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**REPORT OF THE EXPERT PANEL
FOR TECHNICAL APPRAISAL OF ITTO PROJECT PROPOSALS**

**Fortieth Meeting
2 – 6 August 2010, Yokohama, Japan**

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**REPORT OF THE EXPERT PANEL FOR THE
TECHNICAL APPRAISAL OF ITTO PROJECT PROPOSALS
(Expert Panel)
REPORT OF THE FORTIETH MEETING**

1. TERMS OF REFERENCE

- 1.1 The Expert Panel worked in accordance with the Terms of Reference attached as **Appendix I**. Furthermore it has been guided by the endorsement of the Council at its 40th Session of Document ITTC (XL)/5 and, in particular the authorization contained in paragraph 7, to apply the “Revised ITTO System for Technical Appraisal of Project and Pre-project Proposals”. The Fortieth Panel appraised the proposals and classified them according to categories listed in **Appendix II** applying the current consolidated version of the scoring system summarized in **Appendix V** and **Appendix VI**.

2. PANEL MEMBERSHIP

- 2.1 The Fortieth Expert Panel was attended by the members listed in **Appendix IV**. Dr. Luiz Carlos Estraviz Rodriguez (Brazil) chaired the meeting.

3. APPRAISAL PROCEDURES AND CRITERIA

- 3.1 In accordance with past practice, each project or pre-project proposal was introduced by two Panel members (one from a Producer country and one from a Consumer country). After that the Panel held an open discussion and finally concluded its assessment by taking a consensus decision on the category of each project or pre-project in accordance with terms contained in **Appendix II**. Furthermore, it applied the criteria for assessment contained in the third edition of the ITTO Manual for Project Formulation. In cases where proposals were submitted to the Panel as revised project or pre-project (Rev.1 or Rev.2), the Panel first referred to the overall and specific recommendations made by the earlier Panel(s) to assess if these recommendations have been adequately addressed.
- 3.2 The procedures, aspects and guidelines applied by the Panel to appraise project and pre-project proposals are laid down in the Terms of Reference of the Expert Panel for the Technical Appraisal of ITTO Project Proposals (**Appendix I**).
- 3.3 In cases where a project or pre-project proposal was submitted to the Panel that had already been subject to two revisions by prior Panel sessions (Rev.2 documents) the Panel had to follow Council’s Decision 3(XXXVII) that projects may only be assessed three times and that such Rev.2 projects would either have to (a) qualify by obtaining category 1 (to be commended to the Committee); or (b) in case it does not qualify for a category 1 it could not be commended to the Committee.
- 3.4 The Panel analyzed the proposals which obtained category 1 in view of Terms of Reference of the Bali Partnership Fund and found that none of them were eligible for funding from the Bali Partnership Fund in accordance with Decision 8 (XXV) of the ITTO Council.

4. APPRAISAL AND ASSESSMENT CARRIED OUT

- 4.1 Nineteen (19) projects and one (1) pre-project (total of 20) proposals were received for appraisal by the Fortieth Expert Panel. The overall list of 20 Project/Pre-project proposals reviewed by the Expert Panel and the category of decision allocated to each proposal is presented in **Appendix III**. The procedures and criteria applied for the assessment have been specified above in section 3.
- 4.2 The ITTO Secretariat allocated the Project and Pre-project proposals in three blocks so that the Panel could deal with all proposals related to Reforestation and Forest Management (16), then with those related to Economic Information and Market Intelligence (2) and finally those related to Forest Industry (2). This arrangement facilitated the appraisal as well as the formulation of the overall assessment and specific recommendations for each proposal listed in **Annex III** of this report.
- 4.3 The assistance provided by the ITTO Secretariat in addressing previous deliberations and necessary inputs on each Project/Pre-project was definitively essential and very useful for adequate work of all panel members before they could finalize their evaluations and recommendations.
- 4.4 In following-up the meetings’ results, the Panel requested the Secretariat to provide the following information and documents to all countries who have submitted proposals:
- The Overall Assessment and Specific Recommendations on each proposal submitted by the country (**Annex**);

- General comments and final categories commended by this Panel (section 5 and **Appendix III** of this report).

4.5 General Comments and Specific Recommendations of the Fortieth Expert Panel, as derived from the appraisal of all 20 proposals, are listed in section 5.

4.6 The Panel heartily appreciated the willingness of the Secretariat to work effectively for very long hours whereby full deliberation of the 20 proposals and the success of this Fortieth Panel were made possible.

5. GENERAL COMMENTS AND SPECIFIC FINDINGS

5.1 The Panel continues to recommend that ITTO focal point in each member country ensures prior to submission to ITTO that proposals are assessed at the national level with regard to the country's priorities and to the relevance to ITTO objectives and in conformity with guidelines provided by the third Edition of the ITTO Manual for Project Formulation (GI Series 13).

5.2 The Panel underscores the need for focal points in each country to play an active role to ensure that high quality proposals are submitted and a clearinghouse mechanism and proper monitoring and evaluation mechanism are in place.

5.3 Furthermore, the ITTO focal points should carefully screen the project proposals. For example, the table of contents in the manual could be used as a checklist for this purpose.

5.4 The Panel recalls that Member countries should submit no more than three new proposals per Expert Panel Meeting as per Decision 3(XXXVII).

5.5 The Panel reminds proponents and ITTO focal points that the Council requested the member countries to formulate and submit new (Pre-) Project proposals exclusively based on the third edition of the ITTO Manual for Project Formulation (Decision 5(XLIV)).

5.6 Five (5) project proposals and one (1) pre-project proposal (30 percent of total) were commended to the Committee for decision with minor modifications required (Category 1). All six (6) were newly submitted proposals.

5.7 Five (5) project proposals (25 percent of the total) received a Category 4 rating, indicating that the Expert Panel does not commend these to the Committee for approval as they require a complete reformulation.

5.8 Proponents have generally taken into consideration only the overall assessments and recommendations of the Panel. However, this is also an opportunity for the proponent to improve the entire proposal and it is the Panel's expectation that the proponent will do so.

5.9 Specific findings from the Fortieth Panel meeting:

1. Nine (9) project proposals will be sent back to proponents for revisions. The observations made through the assessment were as follows:
 - (a) It is clear that many proponents have not fully followed the third edition of the ITTO Manual for Project Formulation in their proposals.
 - (b) Furthermore, proponents are strongly encouraged to make efficient use of the guidance in the Manual, not only to apply the format but also to improve the content.
 - (c) Proponents should present the budgets in accordance with the third Edition of the ITTO Manual for Project Formulation.
 - (d) Panel members observed that the key problem was not adequately identified in some of the proposals, leading to proposals with weak focus. For example, key problems have been defined without taking into consideration the primary stakeholders.
 - (e) Panel members also observed that in some cases, the means have been confused with the ends when defining the specific objective. The absence of the means cannot constitute the key problem itself.

- (f) The Panel noted that some proponents seemingly applied a top-down approach, which would indicate that stakeholders have not been involved in the process and undermines the sustainability of the project.
 - (g) Stakeholder analyses in many proposals have not taken into account the gender dimension as addressed by Part II of the Manual.
 - (h) Although improvement of livelihoods has been mentioned by some project proposals, these issues were only mentioned as catchwords without further elaboration of methods and expected livelihood outcomes (Sustainable Livelihoods Approach).
 - (i) For projects that stipulate international or regional cooperation, some proposals have not included letters from participating Countries. In these cases, letters from cooperating countries are mandatory.
 - (j) Sustainability was a major concern for some proposals where mechanisms ensuring continuity are absent to ensure that project benefits will continue.
2. The 40th Panel Meeting is the second session assessing the proposals drafted in accordance with the third edition of the ITTO Manual for Project Formulation, thus the Panel observed the following points through the assessment for those proposals in connection with the new Manual:
- (a) There was a tendency for the personnel budget to comprise a relatively large percentage of the total budget.
 - (b) Some of the new proposals fully utilized the Manual not only in terms of format and organization but also through incorporating the detailed instructions in their proposals. Such proposals were generally successful in presenting all required elements. Proposals that emphasized only the format were not successful in convincing the Panel.
 - (c) The quality of the proposals has increased in general, but still budget presentation has varied across different proposals. To help with budget elaboration and other refinements during proposal preparation, the improvement of Pro-Tool should be undertaken as early as possible and made accessible to all member Countries.
 - (d) While the Panel is of the view that Pro-Tool software has a great potential to assist in the formulation of high quality project proposals, an improved, error-free, and beta-tested version should be developed in all three ITTO official languages.

6 EXPERIENCE FROM APPLICATION OF THE APPRAISAL SYSTEM

As already pointed out by the report of the 39th session of the EP, the use of the appraisal system (Appendix V and VI) became standard procedure.

