0.1	8.5	1.6
VI – Other non-specified aid	15.7	6.6	8.8	9.0

^a Public assistance to development less financial flows.

(Source: Ministry of Foreign Affairs, 1995)

is domestic forestry research, the EFN includes tropical forestry co-operation in its mission statement, and has several staff with appropriate experience gained in the ex-colonies. It has conducted research or made advisory contributions to project missions in such areas as forest and pasture ecology, forest protection and management, species selection and control, and forest dynamics. However, EFN's co-operation activities, particularly in the area of training, have stemmed more from the initiatives of individual staff than as a result of Ministerial level planning.

From Table 1, it can be seen that the Ministry of Finance's share of the aid programme of the Ministry of Finance increased steadily from 43% to 74% in the six years to 1994, while that of the Ministry of Foreign Affairs declined from 39% to 16%. Table 1 also reveals the low aid allocations of the Ministry of Agriculture, Forestry and Fisheries, and the Ministry of the Environment. However, the Ministerial distribution is not a reliable indicator of the sectoral breakdown of the aid programme, since most of the aid comes under the Ministries of Foreign Affairs and Finance. Table 2 shows that the contribution of the Ministry of Education, for example, bears no relation to the sectoral importance of education. Forestry projects have generally come under either Agriculture or Environment in this classification.

Many of the *ad hoc* co-operation activities of the Ministries, particularly in the case of forestry and the environment, are financed from 'current expense' accounts, which makes it difficult to trace the activities and amounts involved. Also, apart from the Ministries, there are a range of other actors like universities, city councils and NGOs with financial autonomy. The aid activities of these organisations are often not included in official statistics. The decentralised (institutionally as opposed to geographically) and administratively complex⁴ aid system makes it difficult to establish the true sectoral breakdown.

It is apparent from the legislative history involving the creation and dissolution of various aid institutions, including a Ministry of Co-operation which was created in 1975 but lasted less than a year, that there has been an on-going debate about the relative merits of a more vertical and hierarchical system as opposed to the existing 'horizontal' system. A further change in the aid structure was expected in 1997, when it was thought the state budget would earmark a co-operation budget line for each Ministry. This should improve accounting and coordination.

4. The state accounting system is based on 'expense items' rather than projects, making it difficult to calculate the expenditure per project.

3.2 Actors in aid delivery

While there is no official forestry co-operation adviser, considerable expertise is located in the EFN, the IICT and the universities. Of 18 projects identified as having a forestry component (see Section 5) the main Portuguese agencies involved in aid delivery were EFN (involved in 8 projects), the Forestry Directorate (4 projects), the Agronomy Institute of the Technical University of Lisbon (2), the IICT (2), and the ICP, the Nature Conservation Institute, and the Ministry of the Environment (one each). Consultancy companies were not used at all, although they figure in other sectoral co-operation, and Portuguese companies have been involved in some major EU forestry programmes in, for example, Brazil and Guinea-Conakry.

For projects financed by the ICP, project management and monitoring are carried out by in-country desk officers of the Division of Agriculture of the ICP, and for projects financed through the Ministry of Agriculture, Forestry and Fisheries, through the head of the Co-operation Division.

NGOs in Portugal have not had a major role or impact on forestry and environmental aid. There has been relatively limited state encouragement, for example through the provision of grants or subsidies, for them to get involved in tropical forestry. Portuguese NGOs tend to focus on health, education and other social service projects.

3.3 Multilateral forestry initiatives

Although Portugal is well represented in various international fora, and contributes regularly to GEF, a UNDP Trust Fund for the PALOPs, SADC, UNESCO, etc., there is no evidence of a specifically forestry commitment, apart from a June 1996 'Expert Meeting on Desertification, Rehabilitation and Reforestation of Degraded Lands' with FAO, Cape Verde and Senegal. This stemmed from the Desertification Convention.

4. STRATEGY OF FORESTRY CO-OPERATION

4.1 Sectoral priorities

The main aid policy statement (MNE, 1995) lists the main co-operation objectives as follows:

- the promotion of peace and the resolution of conflicts by dialogue;
- the consolidation of democracy, the legal system and respect for human rights;
- the search for sustainable and participatory development;
- the gradual integration of developing countries into the world economy;
- the tackling of poverty, especially in the PALOPs.

These priorities are influenced by Portugal's participation in various multilateral fora, such as the EU Lomé Convention discussions, the DAC and various UN and Bretton Woods institutions.

Particular emphasis is placed on reinforcing the administrative and economic structures or institutional capacity of recipient countries to help them embark on a process of sustainable development. A recent analysis

of Portuguese co-operation (Ribeiro, 1995) found that priority has been given to three main areas: improvement of the human resource basis of sustainable development, 'entrepreneurial' co-operation, and military co-operation.

The priority to supporting the institutional, and especially human resource, basis of development is reflected in the aid statistics. Table 2 showed that co-operation has been dominated by social infrastructure and services, especially education, with relatively little aid going to the 'productive' sector. Within the latter, agriculture, which includes forestry, declined in relative importance over the 1991–4 period from being the most important category in the sector in 1991 with 3.7% of total co-operation, to fourth in 1994 with 2.2%.

4.2 Tropical forestry 'policy'

Within the agrarian sector, the priorities have reflected the general co-operation priorities, with most actions orientated towards developing human and institutional capacity, for example an emphasis on training, and technical assistance directed towards the process of institutional consolidation. While in the earlier years of the aid programme the emphasis was on longer-term Portuguese technical co-operation, fears of creating dependency have resulted in a shift to short-term missions and scholarships.

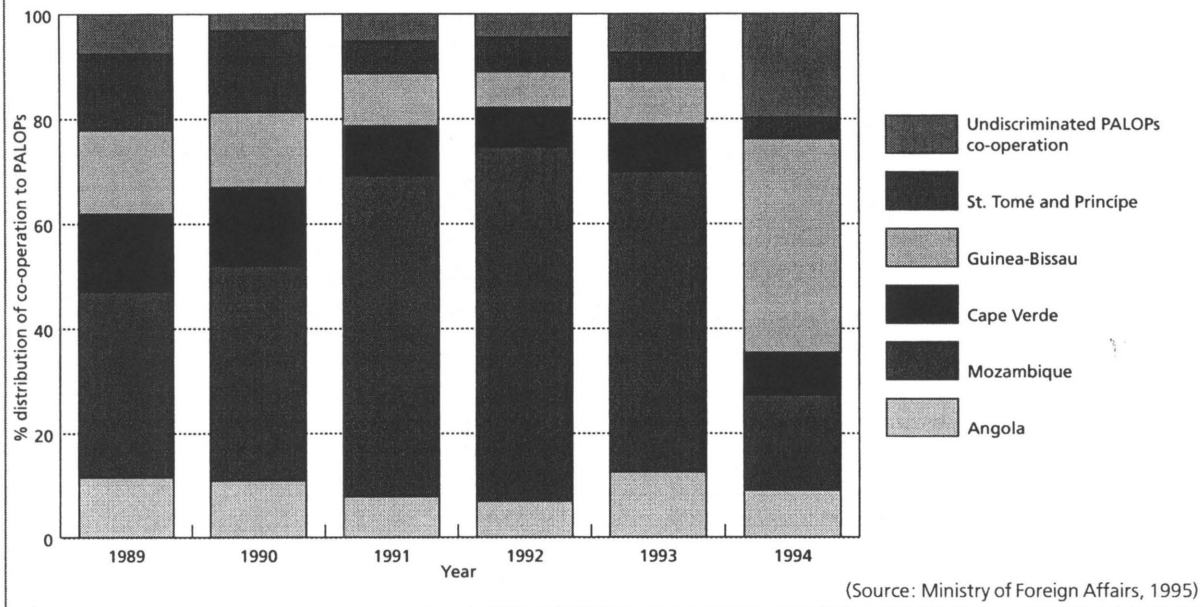
There have been no policy statements specifically on tropical forestry beyond *ad hoc* statements during visits by Portuguese Ministers of Agriculture to Africa. For example, at a meeting of the Ministers of Agriculture of Portugal and the PALOPs, sustainable natural resource management and biodiversity conservation were given great importance, but also that more aid and better planning were needed. Portugal recognised the need for comprehensive and coordinated action with its partners in tropical forestry actions, and committed itself to supporting the national TFAP processes. In order to further consultation and coordination, the Ministers agreed the need for annual meetings and a coordinated approach to implementing the forestry actions in Agenda 21 (Minutes of the First Meeting of Ministers of Portuguese-speaking countries, Luanda, 16–17 March 1994). On a mission to Guinea-Bissau, Portugal's Minister of Agriculture also emphasised the importance of tropical forests, and Portugal's desire to help the Guinea-Bissau Forestry Directorate formulate its TFAP (Minutes of the visit of the Secretary of State for Agriculture to Guinea-Bissau, 6–10 May 1991).

4.3 Reasons for a low priority for tropical forestry

According to the data on identifiable tropical forestry projects in section 5, it can be estimated that the annual average commitment to forestry projects between 1989 and 1996 was about \$420,000. This represents an average of only about 0.2% of bilateral co-operation over these years. There are various possible explanations for the relatively *ad hoc* nature of forestry co-operation activities, and the low importance given to forestry in the Portuguese aid programme. These include (in the view of the senior author):

- the tendency to take a short-term policy view as a

Figure 1. Distribution of co-operation between the PALOPs



result of the country's relatively recent history of economic and political instability;

- the institutional, social and political difficulties of promoting forestry in Portugal's two most important ex-colonies, Angola and Mozambique, because of the prolonged civil wars;
- the relatively recent (from the 1980s) consolidation of political and institutional relationships with the PALOPs;
- a ten-year gap in tropical forestry teaching in Portugal, and lack of appropriate tropical forestry research, including little involvement with such organisations as CIFOR, ITTO, etc.;
- the relatively unimportant amount of trade in tropical timber, although this is increasing;
- the lack of quality information on sectoral problems in the PALOPs to feed into policy formulation;
- the lack of informed debate, stemming from poor information and inadequate policy discussion mechanisms, for example between aid negotiators and institutions in the forest sector.

However, it appears that two factors may have been particularly significant in the disappointing coherence and lack of importance of forestry in Portugal's co-operation policy. First there were a series of influential policy discussions involving aid officials, academics and NGOs in the run-up to the UNCED Conference. At these the 'root causes' of tropical deforestation were discussed. After analysing several case studies,⁵ one of the conclusions reached was that deforestation was related more to agricultural problems and weak state institutional capacity, particularly as regards land tenure issues, than to forest sector policies and problems.

This might partly explain the almost complete absence of mainstream forestry activities like sustainable forest management, reforestation, agroforestry or

even 'defensive' biodiversity conservation among the projects supported. Most 'forestry' projects have been concerned with institution building or human resource development, in line with the general trend. At the same time, the early policy-type statements from the above-mentioned meetings in Africa imply an acceptance of the principles enunciated in the TFAPs, such as the need for aid to encourage the environmental and social dimensions of tropical forestry.

The second factor has been the division of domestic sectoral responsibilities: productive forestry comes under the Ministry of Agriculture, Forestry and Fisheries; conservation aspects and national parks under the Ministry of the Environment; and forest fire control under the Ministry of the Interior. The lack of a clear owner of 'forestry' in Portugal has arguably spilled over to the tropical front.

4.4 Geographical priorities

As already stated, there is an overwhelming concentration of Portuguese aid on the 5 PALOPs. The proportion of the aid programme going to other countries, mainly Brazil, China, Tanzania, Morocco, Tunisia and Argentina, has slightly increased in recent years, but was still only 20% of bilateral aid in 1994.

Figure 1 indicates considerable fluidity in the PALOPs' relative importance. For example, Mozambique was easily the most important aid recipient from 1989 to 1993, and from 1991 to 1993 absorbed about 60% or more of total aid to the PALOPs. But in 1994 its share dropped to less than 20%, while Guinea-Bissau, having previously been allocated 15% or less of PALOPs' aid (and in 1993 only about 8%), rose to 40% of the PALOPs' budget.

Within the agrarian sector, however, the picture is rather different, with Angola receiving most aid both in 1993 and 1994, followed closely by Guinea Bissau. Mozambique ranked only fourth in both years. Thus country prioritisation for forestry bears little resemblance to the overall distribution of aid.

5. No report was available from these discussions; the discussion here is based on the memory of the senior author.

5. PROJECTS FUNDED BY TYPE AND GEOGRAPHICAL DISTRIBUTION

Because of the complexity of the aid structure, it was difficult to obtain a comprehensive list of projects. Since 1989, only 18 forestry 'projects' could be identified. As can be seen from Table 3, one country, Guinea-Bissau, was a beneficiary of most of the projects, while Mozambique and Angola only benefited from the relatively modest training activities that resulted from personal initiatives on the part of EFN staff.

As can be seen from Table 3, most of the projects involved institutional strengthening through human resource development, in accordance with the overall aid strategy. Other projects were of a cross-sectoral nature, or concerned research, forest industry development and, in one case, biodiversity conservation. Most of the projects entailed very modest costs, in so far as this was possible to estimate, with the exception of a research capacity-building project in Guinea-Bissau. However, the costs shown in Table 3 underestimate the true costs involved. For example, in the case of training, the costs shown are only the direct scholarship costs.

Forestry training conducted by the EFN has covered, among other topics, forest mensuration, beekeeping,

taxation, use of computers in harvest control, principles of forest policy, forest protection, forest statistics, hydrobiology and freshwater management, and isozymes in forest breeding work). Scholarships to study in Portugal are usually provided by the ICP.

6. RESEARCH AND TRAINING

Several Portuguese institutions have a forestry research capacity, including staff with tropical experience:

- the EFN (see section 3) conducts research in the areas of forest science, wood science and technology, forest ecology and protection, and natural resources management;
- the CETF (see section 3) specialises in wood technology, particularly wood chemistry and anatomy;
- the Forestry Department of the University of Trás-os-Montes e Alto Douro conducts research in the area of tree breeding and wood qualification, but has no on-going tropical work;
- the Department of Forestry Exploration of the Higher Agrarian School of Coimbra specialises in forest management, forest economics and tax policy;
- the Laboratory of Civil Engineering in Lisbon is well-equipped to conduct research in physical and

Table 3. Portuguese tropical forestry initiatives 1989–96

COUNTRY	PROJECT DESCRIPTION	TYPE (EU code)	DURATION	COMMITMENT US\$000
Guinea-Bissau	Analysis of forest industry (part of TFAP)	10	1996	480
Guinea-Bissau	Uniforms to forest guards	10	1995	19
Guinea-Bissau	Lagoon zoning and management	30	1995	32
Guinea-Bissau	Support to EU cashew research project	50	1990–6	69
Guinea-Bissau	Fallow enrichment/soil fertility in farming systems	50	1993–6	77
Guinea-Bissau	Fruit/hortic. research, infrastructure development	60/50	1989–96	>2244
Guinea-Bissau	Forestry training	60	1995	9.7
Guinea-Bissau	Evaluation of Agrarian Research Institute	60	1996	8.5
Guinea-Bissau	Forestry training	60	1989–96	22
Guinea-Bissau	Forestry training	60	1996	2.7
Mozambique	Forestry training	60	1996	5.8
Mozambique	Forestry training	60	1996	1.1
Mozambique	Forestry personnel exchange/training	60	1997 planned	16
Angola	Forestry training	60	1990	14
Angola	Forestry training	60	1996	2.7
Cape Verde	Agroforestry teaching support	60	1993–6	288
Cape Verde	Mapping and zoning	60/70	1990–3	97
St Tomé & Príncipe	Forestry training	70	1996	5.5

EU Codes: 10 Forest industry
 30 Conservation and protection of natural resources
 50 Research projects
 60 Institutional strengthening
 70 Transectoral projects

mechanical timber properties, and has co-operated with similar laboratories in the PALOPs.

Portugal has not taken an active part in the CGIAR system, and lack of involvement with CIFOR, for example, may have weakened its knowledge base for effective sectoral interventions.

On the training side, it is evident that training is a priority in Portuguese forestry aid, and the activities of EFN and the General Forestry Directorate have already been mentioned. Other significant actors in forestry training in Portugal include:

- the Forest Department of the Higher Agronomy Institute of the Technical University of Lisbon, which supports the teaching requirements of a BSc in Agroforestry in Cape Verde, and after a 10 year gap, plans to reactivate a course in tropical forestry; and
- the Higher Agrarian School of Coimbra runs a BSc in forest management and, like EFN, has been involved in training African foresters.

7. PROJECT CYCLE METHODOLOGY

7.1 Project identification and appraisal

Project identification occurs in the PALOPs in the form of demands or requests for projects by state organisations. These are presented to the Mixed Commissions that meet each year under the auspices of the Ministry of Foreign Affairs in each country. These assess requests and convert them into project proposals listing the objectives, justification, and resources required. Project identification is therefore essentially a reactive process with little attempt to influence national policy priorities, at least in the case of forestry. This may be related to the absence of environmental or forestry advisers in the Mixed Commissions.

The project then goes to the Ministry of Foreign Affairs for appraisal. In general, the 'integrated approach' as described in the EC's 1993 Project Cycle Management manual, and including the logical framework, is used to appraise and design projects. In the case of forestry projects, technical advice is called in from the various institutions with tropical forestry expertise, particularly the EFN and the CETF (see section 3), or from others with less specialised knowledge. In the case of requests for forestry training, the EFN looks at the feasibility in terms of the financing needed, evaluation of the trainee and department where the training will take place, etc.

7.2 Monitoring and evaluation

Monitoring and evaluation are normally limited to reports from project missions, ICP desk officers or the Co-operation Division of the Ministry of Agriculture, Forestry and Fisheries. Typical comments in reports were 'mission accomplished according to objectives', 'poor support by local institutions', 'insufficient funding', etc. The most common criticisms referred to:

- lack of debriefing following missions;
- weakness of the follow-up after missions (there has

been a tendency that once a report is presented, for example on institutional strengthening, to assume the aid recipient country has the capacity to implement the recommendations).

Only in one case, the fruit and horticultural research institution-building project in Guinea-Bissau, was there reference to an external evaluation.

8. PROJECT REVIEW

8.1 Guinea-Bissau Forest Industry Project

This two-year project represented Portugal's main contribution to Guinea-Bissau's TFAP, with an estimated commitment (in 1996) of US \$480,000. The counterpart organisations were to be the Ministries of Commerce and Industry, and the Ministry of Rural Development and Agriculture (General Directorate of Forestry and Wildlife). The project aimed to tackle some of Guinea-Bissau's main problems in the forest sector, such as those surrounding the over-exploitation of primary species, the maintenance of sawmilling equipment, and the quality of finished timber products. Its specific objectives were to draw up plans for restructuring viable forest industries and closing those that were not viable; to reduce pressure on primary species by increasing the (processed) value of secondary timber species; to train nationals in sawmill skills; and to set up a professional association of sawmillers and loggers in order to improve the efficiency of the industry as it is modernised and privatised, and for consultation with the government, especially on trade issues.

The main activities were to include financial and technical auditing of all forest industries; tests on the plywood potential of secondary species and other technological studies (to be carried out in Portugal); technical-economic feasibility studies; an export-market study for high value wood products; and sandwich courses in sawmilling and furniture making. The training was to take place in Portugal, Brazil and the partner country. Portuguese technical assistance was to be an important component of the project, with various missions to Guinea-Bissau, a mission to West Africa, market studies, and laboratory analysis of secondary species. The main Guinea-Bissau contribution was to be the provision of a university graduate, who, once trained, would provide technical follow-up.

However the project has been jeopardised because the programmed EU contribution to the project failed to materialise (since Guinea-Bissau did not include the project among its priorities in the Lomé round of negotiations). Consequently Portugal spent only \$48,000 in 1996 in the form of two exploratory problem-identification and design missions, and has only earmarked \$26,000 for the project in 1997.

9. CONCLUSION

Portugal's aid programme is orientated mainly to the five African Portuguese-speaking countries, which absorbed 80% of its bilateral aid in 1994. The large number of actors in the aid structure, and the lack of a central coordinating and decision-making body, mean that the system is flexible but may inhibit coordination,

efficiency and evaluation. These factors also make it difficult to develop coherent aid policies. Many aid activities stem from different Ministries. Especially in the areas of agriculture, forestry and the environment, they are of an *ad hoc* nature and are listed under 'current expenses' in their budgets. This makes it difficult to account for the true values involved.

Forestry has had a low priority in the Portuguese aid programme; it can be estimated that forestry aid commitments have represented about 0.2% of average bilateral aid over recent years. One possible reason for this has been the belief that extra-sectoral causes of deforestation are more important than sectoral causes; for example, a meeting in the run-up to the UNCED Conference concluded that efforts to alleviate deforestation would be best directed at farming improvements. Another possible reason has been the lack of a clear institutional 'owner' of forestry on the domestic front.

According to the nature of the projects supported rather than to any policy statements, the main priorities in forestry aid, in accordance with the general aid priorities, have proved to be institution-building and human resource development. There has been negligible action in areas such as forest protection, reforestation and natural forest management.

REFERENCES

- Barros, João de (1552) *Ásia*. Déc. 1.
 Boxer, C. R., (1969) *The Portuguese Seaborne Empire, 1415 – 1825*. Hutchinson, London.
 Brouwer, R., (1993) *Planting Power. The Afforestation of the Commons and the State Formation in Portugal*. CIP-Gegevens Koninklijke Bibliotheek, The Hague.
 Carvalho, J. A., Tavares de e Nunes, F. J., and Pereira, S.F., (1956) *Contribuição para o Estudo do Problema Florestal da Guiné Portuguesa*. Estudos Ensaios e Documentos XXX. Junta de Investigações do Ultramar, Lisbon.
 Devy-Vareta, N., (1985) Para uma geografia histórica da floresta portuguesa. As matas mediáveis e a 'Coutada Velha' do Rei. *Rev. da Fac. de Letras – Geografia*. I Série, Vol. 1: 47–67.
 Ferreirinha, M. P., (1955) Catálogo das Madeiras de Moçambique. *Memórias*, Série Botânica I. JIU, Lisbon.
 Ficalho, conde de (1884) *Plantas Úteis da África Portuguesa*. Imprensa Nacional, Lisbon.
 Gomes e Sousa, A., (1926) A Região Florestal da Ganda. *Boletim dos Serviços de Agricultura de Angola*, Luanda.
 Gomes, Rui Cinatti V. M., (1950) *Reconhecimento Preliminar das Formações Florestais no Timor Português*. Estudos Ensaios e Documentos V. Junta de Investigações do Ultramar, Lisbon.
 Gossweller, J. (1953). *Flora Exótica de Angola*, Luanda.
 Henriques, Cristovão José (1968) Acerca da regeneração natural da floresta densa húmida (Maiombe, Angola). Um caso de inventariação. Sua análise. *Garcia de Orta*. Vol. 16, nº 4, Lisbon.
 Hiern, W. P., (1900) *Catalogue of the African plants collected by Dr. Friedrich Welwitsch*
 Mendonça, J. da Costa (1961) *75 Anos de Actividade na Arborização das Serras*. Ministério da Economia, Secretariado de Estado da Agricultura, DGSFA, Lisbon.
 MNE (1995) *Portugal. Dez Anos de Política de Cooperação*. Ministério dos Negócios Estrangeiros, Lisbon.
 Neves, C. M. Baeta (1978) *História Florestal, Aquícola e Cinegética*. 5 Vols. Ministério da Agricultura, Lisbon.
 Neiva Vieira, J. A., (1990) Portugal, país de florestas! E que sabemos nós da Nossa História Florestal. *DGF-Informação* 4:23–7.
 Neiva Vieira, J. A., (1991) Arborização e desarborização em Portugal. *Revista da Ordem dos Engenheiros* 55: 4–18.
 Orey, J. D. Sampayo (1955 – 1959) *Essências Florestais da Guiné Portuguesa*. Nº 1 a 18. JIU, Lisbon
 Queiroz, Jorge de Barro R., (1950) Ensaio sobre a cultura dos pinheiros no Planalto da Huila. Sociedade de Ciências Agronómicas de Portugal. Delegação de Angola. Sep. *Agronomia Angolana*.
 Ribeiro, Mário (1995) *Tendências e Novos Protogonismos da*

Cooperação Portuguesa, 9 pg. In: Uma Política de Cooperação para o Desenvolvimento. Debate e Propostas. Instituto de Estudos para o Desenvolvimento, Lisbon

KEY CONTACTS

The main point of contact should be the Portuguese Embassies

Instituto de Cooperação Portuguesa
 Av. da Liberdade, 192-2º
 1250 Lisboa
 Tel: +351 1 356 2031

Secretary of State for Foreign Affairs and Co-operation
 Ministério dos Negócios Estrangeiros
 Palácio das Necessidades
 Largo do Rilvas
 1350 Lisboa
 Tel: +351 1 396 5041

Gabinete de Planeamento e Cooperação para o Desenvolvimento
 Ministério de Agricultura
 Av. R. Padre Antonio Vieira Nº 1
 1070 Lisboa
 Tel: +351 1 3819300
 Fax: +351 1 3876635

Direcção Geral das Florestas
 Av. João Crisóstomo 26–28
 1 000 Lisboa
 Tel: +351 1 315 6132/8
 Fax: +351 1 312 4987

Estação Florestal Nacional (EFN)
 Rua do Borja nº 2
 1 350 Lisboa
 Tel: +351 1 397 601661
 Fax: +351 1 397 3163
 web site: <http://www.impportlivro.pt/efn>

ACRONYMS

CETF	Centro de Estudos de Tecnologia Florestal (Tropical Forest Technology Centre)
CGIAR	Consultative Group on International Agricultural Research
CIC	Comissão Interministerial para a Cooperação (Inter-Ministerial Commission for Co-operation)
CIFOR	Centre for International Forestry Research
EFN	Estação Florestal Nacional (National Forestry Research Station)
Es	Escudos
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
GNP	Gross National Product
IC	Camões Institute
ICP	Instituto da Cooperação Portuguesa (Institute for Portuguese Co-operation)
IICT	Instituto de Investigação Científica Tropical (Tropical Scientific Research Institute)
IMT	Tropical Health Institute
ITTO	International Tropical Timber Organization
MNE	Ministério dos Negócios Estrangeiros
NGO	Non-Governmental Organisation
PALOP	Países Africanos de Língua Oficial Portuguesa (Portuguese-Speaking African Countries)
SADC	Southern African Development Council
TFAP	Tropical Forestry Action Plan
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Dr. Teresa Quilhó, Centro de Tecnologia Florestal Tropical (CETF), IICT; Eng. Álvaro Soares de Melo, Divisão de Relações Bilaterais, Ministério da Agricultura; Eng. Eugénia Rocha, Professional Training Division, EFN; Eng. Jacinto Carriço, Divisão de Relações Bilaterais, Ministério da Agricultura; Eng. Maria Manuela Pedrosa, Cooperação Bilateral, Direcção Geral dos Serviços Florestais; Eng. Nuno Sousa Costa, Natural Resources Department (Beekeeping), EFN; Prof. Dr. Angelo de Oliveira, Silviculture, Departamento de Engenharia Florestal of the Instituto Superior de Agronomia; Prof. Dr. Augusto Correia, Departamento de Agronomia Tropical, Instituto Superior de Agronomia; Prof. Dr. Belo Moreira, Departamento de Economia Agrária, Instituto Superior de Agronomia; Prof. Dr. Carlos Pacheco Marques, Departamento Florestal, Universidade de Trás os Montes e Alto Douro, Vila Real; Prof. Dr. Fernando Páscoa, Departamento de Exploração Florestal, Escola Superior Agrária, Coimbra; and Prof. Dr. Ilídio Moreira, Centro de Botânica, Instituto de Investigação Tropical, IICT.

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to Es 183.54.

Spain

Helen Groome and Michael Richards

Contents

1.	SPAIN'S FORESTRY HISTORY	305
1.1	Deforestation	305
1.2	Emerging forestry development models	305
1.3	Privatisation of the commons and growing environmental awareness	305
2.	HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY	306
2.1	Perceptions of tropical forestry resources	306
2.2	Shipbuilding demand	306
2.3	Forest management models and early attempts to intervene in the Tropics	306
2.4	Early 'aid' initiatives linked to commerce and training	306
3.	STRUCTURE OF AID DELIVERY	307
3.1.	Organisation of the aid programme	307
3.2	Components of Official Development Assistance	307
3.3	Centralised bilateral aid: technical, cultural and scientific projects	307
3.4	Decentralised aid	308
3.5	Aid through Non-Governmental Organisations	309
3.6	Loans	310
3.7	Multilateral aid	310
4.	FORESTRY AND ENVIRONMENTAL AID STRATEGY	310
4.1	Forestry and environmental aid initiatives in the 1980s	310
4.2.	Centralised aid strategy	310
4.2.1	General sectoral priorities	310
4.2.2	Importance and definition of tropical forestry	311
4.2.3	Strategies and trends in forestry and environmental aid	311
4.2.4	Influences on strategic thinking	311
4.2.5	Regional and country selection	312
4.2.6	Technical advisory inputs	312
4.3	Decentralised aid strategies	312
4.4	NGO strategies	313
5.	PROJECTS FUNDED BY TYPE AND GEOGRAPHICAL DISTRIBUTION	313
5.1	Classification of forestry and environmental projects in centralised aid	313
5.2	Thematic distribution of projects	313
5.2.1	Mainly centralised aid	313
5.2.2	Decentralised aid projects	313
5.2.3	NGO projects	316
5.3	Regional distribution of projects	316
6.	TRAINING AND RESEARCH	316
7.	PROJECT CYCLE METHODOLOGY	317
7.1	Centralised aid	317
7.2	Decentralised aid	318
7.3	NGOs	318
7.4	Constraints to more effective project cycle management	318
8.	PROJECT PROFILES	318
8.1	Centralised aid project: Guatemala agroforestry project	318
8.2	Decentralised aid project: Sustainable Management and Exploitation Plan for San Juan River Woodlands, Cauca Province, Colombia	318
8.3	Evaluations by AECI Peru Country Desk Officer (based on ICI, 1995)	319
8.3.1	Watershed management River Huancarmayo, Peru	319
8.3.2	Integrated Rural Development project, Iquitos, Peru, 1989-95	319
9.	CONCLUSIONS	319
	REFERENCES	320
	KEY CONTACTS	321
	ACRONYMS	321
	ACKNOWLEDGEMENTS	321

1. SPAIN'S FORESTRY HISTORY

1.1 Deforestation

Spain's forestry history is dominated by a gradual decline in forest area and the struggle to recover some of this for forestry. Both on the northern Atlantic fringe, characterised by temperate woods of beech (*Fagus sylvatica*), oak (*Quercus robur*, *Q. pyrenaica*, *Q. petraea*), ash (*Fraxinus excelsior*), etc., and in the drier, warmer Mediterranean areas, where cork and holm oak formations (*Quercus suber* and *Q. ilex rotundifolia*) predominate, deforestation had led to the loss of about 50% of tree cover by Roman times and only 15% remained by the nineteenth century (Bauer, 1980). Due to Spain's mountainous geography and relatively low population density, these remnants have been only partially exploited.

Many processes have contributed to deforestation, among them:

- shipbuilding demand: the Spanish navy demanded vast quantities of wood from the Middle Ages onwards, and exerted 'special rights' over timber extraction;
- the expansion of farming (especially livestock grazing) and charcoal production;
- the reconquest of Spain from the Arabs by Christian monarchs (amongst other wars);
- privatisation of the commons in the nineteenth century (Bauer, 1980; Muñoz Goyanes, 1982).
- climate change, according to certain historians like Thirgood (1981).

Probably the main impact has been from industrialisation and demand for firewood and charcoal. Demand for naval timber mostly affected coastal and riparian areas due to the need to transport huge quantities of large logs and timber; industrialisation was centred in parts of the Basque region, Asturias, and other ports to the west and south; the Reconquest mainly affected the Mediterranean areas; and privatising the commons affected most of the country.

Spain has a long history of forest protection and reforestation. According to some historians, its woodlands were at their best during the Arab occupation when great efforts were made to cultivate and conserve trees. Attempts to protect woodland and promote planting also appear in legislation in the Middle Ages: laws were passed regulating how many trees could be felled and by whom; obliging each inhabitant to plant a given number of trees in a set time span; and controlling rights to collect firewood and make charcoal. But these laws had minimal impacts because of extreme poverty and shortages of trained foresters (until the nineteenth century), nurseries, and finance.

1.2 Emerging forestry development models

Greater progress was made when an organised forest administration, college and forest engineer corps were created in 1837, 1847 and 1853 respectively (Gómez Mendoza, 1982). These highly centralised bodies were heavily influenced by German forestry principles – some of Spain's first foresters attended the Heinrich Cotta

forestry school in Göttingen.

The first generations of professional foresters recognised the non-market values of forests and the importance of such factors as natural regeneration. This led them to oppose privatisation of forest land, to proceed cautiously on reforestation, and to centre their attention on basic botanical or wider natural science-based research. Despite calls by some of them to adapt elements of German silvicultural theory and practice, Central European forestry models prevailed in Spain – these involved an early dasonomic approach to high forest management in which the annual cut was equated to growth.

Whereas this might have been appropriate for the Atlantic fringe, it was not suitable for the slow-growing Mediterranean forests. Large areas that still preserved the open savannah-type woodland parks (*dehesas*), in which holm and cork oaks provided a range of forest products such as charcoal, cork, firewood and forage (acorns and pasture for free-range pigs and sheep), but rarely timber, were considered an anachronism by many foresters, and some *dehesas* were replaced with plantations of quick growing timber species such as *Eucalyptus* spp.