7 PANEL DECISIONS ON PROJECT AND PRE-PROJECT PROPOSALS

7.1 The Panel's decisions are listed in **Appendix III**, in accordance with established practice. Proposals classified by regions, by committee areas and by submitting countries are summarised in the following tables:

Summary of Project and Pre-project proposals submitted to the Fortieth Expert Panel by Region

Region	Project Proposals				Pre-project Proposals				Total
	RFM	FI	EIMI	Total	RFM	FI	EIMI	Total	
<i>Americas</i>	3	-	-	3	-	-	-	-	3
<i>Asia Pacific</i>	7	2	-	9	-	-	-	-	9
<i>Africa</i>	5	-	2	7	1	-	-	1	8
Total	15	2	2	19	1	-	-	1	20

RFM = Reforestation and Forest Management

FI = Forest Industry

EIMI = Economic Information and Market Intelligence

Decisions of the 40th Expert Panel on Project and Pre-project proposals by Committee Area

Category	Committee			Total
	RFM	FI	EIMI	
<i>Projects</i>				
1	4	-	1	5
2	6	1	-	7
3	1	1	-	2
4	4	-	1	5
Total	15	2	2	19
<i>Pre-projects</i>				
1	1	-	-	1
2	-	-	-	-
4	-	-	-	-
Total	1	-	-	1

Decisions of the 40th Expert Panel on Project and Pre-project proposals by Submitting Country

Country	Category				Total
	1	2	3	4	
China		1			1
Côte d'Ivoire	1				1
Gabon	(1)			2	3
Ghana		1			1
Guatemala	1				1
Indonesia	1	2	2		5
Malaysia		1			1
Nepal				1	1
Panama				1	1
Peru	1				1
Thailand/Cambodia	1				1
Togo		2		1	3
Total	6	7	2	5	20

Note: Parenthesis indicates pre-project.

APPENDIX I

TERMS OF REFERENCE OF THE EXPERT PANEL FOR THE TECHNICAL APPRAISAL OF ITTO PROJECT PROPOSALS

The Panel shall:

- (i) Assess new Project and Pre-project proposals submitted to the organization. The recommendations for amendments to these proposals shall be made by the Expert Panel exclusively for the purpose of ensuring their technical soundness;
- (ii) Screen the Project proposals for their relevance to ITTO's Action Plan and Work Programs (in the areas of Economic Information and Market Intelligence, Reforestation and Forest Management, and Forest Industry), and consistency with ITTO decisions and policy guidelines, but not otherwise prioritize them;
- (iii) Where reformulation involving major amendments is recommended, request to carry out a final appraisal of the revised versions of Project and Pre-project proposals, prior to their presentation to the relevant ITTO Committees;
- (iv) Report on the results of the technical assessment of Project and Pre-project proposals to submitting governments and to the ITTO Council and Committees, through the ITTO Secretariat;
- (v) The Expert Panel shall take into consideration previous Expert Panels' reports.

The Expert Panel, in assessing Projects and Pre-projects, shall also take into account:

- (a) their relevance to the objectives of the ITTA, 2006 and the requirement that a Project or Pre-project should contribute to the achievement of one or more of the Agreement objectives;
- (b) their environmental and social effects;
- (c) their economic effects;
- (d) their cost effectiveness;
- (e) the need to avoid duplication of efforts;
- (f) if applicable, their relationship and integration with ITTO policy work and their consistency with the ITTO Action Plan 2008-2011 including:
 - ITTO Guidelines for Sustainable Management of Natural Tropical Forests, 1990;
 - Guidelines for the Establishment and Sustainable Management of Planted Tropical Production Forests, 1993;
 - Guidelines for the Conservation of Biological Diversity in Tropical Production Forests, 1993;
 - ITTO Guidelines on Fire Management in Tropical Forests, 1996;
 - ITTO Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests, 2002; and
 - ITTO Mangrove Work Plan 2002-2006.

APPENDIX II

Rating Categories of the ITTO System for Technical Appraisal of Project and Pre-project Proposals

Rating schedule for Project proposals

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

Category 2: The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee.

Category 3: The Panel concluded that the proposal is not accepted because a Pre-project proposal is required. According to the indication of the Panel the Pre-project shall (a) be submitted to the Expert Panel for appraisal or (b) could be directly submitted to the Committee for appraisal.

Category 4: The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the Project proposal. Justification should be given to the proponent and the Committee (e.g. complete reformulation is necessary; in case of rev.2 Project proposals; Project not relevant; Project with insufficient information, etc.)

Rating schedule for Pre-project proposals

Category 1: The Panel concluded that the proposal could be commended to the Committee with the incorporation of amendments.

Category 2: The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee.

Category 4: The Panel concluded that the Pre-project proposal is not commended to the Committee. The proposal is submitted with the recommendation not to approve the Pre-project proposal.

APPENDIX III
List of Project and Pre-project Proposals reviewed by the
Fortieth Expert Panel

Project No.	Title	Country	Category
PPD 147/10 (F)	Zoning and Sustainable Development of the Minkebe Protected Area Towards the Protection of Transboundary Conservation Corridors between Gabon, Cameroon and the Congo	Gabon	1
PD 463/07 Rev.2 (F)	Support to Local Communities for the Rehabilitation and Management of Residual Forests and Arid Savanna Lands in the Akpé and Akama Valleys	Togo	4
PD 488/07 Rev.1 (F)	Strengthening Anam's Management Capacity to Promote and Achieve Sustainable Forest Management in Panama	Panama	4
PD 538/09 Rev.2 (F)	Community-Based Participatory Forest Fire Management Project in the National Forests, Nepal	Nepal	4
PD 563/09 Rev.1 (F)	Community Based Forest Management of Sungai Medihit Watershed	Malaysia	2
PD 577/10 (F)	Management of the Emerald Triangle Protected Forests Complex to Promote Cooperation for Transboundary Biodiversity Conservation between Thailand, Cambodia and Laos (Phase III)	Thailand/ Cambodia	1
PD 579/10 (F)	Promoting Reduced Impact Logging Techniques in Gabon and the Congo Basin	Gabon	4
PD 581/10 (F)	Establishing a Geographic Information System for the Sustainable Management of the Forest Areas of Togo	Togo	2
PD 582/10(F)	Promoting Mixed Native Species Plantations in Ghana, Phase II: Enlarge Community Plantation Base Through Appropriate Tree Choices and Improved Silvicultural Practices	Ghana	2
PD 583/10 (F)	Restoring Sub-Humid Ecosystems in Southern Peru through Reforestation with <i>Caesalpinia spinosa</i>	Peru	1
PD 584/10 (F)	Implementing the Cooperative Framework between ODEF and the Stakeholders for the Effective Participatory and Sustainable Management of the Eto-Lilicope Forest Complex	Togo	2
PD 585/10 (F)	Management Strategies for Payment of Environmental Services at Toba Lake, North Sumatera	Indonesia	2
PD 586/10 (F)	Operational Strategies for Genetic Conservation of Tengkwang (<i>Shorea spp.</i>) for Sustainable Livelihood of Indigenous People in Kalimantan	Indonesia	1
PD 588/10 (F)	Promoting Indigenous <i>Mamar</i> Agroforest (IMA) as Community Forest Model for Rehabilitating Critical Land in Noelmina Watershed Area, West Timor Indonesia	Indonesia	2
PD 589/10 (F)	Ensuring Conservation of Sumatra Tropical Plant Species Threatened by Excessive Harvest and Adverse Environmental Condition	Indonesia	3
PD 590/10 (F)	Establishment of Pilot Sites for the Implementation of Sustainable Integrated Fire Management Practices in Rural Community Areas of the Republic of Guatemala	Guatemala	1
PD 580/10 (I)	Conservation and Management Demonstration of Tropical Rattan and Bamboo Resources in China	China	2
PD 587/10 (I)	Critical Land Rehabilitation Using Selected Biodiesel Tree Species	Indonesia	3
PD 576/10 (M)	Promoting Africa-China Collaboration for Improved Forest Governance (PACCIG)	Gabon	4
PD 578/10 (M)	Implementation of A National Information System for the Sustainable Management of Forest Resources	Côte d'Ivoire	1

APPENDIX IV

FORTIETH MEETING OF THE EXPERT PANEL
FOR TECHNICAL APPRAISAL OF PROJECT PROPOSALS
Yokohama, 2 - 6 August 2010

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APPENDIX V

Revised Scoring Table – ITTO Project Proposal (PD)

Weighted Scoring System								
1.	Project relevance, origin and expected outcomes (15)			Mark	Score	Threshold		
1.	1.	Relevance						
1.	1.	1.	Conformity with ITTO's objectives and priorities (1.2.1)				Y	
1.	1.	2.	Relevance to the submitting country's policies (1.2.2)				Y	
1.	2.	Origin (1.1)				5		
1.	3.	Geogr. location (1.3.1)+ Social, cultural and environ. aspects (1.3.2)				5		
1.	4.	Expected outcomes at project completion (1.4)				5		
2.	Project identification process (25)							
2.	1.	Institutional set up and organisational issues (4.1. + 2.1.1)				5		
2.	2.	Stakeholders				10	Y	6
2.	2.	1.	Stakeholder analysis (2.1.2)		5			
2.	2.	2.	Stakeholders involved at inception (2.1.3.) & implementation (4.1.4.)		5			
2.	3.	Problem analysis (2.1.3)				10	Y	6
2.	3.	1.	Problem identification		5			
2.	3.	2.	Problem tree		5			
3.	Project design (45)							
3.	1.	Logical framework matrix (2.1.4)				20	Y	13
3.	1.	1.	Objectives (2.2)		5			
3.	1.	2.	Outputs (3.1.1)		5			
3.	1.	3.	Indicators & means of verification (columns 2 and 3 of the LogFrame)		5			
3.	1.	4.	Assumptions and risks (3.5.1)		5			
3.	2.	Implementation				20	Y	13
3.	2.	1.	Activities (3.1.2)		5			
3.	2.	2.	Strategy (approaches and methods, 3.2)		5			
3.	2.	3.	Work plan (3.3)		5			
3.	2.	4.	Budget (3.4)		5			
3.	3.	Sustainability (3.5.2)				5	Y	3
4.	Implementation arrangements (15)							
4.	1.	Project's management (EA - 4.1.1, Key staff - 4.1.2, SC - 4.1.3)				5	Y	3
4.	2.	Reporting, review, monitoring and evaluation (4.2)				5		
4.	3.	Dissemination and mainstreaming of project learning (4.3)				5		
Entire project proposal (100)					100,0%	Y	75%	
Category					1			

Marks indicate:

- 0 - Information is completely missing
- 1 - Very poor: some elements are there but the essential ones are missing
- 2 - Poor: essential elements are incomplete, insufficient, wrong or misunderstood
- 3 - Moderate: essential elements are available but unclear or inaccurate
- 4 - Good: clear, accurate and informative
- 5 - Excellent: clear, accurate, informative and comprehensive (perfectly integrated with other items)

Rating categories:

- | | |
|-------------|--|
| Category 1: | The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments. |
| Category 2: | The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee. |
| Category 3: | The Panel concluded that the proposal is not accepted because a pre-project proposal is required. According to the indication of the Panel the pre-project shall (a) be submitted to the Expert Panel for appraisal or (b) could be directly submitted to the Committee for appraisal. |
| Category 4: | The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal. Justification should be given to the proponent and the Committee. |

Revised Scoring Table – ITTO PRE-PROJECT PROPOSALS (PPD)

Weighted Scoring System							
1.	PRE-PROJECT CONTEXT (5)			Mark	Score	Threshold	
1.	1.		Origin and justification		5		
1.	2.		Relevance				
1.	2.	1.	Conformity with ITTO's objectives and priorities			Y	
1.	2.	2.	Relevance to the submitting Country's policies			Y	
2.	JUSTIFICATION OF PRE-PROJECT (15)						
2.	1.		Objectives		15	Y	9
2.	1.	1.	Development objective	5			
2.	1.	2.	Specific objective	5			
2.	2.		Preliminary problem identification	5			
3.	PRE-PROJECT INTERVENTIONS (25)						
3.			Outputs and activities		10	Y	7
3.	1.		Outputs	5			
3.	2.		Activities, inputs and unit costs	5			
3.	3.		Approaches and methods		5		
3.	4.		Work plan		5		
3.	5.		Budget		5		
4.	IMPLEMENTATION ARRANGEMENTS (15)						
4.	1.		Executing agency and organizational structure		5		
4.	2.		Pre-Project Management		5		
4.	3.		Monitoring and reporting		5		
Entire project proposal (60)					100,0%	Y	75%
Category					1		

Marks indicate:

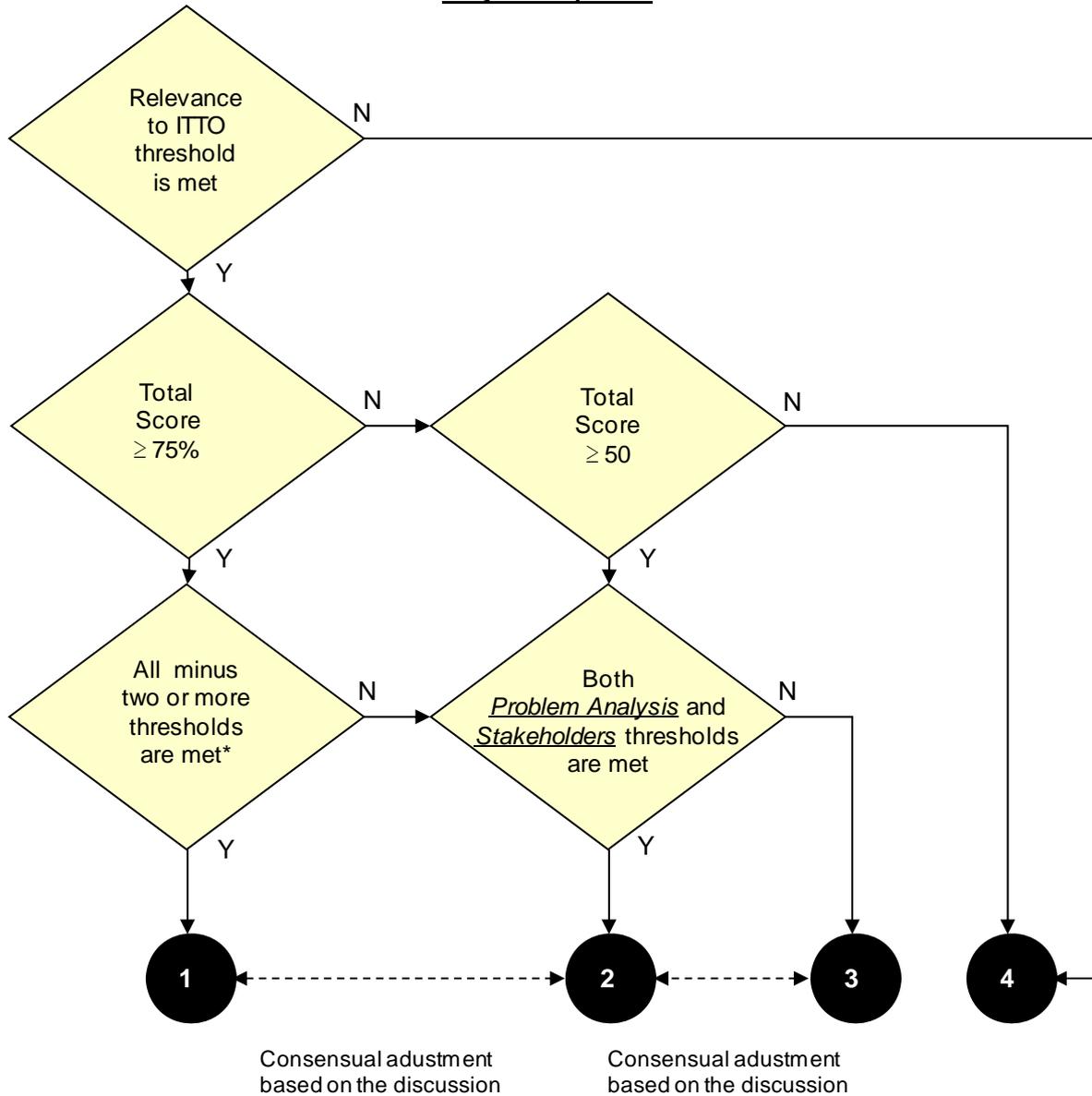
- 0 - Information is completely missing
- 1 - Very poor: some elements are there but the essential ones are missing
- 2 - Poor: essential elements are incomplete, insufficient, wrong or misunderstood
- 3 - Moderate: essential elements are available but unclear or inaccurate
- 4 - Good: clear, accurate and informative
- 5 - Excellent: clear, accurate, informative and comprehensive (perfectly integrated with other items)

Rating categories:

Category 1:	The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.
Category 2:	The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee.
Category 3:	The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal. Justification should be given to the proponent and the Committee

Appendix VI
Flow charts for deciding categories in the scoring system

Project Proposals

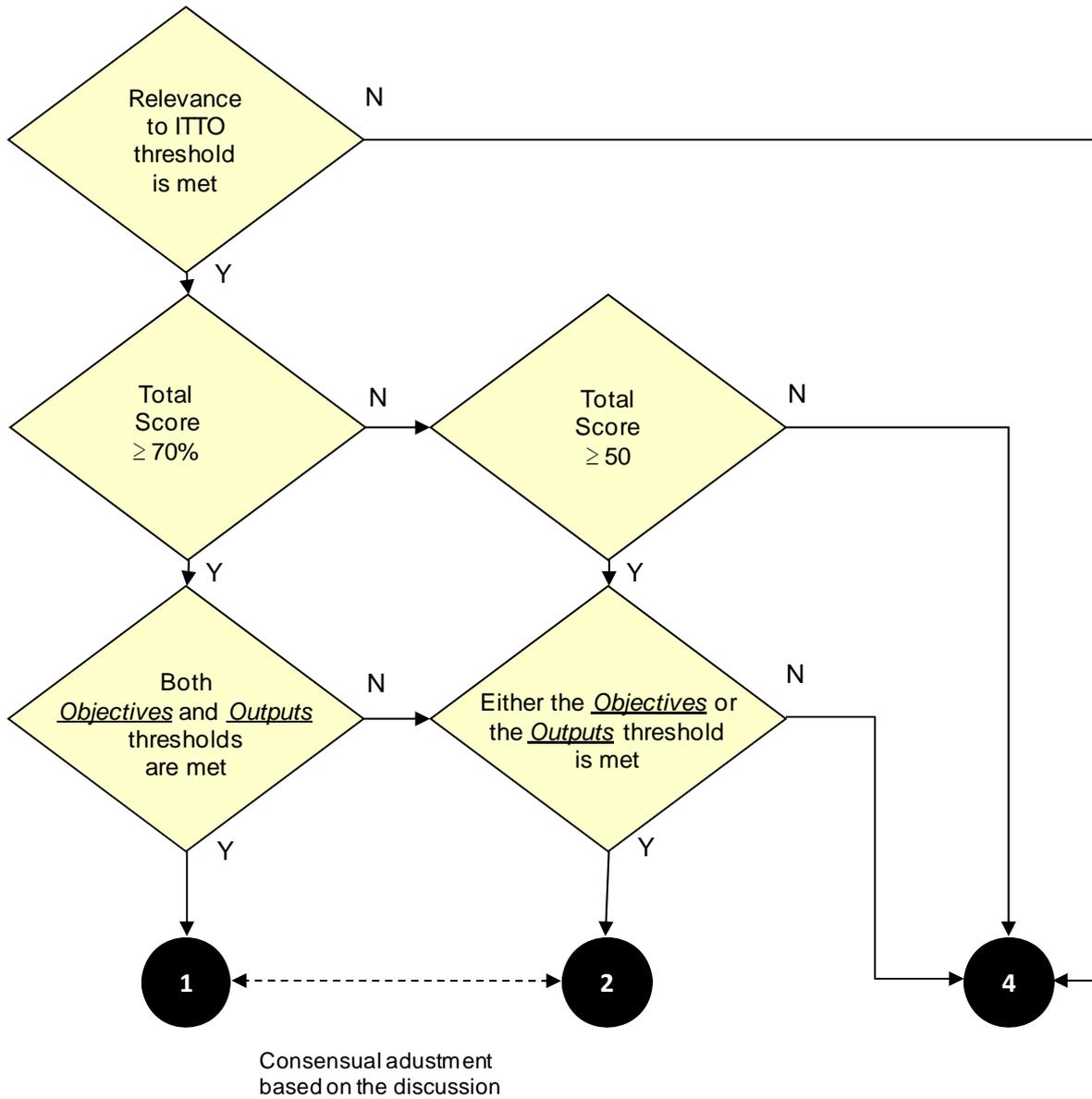


*Thresholds failed cannot be any two among the following three:

- Stakeholder
- Logical Framework
- Sustainability

- Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments. Proposal commended to the Committee with incorporation of amendments if any.
- Category 2: The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee. Proposal requires essential modifications and will be returned to the proponent.
- Category 3: The Panel concluded that the proposal is not accepted because a pre-project proposal is required. According to the indication of the Panel the pre-project shall (a) be submitted to the Expert Panel for appraisal or (b) could be directly submitted to the Committee for appraisal. Proposal is missing fundamental information, consequently a pre-project is required and to be submitted to the EP.
- Category 4: The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal. Justification should be given to the proponent and the Committee. Proposal not recommended but submitted to the Committee with the recommendation not to approve the project proposal, (a) either because a complete reformulation is necessary, or (b) because it's not relevant to ITTO. Justification should be given to the proponent and the Committee.

Pre-Project Proposals



Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments. Proposal commended to the Committee with incorporation of amendments if any.

Category 2: The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee. Proposal requires essential modifications and will be returned to the proponent.

Category 4: The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal. Justification should be given to the proponent and the Committee. Proposal not recommended but submitted to the Committee with the recommendation not to approve the project proposal, (a) either because a complete reformulation is necessary, or (b) because it's not relevant to ITTO. Justification should be given to the proponent and the Committee.

Annex

**Assessment, recommendation and conclusion by the Fortieth Expert Panel on each
Project and Pre-project proposal**

PD 463/07 Rev.2 (F)

Support to Local Communities for the Rehabilitation and Management of Residual Forests and Arid Savanna Lands in the Akpé and Akama Valleys (Togo)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel considered the modifications contained in the revised proposal in response to the overall assessment and recommendations made by the Thirty-fifth Expert Panel. The Panel acknowledged the efforts of the proponent to address these comments and recommendations. However, the Panel noted that such efforts were not well articulated in the revised proposal and that there was still the need to improve most of the sections and sub-sections of the project proposal: tenure system still unclear on the forest ownership, socio-economic aspects missing key information for the understanding of the benefit sharing scheme to be implemented, stakeholders analysis not providing the level of consensus between the identified primary stakeholders, specific objective formulated like an output as a consequence of lack of consistency between the problem analysis and stakeholders analysis, logical framework matrix still containing indicators not measurable, no information on the environmental impact regarding the creation of 19 km of tracks in a region where the forestry administration has difficulties to control of logging activities, work plan not realistic, budget too high in relation to the surface area to be covered by the project, sustainability of project outcomes questionable, and organizational chart giving more importance to the Ministry rather than to the project steering committee.

In this light, the Panel was of the view that the revised proposal had not addressed most of the critical aspects previously commented and recommended and, therefore, cannot justify its commendation for consideration by the Committee.

B) Conclusion

Category 4: The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal.

PD 488/07 Rev.1 (F)

Strengthening ANAM's Management Capacity to Promote and Achieve Sustainable Forest Management in Panama

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel acknowledged the efforts made by the proponent in addressing the comments and recommendations of the Expert Panel at its Thirty-fifth Meeting, as well as the inherent importance of this effort. However, the Panel noted that the essential modifications did not go far enough in addressing many critical aspects of the proposal including, in particular, the problem analysis, logical framework matrix, budget and sustainability. Most critically, the Panel had a fundamental difficulty with the problem analysis and the presentation of the problem tree especially with regard to the scope of the key problem, which only refers to the "insufficient management capacity of ANAM to promote SFM in Panama". Apparently the proponent did not grasp the Panel's recommendation to adequately identify ANAM's specific management weaknesses during the revision of the project proposal, based on both an assessment of the indicators under the first criterion of ITTO's C&I: Enabling Conditions for Sustainable Forest Management (i.e. Panama's policy and legal framework and economic framework; ANAM's institutional framework), and the analysis carried out by the proposal's precursor pre-project PPD 45/02 Rev.3 (M) "Technical Assistance for the Formulation of a Project Aimed at Capacity Strengthening for the Sustainable Management of Natural and Planted Forests in Panama".

In this light, the Panel was of the view that, in order to increase the chance of a successful project, the proponent should first clearly identify ANAM's specific and/or inherent management weaknesses based on an in-house evaluation of the indicators under the first criterion of ITTO's C&I: Enabling Conditions for Sustainable Forest Management, and then formulate a completely new project proposal based on the aforementioned findings that strictly adheres to the format specified in the Third edition of the ITTO Manual for Project Formulation.

B) Conclusion

Category 4: The Panel concluded that it could not comment the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal, as a complete reformulation is necessary.

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel reiterated the importance of the project aimed at building forest fire management capacities in Nepal through participatory approaches commonly applied in rural areas, and next took into consideration all the modifications contained in the revised proposal in response to the comments and recommendations made by the Thirty-ninth Expert Panel. While it noted that the proponent had made an effort to address the recommendations, a more substantial revision of the proposal would have been necessary to meet them thoroughly. Indeed, many critical aspects of the proposal, such as the problem analysis and implementation approach, the objective tree and the logical framework matrix, the outputs and activities continue to present some major weaknesses. The problem tree, in particular, was reassessed by incorporating main root causes, as per the second recommendation of the Thirty-ninth Expert Panel. However, this alteration was not linked with sufficient changes in the rest of the proposal, especially regarding expected outputs and activities. As such, the current problem tree and objective tree do not provide a clear link to the logical framework and the activities. In addition, many sections of the revised proposal still referred to a second phase, even though the Panel specifically requested focusing the proposal solely on the first phase. Last the project's activities lacked focus and also require further strengthening.

Given the above recommendations and the importance of the intent of this project, the Panel was of the view that a completely new proposal should be submitted to ITTO according to the third edition of the ITTO Manual for Project Formulation (GI Series 13).

B) Conclusion

Category 4: The Panel concluded that it could not comment the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal, as a complete reformulation is necessary.

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel acknowledged the efforts made by the proponent in addressing the comments and recommendations of the Panel at its Thirty-ninth Meeting, resulting in some improvement of the proposal including the social, cultural, economic and environmental aspects, logical framework matrix and activities.

However, the Panel felt that the essential modifications did not go far enough in addressing all the recommendations. Most critically, the Panel noted that its previous concern over the significant amount of the ITTO budget for Project Personnel had not been addressed. In particular, the Panel had a fundamental difficulty with the revised proposal's budget as the significant amount of the ITTO budget was still allocated for Project Manager. In this regard, the Panel questioned the sustainability of the project at its completion and underlined the need for this issue to be fully addressed by substantially reducing the monthly payment level of Project Manager while increasing the contributions of the Executing Agency in a more equitable way between ITTO and the Executing Agency.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Further improve the work plan to ensure the efficient use of resource and time throughout the life of the project. Many activities were concentrated in Q 1 of Year 1;
2. Improve the indicators with baseline data in a measurable way;
3. Clean the text of Section 3.5 (Assumptions, risks and sustainability) by deleting the strikethrough text;
4. Further clarify the roles of the project coordinator and the project manager to ensure the efficient implementation of the project;
5. Revise the project organization structure by highlighting PSC (in staff) as the key decision making body. Representative(s) of the Ministry of Plantation Industries and Commodities will be a member of this PSC;
6. Provide a detailed map of the project area;
7. Address in detail the sustainability of the project;
8. Revise the project budget in the following way;
 - A) The monthly payment level of Project Manager (US\$7,000) should be substantially reduced in comparable with the overall level of national experts' monthly honorarium;
 - B) The amount of the ITTO budget for Project Personnel should be substantially reduced by increasing contributions of the Executing Agency;
 - C) Justify the amount of the ITTO budget for Sundry (US\$65,840);
 - D) Substantial amount of the running costs should be borne by the Executing Agency to make a balance between ITTO budget and EA contribution;
 - E) Specify the other sources contributing to the amount of US\$26,040 by indicating contributors;
 - F) Recalculate the ITTO Programme Support Costs at 8% of ITTO total project costs; and
9. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 2: The Panel concluded that the project proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised project proposal before it can commend it to the Committee for final appraisal.