Since the nineteenth century, forestry practice has reflected the outcome of an on-going conflict between two models of forest policy: one based on sustainable, multiple-use forestry, and the other on single-purpose timber or pulp production. Although foresters wrote in favour of 'natural' silvicultural techniques and the need to maintain environmental services, the search for quick returns and the pulp/paper industry gradually imposed itself during the twentieth century. Whereas in 1955, 93% of domestic timber was used in solid wood industries, by 1987 this had dropped to only 44%, the rest being absorbed by the pulp, paper and agglomerated board industries. The quality of timber processing also fell.

1.3 Privatisation of the commons and growing environmental awareness

The other great conflict in Spanish forestry history has been the struggle between common and private land ownership. Historically many lands were 'owned' by parish communities or belonged to a given locality.¹ The sale of many commons areas in the nineteenth century caused great hardship and encouraged poaching on previously held commons. During the eighteenth and nineteenth centuries, parish councils also usurped commoners' rights, claiming the land belonged to the 'villagers' council' rather than to the 'villagers'. This paved the way for massive reforestation projects, particularly from 1940 to 1980, managed by local branches of the State forest administration. The imposition of fast-growing conifer plantations led to negative impacts on employment (especially from loss of grazing), the landscape and the environment, leading for example to increased pests and diseases, forest fires, soil erosion, habitat and biodiversity loss (Groome, 1990).

The process of political devolution since 1975, leading to the decentralisation of forestry activities,

1. Currently about 68% of woodland belongs to individual private owners, and 32% to a variety of public bodies.

and increased environmental awareness among the general public resulted in a policy shift to multiple-use and species forestry, and thus towards social and environmental objectives² (although in practice this varies from one region to another). In recognition of the recreational and environmental potential of forests, sectoral responsibility was shifted in 1996 from the Ministry of Agriculture to the Ministry of Environment, but in some Regional Governments forestry issues have remained under agriculture.

2. HISTORY OF INVOLVEMENT IN TROPICAL FORESTRY

(general sources: Aranda, 1995; Bauer, 1980; Perpiña, 1945)

2.1 Perceptions of tropical forestry resources

Spain's attitude to tropical forestry has been influenced by its perceptions of tropical forest resources as a source of:

- quality timber, increasingly scarce at home;
- genetic material for reforestation (in the event, the two main imported species/genus employed were Californian *Pinus radiata* and various species of *Eucalyptus*);
- private sector development: various companies have transferred their planting activities to the tropics, like the pulp and paper manufacturer Torras Hostench, SA, which, taking advantage of incentives from the Brazilian Government, bought 60,000 ha and planted at least half of this with conifers.

2.2 Shipbuilding demand

Spain's involvement in tropical forestry is also closely linked to its merchant and military navy or *armada*. Overseas commerce increased from the thirteenth century onwards and relied heavily on sea transport. Shipbuilding consumed huge amounts of wood, initially extracted from the coastal fringes around the ports and along the major rivers. The navy controlled and regulated access to timber.

Gradually, however, suitable timber resources became depleted. By the late sixteenth century, the timber needed to build Spanish ships amounted to some 300,000 tons of wood, the equivalent of six million m³ of roundwood. Since the end of the fifteenth century, when Spanish colonists first reached America, teak, mahogany, Spanish cedar and other species were imported for naval use. Previously timber had been imported from the Baltic and Central Europe, but tropical sources soon became important, and naval officials were sent out to undertake timber surveys. For example, a plan was drawn up at the end of the eighteenth century to extract and import 70,000 m³ a

year from Cuba. Large quantities of timber were also imported from the Philippines; between 1860 and 1885, 1.5 m. trees were felled in public woodland. As a colony, Equatorial Guinea supplied timber well into the 20th century; in the 1920s and 1930s, wood represented at least 70% of its total export value, although over half of this was exported to other countries.

Spain also founded shipyards in its colonies, for example in Haiti, the Philippines (Cavite) and Cuba (Havana). Cuba became increasingly important: over 60 ships were launched from Havana between 1730 and 1780. During the eighteenth century, 25% of Spain's ships were built abroad. Again the Spanish Navy was given special rights over timber in the colonies; for example, in the case of Cuba it had rights over all timber trees within 220 km of Havana.

Timber exploitation for naval purposes was a decisive factor in the deforestation of Cuba, Haiti and the Philippines. However, tropical deforestation in Spanish colonies also resulted from clearance for agricultural plantations, above all for sugar and tobacco in Cuba, rice, sugar and tobacco in the Philippines, and coffee, cocoa and coconuts in Equatorial Guinea.

2.3 Forest management models and early attempts to intervene in the Tropics

With the introduction of a centralised forest administration in Spain from 1837, and the creation of the Ministry of Overseas Issues in 1863, more formal attempts were made to govern forestry interests in the colonies. Foresters were sent out to control extraction and make inventories. Although the need for widespread replanting was acknowledged, few resources were devoted to this.

The inclinations of these early foresters led to a cautious approach to reforestation in the tropics and an emphasis on basic and especially botanical/taxonomic research. Works of a high technical quality such as 'An Introduction to the Forest Flora of the Philippine Archipelago' were produced. 'The Forest Problem of Latin America and its Influence on Flooding' indicated an early appreciation of environmental externalities.

Another noticeable impact of colonial forest administration was the shift from highly selective felling to utilisation of a wider range of species. This affected reforestation models. However, the loss of Spain's American and Philippine colonies in the nineteenth century, and the influence of foreign-owned corporate timber interests in Equatorial Guinea, meant that little overall success was achieved in tropical afforestation.

2.4 Early 'aid' initiatives linked to commerce and training

Some early forestry 'aid' initiatives indicate the role of Spanish commercial and other domestic interests. For example, trade and economic agreements with Argentina and Chile in 1977 highlighted mutually beneficial research, including the 'Forest and Paper Industries', while there were several training projects in the cellulose and paper industries in the early 1980s. Another early project was the Andean Centre for Rural Development in Bolivia, which was linked to a nearby project for the settlement of Spanish families.

2. For example, many think there is a need for an economic mechanism for incorporating non-market values into forest accounts in order to make sustainable forestry a viable prospect for both private and public owners.

In 1975 the Spanish Government set up the International Centre for Training in Environmental Sciences in Madrid as an international environmental training centre for Spanish-speaking countries, but this was disbanded in the early 1980s. Other early projects like the 'Study and design of new development models for the Amazon' (1981–3) and an Environmental Education project in Peru indicate a growing environmental interest. In 1981 the International Centre for Training in Environmental Science developed a state-sponsored programme of scientific co-operation with Latin America, laying the basis for several later environmental and forestry projects.

Spain's dependence on the tropical timber trade has meant a continuing influence on tropical forest resources, despite the loss of its tropical colonies. Tropical logs represented 86% of all logs imported in 1970, and 69% in 1987, while tropical timber imports rose from 7% to 28% of sawn wood imports over the same period. Also, as already mentioned, several Spanish companies have started forest industry operations in the tropics, planting fast growing species for their pulp and paper industries.

3. STRUCTURE OF AID DELIVERY

3.1. Organisation of the aid programme

Spain introduced a formal aid programme only in 1985, when the *Secretario de Estado para la Cooperación Internacional y para Iberoamerica* (State Secretariat for International Co-operation and for Latin America – SECIPI) was created, and resources were allocated annually to aid in the national budget. It must be remembered that Spain was on the DAC list of developing countries until 1983, and only became a member of DAC in 1991. Prior to 1985, aid was organised through the *Instituto para la Cooperación con Ibero-America* (Institute for Co-operation with Latin America – ICI), as well as various research institutions and a number of Ministries. Different bilateral Commissions were set up, mainly with Latin American countries, such as the 'Science and Technology', 'Economy and Trade' and 'Cultural' Commissions.

Figure 1 reveals a complex structure of Spanish aid; SECIPI in the *Ministerio de Asuntos Exteriores* (Ministry of Foreign Affairs – MAE) has to coordinate the efforts of over a dozen Ministries and their various departments. For example, in 1996 at least 19 different government bodies were involved in official forestry and environmental aid. SECIPI directly manages only about 10% of the overall aid budget (OECD, 1994). To facilitate coordination, the *Comision Interministerial de Cooperación para el Desarrollo* (Interministerial Commission for International Co-operation – CICI) was set up in 1986, chaired by the Foreign Minister.

The *Agencia Española de Cooperación Internacional* (Spanish Agency for International Co-operation – AECI) was established in 1988 to implement bilateral aid. Following a major reform in 1995, it now comprises two main departments: that responsible for Latin American aid (ICI) and that responsible for Arab, Mediterranean and (other) developing countries (IC-MAMPD). AECI implements most bilateral grants with the help of 28 Technical Co-operation Offices: 20 in

Latin America, 3 in Arab countries, 3 in Africa and 2 in Asia. It also runs 9 cultural centres and 3 training centres in Latin America, and has 5 'special offices' in Equatorial Guinea, Algeria, Egypt, Jordan and Mauritania. In 1989 the Planning and Evaluation Office (OPE) was established within SECIPI to prepare and monitor the Annual International Co-operation Plan (PACI), the first of which was published in 1987. The OPE is also in charge of the programme of 'subsidies' to development NGOs.

The complexity of the aid structure prompted the Spanish Parliament to recommend that a single body should direct all aid activities, and that a general law regulating Spain's development co-operation activities be introduced (*Congreso de los Diputados*, 1992). NGOs have echoed the latter recommendation (Intermon, 1996), calling for the creation of a State Secretariat for Development Co-operation. This was still being discussed in 1996.

3.2 Components of Official Development Assistance

Spanish aid statistics distinguish between the wider term 'international co-operation' and 'official development assistance' (oda). The latter refers to projects or co-operation funded by public money, donations, or loans with at least a 25% grant element, and where the aim is to enhance economic development and standards of living in the DAC list of developing countries.

In this chapter, the term 'aid' is used interchangeably with 'official development assistance' when referring to Spanish aid statistics. Programmed aid, according to the 1995 and 1996 International Co-operation Plans, came to Ptas. 191 billion (equivalent to ECU 1.2 billion in 1996) in both 1995 and 1996 (representing 0.28% and 0.26% of GNP respectively), while actual aid expenditure (from data provided by MAE) was Ptas. 168 billion in 1995 (0.24% of GNP) and Ptas. 160 billion in 1996 (0.22% of GNP). Table 1 presents the evolution of Spanish aid from 1991 to 1996 according to actual expenditure flows, and broken down according to multilateral and bilateral aid.

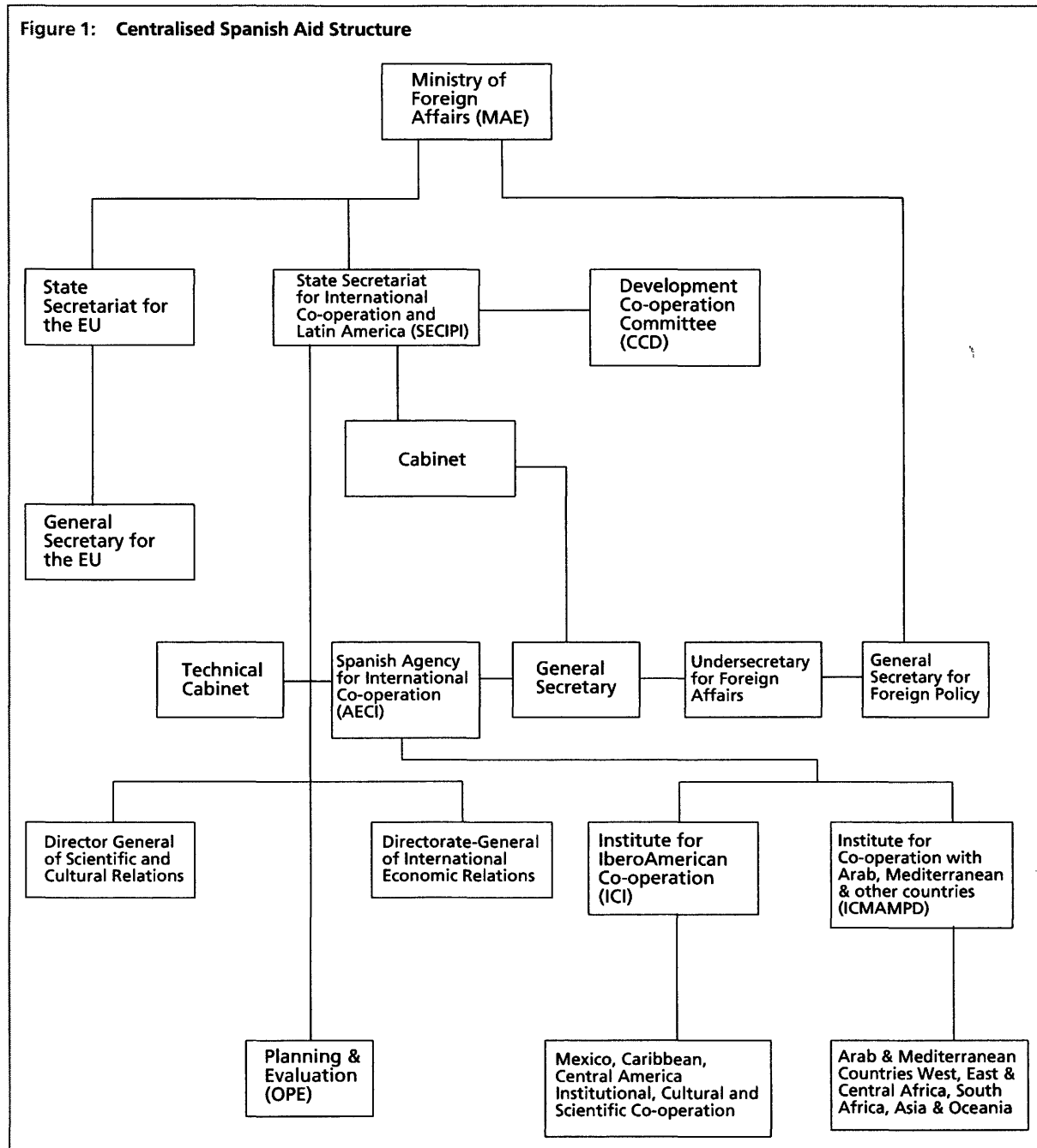
Table 1 shows that the bilateral:multilateral split of Spanish aid was about 70:30% in 1996, while in 1995 it was about 60:40%. In 1996, bilateral aid increased by about 10%, while multilateral aid fell by about 27%. In the following sections, the categories of aid of most importance for forestry are presented.

3.3 Centralised bilateral aid: technical, cultural and scientific projects

According to Table 1, this amounted to Ptas. 31 billion in 1995 and Ptas. 24 billion in 1996, equivalent to 31% and 22% of bilateral aid in 1995 and 1996 respectively. While there is no precise definition of forestry in the aid statistics, the 1996 International Co-operation Plan distinguished Ptas. 339 m. for 'environmental protection', Ptas. 86 m. for 'silviculture', and Ptas. 105 m. for 'conservation and soil improvement'.

The project identification process is primarily reactive. Projects are initially proposed by national agencies via the country's Spanish Technical Co-operation desk, and then provisionally appraised in Spain by aid

Figure 1: Centralised Spanish Aid Structure



officials and technical experts in the Ministries. There is no forestry or environmental budget line, so forestry must compete with other sectors in the bilateral Mixed Commissions. In these, high ranking state officials from Spain and the partner country meet every two or three years, in alternating venues, to consult about the list of provisionally approved projects, the country's needs, and how these can be matched with Spain's aid priorities. Projects that reach the Mixed Commission stage are rarely rejected. 24 Mixed Commission agreements were signed over the 1994–95 period.

Since AECI has no in-house forestry or environmental expertise, a range of outsiders are called in at different points in the aid delivery process – NGO staff, academics, Ministry technical staff, private consultants, etc. Sometimes NGOs and recipient countries propose

local country experts, but the preference is for Spanish citizens. Consulting companies have played a generally minor role in aid delivery – they have occasionally been called in for specific projects where appropriate skills have not been located within the public sector.

3.4 Decentralised aid

This component of bilateral aid, which only started in 1990, refers to commitments by Regional governments and local councils. Table 1 indicates that this amounted to Ptas. 14.7 billion in 1995 and Ptas. 17.7 billion in 1996, representing 14.5% and 16% of bilateral aid respectively. According to MAE data, in 1996 some Ptas. 560 m. of this decentralised aid was in the 'Agriculture, silviculture and fisheries' category, and Ptas. 174 m. was in the 'Protection of the environment' category.

Table 1. Spanish Official Development Assistance: expenditure 1991–96 (millions of pesetas)

	1991	1992	1993	1994	1995	1996
• Contributions to the EU	33,007	35,122	35,734	44,722	41,184	34,085
• International Financial Organisations	14,958	3,681	7,433	7,403	17,050	2,684
• International non-Financial Organisations	4,094	4,064	3,757	8,338	8,320	12,061
Total Multilateral	52,059	42,867	46,924	60,463	66,554	48,830
Soft Loans	53,805	86,982	94,926	80,021	35,292	40,212
Non-reimbursable	25,261	25,614	24,003	32,796	66,255	71,403
• Debt rescheduling	—	—	406	8,972	7,608	15,261
• Technical, cultural and scientific projects	17,812	17,813	14,758	16,649 ^a	31,040	24,005
• Food aid	1,728	371	1,184	534	432	1,683
• Emergency aid	875	483	368	511	2,435	1,611
• NGO support subsidies	2,025	3,158	3,102	3,187	10,073 ^a	10,984 ^a
• Decentralised cooperation	2,821	3,789	4,185	2,943	14,667 ^a	17,729 ^a
Total Bilateral	79,066	112,596	118,929	112,817	101,547	111,485
TOTAL oda	131,125	155,463	165,853	173,280	168,101	160,315
Percentage GNP	0.24%	0.27%	0.28%	0.27%	0.24%	0.22%

^a Estimated figures

(Source: Ministry of Foreign Affairs)

Regional governments were formed gradually during the 1980s, but it is only very recently that all 17 Regional governments have had aid budgets. Andalusia has the most important aid programme for tropical forestry, with 5.7% of its aid over the 1992–95 period committed to forestry and environmental projects, as compared with the Basque Country, which had the largest aid budget among the Regional governments, and spent only 0.8% on forestry and environmental projects. Navarra and Cataluña also had significant (general) aid programmes. AECI has promoted joint agreements with 12 Regional governments, organised seminars for Regional government aid officials, and allowed them to take part in the bilateral Mixed Commissions. Also, since 1991 both Regional governments and local councils have participated in the elaboration of the annual aid plans (PACIs).

No less than 124 local councils have undertaken an aid project of some sort. The most important have been Madrid (Ptas. 1,665 m. in 1994), Barcelona, Zaragoza, Seville and Vitoria-Gasteiz. Even some parish councils have participated, like the Catalan village of Arbucies (4,602 people), which dedicated 1.4% of its budget to aid in 1993 (CONPGD, 1994). Interest began with the twinning of towns and villages. By 1996, 34 local councils had committed 0.7% or more of their budget to aid.

The main aid delivery 'actors' in decentralised aid have been NGOs. Andalusian government projects are implemented by a number of agencies: public institutions, universities and NGOs in partner countries, often with the support of Spanish NGOs and universities.

3.5 Aid through Non-Governmental Organisations

Table 1 shows that there has recently been a sharp increase in the proportion of aid going to NGOs as 'support and subsidies', rising from 2–3% of bilateral aid in the 1991 to 1994 period to about 10% in 1995 and 1996, or Ptas. 10–11 billion in absolute terms. It is estimated that forestry and environmental projects accounted for about 6% of this NGO aid in 1995. Although the subsidies under the aid programme are important for their work (15% of their total budget in 1993), development NGOs draw most of their funding from their own funds (56%), as well as from the EC (14%), donations (7%), Regional governments (6%) and local councils (2%).

In recent years, NGOs have become important actors in the aid programme, particularly in their policy lobbying role. NGOs can bid for funds from two budgets: the first, published each Spring, comprises SECIPI funds managed by MAE, while the second, published in the Autumn, comprises the 'Social Fund'. Taxpayers can specify, if they wish, that 20% of their tax should go to the Catholic Church or the Social Fund. The latter currently amounts to about Ptas. 2.5 billion per year (FCD, 1996), although only a proportion of this is channelled into overseas development projects. Box 1 summarises the development of NGOs in Spain, and indicates their heterogeneous and sometimes conflicting nature.

NGOs usually employ local expertise unless SECIPI conditions insist on the use of Spanish nationals. Spanish NGO staff are involved in project selection, and occasional monitoring and evaluation visits. Some NGOs have a system of 'volunteer brigades' in which Spanish volunteers spend time on projects.

3.6 Loans

While soft loans with a 1–2% interest rate comprised as much as 36% of development aid in 1996, since 1995 only two soft loans (1–2% rate of interest) to forestry projects were identified, both orientated to the processing sector – financing three saw mills and a carpentry workshop in Guinea Bissau.

3.7 Multilateral aid

The major component of Spain's multilateral aid since the late 1980s has been its contribution to the EU aid budget – usually about 25% of Spain's total aid budget. Various ministries make contributions to multilateral organisations, most significantly to UNEP (Ptas. 108 m. per annum over the 1994–96 period), IUCN (Ptas. 24 m. per annum) and ITTO (Ptas. 8.1 m. per annum). Although multilateral contributions are usually fixed by international agreements, Spain has often tried to attach conditions, for example it has tried to get its multilateral EU contributions channelled more to Latin America (MAE, 1990: 447).

4. FORESTRY AND ENVIRONMENTAL AID STRATEGY

4.1 Forestry and environmental aid initiatives in the 1980s

The first major tropical forestry initiative was a 1981 'Co-operation in Forestry and Nature Conservation Programme'. According to ICI (1981), this constituted "the start of a huge co-operation plan with Latin

America in forestry and nature conservation", to be coordinated by the Ministry of Agriculture through the *Instituto para la Conservación de la Naturaleza* (the Institute for Nature Conservation – ICONA).³ The programmed budget for 1982–84 was Ptas. 75 m. The emphasis was on technical assistance, exchanges, training, project design missions, and private sector collaboration in support of three sub-programme objectives:

- strengthening the capacity of forestry administrations to manage natural resources;
- utilisation, creation and industrialisation of renewable natural resources;
- nature conservation.

During 1981 various 'Co-operation Agreements' were signed with countries such as Honduras, Costa Rica and Mozambique. While ICI (1981) emphasised the nature conservation aspects of these agreements, it was clear that the main emphasis was on production forestry. However, the only substantial activity to emerge from the 1981 Programme seems to have been a series of project identification missions or 'study trips' to Colombia, Costa Rica, Honduras, Ecuador and Peru (ICONA, 1983). Some of the project ideas were absorbed into later aid projects, indicating that the Programme might have lived on under another guise.

The fact that the 1981 Programme never really materialised, and the lack of references indicating strategic thinking on tropical forestry, may reflect the period of uncertainty that Spanish forestry experienced during the 1980s, when it underwent major administrative, philosophical and practical changes as a result of the regional devolution of forestry responsibilities and the impacts of new environmental thinking. The 1980s witnessed a huge upsurge in environmental awareness in Spain, as pulp plantation projects were questioned in Parliament, and ICONA, with greatly reduced forestry powers, began to acquire a greener image through its involvement in the prevention of forest fires, National Park management plans and Tropical Forest Action Plans.

4.2. Centralised aid strategy

4.2.1 General sectoral priorities

In 1989, the State Secretary of CICI stated that aid had a dual purpose: solidarity with developing countries and defence of Spanish interests (MAE, 1990: 446). General sectoral priorities for aid were established by SECIPI in 1987. These were as follows:

- agriculture
- health
- teaching Spanish
- professional training
- support for institutional development
- infrastructure development.

In addition, CICI annually approves 'guidelines' for Spanish aid. The 1996 guidelines were to:

Box 1. Evolution of the NGO sector

The first development NGOs in Spain, with the exception of the Red Cross (1864), were closely linked to the Catholic Church. These disbursed school, health and material aid in addition to missionary work. In the 1950s and 1960s, new non-missionary and more development-orientated Christian NGOs appeared, such as Intermon, IEPALA, and Manos Unidas. A 'third generation' of NGOs, including several international NGOs like Friends of the Earth, have been more concerned with integrated development projects and attempts to influence structural problems. From 1981 to 1990, 51 new development NGOs were founded.

In 1983, the larger NGOs established a national body, the *Coordinadora*, both to help coordinate their activities and to formally represent themselves in dealings with the Government. While there are currently some 80 NGOs in the *Coordinadora*, Spain has more than 150 other development NGOs, many of them very small. Some NGOs have criticised this huge increase in small NGOs. Intermon (1996) states that "the proliferation of small NGOs with no grassroots and high dependence on public money does not help the need for adequate consultation with the authorities". While recognising this potential problem, smaller NGOs consider the larger groups to have become bureaucratic and to have hindered the initiatives of smaller groups. Some 15 development NGOs control nearly all the private resources.

(Sources: Felipe and Rodriguez, 1995, Intermon, 1996)

3. Despite its name, ICONA was Spain's central forestry authority up to 1996. Forestry is now handled by the newly created Ministry of Environment.

- concentrate on human development in war zones and least developed countries
- contribute to economic development, in the context of self-sustaining growth and development
- promote geographical concentration and sectoral specialisation to guarantee the maximum impact of any programme
- promote 'integrated co-operation' (coordinating public and private interests in aid)
- give consideration to the environmental impact of projects
- give importance to women
- integrate programmes related to debt rescheduling.

Since forestry has not been considered to be a subsector of agriculture, it has therefore not been part of SECIPI's sectoral prioritisation (agriculture has anyway not surpassed 4% of bilateral aid).

4.2.2 Importance and definition of tropical forestry

While there are great difficulties in the identification of 'forestry' aid, as discussed below, data presented in Section 5.2 indicates that, even using a very broad definition of forestry (for example including protected area projects), a maximum of 0.4% of the aid budget can be estimated as going to forestry-related projects. This contrasts starkly with estimates by aid officials that forestry projects consume 5–10% of the aid budget. There are a number of possible explanations for this discrepancy, including aid officials' inaccurate knowledge of the true situation, an attempt to include the forestry components of integrated rural development projects, training programmes and other more general projects, and the desire to present a green image of Spanish aid.

There has been a large variation in official terminology over the years. In some aid documents, a global classification of 'agriculture, livestock and forestry' is used, in others 'agriculture' and 'environment' are put together, while in others more specific terms like 'silviculture' are used. The view of some AECI officials is that it was never the intention to separate out forestry. Biodiversity conservation and protected area projects are never included in the term 'forestry', which is regarded in aid circles as being virtually synonymous with 'reforestation', reflecting the predominant domestic use of the term. The term 'environment' in aid statistics mainly refers to 'defensive' conservation projects, but may or may not include reforestation, forest management, forest training, etc., as well as some non-forestry projects like solar energy.

4.2.3 Strategies and trends in forestry and environmental aid

In general, forest projects have comprised one-off actions or been part of a multi-sectoral approach, as with integrated rural development projects. The selection of projects has been basically demand-led, as discussed in Section 3.3. Explanations for this lack of forestry policy or strategy can be found in the weak coordination of the state aid agencies, lack of in-house forestry expertise and thus a dependence on external

advisers brought in on an *ad hoc* basis, and the devolution process which has resulted in the regionalisation of domestic forest policy; the lack of a tropical forestry policy partly reflects the lack of a unified domestic forest policy. A current statement on tropical forestry was complicated by the 1996 transfer of forestry authority from the Ministry of Agriculture to the new Ministry of Environment.

The terminology used in aid documents indicates a shift in priorities. There is now less use of 'reforestation', and there are attempts, above all by NGOs and Regional governments, to link reforestation to social forestry, support forest conservation, and integrate forestry with other rural development activities. Secondly, the use of such terms as 'biodiversity', 'biosphere' and 'ecotourism' has increased. In fact the first SECIPI documents referred to environmental issues as 'habitat' and only from 1993 was the term 'environmental protection' used. Some recent projects show evidence of more 'progressive' thinking, for example a project to help farmers manage wildlife, and projects targeted at women.

Notwithstanding the definitional problems, it is clear that 'environmental' actions have been better resourced than 'forestry'. While the importance of some areas of traditional forestry expenditure, such as agroforestry and reforestation, has persisted, the emphasis in Spain's aid budget has moved towards 'defensive' conservation expenditure, with relatively less emphasis on forest management initiatives. Also, in view of insufficient resources for sustained support, the policy has been to provide seed money for larger projects (eg to help develop a Park management plan that can then be submitted to a larger donor like the EC).

It is also important to mention the importance of integrated rural development (IRD) projects in Spanish aid – there have been nearly a hundred since 1989, many with important forestry or environmental components. For example, from 1991 to 1995, preliminary studies were carried out on a Ptas. 750 m. (more than the combined annual commitment for forestry and environmental projects) IRD project in the El Kheirat Wadi, Tunisia, with major erosion control and agrisilvopastoral components.

4.2.4 Influences on strategic thinking

A number of influences on the evolution of Spain's forestry aid programme can be identified as follows:

- democratisation: strong public interest in nature conservation (eg in ornithology) has emerged through the political system during the last 20 years, especially via the NGOs;
- the TFAP process: from 1989 to 1991, Spain funded TFAP meetings in seven Latin American countries, and some TFAP projects such as the planning and management of National Parks in Panama in 1995;
- the 1992 UNCED Conference: at Rio, the Spanish President underlined the fact that development and the environment are linked, and that this should be reflected in the aid programme (Recio, 1993). Also, since Rio all projects should be analysed for their possible environmental impacts, and particular attention paid to biodiversity as Spain is a

Table 2. Geographical spread of Spanish Official Development Assistance 1989–95 (%)

	Latin America	Africa (non Arab)	Middle East & Maghreb	Asia & Pacific	Others
1989	53.1	21.7	7.7	7.2	10.2
1990	27.9	20.2	15.7	24.3	11.8
1991	47.1	17.9	7.0	0.7	27.4
1992	41.3	12.4	22.6	19.2	4.5
1993	51.4	7.9	10.8	24.4	5.5
1994	47.6	12.1	9.4	26.0	4.9
1995	51.5	10.1	11.7	16.1	11.0

(Source: SECIPI, various years)

signatory to the Biodiversity Convention;

- forest fires: the severe domestic problem of forest fires has reinforced an interest in protected areas, encouraged by multilateral initiatives such as UNESCO's Man and the Biosphere programme;
- timber certification and the Forest Stewardship Council (FSC): Spanish forest authorities have participated in several international meetings on timber certification during the 1990s.

4.2.5 Regional and country selection

Spain's first official aid plan referred to the need to help the least developed countries, while emphasising that 'special consideration' should be given to Latin America. Accordingly the following medium term plan for aid distribution was drawn up: 45% to Latin America; 38% to Africa; 9% to the Asia/Pacific region; 4% to the Middle East; and 4% to other countries (SECIPI, 1986).

Table 2 shows that since 1989, Latin America has generally received about half the bilateral aid budget. Africa's share had gradually fallen to 10% in 1995, while aid to other regions had been very variable – for example, the Asia and Pacific region received 24% in 1990 and less than 1% in 1991.

NGOs have been critical of the small proportion of aid going to the poorest countries (González Parada *et al.*, 1995; Intermon, 1996), but have themselves also concentrated (with or without SECIPI financing⁴) on Latin America: 60% of all projects by members of the *Coordinadora* of NGOs were carried out there in 1993, and 57% in 1995 (CONPGD, 1994 and 1996).

Official documents (eg, MAE, 1990: 443) and almost all central and local government officials interviewed considered Latin America to be the logical choice for Spanish aid. This is partly due to a fear that other countries will penetrate Spain's Latin American market, as revealed in a parliamentary question (MAE, 1989: 528). Aid allocation to individual countries results from a combination of international geo-politics, the relative capacity of national authorities, the strength of national green lobbies/NGOs, the presence of a Spanish adviser, and occasionally the personalities involved in the

projects (Recio, 1993). Geopolitics can have a marked impact on aid distribution; for example, the Rwanda crisis resulted in a big increase in Spanish NGO activity, but only while the Spanish public maintained its interest.

4.2.6 Technical advisory inputs

Currently there is no forestry or environmental specialist in the aid agencies. After the UNCED Conference, AECI employed an environmental lawyer for two years to coordinate environmental projects in Latin America, but he dealt more with administrative issues, relying for technical advice on ICONA. The Planning and Evaluation Office of SECIPI employed an environmentalist briefly in 1992, but she went on secondment overseas, returned briefly in 1996, and is now based in the Ministry of Environment. Thus all technical forestry advice is currently provided by Ministries, universities and consultants.

4.3 Decentralised aid strategies

Regional government aid priorities have generally reflected local priority issues. Andalucía's official number one aid priority is 'environmental protection'. This is due to various influences including experience since devolution in the creation of various National Parks in Andalucía, a Biosphere Reserve, forest plans, etc., UNCED and the global Biodiversity Convention (Molina Vazquez, 1995). By contrast, most other Regional governments have supported more traditional 'forestry' activities, especially reforestation, nurseries and agroforestry.

Regional governments tend to rely on project requests from national governments, AECI and NGOs, so again this is a mainly reactive approach. However, the impact that a dynamic individual can have in promoting a more pro-active strategy is clear in Andalucía, where the energy and vision of one individual (an environmentalist) has been the dominant factor in shaping the programme. On country selection, Andalucía has had no particular strategy apart from a concern for expediency in implementation; it has proved easier to work in Venezuela, Panama, Costa Rica and Nicaragua, than in Guatemala and Morocco (F. Molina Vazquez, pers. comm.).