PD 577/10 (F)

Management of the Emerald Triangle Protected Forests Complex to Promote Cooperation for Trans-boundary Biodiversity Conservation Between Thailand, Cambodia and Laos – Phase III (Thailand and Cambodia)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized the importance of the project proposal to continuously promote cooperation for transboundary biodiversity conservation between Thailand, Cambodia and Laos as the third phase of PD 289/04 Rev.1 (F) which had been jointly implemented by the Royal Forest Department of Thailand and the Forestry Administration of Cambodia. The Panel noted that the proposal was well presented with a good stakeholder analysis and a clear goal to strengthen the protection of transboundary habitats of the protected wide-ranging wildlife species in the Emerald Triangle based on the achievements and lessons learned from the project's first and second phases. However, the Panel considered the proposal should provide further details on some aspects and also suggested that official supporting letters from the governments should be included as an annex.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Provide a brief of the project;
2. Provide official supporting letters from the governments of Cambodia and Thailand as an Annex;
3. Provide more information on forest degradation and their causes in the project area to increase understanding of land use and land cover changes in the Emerald Triangle Protected Forests Complex target area;
4. Further improve the stakeholder analysis to ensure the effective engagement of local communities in the implementation of the project;
5. Specify the expected roles of NGOs in conducting training on buffer zone management;
6. Improve the indicators in the logical framework matrix by including relevant baseline data to allow effective monitoring of the project;
7. Describe the profiles of the Executing Agencies in addition to the organizational charts in Annex I;
8. Provide tasks and responsibilities for key experts along with their short CVs although they will be funded by the Executing Agency in Annex II; and
9. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

PD 579/10 (F)

Promoting Reduced Impact Logging Techniques in Gabon and the Congo Basin

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized the importance and the relevance of the project regarding the promotion of the reduced impact logging in Gabon and the Congo Basin region, as a follow-up of PD 392/06 Rev.2 (F): *"Phase I: Regional Project to promote Reduced Impact Logging in the Congo Basin"*. Nevertheless, the project proposal was not well structured, and failed to follow the guidelines provided by the third edition of the ITTO manual for project formulation.

The Panel noted that the evaluation of the project PD 392/06 Rev.2 (F) should be carried out prior to the implementation of a Phase II project in order to take advantage of lessons learnt. Therefore, the Panel suggests a complete reformulation based on the findings of the evaluation of Phase I.

In such case, the proponents need to provide (i) precise information of where the prospective facilities will be or are located (referring to a good quality map) ; (ii) in section 1.3.1., concise estimates on labor force, educational background, trends and revenues on exports, deforestation rates; (iii) define "a modular training program offered regularly by a credited institution" as a desired outcome in section 1.4; (iv) provide a list of partners for the project implementation and the degree of coordination between them; (v) describe the relevance of the project to institutional and organizational needs, the specific roles and responsibilities of different agencies, the capacities of the participant institutions, the design of appropriate capacity-building elements in the project and thus the formulation of a feasible implementation strategy; (vi) make sure the stakeholder analysis (section 2.1.2) addresses the following questions: what is the level of consensus for the project among participants? Are the stakeholders convinced of the need for change? What steps are needed to ensure the participation of stakeholders, including local communities, in the implementation of the project? Who are the target and beneficiary groups and how will they benefit from the project?; (vii) identify "institutional RIL training capacity not available" as the key problem, and provide the specific causes for the lack of capacity (section 2.1.3); reformulate the logical framework and focus on building RIL training capacity, using SMART (specific, measurable, appropriate, realistic, time-bound) indicators that express how the project contributes to the achievement of the development objective; (viii) correctly address the direct causes of the "lack of RIL training capacity" in terms of the beneficiaries; (ix) provide the whole set of budgets including: "Consolidated Budget by Component"; "ITTO Budget by Component"; "Executing Agency Budget by Component"; (x) identify which are the specific risks beyond the control of project management that could impede capacity building on RIL training, and to propose risk mitigation measures that can be monitored in the course of the project implementation; (xi) provide a list of arrangements that will ensure the continuation and/or further development of the activities initiated by the project; (xii) provide the names for EA appointed project coordinator, administrative and financial staff in the management team. Furthermore, the proposal must provide a List of Abbreviations & Acronyms; a good quality Map; Executing Agency and Collaborating Agencies profiles; Tasks and responsibilities of key experts; Terms of reference for personnel, consultants and sub-contracts funded by ITTO.

B) Conclusion

Category 4: The Panel concluded that it could not comment the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal.

PD 581/10 (F)

Establishing a Geographic Information System for the Sustainable Management of the Forest Areas of Togo

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized that the proposal, dealing with the establishment of a geographical information system (GIS) for the sustainable management of the forest areas of Togo, was well formulated in accordance with the ITTO standard format. However, the Panel noted that the proposal contained a number of weaknesses. These include the following: stakeholders analysis missing the description of the level of consensus reached by primary stakeholders and not explaining how the Universities of Lomé and Kara could be considered as primary stakeholders, weak problem analysis and problem tree due to the lack of cause-effect vertical coherence leading to the identification of a wrong key problem (in relation to its related causes). Thus, there was no clear explanation, in the implementation approaches and methods, showing the current situation regarding the management of data and information and how the geographical information system (GIS) would contribute to solve the identified key problem through the implementation of the project. It was also noted that the development objective was similar to the specific objective, and the latter was lengthily formulated due to the identification of the wrong key problem. It was noted that many indicators in the logical framework matrix were not specific, measurable, appropriate, reasonable and time-bound (SMART) indicators.

The Panel further noted that the first output could be considered as an activity of the second output, as there was no consistency between the causes and the related key problem. It furthermore noted the lack of consistency between the timing of some activities in the work plan and the master budget schedule. There was no justification for the need to purchase one vehicle and five motorcycles, and to sub-contract a NGO for awareness-raising campaign for a project dealing mainly with the establishment of an operational GIS. In addition, the Panel noted that the assumptions, risks and sustainability were analyzed without clear linkage with the logical framework matrix. Finally, the Panel noted that the reporting, review, monitoring and evaluation section was presented in general terms and not in accordance with the standard operating procedures applying to the implementation of ITTO projects, while the project steering committee was not correctly positioned on the top of the organizational chart to reflect its key role in the monitoring and evaluation of the project implementation.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Improve the problem analysis by clearly describing what key problem the GIS will contribute to solve while ensuring the appropriate cause-effect relationship in the problem tree (for example, one of the so-considered causes could become the key problem), and by re-phrasing the key problem and its main causes and sub-causes;
2. Subsequent to the first specific recommendation, appropriately redefine the specific objective in a concise manner (including its outcomes indicators), and related relevant outputs (consistent with the problem and objective trees);
3. Subsequent to the first and second specific recommendations, develop the entire logical framework matrix by including SMART indicators;
4. Improve the stakeholders' analysis by including information on the level of consensus among primary stakeholders, on steps to ensure their participation;
5. Insert in the implementation approaches and methods a clear justification on what identified key problem would be addressed by the established GIS;
6. Revise the work plan based on newly identified activities in accordance with the newly identified outputs, while ensuring the consistency with the master budget schedule;
7. Improve the section regarding the assumptions, risks and sustainability by providing more specific information and mitigating measures, in relation to the logical framework matrix, and also with clear information on the source of financing for follow-up actions;
8. Revise the section related to the reporting, review, monitoring and evaluation in accordance with the standard operating procedures applying to the implementation of ITTO projects, and also the organizational chart by placing the project steering committee on the right position;

9. Revise the ITTO budget in line with the above overall assessment and specific recommendations and also in the following way:
 - a) Delete the budget sub-item 41 (1 4WD vehicle and 5 motorcycles) and related consumable costs (sub-item 51), if not clearly justified,
 - b) Remove from ITTO Budget the costs for sub-contracting a NGO for awareness-raising campaign (budget sub-item 21) if not clearly justified,
 - c) Adjust the budget item 81 to the standard rate of US\$10,000 per year for the monitoring and review costs (US\$30,000 for 3 years),
 - d) Recalculate the ITTO Programme Support Costs (sub-item 83) so as to conform with standard rate of 8% of the total ITTO project costs (on budget items 10 to 82); and
10. Include an Annex that shows the overall assessment and specific recommendations of the 40th Expert Panel and respective modifications in tabular form. Modifications should also be highlighted (**bold and underline**) in the text.

C) Conclusion

Category 2: The Panel concluded that the project proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised project proposal before it can commend it to the Committee for final appraisal.

PD 582/10 (F)

Promoting Mixed Native Species Plantations in Ghana, Phase II: Enlarge Community Plantation Base through Appropriate Tree Choices and Improved Silvicultural Practices

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized that the proposal was the follow-up to the findings and outcomes of the completed project PD 256/03 Rev.1 (F): "*Alternative mixed plantation systems and restoration strategies for conservation and sustainable production of native timber species in Ghana*". The Panel noted that the project proposal was well written and fully articulated in accordance with the ITTO standard format. However, the proposal presented a number of weaknesses in the following sections and sub-sections: problem analysis with the key problem not well defined in relation to its causes; lack of consistency between the problem analysis and stakeholders' analysis, with its impact on the elaboration of a problem tree not centered on the primary stakeholders' problems, needs and interests; lack consistency between the problem tree and objective tree; no information in the socio-economic sub-section on the expected income from the mixed native species plantations (MNSP) to be established in Ghana, as it could influence the choice of stakeholders regarding the interest to establish or not MNSP; the two first impact indicators for the development objective were not well formulated and the outputs indicators were too vague. The weaknesses in making a good problem analysis had an impact on the quality of outputs and activities formulated.

The Panel also noted the implementation approaches and methods were elaborated but did not provide explanation regarding the need to hire an international consultant, as the Executing Agency had accumulated experience and knowledge during the implementation of Phase I. There was no clear explanation on what kind of support to be provided for the establishment of community MNSP with the amount budget under sub-item 52. The Panel further noted that the assumptions and risks were adequately presented while the sustainability was not sufficiently elaborated. Finally, the Panel noted that there was a name added to each terms of reference. The project steering committee was not placed at the top of the organizational chart, for its key role in the monitoring and evaluation of the project implementation.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Improve the stakeholders' analysis by identifying the right problem, needs and interests of primary stakeholders and providing more information on the level of consensus, on the need for change and on steps to ensure the participation of stakeholders;
2. Rephrase the key problem as follows: "Ghana's ability to produce timber from native species is not sustainable" and adjust the problem tree and objective tree accordingly, while ensuring the correlation with the problem, needs and interests of primary stakeholders;
3. Revise the logical framework matrix by using SMART indicators for the development objective, specific objective and outputs;
4. Redefine the outputs in accordance with the causes of the newly identified right key problem, while redefining relevant activities in relation to its sub-causes;
5. Clarify in the implementation approaches and methods how the project interventions would contribute to solve the identified key problem, how stakeholders would be involved and what capacity building is needed to implement the project;
6. Subsequently to the 5th recommendation, adjust the work plan with the redefined activities;
7. Clearly justify for the need to hire of an international consultant for the implementation Phase II;
8. Provide clear explanation on the type of support to be provided for the establishment of community MNSP;
9. Further elaborate the project sustainability in technical, financial, social, economic and institutional terms;
10. Improve the terms of reference by deleting the name associated to each and by adding the duration of each;

11. Adjust the organizational chart by putting the project steering committee on its top;
12. Revise the ITTO budget in line with the above overall assessment and specific recommendations and also in the following way:
 - a) Breakdown the sub-item 52 (support for establishing community MNSP) if well justified,
 - b) Adjust the budget item 81 to the standard rate of US\$10,000 per year for the monitoring and review costs (US\$40,000 for 4 years),
 - c) Recalculate the ITTO Programme Support Costs (sub-item 83) so as to conform with standard rate of 8% of the total ITTO project costs (on budget items 10 to 82); and
13. Include an Annex that shows the overall assessment and specific recommendations of the 40th Expert Panel and respective modifications in tabular form. Modifications should also be highlighted (**bold and underline**) in the text.

C) Conclusion

Category 2: The Panel concluded that the project proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised project proposal before it can commend it to the Committee for final appraisal.

PD 583/10 (F)

Restoring Sub-Humid Ecosystems in Southern Peru through Reforestation with *Caesalpinia spinosa*

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized the importance of this small project for ensuring the rehabilitation of arid or degraded lands in the Peruvian Coastal Region so as to generate reforestation opportunities with a view to improving the environment and the living conditions of the local rural population in southern Peru. As such, it is highly relevant to ITTO's objectives and core priorities, in particular those related to the restoration, management and rehabilitation of degraded and secondary tropical forests, and the promotion of non-timber forest products. The Panel also took note that the target small farmers and their communities directly participated in the formulation of this small project via an association created solely for this purpose. It further observed that while the proposal was well written and presented, it had not included a proper estimate of the potential carbon sequestration to be provided by the rehabilitation of degraded lands with Tara, and as such thought it should be eliminated from the proposal. In addition, the Panel also viewed the project's timeframe as rather overoptimistic, as the production and planting of the Tara seedlings would take up the first six months, and then the Tara trees themselves would take another 18 months to complete one full production cycle. Moreover, the feasibility study also can only be completed after one full production cycle.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Extend the project's timeframe sufficiently so as to realistically be able to achieve one full production cycle and properly complete the data collection and elaboration of the feasibility study, albeit without affecting the project budget in any way;
2. Either provide proper estimates for the potential carbon sequestration to be provided by the rehabilitation of degraded lands with Tara, or eliminate it from the proposal. However, it could, and probably should, be considered as a component within the feasibility study to be developed;
3. Consider applying the ITTO Guidelines for the Restoration, Management and Rehabilitation of Degraded and Secondary Tropical Forests during the implementation of the project;
4. Include a project brief and a list of acronyms, and provide additional information as regards the institutional setup, logical framework indicators, implementation strategy, risks and the project's long-term sustainability;
5. Adjust the costs for ITTO monitoring and review to US\$10,000 per year, and recalculate ITTO's Programme Support Costs so as to conform to the standard of 8% of total ITTO project costs; and
6. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted (**bold and underline**) in the text.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

PD 584/10 (F)

Implementing the Cooperative Framework between ODEF and the Stakeholders for the Effective Participatory and Sustainable Management of the Eto-Lilicope Forest Complex

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized that the proposal was based on the findings and outcomes of the completed project PD 217/03 Rev.2 (F): *“Establishing a Cooperative Framework between ODEF and the communities living in the Eto-Lilicope Forest complex for the Sustainable Participatory Management of this Complex”*. The Panel noted that the intention of the project was not fully articulated in the proposal and presented a number of weaknesses including its relevance to ITTO's policies and priorities. Those weaknesses include the following: wrong mention to ITTA of 1994 instead of ITTA of 2006 and to the Yokohama Action Plan instead of 2008-2011 ITTO Action Plan; no information on the use of the outputs by beneficiaries after project completion; lack of information on issues and needs of institutions involved in the project implementation as well as their capacity roles and responsibilities; stakeholders analysis not correctly performed with the lack of information on the level of consensus reached by consulted primary stakeholders, weak problem analysis and problem tree due to the lack of vertical coherence of cause-effect relationship leading to the identification of a wrong key problem (in relation to its related causes). Most of indicators in the logical framework matrix were not specific, measurable, appropriate and time-bound (SMART) and indicators should also be mentioned in section 2.2 under objectives. It was noticed that some outputs were not defined in accordance with the main causes of the key problem and also some activities were not defined in line with the sub-causes of the key problem.

The Panel also noted the implementation approaches and methods were elaborated but lacked clarity on the linkage between the interventions and the key problem with the participation of primary stakeholders. The work plan looked too optimistic as some activities could be subject to various external factors. The budget was difficult to assess and comprehend due especially to the lack of the master budget schedule. The Panel further noted that the assumptions and risks were inadequately analyzed without clear linkage with the logical framework matrix while the sustainability was not sufficiently elaborated. Finally, the Panel noted that the Executing Agency and partners were identified but only the ODEF's profile was included in the proposal. The membership of the project steering committee (PSC) was identified but representative of local community was missing. The reporting, review, monitoring and evaluation section was inadequately presented with a number of confusions and not in accordance with the standard operating procedures applying to the implementation of ITTO projects, while the project steering committee was not placed at the top of the organizational chart, for its key role in the monitoring and evaluation of the project implementation.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Assess the relevance of the project in accordance in light of the ITTA of 2006, ITTO 2008-2011 Action Plan and other policies/priorities;
2. Provide more information on issues and needs of the institutions involved in the project implementation, their capacity, roles and responsibilities;
3. Improve the stakeholders' analysis by providing more information on the level of consensus, need for change and steps to ensure the participation of stakeholders, while defining the target beneficiaries in relation to identified primary stakeholders;
4. Improve the problem analysis by identifying the relevant main causes and sub-causes;
5. Strengthen the logical framework matrix by using SMART indicators for the development objective, specific objective and outputs;
6. Redefine the outputs in accordance with the main causes of the key problem and provide more information on the use of outputs by beneficiaries in the section regarding the expected outcomes at project completion, while defining relevant activities in relation to the sub-causes of the key problem;
7. Clarify in the implementation approaches and methods how the project interventions would contribute to solve the identified key problem, how stakeholders would be involved and what capacity building is needed to implement the project;

8. Adjust the work plan by allocating longer time to execute activities on boundary working, land allocation and control of wild life and illegal logging without increasing the budget;
9. Analyze potential risks in light of the assumptions in the logical framework matrix and identify relevant mitigating measures accordingly, while providing more information on the critical activities to be implemented after the project completion and associated financial and institutional arrangements;
10. Include profiles of the partners, and add the representative of local communities in the PSC;
11. Revise in full the section related to the reporting, review, monitoring and evaluation in accordance with the standard operating procedures applying to the implementation of ITTO projects, and improve the organizational chart by putting the project steering committee on its top and deleting the driver;
12. Revise the ITTO budget in line with the above overall assessment and specific recommendations and also in the following way:
 - a) Include the master budget schedule,
 - b) Adjust the budget item 81 to the standard rate of US\$10,000 per year for the monitoring and review costs,
 - c) Recalculate the ITTO Programme Support Costs (sub-item 83) so as to conform with standard rate of 8% of the total ITTO project costs (on budget items 10 to 82); and
13. Include an Annex that shows the overall assessment and specific recommendations of the 40th Expert Panel and respective modifications in tabular form. Modifications should also be highlighted (**bold and underline**) in the text.

C) Conclusion

Category 2: The Panel concluded that the project proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised project proposal before it can commend it to the Committee for final appraisal.

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized the importance of creating a payment for environmental services (PES) mechanism in an area where people have promoted rehabilitation. The Panel also noted that the proposal has very interesting elements to develop a PES at Lake Toba, North Sumatera, Indonesia as a follow-up to PD 394/06 Rev.1 (F) "Restoring of Ecosystem Functions of Lake Toba Catchment Area through Community Development and Local Capacity Building for Forest and land Rehabilitation".