In the case of local councils, forestry comes under 'production', which accounted for 6.4% of total local council aid in 1995, and is not regarded as a priority

4. In 1995, 57% of SECIPI funds to NGOs went to projects in Latin America, 17% to non-Arab Africa, 13% to Middle-East/Maghreb, 2% to Asia/Pacific and 11% to other regions.

area in the same way as education, health and housing (FEMP, 1996).

4.4 NGO strategies

In general, forestry is not a priority for most NGOs, as opposed to health, education, etc. Most forestry projects and lobbying come from a small group of more environmentally-orientated NGOs, such as *Bosque y Comunidad* (Forestry and Community), IPADE, Intermon, CODESPA, Friends of the Earth, ACNUR, *Ayuda en Acción*, *Veterinarios sin Fronteras*, and *Amazonia Solidaridad*. Information derived from a questionnaire to NGOs about their forestry and environmental activities revealed some interesting trends:

- most NGOs felt that the environment should be a basic component of all actions, and it is not normally treated as a separate activity;
- they increasingly target indigenous communities;
- reforestation has been re-oriented to local community use (above all for firewood) as opposed to more commercial aims;
- increasing interest in the development of local ecotourism and control of commercial tourism.

These NGOs have developed into a significant forest policy lobby in recent years. NGO lobbying was one reason behind the creation of the *Consejo de Cooperación al Desarrollo* (Council for Development Cooperation – CDC) in July 1995, through which NGOs hoped to improve the quality of Spanish aid (Felipe and Rodríguez, 1995). The CDC is supposed to meet at least four times a year to:

- fix aid criteria and priorities;
- analyse and comment on the annual aid plans and any proposed aid legislation;
- plan and carry out periodic evaluation of aid projects.

NGOs, who fill 6 of the 27 committee seats, have been critical of CDC: its members have only an advisory role, and the body appears to lack 'political clout'. The new (1996) government is likely to reform it.

5. PROJECTS FUNDED BY TYPE AND GEOGRAPHICAL DISTRIBUTION

5.1 Classification of forestry and environmental projects in centralised aid

As discussed in Section 4.2.2, 'forestry' is difficult to define from the aid statistics. The projects have therefore been re-classified here according to the project name and any other available information. Anything coming under biodiversity conservation, protected areas, ecotourism, ecological management, environmental education, etc., is classified under 'environmental', reflecting the Spanish preference for this term, while energy and health-related environmental projects have been excluded.

Because of the definitional problems in the aid statistics, there is a permeable distinction between the forestry and environment categories. This is also partly

due to the multiple objectives of some projects. For example, the 'Talamanca-Caribe Biological corridor' project, classified as 'environmental', included a sub-project on sustainable forest management. Integrated rural development projects have been left out of the analysis because of the disaggregation problem, in spite of their often significant forestry and/or agroforestry components.

5.2 Thematic distribution of projects

5.2.1 Mainly centralised aid

Table 3 presents a breakdown of financial commitments over the 1990 to 1996 period by type of 'forestry' project, and Table 4 by type of 'environmental' project for all the forestry and environmental projects it was possible to identify. These tables include some regional government and NGO projects financed from the aid budget, but 84% of forestry project expenditure and 92% of environmental project expenditure reported here corresponds to centralised as opposed to decentralised aid, implying that the latter is under-reported in these data.

According to the identified forestry projects, the average annual forestry commitment was Ptas. 126 m. over the 1990–96 period. It can be observed from Table 3 that the most important project categories were agroforestry (30%) and reforestation (24%), while 'subculture' or cork cultivation/science (12%), courses on forest fires (9.5%), 'sustainable forestry' (8%), and forest industry (6%) were on a second level of importance. There are no strong trends apart from a significant increase in subculture, and a slight fall in reforestation. The most common projects were forest fire courses, agroforestry and reforestation.

Table 4 shows on 'environmental' projects an average annual expenditure of Ptas. 323 m. The most important project categories were national parks and biosphere reserves (23%), environmental education (18%), 'territorial planning' (land-use planning) (15%), 'environmental and natural resource management' (11%) and wetland management (6%).

Observable trends have been an increase in aid for defensive conservation actions and environmental education over the last four years, while other categories assuming greater importance have been environmental legislation, ecotourism, wetland management, 'agro-ecological development', flora and fauna inventories and sanctuaries, and environmental funds. The main category to decline in relative importance has been land-use planning. Parks, courses and wildlife sanctuaries have been the most common projects to receive support.

Combining the average annual expenditures for forestry and environmental projects from Tables 3 and 4 indicates the proportion of the aid budget going to forestry and related projects to be slightly less than 0.4% of average annual aid (expenditure) over the 1991–96 period (see Table 1).

5.2.2 Decentralised aid projects

For Andalucía, the emphasis has also been on defensive environmental expenditure, as shown in a list (not exhaustive) of projects supported (Molina Velazquez, 1995):

Table 3: Spanish 'forestry' aid by type of project 1990–96 (thousands of pesetas)

Forestry	1990	1991	1992	1993	1994	1995	1996 (prov)	Total 1990–6	% Total
Agro-forestry	8500		24459	76300	54781	21000	71200	256239	30.0
Reforestation/ plantations	2628	33968	56938	32715	45644	20000	17800	209693	23.7
Subericulture					5000	28265	75000	108265	12.2
Forest fire courses	9723	11319	17084	7120	3168	11500	23682	83595	9.5
Sustainable forestry			6000	45000		11000	7000	69000	7.8
Forest industry		5821	14560	10000	20000	6165		56546	6.4
Forest hydrology courses				6575			12000	18575	2.1
Forest roads					16075			16075	1.8
Forest training				6800	3204		6000	16004	1.8
Habitat and reforestation						15050		15050	1.7
Forest nurseries/ Reforestation					4000	10100		14100	1.6
Defence of the Amazonian Ecosystem						10000		10000	1.1
Forest development						4000		4000	0.5
Courses on reforestation	2100							2100	0.2
Forest planning				1542				1542	0.2
TFAP debate	850	550						1400	0.2
Forest system research	361							361	0.04
Degradation native forest	282							282	0.03
Total	24444	51658	119041	186053	151871	137080	212682	882828	

- planning and property rights in protected areas, including Biosphere Reserves (Dominican Republic, Cuba, Mexico, Uruguay and Venezuela);
- public use of protected areas/ecotourism (Venezuela, Dominican Republic);
- protection of endangered species (Venezuela);
- study of fauna/flora (Morocco);
- protection of the pinsapo pine (Morocco);
- sustainable forest management (Guatemala, Colombia);
- management plan for a flamingo sanctuary (Colombia);
- seed money for consolidation of protected areas (Venezuela);
- collaboration in national biodiversity strategies (Uruguay);
- environmental education (Uruguay);
- volunteer collaboration and 'expert exchanges' in national parks (Costa Rica).

Other Regional governments have tended to support

more traditional forestry activities, especially tree nurseries and reforestation. The following list of projects, many of which were implemented through NGOs, also shows the popularity of carpentry workshops, partly because this type of project is small and relatively uncomplicated for busy local government staff to manage:

- Basque: production plantations, forest roads, carpentry workshop and agroforestry;
- Madrid: forestry-livestock cooperative, carpentry workshop and reforestation/nurseries;
- Cataluña: carpentry workshop, reforestation/nurseries, defence of the Amazonian ecosystem;
- Valencia: reforestation, forestry and livestock production;
- Navarra: carpentry workshops and nurseries;
- Galicia: agroforestry and watershed management;
- Extramadura: strategy for biodiversity conservation and protected areas.

Identifiable local council forestry projects, the vast

Table 4: Spanish environmental aid by type of project 1990–6 (thousands of pesetas)

	1990	1991	1992	1993	1994	1995	1996 (prov.)	Total 1990–6	% Total
Parks and Biosphere Reserves	35809	23341	89151	66073	70295	97873	136058	518600	22.4
Environmental education & awareness		500		62078	79934	133500	125371	401383	18.1
'Ecological Territorial Planning'	49538	126296	56000	92850	3000			327684	14.3
Environment & natural resource management	8248	49372	20181	58049	27620	34573	39155	237558	10.7
Wetland management				32650	3000	94872		130522	5.9
Watershed management & agro-planning			26786	20527	21014	47748	12660	128735	5.8
Agro-ecological and eco-development				3048	35000	131204		169288	7.6
Ecotourism				33560	2500	10000	13260	59680	2.7
Environmental legislation			1600		6000		35000	42600	1.9
Flora/fauna inventories	14000			1816	2728	12500		31044	1.4
Biodiversity			13143	6900	1500	6510		28053	1.3
Energy, environment and development			3600		6500	16929		27029	1.2
Sustainable development and environment				10000		5401	20000	35401	1.6
Flora/fauna sanctuaries	500		4100	375	2670	3000	10000	20645	0.9
EIA courses	6695			11324		272		18291	0.8
Inventory				4500	3500	8994		16994	0.8
Environmental funds							15000	15000	0.7
Environmental seminars					5500	5070		10570	0.5
Biogas plants					8500			8500	0.4
Courses				4616				4616	0.2
Private sector promotion						4000		4000	0.2
Women, environment and health						3000		3000	0.1
Wildlife management and farmers					362	1288	427	2077	0.1
Desertification				1100				1100	0.1
Totals	114790	199869	214561	409502	279623	616734	407291	2242371	

majority of which are implemented through NGOs, show a strong similarity to Regional government projects:

- Valladolid: carpentry training workshop (Nicaragua); reforestation (Peru);
- Barcelona: river and green belt protection (Ecuador); forest nursery (Nicaragua);
- Fons Catalá: nurseries and reforestation; environmental education and reforestation (both Nicaragua);
- Molins de Rei: nursery for reforestation (Nicaragua);
- Logroño: sawmill and carpentry workshop (Zaire); afforestation and pasture recovery (Peru); women and use of stoves/forest (Guatemala);
- four councils combined: firewood production and reforestation projects (Guatemala).

5.2.3 NGO projects

NGOs use classifications like 'agriculture' and 'integrated development' rather than environment, which is expected to be a component of all projects. Identification of forestry projects therefore proved difficult. However, Table 5, which lists the forestry and environmental projects funded by SECIPI in 1995, indicates an emphasis on 'defensive' conservation projects.

In contrast, non-SECIPI projects identified through a questionnaire reflect the close links between NGOs and decentralised aid:

- *Veterinarios sin Fronteras*: promoting women's participation in a reforestation project as part of a larger IRD project (Guatemala);
- *Ayuda en Acción*: tree nurseries, reforestation and environmental education (Nicaragua); ecotourism (Ecuador);
- *Bosque y Comunidad*: indigenous forestry (Chile); agroforestry (Peru); forest germplasm bank (Bolivia); a planned 'social forestry' project (Mozambique);

- ACNUR (UNHCR)-España: forest inventory, reforestation, mobile sawmill, forest machinery (Guatemala);
- YPE: recovery of native seeds, including tree seeds (Brazil);
- ACSUR – Las Segovias: eco-tourism in Biosphere Reserve (Nicaragua);
- Intermon: forestry and livestock production (Ecuador);
- IFADE: community reforestation and sustainable management (Philippines);
- BATA-CIC: agroforestry/rural development project (Cuba).

5.3 Regional distribution of projects

The geographical distribution of forestry and environmental projects follows similar tendencies, as shown in Table 6. Latin American countries dominate projects of all kinds, apart from some cork processing, rural planning and park projects in the Maghreb countries. Within Latin America, there has been an uneven distribution of forestry projects. Venezuela, Nicaragua and Guatemala have been particular beneficiaries, the latter two especially from decentralised aid and NGOs.

6. TRAINING AND RESEARCH

Spain supports several international research and training programmes with forestry and environmental components, some of which are not included in the aid statistics. Three of the more important ones are the Latin American Science and Technology Development Programme (CYTED), Intercampus and the Latin America Academic Training project, which was set up with EC finance in 1994, with environmental training as a high priority.

CYTED is a multilateral programme created in 1984 in association with 21 Latin American countries. Its aim is to facilitate technological R & D through coordination and co-operation between universities, research centres and innovative companies in Latin America,

Table 5. NGO forestry/environmental projects funded with central Spanish aid funds in 1995

Country	NGO	Project description	Ptas. million
Tunisia	ACPP	Sustainable management Mediter. woods	7
Costa Rica	AEDMAR	Conservation of marine turtles	4
Mauritania	A migos Doana	Conservation and eco-development	3.2
Equat. Guinea	A migos Doana	Conservation and eco-development	33
Paraguay	A migos Doana	Wetland conservation & ecodevelopment	26
Dominica	IEPALA	Sustainable development in Jaragua Park	40
Mauritania	MON 3	Postgraduate agro-ecology course	3.6
Mexico	Paz y Solidaridad	Sustainable develop. lake system & selva	32.4
Nicaragua	ISF	Agro-ecological develop. in dry tropics	80
Mauritania	MON 3	Ecological recovery of oasis	8.5
Total NGO budget funded by SECIPI			237.7

(Source: SECIPI, 1996)

Table 6. Geographical distribution of Spanish forestry and environmental aid 1989–1995

% of forestry (100%) and environmental (100%) aid in each year ^a								
	Latin America		Africa		M.East/Maghreb		Asia/Pacific	
	For.	Env.	For.	Env.	For.	Env.	For.	Env.
1989	91.2	67.3	—	17.6	—	—	—	—
1990	100	39.6	—	—	—	60.4	—	—
1991	100	33.9	—	—	—	66.1	—	—
1992	85.1	78.5	8.3	1.6	5.0	19.9	—	—
1993	69.9	98.8	5.4	—	—	1.2	25	—
1994	58.3	80.4	38.1	15.8	—	3.0	—	—
1995	74.3	85.2	—	7.0	25.7	4.3	—	3.5

^a Including subsidies to NGOs

(Source: SECIPI, various years.)

Spain and Portugal. Financing for national research teams, networks and research projects comes from a variety of sources including Spain, Portugal and the Inter-American Development Bank. Examples of important CYTED initiatives include:

- support for several research networks: the 'Rational exploitation of forest resources' network; the Tropical and Sub-tropical Mountain Network; the Pasture and Savannah Biodiversity network; the Coastal and Mangrove Ecosystems Network; and the Iberoamerican Biosphere Network;
- research on animal and plant communities along the Negro and Amazon rivers, Brazil;
- helping a Spanish/Uruguayan joint company venture to develop forest planning and management models.

Intercampus was set up in 1994 and financed by AECI to provide exchanges between Latin American and Spanish universities. In 1995, about 7% of the exchange offers from Spanish universities were related to agronomy or forest sciences, and 1.6% to ecology and the environment. For Spaniards going to Latin American universities, the percentages were 7.7% and 1.8% respectively.

The Latin America Academic Training programme is planning to introduce the Tropical Forestry and Agroforestry Network for Research and Education (RIETA-1), involving Spain's main forestry training school, and four Central American and six European institutions. The basic objective is to strengthen the teaching and research capacities of the participating institutions (Alfonso San Miguel, ETSIM, pers. comm.).

Additionally, various research and training programmes are sometimes included in Spanish aid, for example 'Ecological planning of Las Tuxtlas Sierra' in Mexico, involving finance from the Andalusia government and the participation of three Madrid universities. AECI also occasionally provides training grants for Latin American foresters.

In Spain, the *Escuela Técnica Superior de Ingenieros de Montes* (Higher Technical School for Forest Engineers – ETSIM), Madrid, and the University of Lugo run tropical forest management courses.

7. PROJECT CYCLE METHODOLOGY

7.1 Centralised aid

In general, aid procedures have only been formalised since 1989 when the Planning and Evaluation Office (OPE) of SECIPI was set up. The normal procedure is for a country to propose a series of projects to SECIPI or AECI via the technical co-operation offices in each country. Since 1994, these projects are supposed to be presented with a log framework. The projects are subject to an initial appraisal in which each project is assessed in terms of its technical feasibility and against SECIPI's aid criteria. Appraisal is undertaken by both AECI officials and appropriate government department staff, or sometimes consultants, as well as by counterpart Ministries. ICONA officials have often been asked to assess forestry-related proposals. Consultants are only occasionally (20–30% of cases at most) brought into the process, due to the cost – Ministry staff time is not costed to the aid programme.

Projects are referred to the Mixed Commissions (see Section 3.3) only when given the green light by the AECI and external experts, and after the MAE has considered whether Spain will finance all or only part of a project. This will depend on how much it thinks the partner country should pay, and on co-financing possibilities with Regional governments, local councils or even NGOs.

Monitoring is limited to project reporting by the AECI in-country desk officer, and occasional project visits by aid officials. Country desk officers often make evaluation-type reports (see Section 8.3). Each AECI desk officer in Madrid is responsible for 'follow-up' in two or three countries. The lack of evaluation in practice is mainly attributed to the lack of procedures, unsystematic use of the log-frame, and lack of technical expertise and/or resources. However, reforms in the pipeline should remedy this situation (Blanca Rodríguez, OPE, pers. comm.).

7.2 Decentralised aid

Regional government projects operating through agreements with AECI tend to employ the centralised aid methodology, but those implemented by NGOs are subject to fewer procedures. Some Regional governments run yearly grant systems for NGOs, with more or less standardised application forms and reporting requirements. Each project funded by the Andalusia government has a manager in the Andalusia Environment Ministry, who makes occasional project visits.

Most large councils offer annual grants to NGOs, following a methodology similar to that of the AECI. However, interviews with several councils revealed dissatisfaction with project methodology. A number of larger councils, worried about their lack of trained staff, are searching for ways to improve the coordination and management of their growing aid funds. Despite attempts to coordinate council aid and finance larger projects, it is recognised that there is still "a growing tendency towards dispersion and fragmentation given the large number of municipal funds and the huge number of projects presented to these" (FEMP, 1996). Regional governments and local councils also generally rely on the implementing NGOs for monitoring and evaluation, and only rarely visit the projects themselves.

7.3 NGOs

Project methodology is strictest where SECIPI funding is involved. NGOs have to complete a comprehensive application form, which SECIPI then sends to the AECI office in the target country, which passes it on to the relevant national bodies. Each of these entities comments on the proposal, before a joint Commission of AECI and SECIPI personnel makes the funding decision.

While the legislation obliges NGOs to define "the system and means by which a project will be evaluated" (Orden 9-7-87, Article 5c), the emphasis in monitoring and evaluation is still on reporting. For example, biannual reports to SECIPI are supposed to include information on technical and economic progress. In addition, each year an aid official visits a number of selected projects.

NGO projects with no official finance tend to self-evaluate through field visits by Spain-based staff. Manos Unidas, one of the largest development NGOs, recognises that little systematic evaluation has been carried out, but efforts are now being made to 'professionalise' the evaluation process.

7.4 Constraints to more effective project cycle management

Lack of evaluation is among the main identified constraints to improved effectiveness in the aid programme. For example, the *Fundación de Cooperación* (FCD, 1996) cites 'insufficient evaluation' as a major failure of Spanish aid, while Intermon (1996) criticises the patchy evaluation of bilateral aid projects. It is also suggested that NGOs need to work towards greater participation of local communities in the project cycle, and to improve their own assessment of project impacts (Intermon, 1996). FCD (1996) also stresses the need for environmental impact assessment.

The problem of coordination among the numerous institutions involved in different parts of the aid

programme, and the need to reorganise Spain's aid administration, centring it all in one body, is also pointed out by Intermon (1996). A reformed CDC might go some way to improving coordination between the aid agencies.

While in most parts of the aid programme there is considerable flexibility, the SECIPI grants to NGOs appear to be rather inflexible, leading to NGO criticism. A further NGO criticism of centralised aid is the requirement to use Spanish technical assistance and to purchase Spanish equipment.

8. PROJECT PROFILES

8.1 Centralised aid project: Guatemala agroforestry project

(Sources: SECIPI, 1995 PACI follow-up document; ICI, 1993)

This project ran from June 1992 to December 1995 in two areas characterised by their critical shortages of firewood and severe environmental problems. The project finished in 1995 due to lack of finance. The project involved the following activities:

- creation of new forest nurseries;
- planting out saplings in both private (farmer) plantations and common lands;
- training courses on constructing tanks for collecting rainfall and other water; collection and processing of forest seeds; propagation of tropical fruit trees by grafting; and elaboration of Eucalyptus creams and syrup;
- participation in national-level courses;
- participation in periodic meetings of the National Commission of Forest Training and the Central American Madeleña Agroforestry Network;
- construction of 28 low-consumption firewood stoves.

The project failed to achieve its objectives, which included reforestation of 1000 ha, as Table 7 indicates.

While the Report refers to drought conditions which slowed down plantation development, there is little mention of impacts on local communities, or technical aspects like species type and plantation techniques to help guide future projects.

8.2 Decentralised aid project: Sustainable Management and Exploitation Plan for San Juan River Woodlands, Cauca Province, Colombia

Origin and objectives

This project came to the Andalusia government through the AECI Technical Co-operation Office in Colombia, following a request by the Colombian authorities. The management plan involved 60,000 ha of high value forest, subject to continued exploitation for pulp through an industrial concession which had been recently recovered by the Ministry of Environment.

The general objectives of the project, which ran over the 1995-96 period, were to contribute to the sustainable management of forest resources, and to improve

Table 7 Summary of Guatemala agroforestry project

	Individual plantations	Community plantations	Both types combined	Total
Families involved	452	1,303	57	1,812
Villages involved	20	2	4	26
Number of trees	205,753	108,698		314,451
Total reforested (ha)	70.89	41.45		112.3

standards of living by promoting sustainable resource-based livelihoods. Project outputs or activities included establishing a model for sustainable forest exploitation, and organising and training local communities.

Financing and implementation

The project was jointly financed by the Andalusian Ministry of Environment (Ptas. 10 m.), the EC (Ptas. 15 m.) and the National Institute of Natural Resources of Colombia (Ptas. 5 m.) and was due to last for two years. The project was to be implemented by the Colombian state institutions mentioned, with technical and financial support from the Andalusian Ministry of Environment, and coordinated by the Colombian AECI office.

8.3 Evaluations by AECI Peru Country Desk Officer (based on ICI, 1995)

8.3.1 Watershed management River Huancarmayo, Peru

This was a preliminary evaluation carried out in 1995 on a project begun in 1992. The main comments were as follows:

- the construction of slow formation terraces and infiltration ditches was soon completed and proved to be of benefit to most people, but there was markedly less interest in working on the more capital-intensive absorption terraces, which were also affected by budget cut-backs;
- legal problems hindered river bank work (state permission was not granted);
- targets for tree nurseries (4), afforestation (35 ha) and agroforestry (37 ha) were all achieved;
- reservoir plans and social services' aims were not achieved due to lack of funds;
- there was generally strong local participation, and even unskilled employment was welcomed; however, a constraint was the poor local understanding of watershed functions;
- participation in the tree nurseries was very positive, but it was still not clear if the nurseries were viable as community businesses;
- the project clearly strengthened local organisations with the setting up of irrigation, women, forest and soil conservation committees. A watershed committee was set up with statutes, and all communities have participated in this;
- there had been a conscious effort to promote the participation of women;

- there was a clear preference for *Eucalyptus* spp., due to their rapid growth and multiple uses. However, the Desk Officer felt that the high consumption of water and nutrients made it an inappropriate species;
- much of the agroforestry was poorly protected against livestock.

8.3.2 Integrated Rural Development project, Iquitos, Peru, 1989–95

This report was rather more critical. The main comments of the country desk officer were:

- all local people benefited in some way;
- Spanish funding arrived promptly, but the Peruvian share was always late;
- there was weak local participation in policy definition and project management;
- no attempt was made to support existing local organisations or create new ones;
- the project was deficient in several environmental aspects, such as woodland management, environmental education, and soil conservation, in spite of the clear need;
- measures to benefit women were adopted only towards the end of the project;
- the project had no overall development plan – planning was carried out on an annual basis;
- there were doubts about the long-term profitability of the production activities and the continuity of the social services introduced, suggesting the project had little chance of maintaining itself.

9. CONCLUSIONS

One of the distinguishing characteristics of Spanish forestry aid is its complex structure, with several government agencies responsible for different aspects of the centralised aid programme, and the large proportion of aid being managed on a decentralised basis and through NGOs. Political devolution to the Regions during the 1980s has resulted in some Regional governments, like Andalusia, having significant aid programmes directed to the environmental sector.

It is difficult to estimate how much aid goes to the forestry sector, because of the overlapping and changing terminology used in the aid statistics. However the data presented here indicate that forestry and forestry-related aid expenditure accounted for about 0.4% of average aid expenditure over the 1991–96 period, whereas aid officials estimate the proportion to be

5–10%. While this is almost certainly an overestimate, it is based on an assessment of all forestry-related aid in different parts of the aid budget which are not sectorally defined, such as the much-favoured integrated rural development projects, education and training programmes, etc. Forestry is therefore likely to be considerably more important than the aid statistics would suggest.

The emphasis in Spanish forestry aid has traditionally been on reforestation, nurseries, agroforestry, training courses and other traditional forestry activities which reflect recent domestic concerns. However, in recent years there has been an observable trend towards socially and environmentally oriented projects, in which forestry is seen as part of a multi-sectoral approach aimed at rural livelihoods, equity goals and biodiversity conservation. In particular there has been a trend towards 'defensive' conservation projects related to protected areas, so that 'environmental' aid has become more significant than 'forestry'. This trend has developed as NGOs and greener Regional governments like Andalucía have increased their influence, and due to various factors related to the 1992 Earth Summit, for example Spain's responsibility as a signatory to the Biodiversity Convention. NGOs like *Bosque y Comunidad* have also had some influence in introducing a greater social orientation, for example working with indigenous peoples and making reforestation projects more responsive to local needs. The Government of Andalucía has been particularly prominent in taking up the mantle of biodiversity conservation, reflecting the influence of a dynamic environmental officer.

A generally reactive approach has been adopted to project type and country selection. Much seems to depend on who demands what, and how effectively requests are channelled through aid offices in recipient countries – primarily Latin America. Reasons for the lack of a tropical forestry policy or strategy include the lack of in-house expertise, lack of coordination between the various state agencies, and the lack of a clear domestic forestry policy following devolution. This situation is unlikely to be quickly rectified following the 1996 restructuring in which forestry concerns have been transferred from the Ministry of Agriculture to the new Ministry of Environment.

The major preference shown for Latin America, as opposed to poorer African countries, reflects the obvious political and commercial expediency, and has been a point of severe criticism from some NGOs.

Aid delivery has involved a large range of actors. Since the centralised aid agencies have no technical forestry expertise, Ministry and university staff play an important role in project appraisal, but consultants have been relatively little used. Reliance has thus been put on recipient country institutions to implement the projects with relatively light Spanish technical assistance. In the case of decentralised aid, Spanish NGOs have been the main actors, working through counterpart national NGOs.

Most projects are small and of fairly short duration. Often the objective is to develop a basis – for example, through the development of a management plan – for submission to bigger donors like the EC. While the appraisal of projects appears to be becoming more systematic, with the introduction of log frameworks

since 1994, the main weakness of the project cycle methodology has been the lack of evaluation, especially of centralised aid. Another important constraint to improved aid effectiveness is the coordination problems within the centralised aid agencies, and between the central, regional and local government programmes. However, proposed reforms to the CDC and in the Planning and Evaluation Office of SECIPI should go some way to ameliorating these problems.

REFERENCES

- Aranda, G., (1995) *La administración forestal y los montes de Ultramar durante el siglo XIX*. ICONA. Madrid.
- Bauer Manderscheid, E., (1980) *Los Montes de España en la Historia*. MAPA. Madrid.
- Congreso de los Diputados (1992) Informe sobre los objetivos y líneas generales de la política española de cooperación y ayuda al desarrollo. Congreso de los Diputados. Madrid.
- CONGPD (1994) Directorio de ONG para el Desarrollo 1994. Coordinadora de Organizaciones No Gubernamentales para el Desarrollo/SECIPI. Madrid.
- CYTED (Various years) *Resumen de proyectos de investigación, redes temáticas y proyectos Iberoekas*. Programa Iberoamericano de Ciencia y Tecnología para el Desarrollo. Madrid.
- Felipe, A., and Rodríguez de Rivas, L., (1995) *Guía de la Solidaridad. Temas de Hoy*. Madrid.
- FCD (1996) *La cooperación al desarrollo. Informe 1995*. Fundación de Cooperación para el Desarrollo. Madrid.
- FEMP (1996) *Cooperación descentralizada 1994–1995*. Federación Española de Municipalidades y Provincias. Tecno-Dos. Madrid.
- Gómez Mendoza, J., (1992) *Ciencia y política de los montes españoles (1846–1936)*. ICONA. Madrid.
- Gonzalez Parada, J., et al. (1995) *La función de las ONGs en la ayuda al desarrollo*. Hiru SL. Donostia.
- Groome, H.J., (1990) *Historia de la política forestal en el Estado Español*. Comunidad de Madrid. Madrid.
- ICI (1987/1995) *Memorias de actividades*. ICI. Madrid.
- ICI (1980/1981/1982) *Memoria justificativa de gastos de la cooperación técnica programada para el año 1981/1982/1983*. ICI. Madrid.
- ICONA. 1983. *Memoria 1982*. ICONA. Madrid.
- Intermon (1996) *La realidad de la ayuda 1996*. Intermon. Barcelona.
- MAE (1989/1990) *Actividades, textos y documentos de la política exterior española, 1988/1989*. MAE. Madrid.
- MAE (1995) *Instrucciones para cumplimentar el formulario de "presentación de proyecto", "el informe de seguimiento semestral" y "el informe final"*. MAE. Madrid.
- Ministerio de Hacienda. Various years. *Estadística de comercio exterior de España*. Hacienda. Madrid.
- Molina Vazquez, F. (1995) *La cooperación andaluza en Iberoamerica en materia de medio ambiente*. Documento Interno. Agencia de Medio Ambiente, Andalucía. Sevilla.
- Muñoz Goyanes, G., (1983) *Crónica sobre bosques y montes de la Península Ibérica*. ETSIM. Madrid.
- OECD (1994) Development Co-operation Review Series: Spain. OECD. Paris.
- Perpiñá Grau, R., (1945) *De colonización y economía en la Guinea Española*. Editorial Labor SA. Madrid.
- Recio, M.A., (1993) La política de cooperación con Iberoamerica en materia de medio ambiente. In: Vargas, C. and Iribarren, C. *Medio Ambiente: relaciones Norte-Sur y Cooperación Internacional*. Fundación F. Ebert.
- SECIPI (Various years) a. *Plan Anual de Cooperación Internacional*. SECIPI. Madrid.
- SECIPI (Various years) b. *Seguimientos PACIs*. SECIPI. Madrid.
- Subdirección General de Fomento Financiero (1996) *El Fondo de Ayuda al Desarrollo en 1995*. Boletín Económico del ICE 2491: 11–14.
- Thirgood, J.V., (1981) *Man and the Mediterranean Forest*. Academic Press. London.

KEY CONTACTS

SECIPI Oficina de Planificación y Evaluación (Planning and Evaluation Office)
Ministerio de Asuntos Exteriores
Plaza de la Provincia
1. Madrid 28071
Tel: +34 1 3799224/5838539

SECIPI Oficina de Subsidios a ONGs (NGO Grant Programme Officer)
Av. Reyes Católicos
4. Madrid 28040
Tel: +34 1 5838552

AECI Oficina de Capacitación (Training Office)
Av. Reyes Católicos
4. Madrid 28040
Tel: +34 1 5838100
Fax: +34 1 5838311

Departamento de Asuntos Exteriores (ex-ICONA)
Gran Vía de San Francisco
4. Madrid 28005
Tel: +34 1 3476073/9
Fax: +34 1 3476258

Andalucía Ministerio del Ambiente (AMA)
Consejería de Medio Ambiente
Isla de la Cartuja
Pabellón de Nueva Zelanda
Avenida de las Acacias
41092 Sevilla
Tel: +34 5 3475981
Fax: +34 5 3476303

ACRONYMS

AECI	Agencia Española de Cooperación Internacional (Spanish Agency for International Co-operation)
ADENA	Spanish Worldwide Fund for Nature
AITIM	Wood and Cork Industries' Research Association
CDC	Consejo de Cooperación al Desarrollo (Council for Development Co-operation)
CICI	Comisión Interministerial de Cooperación para el Desarrollo (Interministerial Commission for Development Co-operation)
CYTED	Programa Iberoamericano de Ciencia y Tecnología para el Desarrollo (Iberoamerican Science and Technology Programme for Development)
EIA	Environmental Impact Analysis
ETSIM	Escuela Técnica Superior de Ingenieros de Montes (Higher Technical School for Forest Engineers)

FEMP	Federación Española de Municipios y Provincias (Spanish Federation of Municipalities and Provinces)
ICI	Instituto para la Cooperación con Iberoamérica (Institute for Co-operation with Iberoamerica)
ICMAMPD	Instituto para la Cooperación con el Mundo Árabe, el Mediterráneo y los Países en Desarrollo
ICONA	Instituto para la Conservación de la Naturaleza (Institute for Nature Conservation)
IRD	Integrated rural development
IUCN	International Union for the Conservation of Nature
MAE	Ministerio de Asuntos Exteriores (Ministry of Foreign Affairs)
OPE	Oficina de Planificación y Evaluación (Planning and Evaluation Office)
PACI	Plan Anual de Cooperación Internacional (Annual International Co-operation Plan)
Ptas.	Pesetas
SECIPI	Secretario de Estado para la Cooperación Internacional y para Iberoamerica (State Secretariat for International Co-operation and Latin America)

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Ramiro Puig (International Affairs, ICONA); José Ignacio de la Vega (Training Programme, AECI); Miguel Angel Recio Crespo (ex-environmental officer, AECI); José María Verzosa (Latin América, AECI); Carmen Rodríguez (Planning and Evaluation Office, SECIPI); Rosa Casanova (Fondo de Ayuda al Desarrollo, Ministry of Economy and Exchequer); Julia Almanza (Manos Unidas); Blanca Rodríguez (Planning & Evaluation Office, SECIPI); Ramón Eslava (Ministry of Foreign Affairs); Pedro Molina Vicente (Andalucía Ministry of Environment); Alfonso San Miguel (ETSIM); Manuel Touza (ETSIM/AITIM/ADENA); Rafael Navarro Cerriño (ETSIAM-Córdoba); Luz Romero (FEMP); Aitor Gabilondo (Vitoria Town Council); Jesus Vicente Agirre (Logroño Town Council); Juan Pedro Ruiz Sanz (Ecology Department, Universidad Autónoma de Madrid).

Note on currency: on 1 September, 1997, US\$ 1 was equivalent to Ptas 152.71.

Sweden

Thorsten Celander and J. E. M. Arnold

Contents

1.	FOREST HISTORY	325
1.1	Forests, land use and the growth of forest industry	325
1.2	Forest policy and the institutional framework	325
2.	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	326
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY	326
3.1	Organisation of the aid programme	326
3.2	Development assistance commitment	327
3.3	Bilateral assistance through Sida	327
3.3.1	Department for Natural Resources and the Environment (DNRE)	327
3.3.2	Department for Infrastructure and Economic Co-operation (DIEC)	328
3.4	Multilateral assistance	328
3.5	Swedish non-governmental organisations	329
3.6	Swedfund	329
4.	EVOLUTION OF SWEDEN'S FORESTRY AID STRATEGY	329
4.1	Evolution of overall aid strategy	329
4.2	Shifts in the strategy of forestry assistance	330
4.2.1	Evolving development goals in the forest sector	330
4.2.2	Encouraging political commitment and capacity in forestry	331
4.2.3	Other strategic initiatives in forestry assistance	332
5.	REGIONAL AND THEMATIC DISTRIBUTION OF PROJECTS	332
5.1	Regional distribution of projects	332
5.2	Thematic distribution of projects	333
5.3	NGO assistance to forestry	335
6.	RESEARCH AND TRAINING	335
6.1	Swedish Agency for Research Co-operation with Developing Countries (SAREC)	335
6.2	Training through Swedish institutions	336
7.	PROJECT CYCLE MANAGEMENT	336
7.1	Prerequisites for project proposals	336
7.2	The project cycle	336
8.	PROGRAMME REVIEWS	338
9.	CONCLUSIONS	338
	REFERENCES	339
	KEY CONTACTS	339
	ACRONYMS	339
	ACKNOWLEDGEMENTS	340

1. FOREST HISTORY

Sweden is one of the largest and most heavily forested countries of the European Union. The area under forest cover is today some 27 m. ha, with around 23.5 m. ha classified as productive forest land, corresponding to 55% of the total land area. Forest-based activities provide a substantial part of the economic wealth of the country. Forestry and forest industries account for almost 17% of the country's total annual export value of SEK 470 billion, and provide employment for approximately 120,000 persons (The National Board of Forestry, 1996).

1.1 Forests, land use and the growth of forest industry

Approximately 1600km in length, Sweden extends from latitudes 55 to 69 degrees North. Over this distance, conditions for forestry vary substantially, as do the types of natural forest vegetation. These cover several vegetation zones, from the southern broadleaf nemoral zone to the coniferous forests of the northern boreal zone.

Sweden has always been a sparsely populated country (present population: 8.7 m.). Nevertheless, except in the interior parts of northern Sweden, the forest has been significantly influenced over the centuries by human activity. This influence has varied from region to region.

Some 500 years ago the more densely populated south was dominated by a few feudal estates surrounded by many poor peasant smallholdings. There was early use of timber, and of potash, charcoal and other forest products. As the population increased the forest was gradually converted to cultivated land and pasture (Hamilton, 1997). Between 1650 and 1850 the forest became so depleted that in some areas cow dung had to be used as fuel in place of wood. However, towards the end of the nineteenth and the beginning of the twentieth centuries the situation began to change. Large-scale emigration to North America, increased yields in agriculture, and opportunities elsewhere in the country as industrialisation developed, combined to decrease the pressures on land resources. This made it possible for the forest to recover through both natural regeneration and reforestation (Nilsson 1995).

In central Sweden the main influence on the forest and the development of forestry was the mining industries, which date back several hundred years. These depended on an abundant supply of wood and charcoal for the processing of iron, copper and silver, and were very widely spread throughout the forests. Initially felling was carried out without any silvicultural consideration. Though natural regeneration compensated for this to some extent, the forests became progressively more heavily depleted.

In the mid-nineteenth century iron smelting companies in central Sweden were allowed to purchase forest land from farmers and the state. They made use of this opportunity to secure more regular supplies of wood by gradually introducing forest management. As a consequence, by the 1920s the general forest situation was far better in central Sweden than in any other part of the country. This laid the foundation for the growth of the country's successful forest industry. Some of the biggest

forestry companies today evolved from the earlier iron ore industries (Nilsson 1995).

In the north the forest had been mainly used for hunting, and also to some extent for grazing and browsing by the reindeer of an ethnic minority, the Lapps. More profound human impact on the forest began in the nineteenth century when timber exploitation started, first for sawn timber and later also for pulpwood, while along the coast the forest was converted to agriculture for crops and pasture. In the mid-nineteenth century increasing numbers of sawmills were established, mostly at the outlets of major river systems for ease of shipment. A combination of factors stimulated the vigorous development of the timber industry: technical advancements (for example, the steam engine), institutional reforms (which made it possible to mobilise capital for investment through joint stock companies), and the emergence of a market for the products, primarily in Great Britain. This created a demand for raw materials which the prevailing selective silvicultural cutting system was unable to meet. The forests in the north became increasingly depleted. A programme of rehabilitation was therefore initiated about 50 years ago, based on clearcutting and reforestation. This led to the creation of the extensive areas of man-made coniferous forests which now characterise the north of the country (Nilsson 1995).

Though the pattern and sequence varied from region to region, the history of forest resources throughout Sweden has been marked by similar cycles of activity: initial depletion followed by control measures and then the progressive rebuilding of the resource. The standing volume of approximately 1,700 m. cubic metres in the mid-1920s compares with more than 2,700 m. cubic metres today. During this period of managed forests the resource has provided one of the mainsprings of the country's economic growth.

1.2 Forest policy and the institutional framework

Throughout the long period of forest depletion, kings and governments repeatedly sought to intervene to arrest the decline, but with little success. It was not until the nineteenth century that concern about the situation reached such a level as to precipitate some action. In 1896 a State Forestry Commission was established to look into the problem. In line with the recommendations of this Commission, in 1903 the first Forestry Act was passed, which made it obligatory to regenerate/reforest after cutting. Provincial Forestry Boards were gradually established throughout the country with the task of implementing the new legislation and monitoring its results. There have been a number of subsequent changes to the policy, often as a result of further State Forestry Commissions. New laws have been introduced and the implementation mechanisms of the provincial boards have been strengthened. In 1941 the National Board of Forestry was established for the purpose of coordinating the activities of these boards.

For a long time forest policy focused on the objective of increasing production. However, the present forest policy combines a concern with production with a recognition of the importance of forests in the preservation of the environment. The relevant policy

considerations are as follows (The National Board of Forestry 1994):

- Forests and forest land must be utilised efficiently so as to ensure high-value and sustainable yields. The composition of forest production must be such as to satisfy varying future human needs.
- The productivity of forest land must be preserved. Biodiversity and genetic variation in the forests is to be secured. Forests must be managed so that plant and animal species which exist naturally in the forest ecosystems can survive under natural conditions and in vigorous populations. Endangered species and vegetation types are to be protected. The forest's historical, aesthetic and social values must be defended.

These objectives reflect the strong awareness of environmental issues that emerged in the country during the 1960s, leading *inter alia* to Sweden hosting the 1972 Global Conference on the Environment (the 'Stockholm Conference').

Of equal importance to the actual policy has been the process by which different stakeholders in Sweden have become involved in policy formulation. These stakeholders represent different interests such as political parties, the forest industry, trade unions, forest smallholders, environmental NGOs, the National Forestry Board, etc. The formal part of this process is likely to be a State Commission which, if it reaches consensus, proposes a new policy to Parliament. An important input into the work of such commissions is the National Forest Survey, for which the Faculty of Forestry of the University of Agricultural Sciences has been responsible. This survey has been carried out continuously since the 1920s and is also an important monitoring tool in the implementation of forest policy.

Another characteristic of the present policy is the absence of government subsidies for production. Swedish forest policy rests on the premise that forestry should be sustainably managed and be profitable without having to rely on government subsidies. This is an important difference as compared with most other European Union Member States.

About half the forest land is currently owned by private smallholders, a third of whom are organised into 8 forest owners associations. These are in turn grouped into a National Federation of Forest Owners. These associations also control parts of the processing industry – primarily sawmills, but also (in the south) pulpmills. Until a few years ago, ownership of the remaining half of the forest area was divided more or less equally between large private companies and a number of public and state organisations, the biggest landowner among the latter being the state company Domänverket. This was privatised in 1994, reducing the area of publicly-controlled forest land to around 10%. A substantial part of the remaining state forest land is controlled by the National Property Board.

Another important factor underpinning the improvements in the way the forest sector has been managed has been the increase in knowledge. In 1828 the king decided on the establishment of an institute for forestry education. This was the origin of what would eventually become academic forestry education in Sweden. The aim was to train people for the management of

state-owned forests and forest land, and originally the focus was as much on hunting and game management as on forest resource management (Anon, 1978). Gradually the focus changed, and the potential of forestry as a source of raw materials for wood-based industries increased interest in silvicultural practices. Experience gained from silviculture introduced from Germany in the nineteenth century by the mining companies provided the foundation for the development of modern silvicultural practices in Sweden (Nilsson, 1995)

The Swedish University of Agricultural Sciences, with its Faculty of Forestry located in the cities of Uppsala and Umeå, is nowadays the principal institution for academic education in forestry. It is also the most important forestry research institution. Another important research organisation is the Forest Research Institute of Sweden situated in Uppsala. This is a foundation controlled by the major forest companies, the forest owners federation and other smaller interest groups. There are also organisations involved in research in wood processing, one of which is the Swedish Institute for Wood Technology Research.

2. HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY

Sweden has had long experience in developing policies, institutions and practices to deal with overuse and degradation of forest resources, and harnessing them to the broader development of the local and the national economies. Though many of the circumstances have been unique to the country's situation and history, some of the lessons that can be learned, and some of the knowledge that has accumulated, are of relevance to the role that the forest sector can play in other countries.

As Sweden has no colonial experience of any significance in the tropics, its involvement in the forest sector in tropical countries, apart from development assistance, has mainly been through commercial links. These stem from the country's position as a major manufacturer and operator of forest logging and processing equipment. Some of the world's major producers of chainsaws, skidders, forwarders, harvesters and other industrial machinery are situated in Sweden, and these sell to developing countries, mainly in South America and South-east Asia. Swedish consulting firms are in the forefront of the provision of design, construction and start-up services to forest industries around the world.

3. STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY

3.1 Organisation of the aid programme

The Ministry of Foreign Affairs has overall responsibility for development co-operation in Sweden. Within the Ministry, the Division for International Development Co-operation under the Minister for International Development Co-operation is responsible for the annual development assistance budget. Before Parliament decides on the development co-operation programme

for the coming year, the Parliamentary Standing Committee on Foreign Affairs examines the bill and suggests amendments and changes.

3.2 Development assistance commitment

The annual budget allocation for development assistance was approximately SEK 13 billion in 1995, of which around SEK 700 m. was contributed to the development assistance programme of the European Union. Swedish development assistance was 0.77% of GNP in 1995, this was considerably less than in the three previous years (when it was between 0.96 and 1.03%) but is still in excess of the UN target of 0.7% and is one of the highest levels in the European Union. Figures 1 and 2 give details of the overall trends in aid.

3.3 Bilateral assistance through Sida

Approximately two-thirds of the funds for development assistance are allocated to bilateral co-operation. These are mostly administered by the Swedish International Development Agency (Sida). Sida was created in 1995 in the course of a reorganisation of Swedish development assistance. Previously five organisations were involved in development co-operation: the *Swedish International Development Authority (SIDA)*; the *Swedish Board for Investment and Technical Support (BITS)*; the *Swedish Agency for Research Co-operation with Developing Countries (SAREC)*; *SwedCorp*; and *Swedfund*. The first four of these organisations have now been merged into Sida, together with *Sandöskolan*, which provides language training and courses/seminars related to development co-operation for (among others) people recruited for technical assistance. Swedfund has remained as an independent organisation within the Ministry of Foreign Affairs (see section 3.6).

Forestry projects and programmes are assigned to Desk Officers in the different sectoral departments of Sida. Some of these are forestry professionals. Consultation and collaboration among those handling the main forestry programmes occurs through a Forestry Group, whose chairman is from the Department for Natural Resources and the Environment. In-country officers handle the forestry projects of the Development Co-operation Offices in Swedish embassies and report to the Regional Departments of Sida.

3.3.1 Department for Natural Resources and the Environment (DNRE)

The most important forestry component, in budgetary terms, is that relating to assistance to *programme countries*. As is described in more detail later (section 4.1), this assistance is subject to country frameworks developed to facilitate a longer-term approach to co-operation between Sida and the 20 or so individual programme countries. During the past 10 years, 6 programme countries have received substantial assistance to their forestry sectors (see section 5.1, Table 1).

Sida's Department for Natural Resources and the Environment is responsible for the country programmes. Much of the task of preparing, implementing and monitoring these programmes is contracted out to consulting companies (or consortia of companies) or to individual consultants. In the past, consulting companies were sometimes also contracted to manage

Figure 1: Net disbursements at 1994 prices

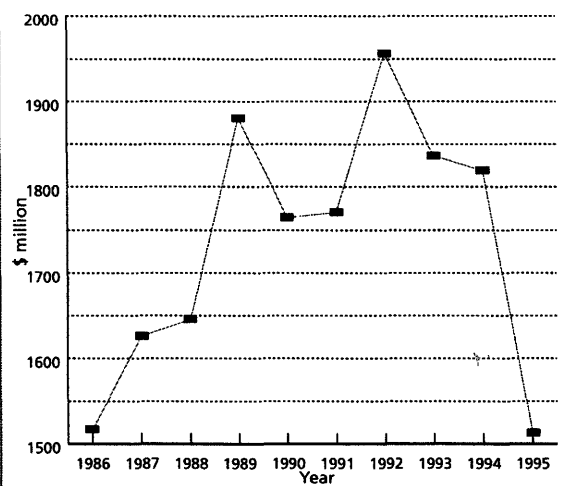
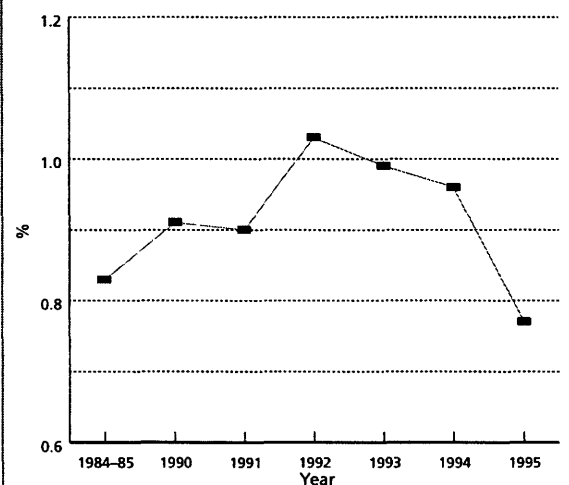


Figure 2: Aid - GNP



projects, but nowadays their role is normally one of facilitating and assisting the organisation in the host country that has the responsibility for the programme. In line with Sida's policy of recipient countries having ownership of their programmes, the contract should be negotiated and agreed between the consulting company and the organisation involved in the recipient country (such as the Ministry or Department of Forestry). This is now the case with most forestry programmes. Consultants are also used by Sida in the review and evaluation of projects and programmes.

There are other budgetary sources in addition to the country frameworks for programme countries, and these may cover assistance to natural resource management, including forestry. The most significant are the regional funds and the funds for special environmental assistance.

Funds for *regional assistance* are flexible and can cover assistance involving a number of countries (for example, the use and development of a common resource). Regional assistance can also be used to support human rights and democratic development. There are a few projects related to forestry which draw on these funds, a notable example being the assistance provided to the Mekong Secretariat.

Funds for *special environmental assistance* are primarily used for the development of methodologies for experimental and pilot projects and for strategically important projects, regional as well as single country, for which the country framework allocations are not appropriate (Sida, 1996). The intention is to complement other forms of assistance, primarily to the benefit of the programme countries (SIDA, 1992; 1995). One of the subject areas that has priority under the rubric of special environmental assistance is Sustainable Forestry. This programme supports a number of forestry assistance initiatives:

- An important forestry initiative funded from this source is the 'Forests, Trees and People Programme' (FTPP). This started in 1987, as a multi-donor trust fund, financed as a follow-up to the FAO/SIDA Forestry for Local Community Development Programme initiated in 1979. Now in its second phase (1995–8), FTPP has had an important influence on many of the major forestry programmes because of its focus on the need for integration of forest and tree resource management with other kinds of land use in rural development. Assistance is provided through FTPP to national and regional institutions working to strengthen local people's ability to manage and use their natural resources. The exchange of experiences among such institutions is another salient feature. The programme also commissions state-of-the-art studies and field manuals and guidelines covering different aspects of participatory forestry, such as tenure, monitoring and conflict management. For a number of years the FTPP was jointly managed by FAO and the International Rural Development Centre (IRDC) of the Swedish University of Agricultural Sciences (SUAS).¹ The programme has now expanded to include other donors who are funding activities in various parts of the world to enlarge its impact (FAO/Governments Cooperative Programme, 1995). A number of components of the FTPP are also being implemented by Swedish organisations; for example, the programme's work in East Africa is supported by SUAS, which also produces the English-language version of the *Forests, Trees and People Newsletter*.
- Environmental assistance funds also support the Forestry Regeneration Programme (FOREP), whose agenda also includes pilot activities and dissemination of experience. Its focus is on the sustainable use and regeneration of trees and shrubs in dry areas. During 1994–5 its activities and studies included the survival and growth of plantations, management of natural dry forest in Burkina Faso, and a seminar on plantations versus natural forests in East Africa.
- Support to a UNDP trust fund is provided to cover country capacity projects related to the development of national forestry sector strategies and plans. Support has also been provided for the Tropical Forestry Action Plan (TFAP) and activities directly related to TFAP in some programme

countries (Sida, 1995). Sweden was the lead donor agency in one of these countries, Nicaragua.

- FAO's Tropical Forest Resource Assessment programme is supported in relation both to forest inventories and country capacity building.
- The special environmental assistance programme also funds Swedish participation in inter-sessional activities of the Intergovernmental Panel on Forests (for example, preparing and hosting a multi-country workshop in 1996 on national forestry planning).

3.3.2 Department for Infrastructure and Economic Co-operation (DIEC)

This Department of Sida is responsible for the following two areas of assistance, which are of relevance mainly to forest industry development:

Transfer of technology and skills:² this programme focuses on the transfer of Swedish technology and know-how to developing countries and countries in Central/Eastern Europe which have reached an adequate degree of industrialisation. This is done by supporting training courses run by Swedish organisations and by financing Swedish technical assistance.

Technical assistance is provided only if it is requested by an organisation or company in the recipient country (see section 3.3.1). The assistance is provided by Swedish consultants, under a contract to be negotiated and agreed directly between the consultants and the organisation requiring the assistance. Local costs have to be covered by the recipient organisation, which should manifest the capacity to benefit from the assistance. Equipment is not normally provided but DIEC can assist in arranging credits on soft terms (from the Nordic Development Fund, for instance). These projects have usually focused on specific issues within a fairly narrowly-defined conception of forestry. Within the natural resources management sector, forestry has been the area in which demand for technical assistance has been greatest.

Support for commercial developments: in 1991 a programme was initiated to promote commercial and industrial development in developing countries and in Central/Eastern Europe.³ DIEC's involvement in forestry has been limited, but has usually involved a technical assistance component, either a Swedish enterprise similar to that in the recipient country, or a Swedish consulting company.

3.4 Multilateral assistance

Over the last ten years, approximately one-third of Sweden's aid has been allocated to multilateral assistance, and this reaches developing countries through international organisations – primarily United Nations programmes and funds and the international financial institutions. Responsibility for administering multilateral assistance is assigned to various government departments, as follows:

2. This programme was administered by BITS prior to the formation of Sida in 1995.

3. This programme was developed by SwedCorp which administered it until absorbed into Sida in 1995.

1. In 1996 IRDC was reorganised as a research department, the Department for Rural Development Studies, within SUAS.

- The *Ministry of Foreign Affairs* has overall responsibility for issues with implications for foreign policy. It is also involved in discussions and negotiations on important development assistance principles within OECD/DAC and on environmental principles related to the follow-up to UNCED. The Ministry also takes an active part in efforts to integrate UNCED recommendations with the activities of multilateral organisations such as the World Bank and the regional development banks, UN development programmes and the International Fund for Agricultural Development, and the European Union. Within the Ministry, Sida is involved in multilateral aid, including the provision of core support and assistance to separate thematic or regional projects and programmes. Organisations supported in relation to natural resources and forestry include CIFOR, ICRAF, IUCN and the Mekong River Commission.
- The *Ministry of Agriculture* is responsible for co-operation with FAO, the principal UN agency concerned with assistance to forestry.
- The *Ministry of Industry and Trade* is formally in charge of contacts with the International Tropical Timber Organisation (ITTO).
- The *Ministry of Environment* is responsible for co-operation with UNEP.
- The *Ministry of Finance* is responsible for co-operation with the World Bank, including funding of an environmental trust fund that has supported some World Bank forestry studies relating to Africa. (The Ministry for Foreign Affairs has the responsibility for IDA and the regional development banks and other financial institutions.)

3.5 Swedish non-governmental organisations

Swedish NGOs provide substantial amounts of overseas assistance, thanks in part to the generous terms of Sida support. If an NGO can present a sound project proposal, Sida is able to contribute up to 80% of the total cost. In 1994/95 the support from Sida to the NGO community amounted to almost SEK 1 billion.

NGOs involved in forestry fall into two main categories. One approach is indirect, involving NGOs whose main interest is in tackling environmental issues, but whose activities may have implications for forestry. The recipients may be local NGOs in developing countries, or international environmental NGOs.

The other category is NGOs with a primary interest in forestry issues and projects. There are only a relatively small number of Swedish NGOs of this type, most of their current projects being located in a few countries in Africa and Latin America. The most significant Swedish NGOs engaged in forestry assistance are *Afrikagrupperna*, *UBV*, *Vi skogeni* ('We Plant Trees'), *Lutherhjälpen* (Church of Sweden Aid), Friends of the Earth, *Framtidsskogen* ('Future Forest').

3.6 Swedfund

This organisation was not included in the reorganisation of Swedish development co-operation in 1995 and continues to operate independently under the Ministry of Foreign Affairs. It provides risk capital on commer-

cial terms for joint ventures between Swedish companies and local companies in developing countries as well as in Central/Eastern Europe. Its main objective is to promote the development of viable companies in these countries. The conditions are that GNP per capita should be below US\$ 3000, that a partnership must be established between the local company and a Swedish company, and that activities should not be harmful to the environment (Swedfund, 1995).

4. EVOLUTION OF SWEDEN'S FORESTRY AID STRATEGY

When an official Swedish aid policy was first formulated in 1962, the main aim was to improve the living conditions of the poor. This still remains the overall goal of Swedish development co-operation (Sida 1996). It encompasses six development objectives: economic growth; economic and social equality; economic and political independence; democratic development; environmental quality; and gender equality (Regeringen, 1996).

To provide guidance for Sida's approach to these objectives, four action programmes have been, or are being, formulated: environmentally sustainable development; gender equality; poverty reduction; and human rights and democracy. Within this framework, a number of strategic documents cover specific subjects and thematic issues. With regard to forestry some of the more relevant of these documents are '*Sustainable Management of Renewable Natural Resources*' (SIDA, 1992a), and '*Guidelines on Biological Diversity*' (SIDA, 1994b). A strategy document for forestry is now under preparation.

4.1 Evolution of overall aid strategy

Swedish bilateral development assistance can be said to have been characterised by a number of phases, reflecting different views and experiences regarding the strategic approaches to be followed. The initial project phase in the 1960s was characterised by projects managed by the Swedish International Development Authority (SIDA), the predecessor to Sida (see section 3.3), with Swedish project directors and Swedish technical experts working with counterparts from the recipient countries. The assumption was that the counterparts would eventually take over the responsibility for running the projects. Basically, all resources in terms of investments, materials, funding and technical assistance personnel were provided by Sweden. One problem with this approach was that the recipient country had no control over the project. Another was that these projects were not sufficiently related to the wider institutional and environmental contexts in the countries concerned.

In the 1970s, development assistance could be described as being in a 'programme phase'. Resources were allocated to the recipient countries in the form of *Country Frameworks* with clear objectives and budgets specified by the Swedish Parliament. These frameworks were to be applied to the programme countries where there was a commitment to long-term co-operation (Wilkins and Fahlen, 1990). The selection of countries was also made by the Swedish Parliament. Technical

assistance personnel from Sweden were provided on request. However, it was found that the recipient countries and organisations often did not have sufficient capacity to manage this kind of co-operation.

The 1980s could perhaps be characterised as a 'programme/project phase'. The concept of country frameworks remained, but with a set of projects and sector programmes identified and agreed for each period for implementation within the national framework of the co-operating country. These projects often had a technical assistance component, usually provided by consultants and consulting companies contracted for this purpose by SIDA.

In the 1990s the focus has been on the nature of the relationship between SIDA/Sida and the recipient countries and organisations. The intention is that responsibility for implementing a project or programme should rest with the recipient country (Wilkins and Fahlen 1990 and SIDA 1994) and that SIDA/Sida should assist with funds for equipment, technical assistance, etc. The co-operating country should also be responsible for planning, internal and external resource mobilisation, coordination of inputs from different donors, contracting technical assistance, etc. The concept of host-country 'ownership' is thus central to the new strategy. As a result of these changes, capacity building and competence development have come to the fore as strategic issues.

Since 1994/95 the country frameworks have become more flexible, so that resources not used within one country can be transferred to another. Flexibility is ensured through the use of indicative planning figures instead of fixed country frameworks.

Long-term co-operation between Sida and a co-operating country is now established in a *Country Assistance Strategy*. This reflects the views and expectations of the Swedish Government about its co-operation with the recipient country (Utrikesdepartementet 1995), and forms the basis for negotiations and agreement between the two in a *Country Development Co-operation Plan*. By contrast with the previous situation, country strategies may also be prepared for countries which are not programme countries if it is expected that sizeable amounts of Swedish assistance will be channelled to them.

Another innovative concept is *Sector Programme Support* which can be included in a Country Assistance Strategy, and eventually in the Country Development Co-operation Plan. The strategic rationale for this form of assistance is that it can:

- encourage the recipient government to take the lead, and to use the foreign exchange provided by Sweden in accordance with government priorities;
- secure a realistic and constructive dialogue;
- contribute to better donor coordination;
- achieve a better relationship between financing development in a particular sector and the country's macro-economic objectives;
- render the use of resources spent in a sector more transparent;
- facilitate long-term financial sustainability in the chosen sector.

In the development of sector programme support, the analysis undertaken at project and sector level is

combined with a macro-level approach. As compared with the forms of assistance employed in the 1970s and 1980s, this implies longer-term and broader co-operation. Assistance should be disbursed through the recipient government's institutions in the sector, and within this framework it can be directed to both earmarked activities and/or the sector in general. In most cases, sector programme support will evolve from previous programme/project-oriented support, provided there is evidence that policy and institutional conditions are conducive (Department for Policy and Legal Issues, 1995).

Other important strategic principles guiding Swedish overseas assistance include *biodiversity* and *participation*. The biodiversity principle states that the effects of assistance on biodiversity 'shall, where relevant, be explicitly considered by all programmes in all sectors', and that Sida shall 'give priority to biodiversity within areas of biological production, and assistance should be targeted at the sustainable use of biodiversity'. This latter quotation makes clear that biodiversity is being targeted for productive use and not for conservation as an end in itself. This contrasts with the view of biodiversity that tends to prevail in forestry within Sweden. Important tools in this context are *environmental impact assessments* and *environmental economic analysis*.

4.2 Shifts in the strategy of forestry assistance

Swedish assistance to forestry began in the 1960s with the assignment of a number of Swedish foresters to work with FAO, and on FAO/UNDP projects in countries such as Tunisia and Lesotho. Assistance also included funding of training courses implemented by FAO in forest administration and forest inventory through trust fund arrangements. In 1969, SIDA sent missions to Tanzania, Kenya and Ethiopia, to investigate the possibilities for direct bilateral aid to the forestry sector. Bilateral assistance to forestry eventually began in Tanzania, Ethiopia and Vietnam in the 1970s.

4.2.1 Evolving development goals in the forest sector

In the 1960s and early 1970s there was a belief that forestry could play the same role in the development of tropical countries as it had in Sweden. These ideas were very much in line with prevailing development theory which focused on development through industrial growth, and with the application of this theory to the forest sector as presented in the paper by Westoby entitled 'The role of forest industries in the attack on economic underdevelopment' which was published in the 1962 FAO report, *The State of Food and Agriculture* (Persson, 1993).

In practical terms this meant that forestry assistance was initially focused on industrial processing, plantations with fast growing species, logging techniques and the training of forest workers. Countries that received Swedish bilateral assistance along these lines were Tanzania, Mozambique, Guinea Bissau, India, Laos and Nicaragua (Noren 1982). The most significant

project in this era was the establishment of a pulp and paper mill at Bai Bang in Vietnam. This project, which was the largest in which Swedish development assistance had been involved (Björkman, 1996), included all the above forestry and forest industry components.

In the late 1970s the focus gradually shifted towards community forestry. This was in response to the growing recognition of the limitations of an industrial strategy and of the need to pay more attention to rural development. The reorientation was very much in line with the growing international concern, in the 1970s, with the fuelwood situation, and the issues of land degradation and desertification. SIDA took an active part in the debate on these topics, co-sponsoring a series of international meetings, and funding the FAO/SIDA Forestry for Local Community Development (FLCD) Programme that was set up to explore and test suitable responses.

Swedish bilateral aid focused on support for tree planting, and encouraging farmers to grow trees to meet their own needs (Persson, 1993). Countries that received Swedish bilateral assistance with this as an objective included Bangladesh, Tanzania, Ethiopia, Kenya, Guinea Bissau, Lesotho and India. Sweden also contributed to tackling the problems of desertification, soil conservation and fuelwood shortages in the Sahel region through support to UNSO (Noren, 1982).

During the 1980s increasing emphasis was placed on people's participation in community and farm forestry. There were several reasons for this. One was the recognition that participation was necessary in order to secure the commitment of local villagers to a project. Another was the argument that the prospects for achieving sustainable management depended on villagers having responsibility for decisions about their local resources, including forestry and the use of forest land.

This shift in focus has been accompanied by increasing attention to the creation of an institutional framework supportive of local development. Issues such as land tenure and users' rights have been emphasised, along with the need for more integration between the different sectors. Many programmes that were originally mainly tree-oriented have gradually changed to incorporate agriculture, horticulture and other components. At the same time, other programmes that were initiated as assistance to agriculture or soil conservation, have also broadened their approach. Much assistance to forestry now takes place within projects that Sida classifies as being parts of rural development programmes in the natural resources management sector. Instances where there have been such changes over the last decade include the forestry programmes in Vietnam, Tanzania, Ethiopia, India and, to some extent, Laos.

However, not all Swedish forestry country programmes have evolved towards a rural development approach in the ways outlined above. In Nicaragua, which has received assistance for forestry since 1980, the focus, from the beginning, has been on the forest industry, and on institutional development in the forest sector.

Another important influence on forestry assistance has been Sweden's longstanding concern with environmental issues. In 1972 Sweden hosted the UN Conference on Human Environment which brought the

industrialised and developing nations together to delineate the rights of the human family to a healthy and productive environment. (WCED, 1987) In 1987, the Nordic Conference on Environment and Development was organised in Stockholm, with participants from NGOs, Governments and Parliaments of both the Nordic countries and their most important co-operating countries in the Third World, and senior representatives of international organisations. This conference was closely related to the presentation of *Our Common Future*, the report of the World Commission on Environment and Development. This conference was an important step towards Sweden's fifth development objective regarding environmental quality, which was adopted by the Swedish Parliament in April 1988. With regard to assistance to forestry, the emphasis on environmental objectives increased substantially from 1988/89 onwards.

As a follow-up to the United Nations Conference on Environment and Development (UNCED), a working group was appointed by the Minister for International Development Co-operation with the task of putting forward principles, guidelines and working methods as to how Agenda 21 of UNCED could be integrated into Swedish development assistance. With regard to forestry it was recommended that Swedish assistance should actively contribute to the efforts in Third World countries to develop policies for sustainable forestry, as well as to the normative work of FAO (e.g. forest resource assessment and the development of norms regarding forest resource utilisation and the development of National Forestry Plans). Sweden was also to support the follow-up by the UN system of the non-binding forest principles that were adopted by UNCED, including the monitoring of their practical application. In addition, special attention was also to be paid to developing methods for local forest management and forest regeneration, particularly in dry areas (Utrikesdepartementet, 1994).