However, the Panel noted a number of gaps in the design and formulation of the proposal. It was not clear which environmental services will be focused in this project although "water" is referred. However "water" is not a service, but a good. If the regulation of the hydrological cycle is considered, which is an environmental service, it should be stated clearly. Although tenure, ownership and access are very important issues when trying to promote a mechanism for PES, these issues were not clearly described. There was no clear description of which methods to be used to quantify and value the ecosystem services to set a price to be paid. There was no consideration of a long-term monitoring system for the environmental services (not project monitoring). Although the Panel acknowledged the importance of this proposal, it questioned whether the current scope of this project would be able to be accomplished within a three-year timeframe, given the complexity of developing a PES mechanism. In this regard, the Panel felt that a greater attention could be given to the establishment of a multi-stakeholder consultation forum to review and develop a PES mechanism as part of integrated watershed area management in Lake Toba.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Provide more information on the study on environmental services in LTCA (done by Dr. Rajab Tampubolon) showing that potential economic value of PES in LTCA annually was around Rp. 1.389 quintillion (equivalent to USD 138 million per year). It would be important to clarify this figure to get a better understanding of the potential;
2. Explain how the project complies with the objectives of the ITTA, 2006 and the ITTO Action Plan 2008-2011;
3. Provide a detailed map of the project site showing clearly downstream and upstream areas and land uses;
4. Improve the social aspects of the proposal in relation to concerned communities, land ownership and tenure, conflicting land uses, etc;
5. Improve the cultural aspects by specifying cultural background of the project area;
6. Improve the environmental aspects by describing the environmental services to be provided by the project and the downstream beneficiaries;
7. Describe outcomes for the beneficiaries of the project in the expected outcomes at project completion;
8. Provide information on organizational issues to ensure the efficient collaboration between concerned agencies;
9. Improve the problem analysis by reviewing lessons learned from developing PES systems including ITTO project in Colombia. A scientific language is necessary as the sentence and the conclusion relating to "Most people do not believe that water comes from forests" is controversial;
10. Improve the problem tree by reviewing the key problem to be addressed by the project and describing the effects of the key problem and provide a description of those effects in the text;

11. Improve the logical framework matrix by refining the development and specific objectives, the outputs well as the indicators. Identify an output and related activities for the primary beneficiaries whose problem is defined as “Lack of involvement in government policy formulation”;
12. Provide a more in-depth analysis of the implementation approaches and methods, taking into account the fact that the development of PES mechanisms mostly consists of (i) identifying and valuing environmental services, (ii) charging service users, (iii) paying service providers, and (iv) establishing the institutional framework;
13. Further improve the sustainability of the project by specifying post project mechanisms to ensure the further development of the activities initiated by the project;
14. Improve the organization chart clearly showing the functional and hierarchical relationships with the project structure;
15. Describe how the project’s results will be mainstreamed into national policies and plans in Section 4.3.2 (mainstreaming project learning);
16. Add an organigram in the profile of the executing agency;
17. Include tasks and responsibilities for key project personnel provided by the executing agency in Annex 2;
18. Revise the project budget in following way:
 - a) Scale down significantly the ITTO budget in particular with regard to the project personnel, the duty travel, and the consumable items
 - b) Recalculate the ITTO Programme Support Costs at 8% of ITTO total project costs; and
19. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 2: The Panel concluded that the project proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised project proposal before it can commend it to the Committee for final appraisal.

PD 586/10 (F)

Operational Strategies for Genetic Conservation of Tengkawang (*Shorea spp.*) for Sustainable Livelihood of Indigenous People in Kalimantan (Indonesia)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized the importance of *Shorea* spp locally known as Tengkawang due to their ecological roles and economic contributions to local communities as their seed is one of the famous non-wood forest products. The Panel also noted that conservation of Tengkawang has been carried out several institutes in the country, including Gajah Mada University through ITTO projects. However, the Panel was concerned about the effective engagement of indigenous people in the project implementation although the project was focused on the conservation of genetic resources of Tengkawang. It underlined the need for this concern to be fully addressed. The Panel also noted that the proposal could be further improved by refining several sections of the proposal. These include the key problem of the problem tree and the specific objective of the objective tree; clear presentation of the impact indicators; and effective engagement of Gajah Mada University and local NGOs in the project implementation to ensure the synergy and the efficiency.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Explain how the project complies ITTO's objectives and priorities since simply quoting relevant paragraphs is not sufficient;
2. Improve the social and cultural aspects of the proposal since the effective engagement of indigenous people in Kalimantan would be important to the project implementation;
3. Refine the key problem of the problem tree and the specific objective of the objective tree without mixing a means such as effective measures;
4. Improve the impact indicators to ensure longer-term effects of the project. It was not clear whether three year after the project completion there would be no harvesting of Tengkawang by logging operators;
5. Improve the section on mainstreaming project learning by describing how project results will be mainstreamed into local or national policies and plans;
6. Correct the title of Section 2.2.2 with "Specific objective and outcome indicators";
7. Strengthen the project activities relating to the capacity building of local communities in the utilization of Tengkawang seed to increase the livelihoods of concerned indigenous people;
8. Increase the engagement of Gajah Mada University in the project implementation since they have carried out ITTO projects on the conservation of Dipterocarps, including Tengkawang;
9. Make sub-contracts for some of the training activities to a qualified local NGO, where appropriate;
10. Recalculate the ITTO Programme Support Costs at 8% of ITTO total project costs;
11. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

PD 588/10 (F)

Promoting Indigenous Mamar Agroforest as Community Forestry Model for Rehabilitating Critical Land in Noelmina Watershed, West Timor Indonesia (Indonesia)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized that the project aims at promoting the rehabilitation of critical lands (heavily degraded area) in Noelmina watershed area, West Timor, Indonesia through the promotion of an indigenous Mamar agroforestry system (IMA) which would be most suitable for dry-land farming. However, the Panel noted that although the proposal was formulated as a small project in accordance with the ITTO Manual for Project Formulation (2008), there were several weaknesses in the proposal. These include: insufficient information on the on-going UNDP activity on Community Based Watershed Forest Management in Noelmina watershed area to justify the proposal; unfocused problem analysis and key problem to be addressed by the project; lack of proper indicators in the logical framework matrix; and inconsistent presentation of the budget. The Panel further noted the importance of clarifying the strategic approach and methods and the activities for the effective engagement of local communities in the project.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Provide more information on the on-going UNDP activity on Community Based Watershed Forest Management in Noelmina watershed area and clearly clarify how this proposal will complement this activity;
2. Refine the key problem in the problem analysis and its problem tree since the use of IMA is rather a solution than a key problem. For instance, "Rehabilitation of critical lands in Noelmina watershed area is slow" would be a key problem while the application of IMA as an appropriate model is a means to address such a problem;
3. Modify the objective tree and the specific objective in relation to the refined key problem. The effective engagement of local communities in the implementation of the project should be fully addressed;
4. Redefine the indicators in the logical framework matrix to allow the effective monitoring of the project;
5. Further elaborate the strategic approaches and methods to ensure the full and effective involvement engagement of local communities. The stakeholder analysis should be strengthened accordingly;
6. Provide more information on the extension activities for local communities. Specify the representation of the 60 beneficiaries indicated under Activity A.2.3. Explain how these activities will enable the effective dissemination of the project results to a greater part of Noelmina watershed area;
7. Improve the budget presentation in the following way:
 - a) Correct the inconsistency of the amounts allocated for each sub-budget item in Tables 3.5.2, 3.5.3 and 3.5.4,
 - b) Omit the components for sub-budget items 82 (ITTO Ex-post project evaluation) and 84 (Donor monitoring costs) since it is a small project,
 - c) Recalculate the ITTO Programme Support Costs at 8% of ITTO total project costs; and
8. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 2: The Panel concluded that the project proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised project proposal before it can commend it to the Committee for final appraisal.

PD 589/10 (F)

**Ensuring Conservation of Sumatra Tropical Plant Species Threatened
by Excessive Harvest and Adverse Environmental Condition
(Indonesia)**

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized the importance of updating the current status of threatened species in Sumatra, Indonesia and conserving those species in a sustainable way. However, the Panel felt that essential background information was lacking as regards the current status of the monitoring, management and conservation of threatened and/or potentially threatened species. On the relevance to ITTA and ITTO/IUCN Guidelines, the ITTA, 2004 should be corrected with the ITTA, 2006 while the full title of the ITTO/IUCN Guidelines should be used. Forest statistical information on Sumatra was not clear in the problem analysis. The expected outcomes at project completion needed to be further improved by describing concisely the main outcomes that the project will achieve.

The Panel noted that the stakeholder analysis was incomplete as Table 1 (The involvement of various stakeholders in the project implementation) did not identify problem needs and interests of each stakeholder which is one of the important parts of the stakeholder analysis. The key problem and some of sub-causes were not appropriately identified since the lack of successful implementation of SFM would be a sectoral problem instead of a problem to be addressed by the project. The Panel felt that Figure 4 (Brief approaches toward the well managed plant species) did not make any sense in the implementation approach.

The Panel further noted that the proposal presented many weaknesses. These include: weak development of the social, cultural, economic and environmental aspects of the proposal; lack of measurable indicators in the logical framework matrix; unclear work load for Outputs 2 and 3 in the work plan; weak sustainability after project completion; weak dissemination strategies; unclear presentation of the management team with relevant partners; and lack of information on relevant expertise of the key experts provided by EA. With regard to the ITTO budget, the Panel noted that a significant amount of the expenses was allocated for Project Personnel and Duty Travel. Moreover, in view of the critical importance of essential basic information on the proposed work, the Panel felt that a pre-project would be necessary to assess the current situation and formulate a project proposal.

B) Specific Recommendations

The Panel recommended that a pre-project should be developed to assess the past and current situation and formulate a project proposal. The focus of the pre-project should be on updating the current status of the monitoring, management and conservation of threatened species in Sumatra and the identification of project intervention for the conservation of selected threatened species by collaborating with on-going initiatives to avoid duplication and overlap.

C) Conclusion

Category 3: The Panel concluded that a pre-project is necessary in order to assess the situation and the viability of the proposed work and the possible formulation of a project proposal. The Panel will need to assess the pre-project proposal before it can commend it to the Committee for appraisal.