Sida has paid special attention to dryland forestry through the support of FAO and UNSO soil conservation projects in the Sahel (countries such as Burkina Faso, Niger and Senegal). These were not programme countries and the projects have now been phased out as it was realised that more resources were needed for comprehensive implementation than were available. However, Sida still maintains interests in land use and land management in dry areas, but with a focus on the development of methodology which requires fewer resources. Important arguments for this strategic priority are the heavy concentrations of population in the dry areas and yet their relative neglect by the donor community as compared with the tropical rainforests. An example of assistance with methods development is FOREP, the Forestry Regeneration Programme, which supports research on the natural regeneration of dryland forests.

4.2.2 Encouraging political commitment and capacity in forestry

A prerequisite for success of the plan to hand over more responsibility and ownership to the recipient country is that the latter should have a firm commitment to developing the forestry sector. This requires:

- a plan or strategy for the development of the sector;
- capacity to develop and institutionalise knowledge;
- capacity for monitoring, control and guidance;
- capacity to combine domestic resources with external resources including donor coordination (Persson 1996).

In its dialogue with cooperating countries Sweden has also emphasised the importance of their having credible policies and strategies. In doing so, it has drawn on its own experience of developing and implementing an effective forest policy primarily by means of legislation and extension. Subsidies have only been used to a limited extent and have normally been financed by the forestry sector itself. Sweden has supported national forest resource inventories, as part of the process of developing the data needed for policy, planning, management and monitoring of sustainable and profitable development.

Swedish forestry assistance in the programme countries is often both proactive and reactive. It is *proactive* in the sense that the Country Assistance Strategy document, which sets out the Swedish position in negotiations leading to a Country Development Co-operation Plan, is a Swedish initiative. It is *reactive* in the sense that the details of the programme of co-operation should be proposed by the relevant authority in the recipient country. Laos, Vietnam and Nicaragua are examples of programme countries where the relevant authorities have been responsible for preparing and implementing their forestry co-operation programme, in accordance with a general agreement on development co-operation with Sweden.

4.2.3 Other strategic initiatives in forestry assistance

Sida updates and refines its strategies in a number of other ways:

- via support to CGIAR and other international institutions that are carrying out strategically related research and analysis;
- via support to and participation in the work of the post-UNCED Intergovernmental Panel on Forests (IPF) and its inter-sessional activities;

- through collaboration with other donors, agencies or non-governmental organisations (currently, a strategically important programme is the FAO Forests, Trees and People Programme (FTPP), initiated in 1987, in which Sida and other donors participate (see section 3.3.1));
- Sida's support for forestry research also serves a strategic role, tackling knowledge gaps relevant to strategy formulation and increasing research competence in Sweden as well as in recipient countries (see section 6).

5. REGIONAL AND THEMATIC DISTRIBUTION OF PROJECTS

5.1 Regional distribution of projects

In 1995 approximately 130 countries were receiving aid from Sweden through bilateral, multilateral and other forms of assistance, including aid for disaster relief and support for democratic development (Sida, 1996). The geographical distribution of assistance through all these channels in 1994/95 (SEK 13 billion) is shown in Figure 3.

Bilateral assistance to programme countries

Figure 4 shows the geographical distribution of the approximately SEK 8.8 billion disbursed by Sida in 1994/95. A large share, almost SEK 3.8 billion, was for programme countries, of which 13 were in Africa, 5 in Asia and 1 in Latin America. Assistance to forestry forms part of the natural resources management sector of this aid, which amounted to SEK 700 m., about 19% of the funds spent on programme countries (Sida, 1996).

Programme countries are selected through the political process in Sweden, reflecting such overall objectives for Swedish development assistance as the focus on poverty. Of the 19 programme countries, 13 are among those classified by the World Bank as the world's poorest countries.

The expenditure on forestry projects within country programmes is shown in Table 1.

The background to the forestry programmes in the programme countries varies. Important factors in shaping a programme have included the potential for

Figure 3: Geographical distribution of Swedish development assistance 1994-95

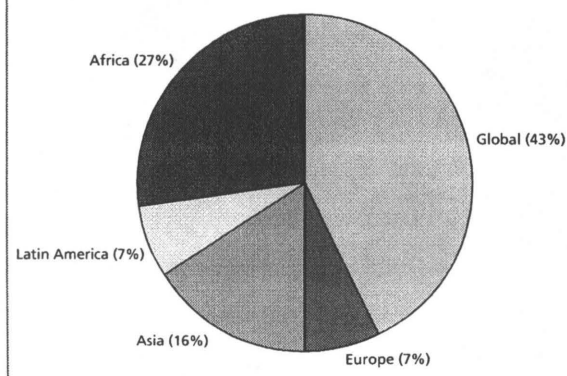


Figure 4: Geographical distribution of development assistance through Sida 1994-95

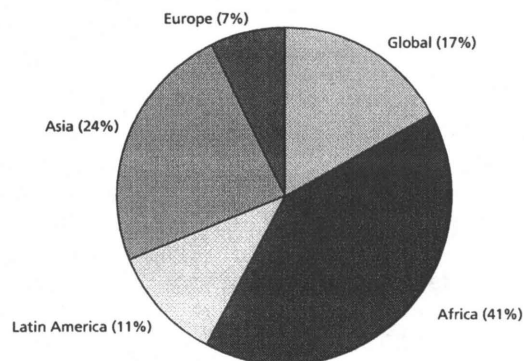


Table 1: Forestry assistance by programme countries and year (SEK m.)

Country	85/86	86/87	87/88	88/89	89/90	90/91	91/92	93/92	93/94	94/95	Total
Ethiopia	32	48	48	58	50	8	5	2	10	13	274
India	110	61	51	144	144	101	84	127	94	58	974
Laos	22	25	18	19	14	19	20	35	37	19	228
Nicaragua	15	22	49	36	22	35	39	37	29	6	290
Tanzania	21	34	23	20	34	39	38	40	36	25	310
Vietnam	153	113	107	83	123	32	50	32	35	43	771
Total	353	303	296	360	387	234	236	273	241	164	2847

forestry, complementarity with the activities of other donors in the sector, the institutional environment, and the priority attached to forestry in the country's requests for assistance. On occasion, public opinion and political influence have also had an influence. For example, a forestry programme in Bangladesh was criticised in the Swedish media as having adverse effects on ethnic minorities. Since satisfactory changes could not be negotiated, the assistance was terminated.

It is noteworthy that the largest share of forestry assistance (Table 1) has been for Asian countries, while for Swedish bilateral development assistance as a whole, the largest share has gone to Africa (Figure 4). The principal reasons for this are the large size of the Bai Bang Pulp and Paper Mill project in Vietnam, and of the programme of assistance to India where substantial support has been provided to social forestry.

Assistance to other countries

Countries other than programme countries that have received significant amounts of Swedish assistance include Chile, the Dominican Republic, Ecuador, the Philippines and Costa Rica. This assistance has included over SEK 80 m. for forestry over the last ten years, most of it for the transfer of technology and skills through the former BITS (see section 3.3).

Recent assistance of the kind formerly administered by SwedCorp has included a three year programme of support for commercial development of sawmills in Chile (SEK 1 m./year), and a project in Bolivia providing SEK 20 m. per year for the local forest owners' association, also over a period of three years.

Countries to which Swedfund has provided commercial high-risk credits for joint venture projects include Guinea Bissau, Argentina, Tanzania, Rwanda and Bangladesh. These credits have been for various forms of wood-processing (sawn timber, boards, veneer, matches, etc.).

5.2 Thematic distribution of projects

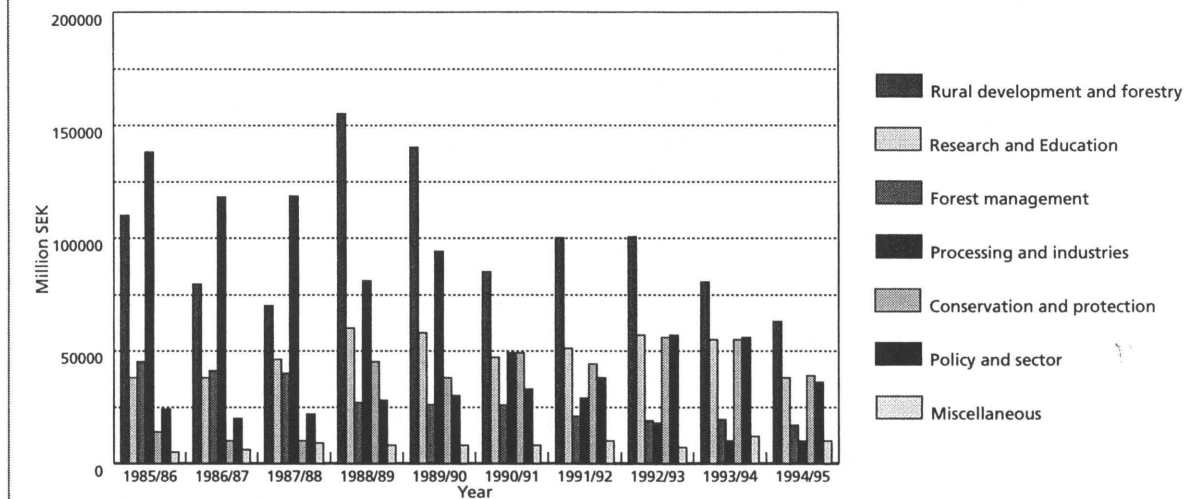
There is no common definition or classification of forestry projects in receipt of Swedish assistance. The classification used below largely reflects the availability of data in, and the guiding principles of, the two main aid organisations – the Natural Resources Management and Industry Divisions of SIDA/Sida, and the former Swedish Board for Investment and Technical Support (BITS).

- **Rural development and forestry:** social forestry projects, including forestry projects that support other sectors e.g. agriculture and animal husbandry. Extension and its development are often important components and the project area is normally geographically defined. Rural development programmes with only small forestry components are not included (e.g. assistance to soil conservation and agriculture in countries like Kenya, Lesotho and Zambia).
- **Research, education and training:** forestry projects where these activities are the lead components (forestry research and training components of non-forestry projects are not included).
- **Forest management:** projects with silviculture, logging and local inventories in both natural and plantation forests as well as support for plantations and reforestation.
- **Processing and industries:** projects concerned with processing of forest products, including non-timber forest products for commercial purposes.
- **Conservation and protection:** projects aiming at conservation of biodiversity and protection and management of watersheds.
- **Policy and sectoral:** these are projects supporting policy and sectoral strategy development including operational aspects. Institutional assistance to organisations involved in policy and strategic work is included as is support for national forest resource inventories
- **Miscellaneous:** these include broad consultancy studies and technical assistance related to general issues in development assistance. Support for the preparatory phase of forestry programmes is also included.

Estimates of total expenditures from 1985/86 to 1994/95 in each of the six fields of activity are provided in Figure 5. These estimates include programme countries as well as those that received assistance from the former BITS. The trends over the decade reflect changes in priorities and forms of assistance as follows:

- The large decrease in support for forest industries is mainly due to the completion of the Bai Bang Pulp and Paper Mill in Vietnam. It also reflects a shift in emphasis towards supporting institutional development aimed at making such investments profitable, rather than support to funding of the investments themselves.

Figure 5: Swedish bilateral forestry assistance to tropical countries 1985/86 – 1994/95



- Assistance to rural development forestry has been reduced since 1989/90 mainly because of changes in the social forestry programme in India. The reduction does not reflect any shift in priorities.
- Support for conservation and protection has increased as a result of a decision by the Swedish Parliament in 1988 to add an additional objective, environmental quality, to its list of priority concerns.
- The increase in policy and sectoral development assistance reflects a recognition of the importance of the creation of an enabling institutional environment if aid is to be effectively deployed.

Box 1: Sida-supported projects and activities in programme countries 1985/86–1994/95

Ethiopia

Disbursement: MSEK 214

The dramatic political change that has characterised Ethiopia during this period has also had a profound influence on the content of the programme. In 1985/86 assistance was provided to FAWDCA (Forestry and Wildlife Development Conservation Authority). This also included training of foresters at Diploma level in the Wondo Genet Forestry Resource Institute. Assistance was also provided to a soil conservation project in the Borkenna watershed area in Welo region. This project eventually evolved into a major rural development programme for Welo region. Since 1990/91 assistance has been reduced and limited to forestry sector support and assistance to management of natural resources, primarily in terms of projects for strengthening forestry research and education.

India

Disbursement: Total MSEK 974

The major share of assistance for the period went to the Social Forestry Programmes in Bihar, Orissa and Tamil Nadu. The activities included establishment of village forest/wood lots and rehabilitation of wasteland and degraded forests. The ambition of improving peoples' participation and influence was gradually given increasing attention. Method development, capacity building and extension have also been part of the programmes to varying degrees. Other projects related to forestry are the PAHAL project (Participatory Approach to Human and Land Resource Development) in Dungapur district in Rajasthan and TGC project (Tree Growers Co-operative) which began in 1991/92. TGC are assisting the establishment and development of co-

operatives among tree growing farmers for the purpose of processing and marketing of the material from the trees. The project is to some extent inspired by the co-operative movement among Swedish forest smallholders. (ref. Dahlgren, S., Michanek, E., Idemalm, A. (1992) År biståndet effektivt, Bistånd utvärderat nr 1/92, SIDA & ref. Anon (1993) Indien, Fact Sheet, SIDA)

Laos

Disbursement: Total MSEK 228

At the start of the period under review, assistance was primarily for State Forest Enterprises and the Ministry of Industries, Handicraft and Forestry. Activities included inventories, planning, transport, vocational training and silviculture etc. In 1988 assistance was expanded and included components to address development issues related to shifting cultivation and nature conservation.

The Lao–Swedish Forestry Cooperation Programme phase III covered the period 1991 to 1995 and included additional activities such as capacity building in management, donor coordination, extension development at central level (the Ministry of Agriculture and Forestry and the Department of Forestry), National Forest Resource Inventories, Joint Forest Management, Silviculture, Forest Resource Conservation, Stabilisation of Shifting Cultivation etc. The support to forestry was in a transitional stage during 1994/95 while phase IV was under preparation.

(ref. *Elephants don't rust*, Lao Swedish Coop Progr. 1988–90, Proposal on Conceptual Programme Outline for LSFP phase IV 1995–1999)

5.3 NGO assistance to forestry

Major NGOs providing support for forestry projects have included the following: the Africa Group for Mozambique and Namibia; Vi-skogen for Kenya, Tanzania and Uganda; UBV for Ecuador and Bolivia.

In addition, NGOs supporting rural development have sometimes included forestry components in their projects. NGOs linked to the Swedish churches have figured prominently in this group.

Sida contributes a substantial amount of funds to Swedish NGOs. Support for forestry is included under the rubric of agriculture, expenditure for which amounted to approximately SEK 130 m. in 1994/95.

6. RESEARCH AND TRAINING

6.1 Swedish Agency for Research Co-operation with Developing Countries (SAREC)

Assistance is provided to both national institutions in developing countries and international research organisations in response to requests that fall within SAREC's priority areas for forestry research. Swedish research institutions can also apply for funding for research projects related to developing countries. SAREC's general priority areas are food security and biodiversity. Priorities for forestry research range from these general

issues to more specific topics such as land management in dry areas. Research on tropical rain forests now has less priority for Sida support, mainly because a great deal of attention is being given to this by development co-operation organisations in other countries.

Three components of the programme of assistance to forestry research through SAREC can be distinguished (SAREC, 1995):

- (i) Approximately SEK 17 m. was provided during the period to countries where Swedish research institutions were also involved in forestry-related research. Examples include:
 - Malaysia: hydrological and nutritional changes as a result of the conversion of tropical rainforests to plantation forests; selective logging and silviculture in tropical rain forests;
 - Kenya and the Sahel region: agroforestry;
 - India: tree tissue culture;
 - Ethiopia: propagation from seed of selected indigenous trees with low germination rates or short viability;
 - Other countries supported under this rubric include Costa Rica and China.

The main forestry research institutions, apart from SAREC itself, are located in the Universities of Lund, Uppsala, and the Swedish University of Agricultural Sciences (SUAS) at Uppsala and Umeå.

Box 1 continued

Nicaragua

Disbursement: Total MSEK 290

Assistance to the forestry sector dates back to 1982. It changed in 1986 from a focus on development of a national plan for the forestry sector and support to education and rehabilitation of the forest industry to a focus on production targets. In practical terms the assistance to industrial production increased, while assistance to education and forest management was reduced and for sector planning almost insignificant during 1985/6–1988/9. From 1988/9 this gradually changed with increasing support for planning and also for forestry education/training and forest management. Between 1988/9 and 1991/2 the assistance to forest industries was phased out. A special case with Nicaragua as compared to the other country programmes is the absence of a significant rural development component. Another distinguishing feature is the development of a National Forestry Action Plan in 1993, where Sida was the lead agency on the donor side.

Tanzania

Disbursement: Total MSEK 310

In the beginning of the period a large share, approximately 35% of the assistance, was for the paper mill in Mufindi. Assistance to forestry, rural development and conservation has been a part of the programme throughout the whole period, particularly during the later stages. This has included (1) soil and water conservation in the HADO project (Hifadhi Ardhi Dodoma) in the Dodoma Region, (2) support to the Community Forestry Section of the Forestry and Beekeeping Division of the Ministry of Tourism, Natural Resources and Environment and (3) a Regional Community Forestry

Programme. Assistance to training and education has also been included, both for forest workers and forestry institutions as well as the Manpower Section of the Ministry. Of a more recent date is a large rural development programme "LAMP" (Land Management Programme) in the Babati area. This new programme has a district-level focus with less emphasis on central support.

Vietnam

Disbursement: Total for MSEK 771

Support for most of the period was focused on Sweden's assistance to the establishment of the pulp and paper mill in Phu Ninh in Vinh Phu Province generally referred to as the Bai Bang Paper Mill. An early concern was the supply of raw material for the mill and this was the primary reason for initiating assistance to forest management in the early 1980s. In the late '80s support to social forestry was begun.

The Vietnam–Sweden Forestry Co-operation Programme that began in 1991 changed the focus of the activities drastically, becoming more of a rural development programme with a focus on poor people in the mountainous areas in the provinces of Vinh Phu, Tuyen Quang, Ha Giang, Yen Bai and Lao Cai. The new direction that evolved was also a reflection of wider political and economic changes in Vietnam, with a move away from centralised planning and an orientation towards the market economy. A significant step was the allocation of land to individual farm families that began in this period. Participatory methods were tried and developed together with local authorities and organisations involved in forestry, agriculture, horticulture etc. In 1994/95 a new programme was under preparation ('the Mountain Rural Development Programme').

- (ii) A substantial amount has been allocated for forest-related research, without the involvement of Swedish research institutions, in Zimbabwe, Ethiopia, Tanzania and Nicaragua.
- (iii) Funding for forestry research has been provided to international institutions such as CIFOR, ICRAF and the African Academy of Science.

6.2 Training through Swedish institutions

During the 1960s there was a special SIDA Fellowship Section for students from developing countries who wanted to study in Sweden. However, excessively low levels of reabsorption of former fellows into their national systems led to a shift in the focus of training to the development of training facilities in the recipient countries. Training may be organised in Sweden for an interim period for students from a particular country, an example being the MSc. programme for forestry students from Ethiopia implemented partly by the Agricultural University of Alemaya in Ethiopia, and partly by SUAS in Sweden. This arrangement is temporary and will continue only until the programme has been developed and can be fully implemented in Ethiopia.

In addition, fellowships are sometimes provided within the forestry co-operation programmes for short courses at regional training and research centres, e.g. RECOFTC in Bangkok and ICRAF in Kenya. Transfer of technology and skills may also be effected through short courses provided by Swedish organisations.

7. PROJECT CYCLE MANAGEMENT

7.1 Prerequisites for project proposals

The ways in which Swedish development projects are generated reflect the evolution in development co-operation and practice reviewed in section 4. Swedish development co-operation over the last 30 years has been influenced both by changes in the balance between projects and programmes, and by changes in the managerial roles and responsibilities of the various actors involved. In practice this means that projects outside country programmes are generated in different ways from those covered by Country Development Co-operation Plans.

Projects administered by DIEC to provide technical assistance and the transfer of Swedish know-how are initiated by requests from prospective recipients, and can be considered by Sida only if they are within the guidelines set down for funding Swedish technical assistance (see section 3.3.2). Projects in support of research (SAREC) are also funded in response to specific requests, and again must conform with certain priorities (see section 6.1).

In order for proposals for forestry projects which are intended to form part of a Country Co-operation Development Plan to be considered, it is important that there should be a credible national policy for the sector, in terms of both commitments and the operational capacity to implement the policy. A strategy for the sector in the form of a National Forestry Action Plan (or similar) as well as intersectoral strategies (e.g. a National Environmental Action Plan) are important documents in this context. Where a policy and strategy are lacking, Sida may support their development. Sida

emphasises that the recipient country must be in charge of this process, in order to ensure its future commitment to it, and also to demonstrate its capacity to deal with strategic and policy issues on a continuing basis through planning and research at the central level (Persson, 1996).

If a country already has a convincing forest sector strategy, and a mechanism for donor coordination, Sida may provide assistance for the implementation of this strategy in areas which accord with its priorities. These are:

- natural resource management in a rural development context;
- capacity building in terms of developing research and formal training/education in forestry;
- creating an institutional framework that enables the productive and profitable commercial use of forestry for generating employment.

7.2 The project cycle

Projects and programmes, if they are compatible with whichever of these strategy frameworks and prerequisites is appropriate, are then subject to a broadly similar process of appraisal and further preparation, as follows:

- (i) The request, often supplemented by a pre-feasibility study, initiates an *idea preparation* process in Sida, which leads to an *idea memorandum*. This document either rejects the proposal/request or recommends that preparation of the project should continue.
- (ii) The next stage, now referred to as '*project support preparation*' (SIDA 1990), includes an appraisal of the project and its design. If the appraisal does not raise serious concerns, a '*project support memorandum*' is prepared.
- (iii) If the project support memorandum is approved by Sida, the final stage is the negotiation of a '*specific agreement*' to proceed with the project.

In recent years, increasing emphasis has been placed on the use of the Logical Framework Approach (LFA) to reflect the revised roles of Sida, the recipient country, and the consultants involved. The recipient country is expected to present a proposal in LFA format, which Sida appraises in the context of Sweden's development co-operation strategy for the country and Sida's policy for the forest sector. In this process the idea memorandum and the project support memorandum are supplemented with an assessment memorandum, and Sida's Project Committee will make the final recommendation to the Director-General as to whether a '*specific agreement*' should be negotiated for that project.

Once there is a specific agreement, the project is regularly monitored through joint reviews. There are annual (and sometimes semi-annual) reviews, which involve the relevant local authorities and organisations and include participants from Sida's in-country representation at the Swedish Embassy and often also from headquarters. These reviews result in agreed minutes in which Sida and the relevant organisations and authorities in the co-operating country report their conclusions about the progress made by the project, and agree on any modifications and changes which may be

required. In addition, large projects usually have a more ambitious mid-term review.

Different kinds of evaluation are also carried out as part of the project cycle. Thematic evaluations focus on special components in the project, and serve the purpose of guiding the project during its implementation. Other evaluations focus on issues related to the objectives of

Swedish development assistance. These could be carried out during the life of a project as well as *ex post*, and primarily serve Sida's purposes and those of Swedish development assistance in general. Finally there are also *ex post* evaluations of individual projects, the results of which can provide valuable inputs for the preparation of new projects.

Box 2: Review of Vietnam – Sweden Forestry Co-operation Programme 1991–4

The programme (FCP) consisted of several different projects or components falling into two major categories. The first category consisted of five provincial 'Farm Level Forestry Projects' and a 'Plantation and Soil Conservation Project'. The other category was intended to be support projects for these 'implementation' projects but, to varying degrees, with rather broader scope. These projects or components covered research, training, extension, business development and land use/land management. Apart from these major categories there was also assistance for activities or components providing general programme management support. At the central level a project with the Ministry of Forestry was also included in the FCP.

The Review Team concluded that the participatory rural approach (PRA) which had been introduced had the effect of widening the scope of the **Farm Level Forestry Projects (FLFP)** to include not only forestry but also agriculture and animal husbandry, in recognition of the diversified and integrated needs of the Vietnamese farmers. The PRA resulted in the establishment of village institutions and village development plans for mobilising the resources required for land use development in terms of credits, training and inputs. The Review Team concluded that this approach to extension was not only a potential model for Vietnam but also for extension institutions elsewhere. Closely linked to the Farm Level Forestry Projects and the development methods regarding extension and village credit schemes in the provinces, was a central extension component, the 'Extension Support Group', which the Review Team found to have been much appreciated at all levels.

The **Plantation and Soil Conservation Project** which was originally set up to help ensure the supply of raw materials to the Bai Bang Pulp and Paper Mill, provided support for Forest Enterprises in the five programme provinces. Apart from assistance to these Provincial and State controlled Forest Enterprises, the project was involved in special planting activities for soil conservation and watershed protection purposes as well as high value timber plantations. The Review Team concluded that in general terms the share of planted trees for wood production was increasing at the expense of natural forest logging and that the wood balance for the programme area had improved.

The **Land Use and Land Management Project** was intended as a support for the implementation of land allocations as a result of the new land law of 1988. The Review Team concluded that a centralised system of land use planning prior to cadastral surveys and land allocation was practised and questioned whether the PRA introduced in the FLFP could be developed and applied in village-based land use planning.

The **Training Project** was considered as a valuable support for other components of the programme and had developed a capacity for organising training without the need for an external long-term technical assistance input. The difficulties

of the Training Project were related to its ambiguous position in the Vietnamese system. The Review Team also concluded that the implementation of a Human Resource Development System was 3 years overdue.

The support for research at the **Forest Research Center** already established and developed during previous phases of the FCP was considered by the Review Team as an important aid to Vietnam's capacity for research in farming systems, soil and water conservation, and commercial forest plantations. The team expressed concern, however, at the poor linkages between the Center and the rest of the FCP.

Business development, originally a part of the Plantation and Soil Conservation Project, evolved as a separate support component during the course of the programme. It was felt that with the economic transition, with the farmers becoming the basic production unit, in contrast to the previous centrally-controlled co-operatives, there would be a need for improved market information. The Review Team concluded that this component had difficulties in finding a relevant counterpart structure in Vietnam, but that the need for this kind of input from FCP had never been more urgent. **The Ministry of Forestry Projects** consisted of two components, one for staff development and for improving working conditions at the Ministry of Forestry headquarters and the other for the establishment of forest ecosystem conservation models. It was not possible to implement this project as intended, partly because of overlaps with another Sida supported project the "Strategy Project", which was not part of FCP. The strategy project was working with policy development at the Ministry and in the opinion of the Review Team the two projects should have been subject to a joint review.

The Review Team found that the FCP had had considerable impact at the policy level, contributing to policy reform in forestry, extension and land reform. Also in terms of institution building (particularly regarding extension at provincial and district level) the Review Team found that the FCP had had an encouraging impact. According to the Review Team, one of the major weaknesses of FCP was its organisation. The Programme Board with representatives from the Ministry of Forestry, the General Department for Land Management and the Provincial Peoples' Committee was not functioning as required. The Review Team was also concerned at 'by pass' solutions in the programme design. Programme monitoring and reporting was also considered to be inadequate. The Review Team concluded that FCP had high relevance for development in the sector. Given the anticipated development over the next five to ten years in Vietnam with privatisation of land, increased reliance on farmers as the managers of natural resources and the concentration of public sector activities on policy, regulation, institutional and human resource development and monitoring, the future relevance of a new programme was judged as potentially even higher.

8. PROGRAMME REVIEWS

Sida seeks to use its reviews and evaluations for three main purposes: monitoring and control, learning lessons, and competence development (Sida 1995). Monitoring and control mainly assist those who are accountable to Sida's Board, to Parliament and ultimately to the country's citizens. Learning is said to be primarily for those within Sida, and those who are operationally involved in different programmes and projects. Competence development in this context refers to more general and fundamental processes regarding the potentials and limitations of development co-operation. It is primarily organisations, experts and researchers concerned with general development issues who benefit from this aspect of the evaluation and review process (Sida, 1995).

Within Sida the Department for Evaluations and Internal Audit (DEIA) has the overall responsibility for evaluating Sida's development assistance. Each year, an evaluations plan is established by the DEIA in consultation with other departments. For 1996 the plan included six programme/project evaluations, one cross-sectoral thematic evaluation, and one *ex post* evaluation. All of these were of some relevance to forestry. Of particular interest was the *ex post* cross-sectoral study which was to evaluate Sweden's support to the Bai Bang Pulp and Paper Mill – a programme that excited some controversy in the mass media during its implementation in the 1980s (Sida, 1995).

Among recent studies that have had an important influence on the direction of forestry assistance in programme countries, the 1992 evaluation of the forestry programme in India warrants particular mention. This programme basically consisted of fairly large social forestry projects in three States. One important conclusion of the evaluation was that these projects did not sufficiently involve the intended beneficiaries – poor farmers and the landless. The activities were characterised as being successful in generating employment by creating a large number of labour days in planting trees, but with little prospect of becoming sustainable social forestry activities. Furthermore, the organisational units established through the projects were judged to be relying too heavily on foreign exchange inputs, with adverse implications for both sustainability and replicability (Chaffey *et al*, 1992). This finding led to a significant reduction of Swedish assistance to this type of social forestry project in India.

A common finding of the regular reviews and evaluations of forestry programmes over the last two decades is that their coverage has tended to gradually broaden, initially to include social forestry or farm forestry components and eventually also agriculture and animal husbandry. The programmes have therefore become more like rural development programmes within the natural resource management sector. Simultaneously, the importance of institutional development and the development of relevant policies has come more strongly to the fore. This experience has had strategic implications in that recent programme preparations in some of the programme countries have broadened considerably in approach from conventional 'forestry'. Box 2, which summarises results from the mid-term review of the Forestry Co-operation Programme in

Vietnam, illustrates this trend, as well as some country-specific findings. The new programme in that country, which formally began in 1996, is now referred to as the Vietnam-Sweden Mountain Rural Development Programme.

A thematic study with implications for forest policy and strategic planning – a priority area in Swedish forestry assistance – is the evaluation of the National Forest Inventory in the Lao-Swedish Forestry Co-operation Programme. The achievements in terms of competence development were quite satisfactory, but at the same time the project was questioned on the grounds of the insufficient institutional links to policy-making and strategic planning. This finding has apparently also been reported from similar donor-supported projects in other countries (Nilsson, 1994). Sida's response has been to try to develop approaches that will put national forest resource inventories into a wider institutional context of policy development and strategic planning.

9. CONCLUSIONS

Sweden's large forest resources provide the basis for a substantial part of its economic activity. In achieving this position, the country has acquired considerable experience in developing policies, institutions and practices to deal with a situation of both overuse and degradation of forest resources, and of subsequently harnessing them to the broader development of the local and national economy. It brings this and other aspects of its experience to bear in its assistance programme to the developing countries.

Swedish assistance to forestry attaches high priority to assisting developing countries to increase their capacity to make decisions about and to manage their forest sector. The assistance programme also encourages the integration of forestry into rural development. Another basic tenet of the assistance is that it should help create the conditions that enable forests and forest land to be used sustainably both by poor people who depend on this resource for their livelihoods and also as a source of employment and income through the development and operation of forest industries.

An important part of this is a credible national policy for the sector in terms of both the content and the processes by which policies are formulated, operationally implemented, monitored and reviewed. As a consequence, the current priorities for Swedish development co-operation are likely to concentrate support on the following three main areas:

- forestry as a component of natural resource management in a rural development context;
- capacity-building in strategic planning, policy formulation, research, and training and education in forestry;
- creating an institutional framework that enables the productive and profitable commercial use of forests on a sustainable basis.

Sweden is likely to continue to provide support through special thematic and regional programmes where there is a general need for research and methods development; where a Swedish knowledge base in the subject area already exists; and where the programme countries

supported by Sida would benefit. Areas where such support is foreseen include participatory forestry, forest regeneration in dryland areas, and measures to improve international co-operation in forestry assistance. Sweden will also continue to support international organisations active in matters relating to forestry in developing countries.

Future assistance is likely to focus on quality, and not necessarily on programmes requiring large sums of money. Development co-operation may in future include countries other than the programme and non-programme countries which presently receive assistance.

REFERENCES

- Anon (1978) Skogshögskolan 150 år – Problem och ideer i svenskt skogsbruk 1828 – 1978, Sveriges Lantbruksuniversitet, Allmänna skrifter nr 2.
- Björkman, P., (1996) Bai Bang/Vinh Phu – den totala landsbygdssatsningen, Skog och Forskning 1: 45–53, Sveriges Skogsvårdsförbund.
- Chaffey, D., Aziz, A., Djurfeldt, G., Haldin, G., Köhlin, G., Pranjape, J., Sunder, S.S., Svanqvist, N., Tejwani, K.G. (1992) *An Evaluation of the SIDA Supported Social Forestry Projects in Tamil Nadu and Orissa in India*.
- FAO/Governments Cooperative Programme (1995) *Special Programme on Forests, Trees and People, Extension Phase II*.
- Hamilton, H., (1997) 'Slash-and-Burn in the History of the Swedish Forests', *Rural Development Forestry Network Papers* N° 21f, Overseas Development Institute, London.
- National Board of Forestry (1994) *Sweden's New Forest Policy*, The National Board of Forestry, Jönköping.
- National Board of Forestry (1996) *Statistical Yearbook of Forestry*, Official Statistics of Sweden, National Board of Forestry, Jönköping.
- Nilsson, N. E. (1994) *Evaluation of the Forest Inventory Project, Lao, Swedish Forestry Co-operation Programme*.
- Nilsson, N.E., (1995) *The Case of Sweden – Management, Conservation and Sustainable Development of Forests*, National Board of Forestry.
- Noren, S., (1982) Skogsbruk – Svenskt bistånd till u-ländernas skogsbruk, Informationsbyrån, Sida.
- Persson, R., (1993) Det skogliga biståndet. I – Utveckling och nuvarande omfattning samt förväntad utveckling och planerade förändringar, *Kunliga Skogs- och Lantbruksakademins Tidskrift* No. 132: sid 281–293.
- Persson, R., (1996) *From Forestry to Landhusbandry – A Strategy for Action*, unpublished draft.
- Regeringen (1996) Sveriges internationella samarbete för hållbar utveckling, Regeringens skrivelse 1996/97:2, Regeringen.
- SAREC (1995) SAREC Project Catalogue – SAREC Funded Research, Sida.
- SIDA (1989) Bistånd i siffror och diagram 1987/88, Planeringssektariatet, SIDA.
- SIDA (1990) Metodhandbok 90 – Handbok för SIDA, SIDA.
- SIDA (1992a) Bistånd i siffror och diagram 1990/91, Planeringssektariatet, SIDA.
- SIDA (1992b) *Sustainable Management of Renewable Natural Resources – Action plan for SIDA*, Naturbruksbyrån, SIDA.
- SIDA (1994a) *Biological Diversity – Guidelines for SIDA support for the sustainable use and conservation of biodiversity*, Natural Resources Management Division, SIDA.
- SIDA (1994b) *Competence Development in Swedish Development Co-operation – a question of roles and relations between actors*, SIDA.
- Sida (1995a) Plan för Utvärderingsverksamheten vid Sida, Sekretariatet för utvärdering och intern revision, Sida.
- Sida (1995b) Policy för Sidas utvärderings- verksamhet, Sekretariatet för utvärdering och intern revision, Sida.
- Sida (1995c) Sector Programme Support – Background Document to Sida Policy, Department for Policy and Legal Issues, Sida.
- Sida (1995d) Särskilda miljöinsatser 1995/96, Sida.
- Sida (1996a) Bistånd i siffror och diagram 1994/95, Administrativa avdelningen med Sandö, Enheten för ekonomistyrning, Sida.
- Sida (1996b) *Promoting Sustainable Livelihoods*, a report from the Task Force on Poverty Reduction, Sida.
- Sida (1996c) *Sida's Policy on Sustainable Development*, Department for Natural Resources and the Environment, Sida.
- Swedfund (1995) *Annual Report 1994 – 95*, Stockholm.
- Utrikesdepartementet (1994) Hållbart bistånd – det svenska biståndet efter UNCED, Vol I Ds 1994:132.
- Utrikesdepartementet (1995) Beredningsordning för landstrategier, Regeringsbeslut, Utrikesdepartementet.
- WCED (1987) *Our Common Future*, The World Commission on Environment and Development, Oxford University Press.
- Wilkens, A., Fahlen, M. (1990), Biståndprocessen – Biståndets framväxt, lärdomar och erfarenheter, SIDA.

KEY CONTACTS

Swedish International Development Agency (Sida),
Sveävagen 20
S-10525 Stockholm
Sweden
Tel: +46 8 698 5000
Fax: + 46 8 698 8864

The Swedish University of Agricultural Sciences
Faculty of Forestry
S-90183 Umeå
Sweden
Tel: +46 (0)90 165800
Fax: +46 (0)90 165925

The Swedish University of Agricultural Sciences
Department for Rural Development Studies
PO Box 7005
S-75007 Uppsala
Sweden
Tel: +46 (0)18 671000
Fax: +46 (0)18 673420

ACRONYMS

BIT5	Swedish Board for Investment and Technical Support
CGIAR	Consultative Group on International Agricultural Research
CIFOR	Centre for International Forestry Research
DAC	Development Assistance Committee
DEIA	Department for Evaluations and Internal Audit
DIEC	Department for Infrastructure and Economic Co-operation
DNRE	Department for Natural Resources and the Environment
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FAWDCA	Forestry and Wildlife Development Conservation Authority
FCP	Forestry Co-operation Programme
FLFP	Farm Level Forestry Projects
FLCD	Forestry for Local Community Development
FOREP	Forestry Regeneration Programme
F TPP	Forest Trees and People Programme
GNP	Gross National Product
HADO	Hifadhi Ardhi Dodoma
ICRAF	International Council for Research in Agroforestry
IDA	International Development Association
IPF	Intergovernmental Panel on Forestry
IRDC	International Rural Development Centre
ITTO	International Tropical Timber Organisation
IUCN	International Union for the Conservation of Nature and Natural Resources
LAMP	Land Management Program
LFA	Logical Framework Approach
NGO	Non-Governmental Organisation
OECD	Organization for Economic Cooperation and Development
PAHAL	Participatory Approach to Human and Land Resource Development

PRA	Participatory Rural Approach
RECOFTC	Regional Community Forestry Training Centre(Thailand)
SAREC	Swedish Agency for Research Co-operation with Developing Countries
SEK	Swedish Krona
SIDA	Swedish International Development Authority
SUAS	Swedish University of Agricultural Sciences
TFAP	Tropical Forestry Action Plan
TGC	Tree Growers Cooperative
UBV	Swedish NGO
UN	United Nations
UNCED	United Nations Conference on Environment and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNSO	United Nations Sahelian Organisation
WCED	World Commission on Environment and Development

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with a number of people including the following: Reidar Persson, Per Björkman, Lisbeth Bostrand, Lars Peter Hertelius, Anders Höök, Carl Gustaf Svensson, Christina Wedekull, Karin Gerhart, Eva Nauckhoff, Lars Johansson, Magdalena Ginista (all SIDA), Susanne Jacobsson (Ministry for Foreign Affairs), Gunner Lilja (Orgint Consulting AB), Petter Otterstedt (Jaakko Pöyry Consulting AB), Nils Erik Jotland (SSC-Swedforest International AB) as well as many other people in SIDA, other government departments, the consulting, university, research and NGO communities.

Note on currency: on 1 September 1997, US\$ 1 was equivalent to SEK 7.87.

UK

Susie Hussey, James Gordon and Gill Shepherd

Contents

1.	DOMESTIC FORESTS AND FORESTRY	343
2	HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY	344
3.	STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY	345
3.1	Organisation of the aid programme	345
3.2	Development assistance commitment	345
3.3	Personnel	346
3.4	Bilateral assistance	346
3.5	Multilateral assistance	348
3.6	Global Environmental Assistance Programme	348
3.7	Other Government Departments	348
3.8	The Aid and Trade Provision	349
3.9	Commonwealth Development Corporation (CDC)	349
3.10	NGOs	349
4.	DFID FOREST POLICY AND STRATEGY	349
4.1	Background	349
4.2	Recent developments in strategy	350
4.3	Forestry strategy	351
4.3.1	Social aspects of forestry	351
4.3.2	Biodiversity	352
4.3.3	Environmental aspects of forestry	352
4.4	International influences	352
4.5	Multilateral policy	353
4.6	NGOs	353
5.	REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS	353
5.1	Regional distribution of aid	353
5.2	Regional distribution of forestry aid	354
5.3	Thematic distribution of forestry aid	355
6.	RESEARCH AND TRAINING	356
6.1	Forestry research	356
6.2	Forestry research review (1995)	356
7.	PROJECT CYCLE MANAGEMENT	356
7.1	Identification	356
7.2	Design	356
7.3	Appraisal	357
7.4	Implementation	357
7.5	Monitoring and review	357
7.6	Evaluation	357
8.	PROJECT REVIEWS	358
8.1	Fundamental Expenditure Review (FER) (1995)	358
8.2	Forestry Synthesis Evaluation Study (1992)	358
8.3	Participatory Forest Management (1996)	358
9.	CONCLUSIONS AND PREDICTIONS	359
	REFERENCES	360
	KEY CONTACTS	361
	ACRONYMS	361
	ACKNOWLEDGEMENTS	361

1. DOMESTIC FORESTS AND FORESTRY

By the time the Norman Domesday Book was written 900 years ago little pristine woodland remained in Britain except perhaps in the remoter parts of Scotland. Woodland cover, although variable across the country, was as low as 15% overall (Rackham, 1980). Although this figure disguises the important contribution of hedgerows in the landscape and in the supply of wood products, it demonstrates the long history of forest conversion in Britain.

It was the Normans who first initiated the creation of a forest estate through their code of administration, their system lasting throughout the Middle Ages. The medieval forest was controlled and managed to fulfil a variety of needs. Forests were demarcated as the hunting grounds of kings and the nobility, with strongly enforced laws controlling poaching. Yet a forest was also usually divided into several distinct areas of woodland and open country, in each of which particular communities had specific rights. The coppice system ensured a supply of fuelwood and low quality construction timber on short rotations, whilst standards, trees grown on longer rotations, provided larger and better quality timber. Under this system, villages had access to underwood, and were allocated other specific use-rights such as pannage, the right to graze pigs in the forest. Game, too, whether taken legally or illegally, was an important source of protein.

Early industrial activity during the Tudor period began to make new demands on forest resources. The Reformation left Henry VIII fearful of retribution by the Catholic powers who had restricted exports of armaments to England. Weaponry therefore had to be home-produced. Iron-smelting began in earnest in southern England where the supply of oak to fire the furnaces was considered plentiful. Thus the industrial importance of woodlands grew whilst their importance as Royal Forests diminished slightly. The iron industry, and other industries, have usually been blamed for the destruction of woodlands, (Perlin, 1989). However, Rackham (1980) suggests that probably the source of grievance lay in rising fuelwood prices, rather than scarcity *per se*. Demand for high quality ships' timber also began to increase as England began its ascendancy to becoming a naval, and later imperial, power. Masts, above all, were an early problem. British dependence on fuelwood began to decrease from the eighteenth century onwards as coal began to replace charcoal for commercial production and domestic use. As coal mining expanded, even the timber props it required were brought ultimately from across the Atlantic.

The nineteenth century saw interest in British forestry grow considerably. Efforts at plantation establishment of both natives and exotics were greater than ever before, and the potential of North American conifers began to be recognised. In 1854 the Scottish Arboricultural Society (now Royal Scottish Forestry Society) was founded, 28 years ahead of its English equivalent (James, 1981).

Paradoxically, the formal teaching of forestry came to Britain via India. British India had employed first D. Brandis, and then W. Schlich and B. Ribbentrop in the 1860s and 1870s. When Dr Schlich retired from India in

1885, he established the first forestry training school at Durham. In 1887 a Parliamentary committee report considered the need for a forestry school in Britain and the resulting 'Act for Establishing a Board of Agriculture for Great Britain' of 1889, made provision for a professorship of agriculture and forestry at the Durham College of Science, at Cooper's Hill.

World War I reduced forest cover in Britain to 5.6%, the lowest ever known (Grayson, 1993) and Britain's dependence on foreign supplies of timber during times of war became a major concern. As a consequence, the Forestry Act of 1919 was passed, the Forestry Commission established and exotic softwood reforestation expanded dramatically. The first conifer introductions had been as early as 1548 (James, 1981), but it was not until the nineteenth century that such plantations were anything other than sporadic. Now they were to become the principal means of reforestation, predominantly in the uplands. It was the charge of the Forestry Commission to effect the creation of state-owned forests and to oversee financial assistance to private sector reforestation. This policy of creation of a 'strategic reserve' of timber, which had still not reached maturity in time for World War II, was reviewed in the Zuckerman committee of 1956 (Zuckerman Committee, 1957). It recognised that timber supplies were unlikely to be crucial in the event of a Third World War. Instead state-subsidised reforestation came to be justified on import-substitution and, to a lesser extent, employment-creation grounds, despite the fact that financial returns to forestry in Britain have never been very attractive (National Audit Office, 1986).

The area of land under forestry has steadily increased from 6.1% in 1947 to 10.6% in 1996 (Forestry Industry Council, 1996). In 1987 the government announced a target of 33,000 ha of new planting a year, the majority to be in the private sector (Forestry Commission, 1991). This has not been met – total new planting in 1996 was 15,700 ha, for instance – (Forestry Commission *Facts and Figures* 1995–6) and Britain is still one of the least forested countries in Europe. The EU average is 36%. (FIC, 1996). It is calculated that in 1990, about 10% of Great Britain or 2.3 million ha was under forest cover (Grayson, 1993). In 1996 about 35% of the land under forestry was in state hands and 65% belonged to private landowners (Forestry Commission *Facts and Figures* 1995–6). This area provided about 4% of the country's wood and wood product needs (FIC, 1996).

To some extent forestry has always been the poor relation of agriculture. Common Agricultural Policy subsidies to farming have made the long-term returns of forestry especially unattractive in the lowlands, where soils and climate might otherwise be conducive to plantation management. However, recent attempts to reduce agricultural spending have meant increasing policy recognition being given to woodlands as environmental and recreational assets.

In 1984 the Forestry Commission (which is responsible for granting felling licences) stated a general presumption against the conversion of woodland to agriculture or other uses. State subsidy for the creation and management of broad-leaved and native pine woodland to compensate for their marginal financial returns is now considerable. The Forestry Commission

is thus responding to new environmental awareness in the UK. Since 1985 as well as the existing responsibility for timber supply came a statutory duty to endeavour to achieve a reasonable balance between the needs of forestry and those of the environment. A 1995 rural White Paper for Scotland stated that the government wished to enhance the contribution that forestry could make to sustaining local communities, and to consider how to increase local community participation in forest management (FC, Highlights of the 1995–96 Annual Report). The Commission acknowledged the advantages of basing forest policy on multiple objectives (Forestry Commission, 1991).

2 HISTORICAL INVOLVEMENT WITH TROPICAL FORESTRY

As Britain expanded its colonial and trading influence in the eighteenth century, it increasingly looked abroad to meet its timber needs, initially to North America but later to the tropics. The forms of exploitation were varied and sometimes timber extraction was only a secondary consideration in the clearance of land for agriculture. Exploitation varied among colonies with different forest resources. Sparsely populated places with relatively poor forests such as British Honduras (Belize) were logged selectively and slowly for mahogany with little resulting conversion of forest cover. In parts of India and Burma, however, some forests rich in teak were completely cleared to supply the needs of the Admiralty (Westoby, 1989). Such clearance continued in the Malabar region of India until the middle of the 18th century without any effort at reforestation or development (Upadhyaya, 1991). Forest clearance and the use of teak for boat building in India of course both long predate the British Empire.

It was already clear early in the 19th century that the forests of the colonies were not inexhaustible. Even before colonial expansion in India was complete, the first conservator of forests had been appointed. Britain, with no formal trained foresters to call on, appointed Captain Watson of the police in 1806 to control timber supplies in the west of India (Westoby, 1989). Even as early as 1851, Cleghorne *et al.*, in a report on the forests of British India subtitled 'On the Destruction of Tropical Forests' (1851) note that, despite the extent of the forests, it was not adequate both for home consumption and for export. This document is also revealing in its appreciation of the many roles trees and forests play in the rural economy, their importance in climate regulation and the need for plantations to supplement natural regeneration.

The beginnings of colonial forest management are thus to be found in India where the foundation of the first colonial forest service (the IFS) came in the 1850s when first Dr McLelland of the Calcutta Botanic Garden, and then Dr Dietrich Brandis, from Germany, were appointed Inspector General of Forests. Though it is difficult to generalise about British colonial forestry, since the colonies themselves were found in such different environments, Dawkins and Philip (in press) note three consecutive phases, however: the Indo-Burma phase from 1850–1900, the Africa-Malaysian phase from 1900–1950 and the pan tropical

phase from 1950 onwards. It was in Burma that Brandis first introduced concepts of standing volume based on transects, growth rates and loss rates which made it possible to predict sustained yield. The *taungya* system also came from Burma. In Malaya lessons were learned from both Burma and the Philippines, and research on the natural forest was to become a particular UK strength here, under John Wyatt-Smith.

Experienced individuals were transferred from India, Burma and Malaya to help establish forestry in other parts of the empire, with the Indian experience usually serving as the model. The tropical forestry training Institute at Dehra Dun in India had been founded (by Brandis) in 1878, and both personnel and policy were to be exported from the subcontinent to the newer departments in Africa. The first Conservator of Forests in Nigeria came from the IFS in 1902, for instance, and Nigeria's first forest policy was based on that of Burma.

Forestry departments were established in the Sudan in 1901 and in the Gold Coast (Ghana) in 1908. Practice also drew heavily on Asian experience. For instance, in the field of natural forest silviculture, the Nigerian Tropical Shelterwood System, designed in 1944, drew on Malayan as well as earlier West African experience (Schmidt, 1991).

Revenue raising from timber was important to some colonial forest services, but it was never the only concern. Bruenig (1996) points out that the forest service often sought to prioritise the supply of products for local revenue generation and needs, citing the harvesting of latex and rattan in the rain forests of Sarawak at the end of the nineteenth century. Similarly the long-standing trade in gum arabic from the arid wooded savannas of north Africa was given stronger access to international markets during the colonial period and after. In most colonies, the supply of timber for internal consumption was much more important than that for export. The expansion of railways and their dependence not only on wooden sleepers but for many years also on fuelwood, made heavy new demands on forests.

At the same time, much was often left to the competence and interpretation of the officer in post. There were widely different responses to the recognition of local community rights, for instance, from the careful recording of traditional rights in Himachal Pradesh in North India in the 1890s, or the insistence of the Ashanti Chiefs in Ghana on the continuation of their forest rights, to the complete or almost complete abolition of such rights in many other areas of both India and Africa.

The reservation of forest was often the chief focus of work, especially in remote or unmapped areas. It was feared, for instance, that if areas were not set aside they would be liable to destruction from shifting cultivation. Much good work was also done, in the development of plantations and silvicultural practice. In Nigeria, for instance, considerable efforts to establish plantations of exotic teak and native mahogany were made (Unwin, 1920). But there were considerable financial constraints. Most forest officers in Africa worked with very small budgets, and could undertake few activities beyond the maintaining of boundaries and fire-traces around reserves. Some of these individuals, also, almost

as a hobby, embarked upon the enormous task of identifying and recording details of the flora of their own areas.

The colonial forest services depended to a large extent on expatriate staff, and to meet demand Dr Schlich transferred his teaching from the Royal Indian Engineering College at Cooper's Hill and established a forestry school at Oxford in 1906. This was later to become first the Imperial Forestry institute, and later the Commonwealth Forestry institute. It is worth remembering that the Forestry Commission itself was not in fact established until 1919. Foresters working in the colonies from the 1920s onwards remember that periodic Imperial Forestry Conferences (the forerunners of today's Commonwealth Forestry Conferences) initiated in the 1920s, were one of the chief means by which useful experiences from one part of the world were shared with foresters working somewhere else. The Institute's journal, the *Imperial Forestry Review*, was also a useful repository for new knowledge.

Following World War II, the United Kingdom's role in tropical forestry changed along with the aspirations of the territories and colonies now seeking independence. In the newly independent countries assistance in forestry, as in other sectors, took the form of providing training and responding to requests from recipient governments. Thus overseas assistance to the forestry sector, like other sectors, was primarily about maintaining the civil services of the ex-colonies: requests were often for personnel to fill gaps left by retiring expatriates.

At the same time forestry began to be less about the creation of reserves and more about what might be done with them. The hope that the forest estate could be used to accelerate economic development put a new emphasis on industrially orientated forestry, and much assistance was directed at both industrial plantations and, in countries with a rich endowment of high forest, at natural forest management. Work on silvicultural systems for Uganda and Malaya, elaborated in the post-war era, are still regarded as standard works in the field. Industrial forestry was not seen simply as an engine for rapid economic growth, but also as a means of justifying the existence of forest, increasingly regarded by economic planners rather as a land bank for agriculture.

British forestry assistance in the post-colonial era up to the 1980s consisted for the most part of two types of activity. On the one hand, inventory and mapping activities were undertaken. On the other, attempts were made to establish commercially productive plantations.

3. STRUCTURE OF DEVELOPMENT ASSISTANCE DELIVERY

3.1 Organisation of the aid programme

The British Government's responsibility for the development of its colonies on a continuing basis was first recognised in 1929 by the Colonial Development Act, which was followed up after World War II with the Colonial Development and Welfare Act, 1945. In 1961 the Department of Technical Co-operation was established to deal with the aid programme (ODA, 1996a, 1).

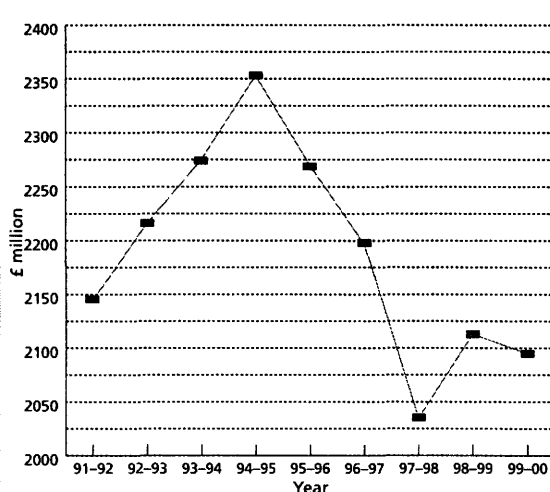
The Ministry of Overseas Development was first set up by the incoming Labour Government as a separate Ministry in October 1964 headed by a Minister for Overseas Development. It brought together the functions of the former Department of Technical Co-operation and the overseas aid policy functions of the Foreign, Commonwealth Relations and Colonial Offices and of other Departments, (ODA, 1996a, 1). Its history then followed the fluctuations of party politics. With the return of the Conservatives to power in 1970 it was demoted to the status of a department (the Overseas Development Administration) within the Foreign and Commonwealth Office. It was restored to separate Ministry status during Labour's period in power (1974-9), and again demoted in 1979. Following the general election in May 1997 the Labour government set up a Department for International Development (DFID) headed by a Secretary of State for International Development.

The DFID has taken over the structure and personnel of the ODA and will honour its existing project obligations. Strategy and policy will change in some areas but the full implications are not likely to become apparent for some time (given the three year planning cycle inherited from the ODA).

3.2 Development assistance commitment

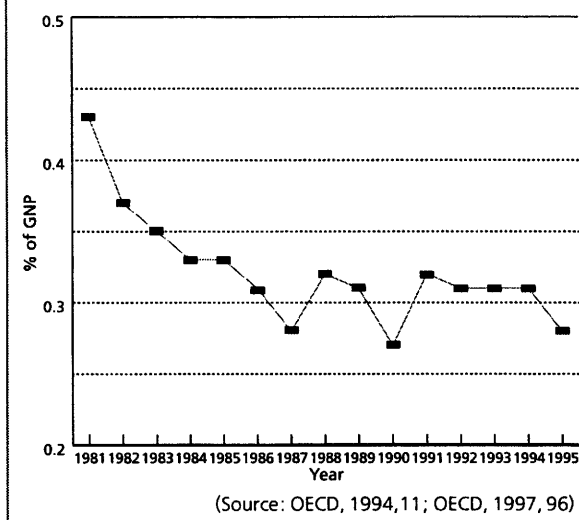
Britain is one of the larger aid donors, with an annual budget of £2,154 m.(1996-7) making it the fifth largest in the world (ODA, 1995c, 1). However, British aid has declined in real terms in recent years (see Figure 1) and is nowhere near the UN target aid:GNP ratio of 0.7%. Provision in 1995 was 0.28% (OECD, 1997, 169) which was below the Development Assistance Committee average of 0.41%. The downward trend was expected to continue, projected figures for 1997-98 estimating an aid:GNP ratio of only 0.26% (Chakrabati *et al*, 1995, 22). However, the recently elected (May 1997) Labour Government did make a specific pre-election manifesto pledge to reverse the decline in UK aid spending and is committed to reaching the UN target (Labour Party Manifesto, 1997, 39), although no timeframe has yet been set for this.

Figure 1: UK external assistance programme, 1991-9



(Source: FCO, 1997,77)

Figure 2: Aid:GNP ratio 1981–95



The amount of money available for aid over the next three years is decided in the Public Expenditure Survey which is carried out annually, and determines the allocation of resources to all Government Departments. The results are announced by the Chancellor of the Exchequer in the autumn budget each year. DFID then uses the Resource Allocation Process to determine how the available money for the coming three years should best be spent (ODA, 1996b: 1 B2).

The DFID accounts show that 93% of bilateral aid in 1995–6 was given to developing countries, including dependent territories, other areas with which Britain has traditional ties and the poorest countries of Eastern Europe. Thirty-eight per cent of aid went to the African countries south of the Sahara which are among the poorest in the world, and almost 10% went to the countries in transition of Eastern Europe and the former Soviet Union through the Joint Assistance Unit (FCO, 1997: 151). The inclusion of this latter type of support within the same budget line as traditional aid recipients is relatively new and has led to speculation that funds may be diverted from developing countries (OECD, 1994: 39). This concern is unlikely to affect forestry which has not figured largely in the Joint Assistance Unit to date and is not likely to do so in future (Hudson, 1997: 5).

3.3 Personnel

The main offices of DFID are in London, with a number of administrative staff located in East Kilbride, near Glasgow. DFID employs directly a total of 1077 staff (FCO, 1997: 122), almost 600 of whom work in London and over 400 in East Kilbride. A further 76 professional staff (not including long- and short-term technical co-operation officers) are also employed by DFID. Ten professional advisers work in the Natural Resources Division (3 of whom are forestry advisers) together with 33 administrative staff. Five regional offices, called Development Divisions, are located in Kenya, Zimbabwe, Barbados, Thailand and South Africa, and Development Assistance Management Offices are also located in Bangladesh, India and the Pacific (*ibid*). Additional professional staff are

employed in these regional and country offices. Administrative support is also provided by British Embassy and High Commission staff in the recipient countries. An organogram details the basic structure of DFID (see Figure 3).

There has been a steady decline in the proportion of experts employed directly by DFID under the technical co-operation programme. External consultants now account for 66.2% of total personnel on the bilateral technical co-operation programme, although the proportion for forestry is significantly less, approximately 15% (FCO, 1997: 153). The major consultancy companies include LTS International Ltd; Fountain Renewable Resources; Hunting Technical Services; Landell Mills Ltd and SGS Forestry. The Natural Resources Institute, which was formerly an ODA agency providing research and advisory services in the natural resources sector, was transferred to the ownership of the University of Greenwich in 1996. Tropical forestry expertise is still provided to the DFID and others through NR International, a company owned by the Universities of Greenwich, London and Edinburgh.

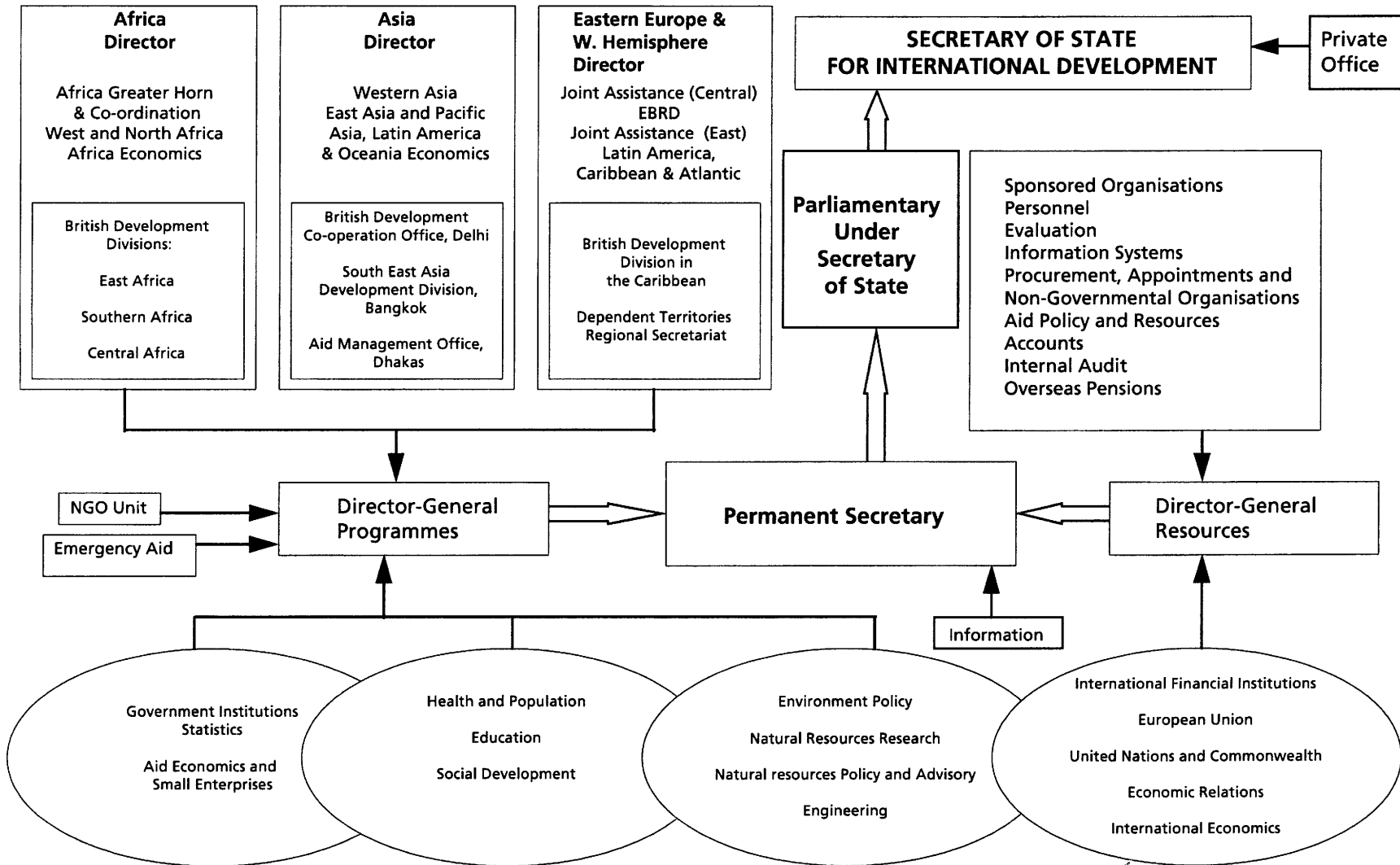
3.4 Bilateral assistance

Bilateral assistance to all countries totalled £1,374 m. in 1994–5, including aid to countries in transition of £133 m. (ODA, 1995d: 7). Of this, the forestry component was £33.2 m. equivalent to 22% of renewable natural resources spending (ODA, 1995c: 62). The recent allocation of forestry aid is shown in Figure 4. A rise can be seen coinciding with the Forestry Initiative announced at the 1989 UN General Assembly. It was prompted by growing public concern for the environment in general and tropical forestry in particular. £109 m. of bilateral aid was made available to support 206 tropical forestry projects in the period 1989–92. The proportion of bilateral spending given to forestry increased from 2% in 1991–92 to 4% in 1992–3 (ODA, 1992g: 1) but this is expected to level off as a percentage of bilateral expenditure as projects supported under the Forestry Initiative come to an end.

Figure 5 shows that the majority of forestry bilateral aid was used in technical co-operation (TC). TC is the provision of expertise requested by a partner country, primarily personnel and associated equipment, and is administered directly by the DFID which places the necessary contracts, rather than by the recipient government (ODA, 1996b, II: B1). Financial aid is given in the form of grants or loans which allow the recipient government or institution to incur expenditure on goods and services directly, as agreed with DFID. The distinction lies not in what each type of aid finances but in how they affect the relationship between DFID and the recipient. Financial aid is, in many cases, more beneficial in developmental terms but is administratively more complex. 86% of TC forms part of specific projects; the remainder is non-project TC (FCO, 1997: 80).

One important component of TC is Technical Co-operation Training (TCT), which is the main instrument used by DFID to provide training. Annual Country Training Specifications (ACTS) match training needs to the country aid programme. The British Council administers some DFID technical co-operation activities including training of overseas study fellows in the UK.

Figure 3: Structure of DFID



Adapted by ODI from p.121 of the FCO Departmental Report, HMSO, London, 1997, to incorporate changes since May 1997

Figure 4: UK forestry aid 1987–99

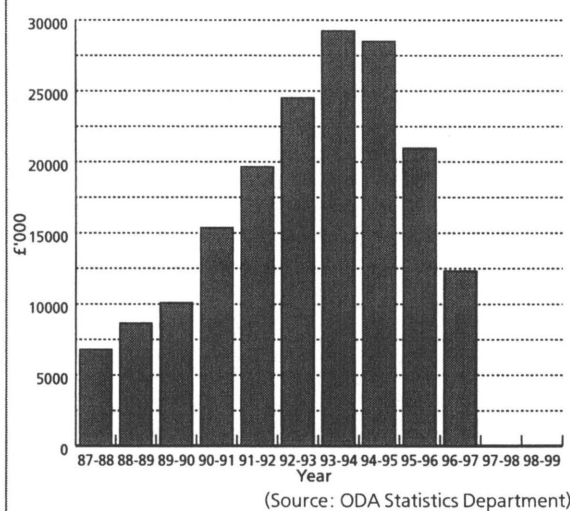
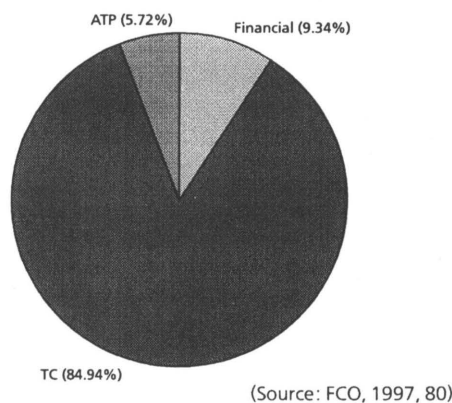


Figure 5: Nature of bilateral aid



Of particular relevance are its activities in the promotion of access to education, training, science and technology, for which it receives a block grant from DFID to support its activities in developing countries and countries in transition (ODA, 1995b: 120).

3.5 Multilateral assistance

Although still slightly less than half the total administered aid, the multilateral component has steadily increased from 30% of total assistance in 1974/5 to 49% in 1994/5 (ODA 1995b: 10). This level is high compared to other countries, for example in 1992 the multilateral proportion of UK aid was 47% compared with 31% for the DAC (OECD, 1994: 11). A high proportion of this, 53% in 1994–5, (ODA, 1995d: 8–9) is channelled through the European Commission. This proportion has increased from 21% in 1992, (OECD, 1994: 8) as a result of the Edinburgh Council decision on future financing, taken by EU Ministers in December 1992, which increased the EC's aid spending by 60% in real terms between 1992 and 1999. Britain's share of this increased commitment is likely to be met from existing aid budgets (OECD, 1994: 8). Forestry issues related to multilateral spending are dealt with by the Natural Resources Policy and Advisory Department

Table 1: DFID gross public expenditure on multilateral contributions 1995–6

Multilateral Agency	Contributions (£'000)	% of Total Multilateral
European Commission	675,924	60.97
of which European Development Fund	223,064	20.12
World Bank Group	206,877	18.66
IMF	30,000	2.71
Regional Development Banks	69,513	6.27
FAO	6,246	0.56
UNDP	26,031	2.35
UNEP	0	0
UNHCR	16,046	1.45
Total UN Agencies	91,103	8.22
International Research	8,983	0.81

(Source: FCO, 1997: 152–3.)

and the Environment Policy Department of the DFID.

Britain supports a number of other multilateral institutions including the World Bank, the Regional Development Banks and several of the UN organisations (see Table 1 for details). In 1995–96 the World Bank was the largest recipient, after the European Commission, including the European Development Fund. The UN Agencies together received a little over 8% of which the UNDP received the most, about 2.4% of total multilateral aid (FCO, 1997: 152–3).

3.6 Global Environmental Assistance Programme

The Global Environmental Assistance Programme (GEA) is a budget separate from the rest of the aid programme, reflecting the need for multilateral action to tackle global environmental problems. The Programme contributes to the Global Environmental Facility (GEF) which is administered by the World Bank and UNDP. Support through the GEA is available only for projects which are not justified by national benefits alone but offer global benefits and involve additional costs for developing countries. Its strategic areas for project funding relevant to forestry are in the conservation of biological diversity and the promotion of the use of renewable energy sources to reduce emissions of greenhouse gases (ODA, 1995b: 126). Since 1991 DFID has contributed £130 m. to the GEF making it the fifth largest donor. As of November 1996 the GEF had funded 108 biodiversity projects at a total cost of US\$ 463 billion (DoE, 1997: 3).

3.7 Other Government Departments

The Darwin Initiative is administered by the Department of the Environment (DoE). This is a British venture, launched at the Rio Conference 1992, to help developing countries meet their obligations under the Biodiversity Convention. It does this by funding collaborative projects between institutions in the UK and overseas which will help conserve global biodiver-

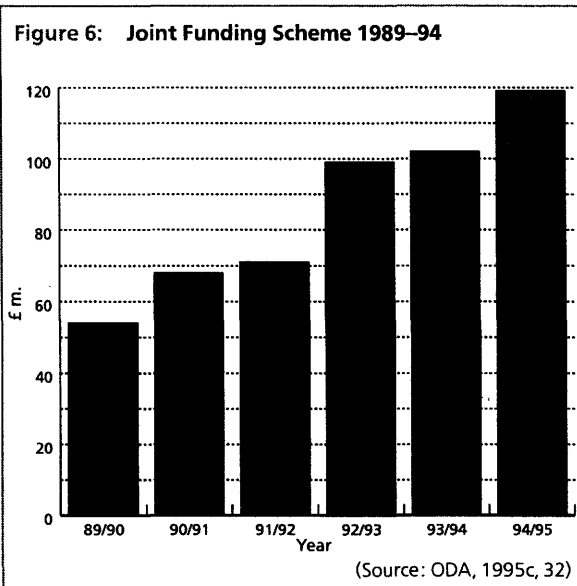
sity. £3 m. a year has been earmarked for projects in countries rich in biodiversity but with insufficient financial resources or capacity. The British Government is considering how best to build on the success of the Darwin Initiative, perhaps by extending the concept to include other developed countries (DoE, 1997: 4).

3.8 The Aid and Trade Provision

The DFID also works with other government Departments to administer particular projects. Most notable of these has been the Aid and Trade Provision (ATP) in co-operation with the Department of Trade and Industry. This was established in 1977 to counter the trade related tied-aid of other donor countries, and allowed the allocation of bilateral funds to finance development projects of particular commercial and industrial importance to the UK (OECD, 1994: 24). Grants were made in association with export credit guarantees or soft loans for specific projects. The ATP was heavily criticised by British development NGOs and one, the World Development Movement, successfully challenged its use in financing a dam at Pergau, Malaysia, in 1993. Subsequent projects have been required to meet much more stringent development and environmental as well as financial and technical criteria. Since 1993 the scheme has focused on creditworthy low-income developing countries with a GNP per head of less than US\$ 700 (1989 prices). Despite these improvements, the Labour Party remained critical of this mechanism and the phasing out of the ATP was announced in the Autumn 1997 White Paper. This will have a noticeable effect on funding as ATP spending had increased as a proportion of bilateral aid in recent years and amounted to 4.4% in 1994–5 (ODA, 1995d: 7). In some countries, for example China and Indonesia, the Aid and Trade Provision had effectively replaced conventional bilateral aid (ODA, 1996b: K1).

3.9 Commonwealth Development Corporation (CDC)

The Commonwealth Development Corporation (CDC) is a public corporation that provides loans for investment in developing countries. It supports growth by investing in, and supporting the operations of, commercially viable and developmentally sound business enterprises. In particular, it works with the private sector in the poorer nations of the world which have yet to attract a significant amount of private capital (see CDC 1996: 13 for a list of the 54 countries in which CDC has investments). CDC investments do not represent aid as such. It is a statutory requirement of the corporation that it has an operating surplus at the end of each financial year; nevertheless it only invests where businesses are expected to contribute significantly to national development. At the end of 1995 it had investments worth £1,487 m. and an operating surplus of £3,135 m. (CDC, 1996: 2–3). The renewable natural resource sector is its major area of interest. At the end of 1993 it had £119 m. invested in 12 companies in the forestry sector (CDC, undated: 1). Loans are available to both Commonwealth and non-Commonwealth countries. Government loans to CDC are administered through the Sponsored Organisations Department of DFID.



3.10 NGOs

The DFID is well aware of the role NGOs can play working in direct partnership with communities in developing countries as well as of the cost effectiveness of collaboration with them (ODA, 1992c: 50). In 1995–96 the bilateral aid programme channelled more than £179 m. through UK-based NGOs, 33% of which was used in emergency assistance (FCO, 1996: 95). The government places a high value on having effective communication with NGOs. In 1993 BOND (British Overseas NGOs for Development) was established to provide a network through which ideas and lessons could be shared by the members and ODA. It now has more than 130 NGO members and is partly funded by DFID.

DFID co-funds projects on a pound-for-pound basis with British-based NGOs through the Joint Funding Scheme, which covers many activities in rural and urban development. The amount of funding given to NGOs through the JFS has risen in the period 1989–96 (see Figure 6). More details of the forestry component are given in section 4.

4. DFID FOREST POLICY AND STRATEGY

4.1 Background

In the 1960s and '70s the then Overseas Development Administration (ODA) was seen as a body to respond to requests for help from the former colonies. There was no coherent policy as to what its priorities should be. In effect the aid programme was very much shaped by the priorities of the developing countries and the energy of individual ODA Advisers. Within the forestry sector there was also no clear strategy. Instead, a gap-filling approach was adopted in the belief that improved education in the developing countries would eventually eliminate these gaps. This belief underpinned the major emphasis on institutional development, which mostly consisted of forestry training.

This reactive approach to aid began to change at the

beginning of the 1980s. The 1980 Overseas Development and Co-operation Act for the first time outlined precisely what ODA could and could not do. The Act still applies today with a few amendments. At the same time budgetary constraints began to take effect. As a result aid spending became more tightly focused on priority countries and sectors. Forestry assistance now had to be justified in competition with other natural resource spending. Funds began to be used proactively to exert leverage, i.e. to gain maximum influence in co-funding activities with bigger donors such as the World Bank and the European Commission and also to maximise aid impact at the country level. Country Strategy Papers (CSPs) were given more weight and began to outline which sectors ODA would and would not fund. ODA thus became more and more proactive, although CSPs continue to reflect partner countries' priorities as well as UK strengths.

Forestry was considered to be a separate part of the Renewable Natural Resources sector. Initially the emphasis was very much on forests as an economic good and on timber production. Throughout the 1980s the Social Development sector gained in influence, sometimes at the expense of the Natural Resources sector. This was combined with a recognition that the traditional top-down approach to development had been disappointing in the degree to which benefits were reaching the poorest people (Poore, 1989:14) and should be replaced. Forestry for rural development, targeted more directly at the needs of the rural poor, became more influential in sector planning, eventually becoming a specific strategic area of ODA.

At the same time as these changes were taking place there was also a move towards increasing in-country prioritisation. Authority moved away from the Advisers towards the country desk officers who began to control the aid programme more directly. Forestry projects now need to operate both within the strategic framework for forestry as a whole and within the individual Country Strategy Papers. Within each country, forestry activities have to compete with other sectors for their share of the budget.

The ODA's assistance to the forestry sector had always taken into consideration more than just industrial and commercial needs. However, in the past two decades sensitivity to environmental and social issues has increased markedly; in particular, the fate of tropical forest ecosystems and their human dependants have entered the policy debate.

4.2 Recent developments in strategy

A fundamental expenditure review (FER) of ODA was

carried out by government officials in 1995. This examined all aspects of ODA policy and even questioned whether Britain should continue to provide concessional assistance to developing countries. Its conclusions were viewed by the government of the day as recommendations only but a Ministerial review broadly endorsed them (OECD, 1997: 168). It is likely that the Labour Government will also accept the majority of its recommendations.

The FER decided that there were both ethical reasons, and reasons of enlightened national self-interest for the continued provision of aid. Poverty reduction is the essence of the moral case for supporting development. National interests are supported in the narrow sense by ensuring national security, cementing historical ties and gaining political and commercial advantage. At a broader level, developed countries have a shared interest in protecting and extending a liberal international economy (Chakrabati *et al.*, 1995: 4).

Having decided that aid should continue, the FER examined whether it was appropriate for a single body – now DFID – to be charged with the administration of the bilateral and multilateral aid programme and aid to the countries in transition of Eastern Europe and the former Soviet Union. It concluded that this was one of the UK aid programme's strengths giving a coherence often lacking in other donor countries. It also recommended that ODA's expertise in development issues be used in non-aid fora where the UK's broader economic and financial relations with developing countries are discussed. In effect ODA/DFID would become more a development organisation through which aid is channelled, (a role ODA successfully played in its substantial input into the global environmental agenda).

Clarification of the purpose of the ODA was recommended by the FER and this has resulted in a new statement of purpose which incorporates the aims of the Autumn 1997 White Paper (see Box 1). In addition to the activities included in the Statement, DFID remains responsible for the pensions of former colonial civil servants and their dependants.

In practice Country Strategy Papers (CSPs) determine DFID's niche in developing countries in terms of DFID's aims, along with the recipient country's requirements and the activities of other donors. The process of preparing a Country Strategy Paper therefore requires wide consultation within and outside DFID. CSPs must be produced every three years for programmes of £10 m. or more and shorter CSPs are produced for smaller programmes. In each intervening year a list of specific objectives is drawn up (ODA, 1996b: Pathfinder). Recipients of aid are regarded as partners in the development process and are therefore encouraged to take the lead in determining their needs and the strategy for addressing development problems. For a particular project to be approved it must be in line with the general aims of DFID, the specific aims for the country concerned as outlined in the CSP, and any sector (e.g. forestry) strategy. This is to ensure coherent and targeted development assistance.

Participation is considered fundamental to the development process. Stakeholders should therefore be differentiated and closely involved in the process of project preparation and design. In July 1995 the then ODA Social Development Department published a

Box 1: DFID's Statement of Purpose

DFID's aim is the elimination of poverty in poorer countries.

Its specific objectives are:

1. Policies and actions which promote sustainable livelihoods.
2. Better education, health and opportunities for poor people.
3. Protection and better management of the natural and physical environment.

Guidance Note on How to Do Stakeholder Analysis of Aid Projects and Programmes, intended to be used by everyone involved with project identification and planning.

Institutional development and capacity building are vitally important for the sustainability of a project. Institutional issues should therefore be addressed in all projects.

4.3 Forestry strategy

The activities within aim 3 of the Mission Statement (to enhance productive capacity and to protect the environment) cover many sectors, but those relevant to forestry are conservation of biological diversity, conservation and better management of forests and sustainable agriculture (as it relates to agroforestry). The last Forestry Strategy was published in November 1993 (ODA, 1993b). A new Strategy, prepared between May and September 1997 through widespread consultation among diverse bodies in the UK with an interest in tropical forests, was launched in October, 1997 (DFID, 1997). It recognises that whilst a broad range of activities within the forestry sector would be compatible with the overall objectives of DFID, there is a need to concentrate on those activities and countries where available resources and expertise will have the greatest positive impact. It is also accepted that the underlying causes of deforestation may be beyond the capacity of forestry projects alone to address. Aid in other sectors can help reduce deforestation for local or global benefits. Conversely projects in other sectors can have negative impacts on forests. Environmental appraisal procedures in all sectors are designed to take full account of risks to forests. Finally DFID's strategy stresses the importance of the development of National Forest Programmes tied in with National Sustainable Development Strategies, and support for their development in partner countries without one. This is in line with the 1997 UN General Assembly special session on Environment and Development (referred to informally as the Rio+5 meeting) which called for all countries to have national sustainable development strategies 'reflecting the contributions and responsibilities of all interested parties' by 2002.

Bilateral aid to the forestry sector is concentrated on three main areas:

- institutional development, including policy analysis and planning, to strengthen developing countries' capacities to manage their forests effectively;
- sustainable forest management and conservation, including the identification of incentives for local people living in and around forests to manage them sustainably;
- rural development forestry, including agroforestry, which when linked to sustainable agriculture is an important means of helping combat deforestation by stabilising agriculture and producing wood products on farms.

In line with the policy of concentrating assistance and the DFID's concern not to use aid funds to correct industry's lack of capital investment, bilateral aid does not address forest fire control, commercial plantation development or forest industries except as part of institutional strengthening. Commercial plantations

and forest industries are, however, considered appropriate for project lending through the Commonwealth Development Corporation.

There has been a steady progression in forestry policy from support of projects which were essentially tree-focused to ones which have a more holistic view of trees and the community and the role forestry can play in development. The industrial forestry projects of the 1960s and '70s gave way to social forestry in the 1980s, which has in turn been replaced in the 1990s by participatory forestry. This evolution in attitude is seen most clearly in projects addressing the management and conservation of forest resources but also applies to other aspects of the forestry programme. The criteria set for research projects, for example, also show this development. Over the last 10 years ODA has supported 200 forestry projects which included a participatory element. During that time the proportion of the budget spent on such forestry multiplied many times (see section 5).

Against this background ODA commissioned a review of participatory forest management in 1996. It aimed to assess progress to date, establish benchmarks and look at ways forward (ODA, 1996c: 4). The conclusions reinforced the continuing importance of this type of approach. The results of the review are outlined in more detail in section 7.

4.3.1 Social aspects of forestry

The UK's official commitment to poverty alleviation, evidenced by over 93% of bilateral disbursements going to least developed and low-income countries (OECD, 1994: 7) has meant that forest products, both timber and non timber, are now the focus of much assistance aimed at development in the poorest rural communities. It is usually the case, however, that forestry resources are integrated into rural land-use systems biologically, socially and economically, in highly complex ways. Aid evaluations by many donor agencies have demonstrated

Box 2: DFID's Current Forestry Priorities

In forests and woodlands the priorities are to:

- support management approaches that share responsibility and benefits with local people;
- help build capacity to regulate and control harvesting, paying close attention to the process of awarding forest concessions and the reform of forest pricing policy;
- attempt to maximise development and conservation benefits;
- increase efforts to conserve genetic resources in managed forests through research and by promoting better harvesting techniques.

Planted trees

- DFID will support farmers wishing to plant more trees on farms, by helping them to overcome obstacles such as insecure resource rights, and marketing difficulties, and limited access to good planting stock.
- Forest plantations will become more important.

DFID will promote investment from private and public sources which delivers social and environmental benefits.

the link between poor project performance and failure to address social and cultural issues. This has encouraged DFID to give more and more importance to social issues. Social Development became a cross-cutting issue at ODA in 1980 and a separate division in 1996. There are currently 27 Social Development Advisers employed by DFID, 11 in London and 13 in regional and country bilateral programme offices. Three are on secondment to multilateral agencies where they will help those agencies develop their capacity for social analysis (Eyben, undated: 5). Social analyses are now incorporated into all aspects of the DFID aid programme.

In order to design and implement interventions that effectively identify and target beneficiary groups, participatory approaches are increasingly employed in the forestry sector, with the process approach to project identification and design being promoted to ensure the flexibility required. This is also the case in other sectors; full participation by stakeholders in the development process is now prioritised in all DFID bilateral assistance. The 1992 Forestry Synthesis Evaluation Study (Flint, 1992) recommended that multidisciplinary approaches involving social development and economics should be given greater emphasis in forestry projects, and proposals for bilateral assistance are now appraised accordingly. Initially social development inputs were incorporated at the evaluation stage of management; however, the participation of social development advisers as part of multidisciplinary teams is now required at the earliest stages of the project cycle. In this way gender, poverty and indigenous issues, areas of particular concern to DFID, are given greater emphasis. This process has been enhanced by the adoption of TEAMUP software.

Participatory Forest Management is one area where DFID forestry advisers and social development advisers have been working together on a collaborative and interdisciplinary basis. Through research and working with communities, recognition of the value of indigenous knowledge, strategies and institutions has evolved considerably (Eyben, undated: 7).

DFID does not have a separate Women in Development department, as gender issues are considered best overseen by the Social Development Division (OECD, 1994: 38). However, Women in Development is a priority objective of bilateral expenditure.

4.3.2 Biodiversity

In 1991 ODA set out its programme for biodiversity conservation in *Biological Diversity and Developing Countries: Issues and Options*. Out of this came a separate biodiversity strategy, complementing, in many ways, the Forestry Strategy. Projects are undertaken either bilaterally or by NGOs through the Joint Funding Scheme. The types of activities considered for funding are the development of institutional capacity to improve national coordination and policy formulation in the training and education programmes.

UK funding for work related to biodiversity conservation may also be obtained through the Darwin Initiative for the Survival of Species. Preference is given to projects that aim to leave in place permanent capacity in host countries to carry out work after the Darwin funding finishes. Training, collaboration and co-operation with local people are considered very

important (DoE, 1996: 2) but funding is not given for individual doctoral study.

4.3.3 Environmental aspects of forestry

The DFID *Manual of Environmental Appraisal* (ODA, 1992e) makes special reference to tropical forestry and lists institutional considerations for bilateral forestry proposals. These include government commitment to sustainable forestry management at a national and political level and adoption of the ITTO guidelines on sustainable management of natural tropical forests. To achieve sustainable management there should be adequate control and management of the harvesting of timber and non-wood products and commitment to working plans specifying the allowable cut, annual coupes, the silvicultural system and the best methods of ensuring regeneration. Sustainable harvesting plans must also conform to local and national conservation plans and Environmental Impact Assessments, and there should be a reasonable degree of consultation with forest dwellers and forest neighbours in the planning process. Government commitment to protecting those forests richest in biodiversity from commercial exploitation and to IUCN guidelines on biodiversity are important considerations.

The Commonwealth Development Corporation also seeks to encourage good environmental practice through its investments. Environmental Impact Assessments are required for all investments deemed environmentally sensitive and all CDC managed businesses are required to carry out an annual environmental review (CDC, 1996: 15).

4.4 International influences

International concern for the environment and the need to take environmental issues into account in promoting social development were first expressed specifically at the UN Conference on the Human Environment, Stockholm, 1978. The UN Environment Programme that was subsequently established has received continued support from the UK through the Department of the Environment (FCO, 1997: 152).

The next stage in the development of environmental awareness was the Brundtland Report *Our Common Future*, published in 1987. Britain was one of the first countries to publish a formal government response to the Brundtland Report (DoE, 1988). It made clear commitments to the principles outlined in the Brundtland Report, and to sustainable development in particular, detailing more than 350 commitments for action in a wide range of areas, including assistance to developing countries and efforts to combat climate change. A year later progress on each of the original commitments was reported and targets set for further action (DoE, 1989).

The most recent international influence on UK policy was the UN Conference on Environment and Development (UNCED), the 'Earth Summit' held in Rio de Janeiro in 1992. Agreement on the UNCED Statement of Principles on the Management, Conservation and Sustainable Development of the World's Forests was significant as the first international consensus on the need to conserve the world's forests and to respect national sovereignty over forest resources, the latter being the main obstacle to the conclusion of a binding

convention on forests, a long-term UK objective (ODA, 1992d).

4.5 Multilateral policy

The government's objectives in the forestry sector are as applicable to multilateral as they are to bilateral assistance and the ODA/DFID has always sought to influence multilateral institutions accordingly. DFID is especially concerned with the improvement of multilateral forestry aid performance, but recognises that progress can be slow and difficult to assess. Multilateral forestry issues are dealt with in the first instance by the Environmental Policy Department (EPD).

It is UK policy to work closely with the World Bank and the European Commission, encouraging them to devote more staff resources to forestry. There has been collaboration with the World Bank in developing forestry sector programmes, now referred to as national forestry programmes. The EPD also contributed to the preparation of the European Commission's Guidelines for Forest Sector Development Co-operation of 1996.

ODA made considerable efforts to improve the performance of the Tropical Forest Action Programme (TFAP) established under the FAO in collaboration with UNDP, the World Bank and the World Resources Institute in 1987. It has participated in the preparation of National Forest Action Plans under the TFAP and has funded projects identified in the process. The TFAP/NFAP Support Unit has undergone considerable revision, which ODA/DFID has supported, with national forest programmes now placing an emphasis on institution building and policy.

ODA/DFID has collaborated with the International Timber Trade Organisation (ITTO), and values it as a forum for producers and consumers to discuss problems relating to the timber trade. The two organisations share the opinion that the international timber trade can be used as an economic tool to encourage sustainable forest management and therefore forest conservation. In particular, ODA has assisted ITTO in the enhancement of its performance in project appraisal and management, areas considered in much need of improvement. It has encouraged work on policy and the economics of sustainable timber harvesting, especially on the issue of the incentives required for producing countries to adopt sustainable forest management practices. The UK supports the most recent International Timber Trade Agreement, ITTA 94, and the Year 2000 Objective for sustainable management. It also makes occasional direct contributions to specific projects where compatible with its own objectives.

4.6 NGOs

ODA/DFID recognises the important role NGOs can play in the development process. Almost 8% of the ODA aid budget in 1995-96 (£179 m.) was channelled through UK NGOs for development and relief activities (FCO, 1997: 78,100). Changes in its strategic targets, in general making them more poverty focused, led ODA to believe that there was scope to increase collaboration with UK-based and local NGOs. A working group on ODA-NGO collaboration established in 1991 made a number of recommendations for extending the participation of NGOs, including increased collaboration in the implementation of the aid programme. A substantial

increase in funds channelled through NGOs was suggested, to include the JFS, support for volunteer programmes and making funds available for institutional strengthening and training of local (not just UK-based) NGOs. Funding should be made available from country programme funds where NGOs are able to meet country priorities.

These recommendations came with the provisos that NGOs should not be overloaded beyond their technical and fundraising capacities; that 75% of the funds should be allocated to countries which are priorities for UK bilateral aid; that improved monitoring and review should be implemented by the NGOs and, in the case of local NGOs, that the role of NGOs should be agreed with recipient governments (ODA, 1992f: 3-9).

In 1993 priority areas were identified for the forestry sector financed through the JFS. These reflect general forestry priorities: sectoral planning and strengthening institutions in the private sector; promoting small-scale wood-based industries and sustainable production of non-timber forest products; agroforestry; and rural development forestry. The allocation of funds under the JFS to the forestry sector has risen considerably since 1987 when it was £208,000. By 1993-94 it was £720,000. By 1997 the funding commitment was £3.6m. In 1997 there were 14 forestry projects with a total commitment of £3.6 m. The majority of on-going forestry projects are in Africa but South-east Asia has become increasingly important.

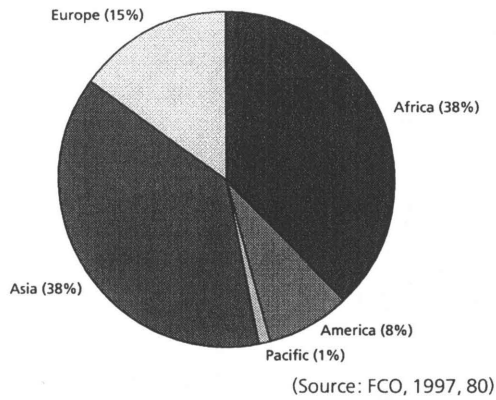
The DFID also contributes funds (up to 90% of costs) to four volunteer recruitment agencies through the Volunteer Programme. The largest of these is Voluntary Service Overseas (VSO) which has a total of 1,870 volunteers overseas, 30 of whom are foresters. Skill-share Africa, UNAIS and International Co-operation for Development also send a much smaller number of volunteers overseas.

5. REGIONAL AND THEMATIC DISTRIBUTION OF FORESTRY PROJECTS

5.1 Regional distribution of aid

British aid is given to a large number of countries, over 150 in 1995, including those of Eastern Europe and the former Soviet Union, but the greater part is targeted at those countries with greatest need. Historical and other factors may also be taken into consideration, and the list is subject to change. In 1995-6, 81% of bilateral aid went to low-income countries (FCO, 1997: 80) with a further 14% going to lower middle-income countries. CDC investments are likewise closely targeted at poorer nations with 81% of investments in 1996 going to such countries. 32% of new CDC investments in 1996 were in sub-Saharan Africa and 23% in South Asia (CDC, 1996, 4). Africa received 38% of ODA bilateral aid for the period 1995-6 (FCO, 1997: 80) and this proportion is likely to increase in the future. South Africa is expected to be a major aid recipient over the next decade. Other countries in Africa will also benefit but the rate of increase is relatively low as a long build-up time, often with institution building, may be required before a project can be implemented (see Figure 7).

Figure 7: Regional distribution of aid



Despite the importance of Africa, 3 of the 5 largest single country recipients are found in Asia (see Figure 8) and Asia received 38% of bilateral aid in 1995–6 (FCO, 1997: 80).

As part of the more general focusing of aid policy on a smaller number of poorer countries, small programmes where the cost of administration in relation to aid volume is high, such as in the Pacific, will be closed. It is expected that DFID will withdraw from the Pacific and large parts of Latin America by 1998–99 (Hudson, 1997: 3–4).

An aid presence will continue to be maintained in those countries that are not eligible for bilateral aid, through the Heads of Mission Gift Scheme and the British Partnership Scheme. The Heads of Mission Gift Scheme allows Heads of Mission to provide gifts of up to £20,000 with a clear development or welfare value. Gifts given under the scheme must address one or more of the priority objectives of the UK aid programme and are generally only available to countries with a GNP per head of US\$ 5,000 or less (ODA 1996b: M1). The

British Partnership Scheme finances projects costing up to £40,000 a year with an annual ceiling of £250,000 per country, although the money available to some countries will be considerably less than this. Projects must be of developmental value and be consistent with UK priority objectives. Where an ODA/DFID regional strategy is available, projects must also conform to its objectives (ODA, 1996b: M2).

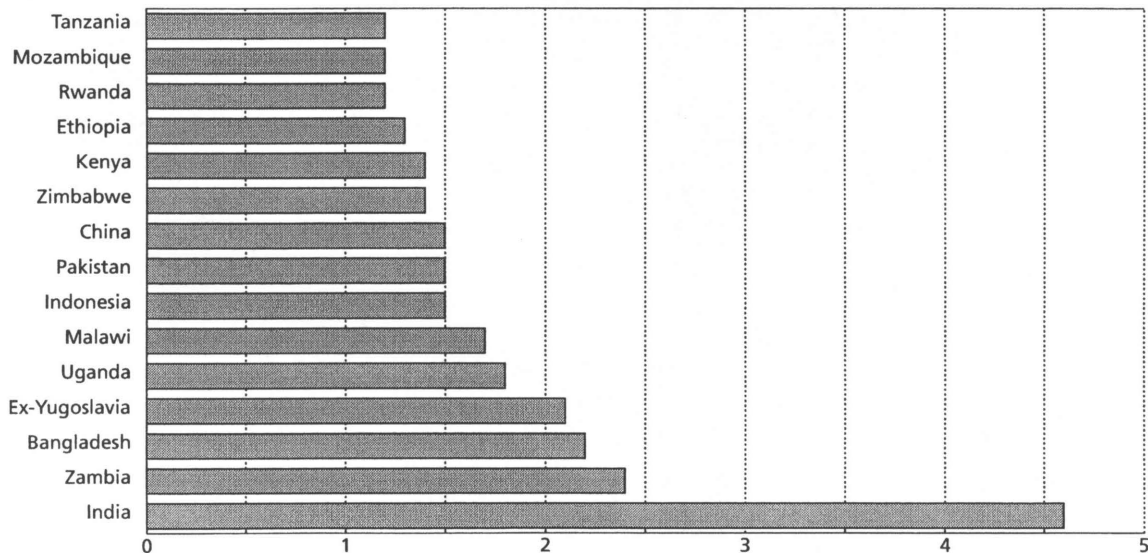
5.2 Regional distribution of forestry aid

Britain is an important donor of bilateral aid to the forestry sector: in 1993 it ranked sixth in the world, giving US\$ 45.2 m. (Hudson, 1997: 2). Forestry aid is concentrated in a smaller number of countries than the general aid programme and the number of countries given target status in this sector is steadily declining. The 1993 Forestry Strategy paper listed 17 target countries; Cameroon, Ghana, Kenya, Malawi, Nigeria, Zimbabwe, India, Indonesia, Malaysia, Nepal, Sri Lanka, Brazil, Honduras, East Caribbean, Belize, Guyana, and the Solomon Islands. The 1997 forestry strategy has a slightly different list of target countries, reflecting changes in economic and political circumstances. South Africa, Bolivia and Mexico enter the list, while Kenya, Honduras, Malaysia and the Solomon Islands disappear from it. A recent paper (Hudson, 1997) shows that the majority of aid (92%) is actually targeted on ten countries (see Table 2).

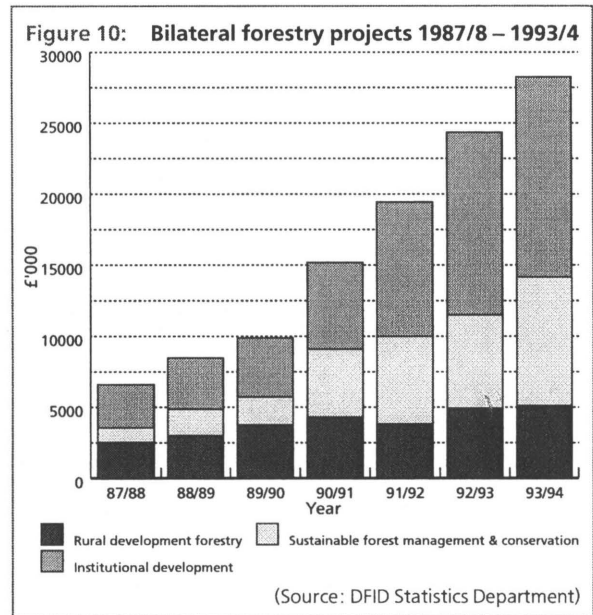
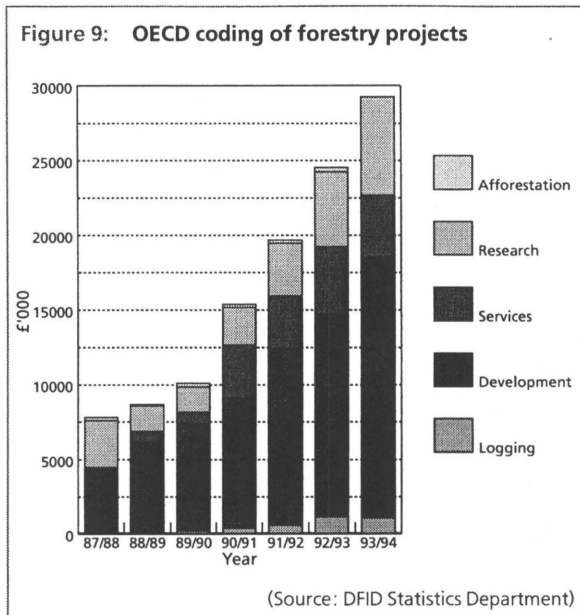
India is the largest single recipient of forestry aid (as it is of aid in general). Indonesia and Brazil are the second and third largest recipients indicating the importance given to issues associated with tropical rainforests.

Highest priority is given to those areas where the commitments in forestry and biodiversity made at the 1992 Rio Conference can be delivered (ODA, 1995e). Since 1987–8 the proportion of bilateral forestry aid going to target countries has risen from 44% to 74% (ODA, 1995d: Annex 10). However, the list of target countries is subject to change and proposals that meet DFID’s broader objectives are considered even if they

Figure 8: Major recipient countries



(Source: FCO, 1997, 148–51)



are outside the target countries. Non-target countries where significant bilateral forestry projects exist or are under consideration include Ecuador, China, Bangladesh and Mexico.

5.3 Thematic distribution of forestry aid

The nature of forestry projects supported by UK aid has changed markedly over the last decade. Projects are now much more participatory in nature, with a process approach being encouraged. Forestry projects are now multidisciplinary in design and often contain rural development or institution-building components. People are now central to project planning and implementation. This change can be seen in the proportion of

spending going to different types of forestry project. Using OECD codes, it can be seen (see Figure 9) that there has been a reduction in support for afforestation and a large increase in what the OECD classes as forest services.

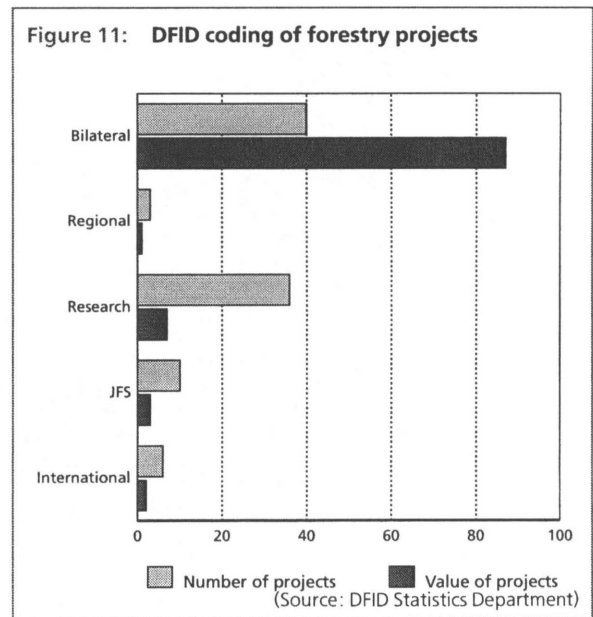
The DFID considers that the OECD codes provide a poor basis for analysis of forestry projects, as each category is imprecise and neither alone nor in total do they reflect the range of forest sector co-operation activities. It therefore prefers to use the strategy areas devised by its own Natural Resources Division. An analysis using these codes shows clearly that sustainable forest management projects have become much more important and that institutional development has also increased in priority (see Figure 10.). A fuller analysis of the evolution of DFID policy was given in section 4.

The number of forestry projects supported has remained reasonably stable, with an average of 182 per year in the period 1991–5. About 36% of these are

Table 2: Country focus of DFID support to forestry 1987/8 – 1993/4

Country	Expenditure as % of Total Forestry Aid
India	18
Indonesia	13
Brazil	12
Nepal	9
Sri Lanka	9
Kenya	8
Ghana	7
Cameroon	7
Honduras	5
Belize	4
More than 30 other countries	8
TOTAL	100%

(Source: Hudson, 1997:4)



implemented through the bilateral programme and 24% through the JFS, in other words through NGOs (ODA, 1992b, 1993a, 1994b, 1995a). There has been a move away from large projects with many resident expatriate staff to smaller projects which are often staffed by multidisciplinary teams, some of whom are nationals of the country concerned. The other major type of forestry project is research, with an annual average of 50 projects between 1991 and 1995 (ODA, 1992b, 1993a, 1994b, 1995a). Research and JFS projects tend to be much smaller than bilateral ones so, although they form the majority of projects approved, a large proportion of forestry spending goes to bilateral projects (see Figure 11).

Forestry is long-term in nature and ODA/DFID has continuously supported some forestry projects for a considerable time: for example there has been a forestry project in the Koshi Hills area of Nepal since 1977 (expected completion date is 1998). However, the present three-year funding cycle with no guarantee of extension makes it difficult for projects to plan and develop. Overseas posts for foresters under the technical co-operation programme are now more likely to be short-term, which also makes it difficult to build up detailed local knowledge.

6. RESEARCH AND TRAINING

6.1 Forestry research

The UK funds research into forestry through the Forestry Research Programme (FRP) which is administered by Natural Resources International in Chatham. In 1995 a total of 48 projects were supported with a total commitment of £8.5 m. Research funded through this programme is carried out by UK institutions, normally in collaboration with partners in developing countries.

The Forestry Strategy Review (ODA, 1995g: 6) stressed the need for forestry research projects funded through the Forestry Research Programme to complement bilateral and Joint Funding Scheme programmes. A number of priority areas have been identified, which include collaborative research with local institutions, identifying incentives for sustainable management and the social and economic aspects of rural development forestry. On the physical side satellite imagery and adaptive research in regeneration, silviculture, growth and yield are priorities. Policy analysis and planning are considered important, as is research into the linkages between population, poverty and deforestation and forest cover and climate.

Support is given to ICRAF and CIFOR, the CGIAR institutions responsible for research on agroforestry and forestry. This is mainly for individual projects, through DFID's research budget. Active promotion of the establishment of CIFOR was undertaken, and DFID is currently aiding the development of its information management system.

6.2 Forestry research review (1995)

A review of forestry research for the period 1990–93 was carried out by independent consultants and was published in 1995 (ODA, 1995f). Many of the recommendations of this report, such as the need for demand criteria in research identification, a greater

emphasis on multidisciplinary inputs and improved dissemination, have already been noted and echo concerns and themes expressed in the Forestry Sector Review by Flint in 1992. The recommendations of the review were broadly accepted by DFID and greater emphasis is now being given to the quality, relevance, impact and uptake of research.

7. PROJECT CYCLE MANAGEMENT

There are eight key stages in the DFID project cycle, DFID's role varying at each stage. In the early stages (*identification, design, appraisal and approval*) it is closely involved. Once a project is approved, implementation rests principally with the relevant agency in the recipient country, although DFID is closely associated with monitoring the *implementation and operation* phases. After project completion DFID's role lessens but it may participate in subsequent monitoring and might undertake an *evaluation* (ODA, 1996b: D1).

7.1 Identification

The identification of projects in the forestry sector may be through various channels, either in-house or external. In the case of the Joint Funding Scheme, DFID responds to requests. National Forest Action Plans, elaborated under the Tropical Forestry Action Programme, have played a part in identification as have sector reviews initiated by other donors. The advantage of this approach is that coordination between donors in the same sector is enhanced. In the majority of cases a government-to-government request is made to DFID. Regardless of identification, projects must be consistent with both the strategic interests of DFID and the policy of the recipient government. Adoption of the process approach to project management requires target group participation at the identification stage. An initial Environmental Screening is also completed at this stage to assess the extent of environmental input required during project design and implementation. The DFID *Manual of Environmental Appraisal* (ODA, 1992e) is used for this.

7.2 Design

Project design quality was identified by Flint (1992) in his review of UK forestry projects as a crucial factor in project impact. The thorough preparation of logical frameworks is necessary at the design stage, to clarify objectives and outputs and specify risks and assumptions in logical sequence. Logical frameworks are a requirement for all bilateral projects costing £250,000 or more (using TEAMUP software) ensuring that social and environmental appraisals are included at an early stage. The logical framework must define the allocation of aid in terms of Goal – Purpose – Outputs – Activities. This is a hierarchical system with activities allowing the achievement of outputs which in turn further the purpose etc. Objectively verifiable indicators are written into the logical framework, against which progress is then monitored. Other stakeholders should be encouraged and assisted to select their own indicators which should be incorporated into assessments of progress, particularly at the output-to-purpose level. Project management must have a workplan that is related to the logical framework.

Logical frameworks have also become standard practice for Forestry Research Programme (FRP) proposals. Effective dissemination of research outputs is crucial to the impact of the FRP and hence dissemination plans must be included in the logical framework of research proposals. NGOs are also strongly recommended to adopt logical frameworks in new proposals to the JFS (ODA, undated: 6).

There is particular concern that sustainability, defined as the capacity to ensure that project benefits continue after the end of the project implementation period, is given due attention. This concern is also extended to NGO administered projects. It is felt that many NGO project designs address sustainability, particularly in institutional and financial respects, at best peripherally. Sustainability analysis should be treated as a priority area for the improvement of implementation and evaluation. The outcome of such analysis needs to be built into the planning process and be evident in the resulting project planning matrices (ODA, 1995h).

7.3 Appraisal

Project appraisal has become lengthy and complex as multidisciplinary teams are now employed at this stage. Appraisal is the responsibility of the department funding the project.

Social impact analysis, relevant to identification and design, is overseen by the Social Development Division. It is currently revising the *Social Development Handbook* (Ladbury, 1993) which provides an outline of the process and notes specific to forestry assistance. Social analysis seeks to determine whether a project is actually necessary, its cultural and technical suitability, the beneficiaries and their degree of participation in the project cycle. Gender issues, any groups excluded from project activities and the possible mitigation of negative impacts are also examined. Impacts on women and poverty, which have been identified by the OECD DAC as two issues for special consideration at evaluation, are thus incorporated at this earlier stage of the project cycle.

A third DAC issue is impact on the environment. DFID takes environmental impacts into consideration for all bilateral assistance. The procedures which may lead to a full environmental impact assessment (EIA) are outlined below. Consideration of environmental impacts is not limited to the initiation of the project cycle. The DFID maintains a database of environmental profiles of developing countries, available on request, to provide base line data for planners. Country Review and Objective Papers also include information on the natural resource base, the extent of environmental degradation and pollution and the institutional capacity of countries to address these issues.

Environmental considerations are built into assistance by means of a three-stage process (ODA, 1992e: 19). First, initial screening is conducted by advisers to examine what possible significant environmental impacts there might be and what level, if any, of further study should be conducted. The second stage is environmental appraisal which calls on more specialist advice and seeks to estimate the importance of effects, their interrelations, the key mitigating actions required and the policy implications. The third stage is an Environmental Impact Assessment. This is required if

results of the appraisal give cause for concern or it is a requirement of the recipient government. In undertaking an EIA it is important to look at the projects' likely impacts and their consequences in more detail, and to specify means of mitigation and compensation where appropriate. The proposal should also be compared to its alternatives, including the no-project comparison.

7.4 Implementation

Successful Joint Funding Scheme and Forestry Research Programme projects are implemented by the proposing organisations. A significant number of bilaterally funded projects are directly implemented by DFID using its own personnel. However, it is now common for projects to be put out to tender for implementation by private sector organisations. The implementation phase is typically three to five years.

7.5 Monitoring and review

Monitoring procedures, often mid-term (now called output-to-purpose reviews, OPR) and final reviews, are defined and budgeted for in the project document. Typically an OPR and project completion report are required, but for larger more complex projects certain aspects may require on-going assessment. Monitoring and review are the responsibility of the department responsible for the aid expenditure. For projects costing more than £0.5 m. DFID has a set format for project completion reports. For FRP projects a system is implemented for monitoring research and its uptake to ensure proper dissemination of outputs and hence the cost-effectiveness of the programme (ODA, 1994a).

7.6 Evaluation

Evaluation in DFID refers to an *ex post* study which follows project completion. If project benefits are not expected for some time after completion of financial disbursement it may be delayed. The objectives of evaluation work are to assess the impact and cost-effectiveness of its past aid activities, to learn lessons for improving the impact and efficiency of on-going and future interventions, and to further communications between organisations and individuals involved in the process. Evaluation also has an important role in enhancing the accountability of public institutions, such as the DFID, to the individuals they serve, the taxpayers that fund them and the individuals who should ultimately benefit.

An evaluation will specifically assess the technical, economic and procedural aspects of the project, how far implementation of all stages of the project cycle was carried out effectively and efficiently and what results were achieved in comparison with what had been intended and in relation to costs. In line with the recommendations of the DAC expert group on aid evaluation, three cross-cutting issues are incorporated into the terms of reference of all evaluations. These are impact on women; impact on the ecological environment and poverty impact (ODA, 1996b: 12, Annex 3).

It is the emphasis on the ultimate impact of the project and its focus on learning lessons that distinguish evaluation from monitoring and review. Evaluation is the responsibility of the DFID Evaluation Department. Reviews are carried out by multidisciplinary teams with a heavy reliance on expertise contracted from outside to

ensure objectivity. However, in-house staff are always involved to some extent, usually as at least one member of the evaluation team. Where evaluators have experience of other aid agencies they are encouraged to draw on it as the comparative approach is valued by the DFID. Evaluation reports are written for the DFID but they are attributable, and credited to their authors. The majority of evaluation reports are freely available and are listed in the DFID Catalogue of Evaluation Studies, (ODA, 1994a). Joint evaluations commissioned by the DFID and other organisations and foreign governments are available subject to co-sponsor agreement.

NGOs in receipt of JFS funding are expected to carry out some form of evaluation on all projects and should devise criteria to determine which projects would merit more extensive external evaluation (ODA, 1993c). Evaluation should be viewed as a definitive aspect of the project and be built into planning from the earliest stages of the cycle. Logical frameworks are an aid in clarifying indicators and the means of assessment by which project components are judged. To maximise the usefulness of evaluation it is important that NGOs are committed to wide internal and external dissemination of reports, at least in summary form. *Project Evaluation: A Guide for NGOs* (ODA, 1993c) is available from the DFID's NGO unit.

8. PROJECT REVIEWS

The Evaluation Division of DFID acts independently of the operational divisions. It commissions around 15 evaluation studies each year to cover, on average, 4 selected topics or sectors. These are designed both to assess the success of projects and strategies when measured against existing objectives, and to recommend changes in those objectives.

8.1 Fundamental Expenditure Review (FER) (1995)

The fundamental expenditure review (FER) carried out in 1995 (Chakrabati *et al.*, 1995) examined all aspects of the Overseas Development Administration at a macro level. Individual sectors and divisions (forestry or natural resources) were not reviewed, but decisions made as a result of the FER will have an impact at the divisional and project levels. This is particularly the case in the recommendation to concentrate aid on fewer countries and focus on projects that can further DFID's stated aims. More details of the FER were given in section 4.

8.2 Forestry Synthesis Evaluation Study (1992)

Between 1989 and 1992 ODA commissioned evaluation studies of six of its forestry projects. A synthesis of these findings was prepared by Michael Flint in 1992 (Flint, 1992). The purpose of the evaluation was to examine rigorously the implementation of past projects and to draw lessons from them so that these could be applied to current and future projects. The projects were located in six different countries (Ghana, Kenya, Lesotho, Côte D'Ivoire, Nepal and India) and were diverse in nature from protection of natural forest to

plantation forestry, social forestry and woodlots. All were relatively large by ODA standards.

The findings and lessons of that review give an insight into the direction which forestry assistance has been taking. Many of the review's criticisms had already begun to be addressed in newer projects of the time and have continued to be so in later ones.

The principal lesson drawn from this study was that forestry projects should be designed and implemented first and foremost as development projects. This requires a wide range of multidisciplinary skills (including social development advisers) to be involved at all stages of the project cycle. A flexible process-type project design with a pilot project may be more effective for this type of project, but means that outputs for the project period need to be precisely determined and well monitored. Institutional issues also warrant greater attention in project design and implementation (Flint, 1992: 2).

8.3 Participatory Forest Management (1996)

Participatory forest management has increased in popularity as an approach over the last ten years and has gained a larger share of the forestry budget. It increased from 5% in 1987 to 26% in 1996 for bilateral projects and from 1.1% to 4.6% for projects supported through the Joint Funding Scheme with NGOs (Bird, 1996: 5). It was therefore considered appropriate to examine the impacts of shared forest management to derive key lessons and best practice.

In the early 1980s ODA, along with many other donor agencies, responded to a shift in project design to meet rural fuelwood and pole needs through village woodlot and farm forestry projects. These earlier user-oriented projects were often termed social forestry. They differ from shared forest management in two respects. Although intended to meet rural people's needs, they were not designed in a participatory fashion, and they also focused on trees outside the forest (Bird, 1996: 3). Participatory approaches to forest management – or shared forest management – are used as umbrella terms covering joint forest management, collaborative forest management, community forestry and, in some cases, social forestry (*ibid*: 4). These approaches really gained prominence in the 1990s.

Participatory approaches to forest management have been introduced both by making changes to existing projects to make them more responsive to local stakeholder concerns, and through new projects that are participatory from the outset. Shared forest management initiatives are concentrated in countries or regions where ODA/DFID has a focus on environmental sustainability issues – reflecting the influence of environmental concerns on the expansion of the forestry programme. Within this there has been a further focus on countries where ODA/DFID already had experience in forestry (Bird, 1996: 5). India has been the largest recipient of bilateral aid supporting participatory approaches during the period 1987–97, receiving more than one third of the total spending on this approach (see figure 12).

The conclusions of this review are in many ways a

progression from the findings of previous reviews. Pre-project preparation, multidisciplinary at all stages of the project cycle, and clear, achievable goal setting are all reiterated.

The increased awareness of accountability for limited public funds is shown in a commitment to define and apply impact indicators (Bird, 1996: 22). The more focused approach to strategy is demonstrated in the recommendations to inform London-based DFID staff through cross-disciplinary seminars, and field staff through short regional courses, on key issues and best practice in forestry (Bird, 1996: 22). There is a clear recommendation that participatory forest management continue to be supported with DFID funding. The reason for this is that shared forest management initiatives confer high initial costs on all key stakeholders, who may therefore be unwilling to use the approach. Donor agencies such as DFID can bear much of the risk and financial cost of the initial stages of shared forest management to encourage adoption of the process. However, to ensure sustainability, project design should include a planned phasing out of inputs and subsequent withdrawal (Bird, 1996: 23).

This has a number of implications for project design. A pre-project phase will often be desirable to allow relationships with key stakeholders to be developed, initial social and economic analyses to be undertaken and an adequate understanding of the potential flow of costs and benefits to be obtained before project implementation. Project design must incorporate rigorous use of economic methods to examine costs and benefits and incentives. Local skills should be used to capture local forest values and incentives in the cost/benefit analysis (Bird, 1996: 21).

The participatory approach should also be extended to impact assessment, which is now integral to all UK forestry projects. Intermediate indicators should be incorporated into the project design, to assess its impact on all key stakeholders, and locally derived indicators should be included in project monitoring to ensure the project meets local values and objectives (Bird, 1996: 23).

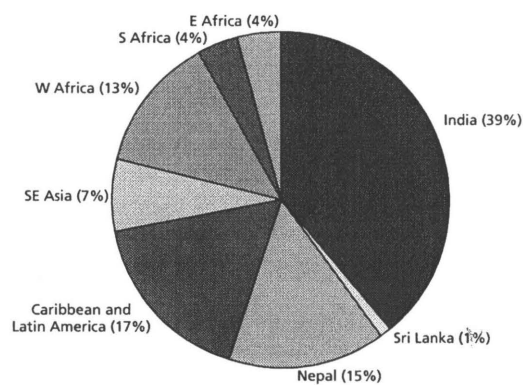
9. CONCLUSIONS AND PREDICTIONS

Forestry development assistance has changed considerably since a single agency was established to administer aid to the colonies. The administration of aid has improved in many ways. To some extent this has been a consequence of a difficult financial situation, but even if this improves, the valuable lessons learned should continue to be applied. There is unlikely to be a large difference in the level of funding available in the medium term.

The sharp country focus is likely to continue, although the particular countries selected as priorities may change. India will probably remain the most important recipient both for forestry aid and general assistance. It is unlikely that countries in the Pacific and Central America will gain new projects.

Coherence in aid delivery will remain an important consideration. All forestry projects will need to address issues raised in Country Strategy Papers as well as in the

Figure 12: Shared forest management



(Source: DFID Statistics Department)

new Forest Strategy paper (Autumn 1997) to be successful in obtaining support. This will apply more and more to research and to Joint Funding Scheme projects as well as to those funded under the bilateral programme.

NGOs will still have an important role to play both as lobbyists (as issues of policy and level of funding are discussed) and as channels to implement official assistance. The volunteer scheme is likely to continue to receive support. There will still remain a role for a sizeable bilateral programme, but personnel will be recruited more and more from the partner countries, and the number of consultants will also increase, leading to a fall in the number of Technical Co-operation Officers.

Project length is recognised to be a problem but this is difficult to change given the way the budget is voted. There are likely to be long-term inputs of around 10 years in a particular area, to give continuity and allow innovative projects with high levels of community control to be supported, but this input will be implemented in a series of shorter phases.

The main forestry policy priorities focus on forestry and poverty; on negotiating objectives with country partners and on maintaining a high level of debate about forests within Europe and the UK. DFID's priorities in the sector also include helping to promote institutional development in government and NGOs and more representative local government; applying lessons from the shared forest management review; promoting participation by women and other disadvantaged

Box 3: Participatory forest management

The four pillars of best practice are:

- analytical rigour across the project cycle, ensuring that strategy matches objectives;
- clear, adaptable and realistic timeframes which enable the process to be firmly established;
- flexible roles that shift decision-making and budgetary authority to the local level;
- negotiating an accord with values held by other stakeholders.

(Source: Bird, 1996, ODA Working Paper 6, 20)

groups; and working with government, NGOs and the private sector to promote socially and environmentally responsible private investment policies.

These priorities are very different from those of even twenty years ago when there was still an emphasis on silvicultural work and academic training for individuals. Field projects may be less important in the future, with greater emphasis being given to assisting the development of a positive policy environment. The global environmental agenda will have a significant influence on projects funded both by DFID and through other government departments and the multilateral agencies. Carbon sequestration may be an area where forestry can make an important contribution in the future, and development of valuation methods could be supported. DFID may gain a broader brief than that of ODA, to cover issues relating to trade and debt, but this is unlikely to cause much policy change in practice as there has always been full consultation as these issues relate to forestry, within Whitehall.

Project cycle management has become much more rigorous and this will continue to be the case. The use of objectively quantifiable indicators of project success and the need to demonstrate how projects contribute to the solution of predetermined development problems will increase. Accountability to the UK public will remain important, but the importance of stakeholders directly affected by a project will also increase. Local communities will, where appropriate, be more closely involved at more stages of the project (from conceptualisation to assessment and review) than they were in the past. This will often require a different type of project design to ensure delivery of well defined results but a flexible approach to the way in which these are achieved. This is likely to require additional project monitoring, often by external consultants.

The future of UK forestry development assistance appears to be fairly secure. The position within the natural resources sector is a convenient one for collaboration with other sectors, particularly agriculture, and does not affect the level of funding available to forestry. This depends on priorities set within Country Strategy Papers, where forestry is well represented. Although public concern for tropical rainforests may no longer appear as great as it was, 80% of all letters received by the Department are still from schoolchildren asking questions about this issue.

A government White Paper on Aid was published in the autumn of 1997, the first for twenty years. The UK aid programme, and particularly the forest sector, has responded well to the challenges of the last twenty years, and generally has a good reputation within the donor community and with those it seeks to help. Independence from the Foreign Office and the increased status of the Department within government could allow DFID the freedom to tackle two of the issues for which the UK aid programme was criticised in the last DAC review (in 1994). By reducing the importance of foreign policy including trade objectives (and giving greater weight to development criteria) and the extent to which UK aid is tied (at 67% among the highest of donor countries) to the purchase of UK goods and services, DFID could improve the quality of its assistance. The signs are that the Labour government is tackling these issues.

REFERENCES

- Bird, P. (1996) *ODA's Review of Participatory Forest Management. Synthesis of Findings. Review Working Paper 6.* ODA, London.
- Bruenig, E.F. (1996) *Conservation and Management of Tropical Rainforests.* C.A.B International, Wallingford.
- Brundtland (1987) *Our Common Future.* The Report of the World Commission on Environment and Development OUP.
- CDC (1996) *Report and Accounts.* Commonwealth Development Corporation, London.
- CDC (undated) *Investing in Forestry.* Commonwealth Development Corporation, London.
- Chakrabati, S., Wilson R., and Rundell P. (1995) *ODA Fundamental Expenditure Review. A report to the Secretary of State for Foreign and Commonwealth Affairs, The Chief Secretary to the Treasury and the Minister for Overseas Development.* Main Report. HMSO, London.
- Cleghorne, H., Forbes, Royal, Baird Smith, R., and Strachan R. (1851) *Report of the Committee appointed by the British Association to consider the probable effects in an Economical and Physical Point of View of the Destruction of Tropical Forests* British Association, London.
- Dawkins, H.C., and Philip, M.S. (in press) *Tropical moist forest – Successes and Failures in Silviculture and Management.* CAB, Wallingford.
- Department of the Environment (1988) *Our Common Future. A Perspective by the United Kingdom on the Report of the World Commission on Environment and Development.* DoE, London.
- Department of the Environment (1989) *Sustaining our Common Future. A Progress Report by the United Kingdom on Implementing Sustainable Development* DoE, London.
- Department of the Environment (1996) *Darwin Initiative for the Survival of Species. Guidance Note for Applicants.* Annex A, DOE, London.
- Department of the Environment (1997) *Biodiversity. The UK Experience.* HMSO, London.
- DFID (1997) *Forestry Strategy.* DFID, London.
- Eyben, R. (undated) 'The Contribution of Social Analysis to Sustainable Development Assistance as Illustrated by the Work of Social Development Advisers in the Overseas Development Administration'. Unpublished. ODA, London.
- FCO (1996) *Departmental Report.* HMSO, London.
- FCO (1997) *Departmental Report.* HMSO, London.
- Flint, M. (1992) *Forestry Synthesis Evaluation Study.* ODA Evaluation Report EV541. ODA, London.
- Forestry Commission (1991) *Forestry Policy for Great Britain.* Forestry Commission, UK.
- Forestry Commission (various issues) *Facts and Figures.* Forestry Commission, UK.
- Forestry Commission (various issues) *Annual Reports.* Forestry Commission, UK.
- Forestry Industry Council of Great Britain (various issues) *Forestry Industry Yearbook.*
- Grayson, A.J. (1993) *Private Forestry in Western Europe.* C.A.B International, Wallingford.
- Hudson, J. (1997) *Opportunities for UK Foresters Overseas.* Paper presented at Institute of Chartered Foresters 1997 Discussion Meeting. Funding and Finance for the Business of Forestry. Heriot-Watt University, Edinburgh, 11–13 April.
- James, N.D.G. (1981) *A History of English Forestry.* Basil Blackwell, Oxford.
- Ladbury, S. (1993) *Social Development Handbook.* ODA, London.
- Labour Party (1997) *Election Manifesto.*
- National Audit Office (1986) *Review of Forestry Commission Objectives and Achievements.* HMSO, London.
- ODA (1991) *Biological Diversity and Developing Countries: Issues and Options.* ODA, London.
- ODA (1992a) *Action for the Environment.* ODA, London.
- ODA (1992b) *Approved Forestry Projects 1992.* ODA, Environment Policy Department, London.
- ODA (1992c) *British Overseas Aid Annual Review 1992.* ODA, London.
- ODA (1992d) *Forestry Initiative Final Report.* ODA, London.
- ODA (1992e) *Manual of Environmental Appraisal.* ODA, London.
- ODA (1992f) *Report of Working Group on ODA/NGO Collaboration.* ODA, London.
- ODA (1992g) *ODA Forestry Initiative Final Report.* Unpublished
- ODA (1993a) *Approved Forestry Projects 1993.* ODA, Environment Policy Department, London.

- ODA (1993b) *Forestry Strategy*. ODA, London.
- ODA (1993c) *Project Evaluation. A Guide for NGOs*. ODA, NGO Unit, London.
- ODA (1994a) *A Guide to the ODA Evaluation System*. ODA Evaluation Department, London.
- ODA (1994b) *Approved Forestry Projects 1994*. ODA, Environment Policy Department, London.
- ODA (1995a) *Approved Forestry Projects 1995*. ODA, Environment Policy Department, London.
- ODA (1995b) *British Aid Statistics 1990/91 – 1994/95* 30th Edition. Government Statistical Service, London.
- ODA (1995c) *British Overseas Aid Annual Review*. ODA, London.
- ODA (1995d) *British Overseas Aid Statistical Appendix*. ODA, London.
- ODA (1995e) 'Country Focus for ODA Bilateral Programmes and Centrally Funded Research in the Renewable Natural Resources Sector'. Unpublished. ODA London.
- ODA (1995f) *Review of Forestry Research Supported by ODA (Natural Resources Research Department) during the period 1990–93*. ODA, London.
- ODA (1995g) *Review of Forestry Strategy*. ODA, London.
- ODA (1995h) *Sustainability Analysis in NGO Development Projects*. ODA NGO Unit, ODA, London.
- ODA (1996a) *ODA History and Functions*. ODA, London.
- ODA (1996b) *Office Instructions Vol II* Bilateral Programme Management. ODA, London.
- ODA (1996c) *Sharing Forest Management: Key Factors, Best Practices and Ways Forward* Findings from ODA's review of participatory forest management. ODA, London.
- ODA (undated) *The Joint Funding Scheme, Guidelines and Procedures*. ODA, London.
- OECD (1994) *United Kingdom*. Development Co-operation Review Series No 1. OECD, Paris.
- OECD (1997) *Development Co-operation Efforts and Policies of the Members of the Development Assistance Committee*. Development Assistance Committee. OECD, Paris.
- Patel, S. (1997) Pers comm. ODA Resource Management.
- Perlin, J. (1989) *A Forest Journey*. Norton, New York.
- Poore, D. (1989) *No Timber Without Trees*. Earthscan, London.
- Rackham, O. (1980) *Ancient Woodland*. Edward Arnold, London.
- Schmidt, R.C. (1991) 'Tropical Rainforest Management a Status Report' in Eds Gómez-Pompa, A., Whitmore, T.C., and Hadley, M. (eds.) *Rainforest Regeneration and Management*. UNESCO/Parthenon Publishing, Paris.
- Unwin, A.H. (1920) *West African Forests and Forestry*. Unwin, London.
- Upadhyaya, M.D. (1991) 'Historical background of forest management and environmental degradation'. In (ed.) Ajay S. Rawat, *History of Forestry in India*, Indus Publishing Co, New Delhi.
- Westoby, J.C. (1989) *Introduction to World Forestry*. Basil Blackwell, Oxford.
- Zuckerman Committee (1957) *Forestry, Agriculture and Marginal Land*. A report by the natural resources (technical) committee office of the Lord President of the Council. HMSO, London.

KEY CONTACTS

Environment Policy Department
 Department For International Development
 94 Victoria Street
 London SW1E 5JL
 UK
 Tel: +44 (0)171 917 7000
 Fax: +44 (0)171 917 0679
 web site: <http://www.oneworld.org/dfid>

DFID Forestry Research Programme
 Natural Resources International
 Central Avenue
 Chatham Maritime
 Kent ME4 4TB
 UK
 Tel: +44 (0)1634 88 0088
 Fax: +44 (0)1634 88 0066

ACRONYMS

ACTS	Annual Country Training Specifications
ATP	Aid and Trade Provision
BOND	British Overseas NGOs for Development
CDC	Commonwealth Development Corporation
CGIAR	Consultative Group for International Agricultural Research
CIFOR	Center for International Forestry Research
CSP	Country Strategy Paper
DAC	Development Assistance Committee of the OECD
DFID	Department For International Development
DoE	Department of the Environment
EIA	Environmental Impact Analysis
EPD	Environment and Policy Department
EU	European Union
FAO	Food and Agriculture Organisation
FC	Forestry Commission
FCO	Foreign and Commonwealth Office
FER	Fundamental Expenditure Review
FIC	Forest Industry Council
FRP	Forestry Research Programme
GEA	Global Environmental Assistance Programme
GEF	Global Environmental Facility
GNP	Gross National Product
ICRAF	International Center for Research in Agroforestry
IFS	Indian Forest Service
IMF	International Monetary Fund
ITTA	International Timber Trade Association
ITTO	International Tropical Timber Organisation
IUCN	International Union for the Conservation of Nature
JFS	Joint Funding Scheme
NFAP	National Forestry Action Programme
NGO	Non-Governmental Organisation
ODA	Overseas Development Administration
oda	Official Development Aid
OECD	Organisation for Economic Co-operation and Development
OPR	Output-to-Purpose Reviews
TC	Technical Co-operation
TCO	Technical Co-operation Officer
TCT	Technical Co-operation Training
TFAP	Tropical Forestry Action Plan
UK	United Kingdom
UN	United Nations
UNAIS	UN Volunteers
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNHCR	United Nations High Commission for Refugees
UNCED	United Nations Conference on Environment and Development
VSO	Voluntary Service Overseas

ACKNOWLEDGEMENTS

This chapter has benefited from discussion with Jane Clark, John Hudson and Michael Scott, Natural Resources Department, DFID; with Ronald Kemp (retired Senior Forestry Adviser, ODA); and with John Palmer (Forestry Research Programme, NR International). Generous assistance was also given by many other individuals in DFID, and by a group of retired British foresters who attended a small round-table meeting to discuss colonial-period forestry issues.

Note on currency: on 1 September, 1997 US\$ 1 was equivalent to £1.61.