PD 590/10 (F)

Establishment of Pilot Sites for the Implementation of Sustainable Integrated Fire Management Practices in Rural Community Areas of the Republic of Guatemala

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel acknowledged the importance of this project aimed at contributing towards the sustainable management of Guatemala's tropical forests via the development and application of community-based integrated fire management practices in four pilot sites in rural areas of Guatemala. The Panel further noted that the proposal was very well formulated and in accordance with the format stipulated in ITTO's Project formulation Manual. Moreover, the development objective of the project was well articulated in the proposal. However, it also observed some weaknesses that should be strengthened, such as the lack of information on: a) the institutional setup and other organizational issues; b) problem analysis; c) stakeholder analysis; d) coordination among partner institutions; and e) long-term sustainability after project completion. It also further noted that some impact indicators would only be achieved two years after project completion rather than at project completion, and that the proponent had included the salaries of its permanent personnel under the proposed ITTO budget, rather than in the counterpart budget, thus contravening ITTO's rules of procedure regarding the selection of consultants.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Reassess the impact indicators mentioned in the logical framework so as to be wholly achieved within the project's timeframe of 3 years, and redefine the second outcome indicator in order to be measurable;
2. Include a project brief, a list of acronyms and a problem analysis, as per the ITTO format. Also provide additional information and or improve the sections on institutional setup and other organizational issues, the proposed coordination among partner institutions; the stakeholder analysis and the long-term sustainability after project completion. On the other hand, omit the evaluation schedule from section 4.2;
3. Restructure the project budget, so as to conform to the ITTO Guidelines for the Selection and Employment of consultants, Procurements and Payments of Goods and Services (GI Series 16), particularly as regards the selection and employment of project personnel and its exclusion clause. Eliminate the curriculum vitae attached as an annex to the proposal, as these are not required, and replace them with the terms of reference for the key personnel. Further transfer all AVM permanent and temporary staff costs from the ITTO budget to the counterpart AVM budget, or apply the required conditions established in the guidelines;
4. Adjust the costs for ITTO monitoring and review to US\$10,000 per year, include US\$15,000 for mid-term/ex-post evaluation, and recalculate ITTO's Programme Support Costs so as to conform to the standard of 8% of total ITTO project costs; and
5. Include an annex that shows the recommendations of the 40th Expert Panel and the respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

PPD 147/10 (F)

Zoning and Sustainable Development of the Minkebe Protected Area towards the Protection of Transboundary Conservation Corridors between Gabon, Cameroon and the Congo

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized that the pre-project proposal was intended to update the data and information used for the formulation of the project proposal PD 145/02 (F) “*Zoning and Management of the Minkebe Protected Area (MPA) for the Protection of Transboundary Conservation corridors between Gabon, Cameroon and Congo*”, in 2002, and also to re-engage the stakeholders consultation process. The Panel noted that the pre-project proposal was well formulated and structured in most of its main sections and sub-sections. However, there was still the need for further improvement regarding, among others: origin of the proposal not well described, link with the TRI-DOM initiative covering the same three countries not clearly explained, approaches and methodologies to be further elaborated, work plan too optimistic for some activities, ITTO budget too high while the counterpart contribution is too low, implementation arrangements not related to a pre-project implementation, and absence of required annexes. The Panel also noted that the transboundary aspects of the future project were not described in the pre-project proposal, as it should take into account the fact that the Gabonese and Congolese components will be at their first phase while the Cameroonian component (Mengame Gorilla Sanctuary) will be at its second phase.

B) Specific Recommendations

The proposal should be revised taking into account the overall assessment **and** the following:

1. Further explain the origin of the pre-project proposal in relation to the new context of the implementation of the TRI-DOM initiative in the same three countries;
2. Improve the approaches and methodologies with a good description on how to harmonize the transboundary aspects, to be taken in to the project to be formulated, among the three countries of the TRI-DOM initiative, for synergy and efficiency;
3. Subsequent to the second recommendation, there is a need to appropriately adjust the pre-project work plan for a realistic implementation of the Activities 1.2, 1.3 and 2.1;
4. Reformulate entirely the implementation arrangements which should be in relation to the implementation of a pre-project and in accordance with the ITTO standard operating procedures;
5. Add the profile of the Executing Agency in the pre-project proposal;
6. Provide the tasks and responsibilities of key experts provided by the Executing Agency;
7. Include the terms of reference of consultants funded by ITTO budget;
8. While increasing the Counterpart contribution, there is a need to scale down the ITTO budget (under US\$100,000), and revise it in accordance with the above overall assessment and specific recommendations and also in the following way:
 - a) Delete the budget sub-item 64 (steering committee meeting), not relevant for a pre-project,
 - b) Remove from ITTO Budget the costs for the Executing Agency management (budget item 70),
 - c) Adjust the budget item 81 to the standard rate of US\$3,000 for the monitoring and review costs,
 - d) Recalculate the ITTO Programme Support Costs (sub-item 83) so as to conform with standard rate of 8% of the total ITTO project costs (on budget items 10 to 82); and
9. Include an Annex that shows the overall assessment and specific recommendations of the 40th Expert Panel and respective modifications in tabular form. Modifications should also be highlighted (**bold and underline**) in the text.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporation of amendments.

PD 580/10 (I)

Conservation and Management Demonstration of Tropical Rattan and Bamboo Resources in China (P.R. of China)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel noted that the proposal deals with conservation, cultivation and management of rattan, and that even though bamboo are mentioned in the proposal, there is little attention to bamboo in the overall text and project activities, and therefore the proposal should focus solely on rattan.

Also, the Panel felt that the key problem of the proposal needs more focus in order to fit into the scope of ITTO and its Action Plan for Forest Industries, in particular taking in consideration the need of increasing the domestic production of rattan to satisfy the requirements of the industry while at the same time reducing the risk of biodiversity loss.

B) Specific Recommendations

The proposal should be revised taking into account overall assessment **and** the following:

1. The Project brief should provide a concise description of what the project would like to achieve and why;
2. The map of the project area should better highlight the geographical location of Hainan Province;
3. Part 1. Project Context:
 - The origin of the proposal is not clear, the Panel will appreciate more elaborated information on the reasons of why rattan and bamboo are the best option for the degraded lands, and how the project proposal is originated and why it is needed. In case the project originate from a previous ITTO project this should be mentioned in detail,
 - The proposal must state how it relates to ITTO's objectives and priorities rather than just listing them,
 - Relevance to submitting country's policies, must also state how these policies are relevant to the proposal rather than just mention them,
 - Target area, needs to include a more elaborated description on the land use and distribution of forest land in Hainan Province, which has been given in the section of problem analysis,
 - The social, cultural, economic and environmental aspects of the project need to be completed with more detailed information of the agricultural and economic activities that are driving economic development in Hainan Province, as well as information on forest industry and its development,
 - Section 1.4 on Expected outcomes needs to be strengthened with information on how the outcomes will be achieved and how the stakeholders will benefit from the project in a more concrete way;
4. Part 2. Project Rational and Objectives:
 - Under institutional set-up clearly describe how the Forest Department of Hainan Province and the groups on rural area extension, technology development, and capacity building will interact with the project team,
 - The Panel felt that the stakeholder analysis is rather weak and it has a more top-down approach, in spite of the fact that on page 13, reference is made to investigations on bamboo and rattan through workshops, field visits, discussions, etc., however no further details on the results of these consultations and on the agreement of the stakeholders (specially local farmers and entrepreneurs) with the project proposal is included in the text. This situation must be addressed as described in the ITTO Manual for Project Formulation, third edition,
 - The Panel was of the view that the problem analysis needs more focus, and that actually the key problem was more related to the insufficient domestic supply of rattan for the industry and the unavailability of cultivation systems by local farmers,
 - The Problem tree needs to be reformulated according to above recommendation and shall be clear and legible,

- The Logical Framework Matrix needs to be reformulated in accordance with the recommendation of the key problem. In general, measurable indicators must be improved, so they may be “measurable”; reference to “low carbon economy” in the Development Objective must be reconsidered since no reference to carbon is given in the project; and the Specific Objective should be more focused on the engagement of local farmers in the cultivation of rattan;
5. Part 3. Project Interventions:
- The Panel felt that at least one of the outputs needs to be designed specifically to address the needs of the stakeholders (local farmers and industries),
 - The Panel felt that activity 4.2 on training courses for local residents on database and internet does not add value to the project and this needs to be reconsidered or justified,
 - The Implementation Approaches section needs to state more clearly how project activities will be conducted,
 - Subtotals per output and activity needs to be included in the master budget,
 - In the ITTO budget by component the allocation of US\$6,000 for PSC need to be transferred to the counterpart contribution; monitoring and review cost shall be calculated on the basis of US\$10,000.00 per year, and programme support should be recalculated accordingly,
 - The section of Assumptions and risk is quite weak and needs to be further elaborated,
 - As for sustainability, the proposal shall clearly state how the outputs of the project will be maintained after project completion and financing from ITTO;
6. Part 4, Implementation Arrangements:
- As for Steering Committee, the Panel is of the view that primary beneficiaries (local farmers and forest industries) need to have representation at the Steering Committee,
 - The Panel noted that under stakeholder involvement mechanism no information is given on the situation of NGOs in Hainan Province and their possible role in the project,
 - The dissemination and mainstreaming section needs to be strengthened and further elaborated;
7. Annexes section:
- On page 40 the proposal mention the existence of a germplasm conservation base in Hainan Province, and therefore the proposal shall clearly justify the amount of funds requested from ITTO for the germplasm bank,
 - The Panel noted that the Project Director and Deputy Project Director are the current Director and Vice-Director of ICBR, and felt that implementation could be more effective if such posts are covered by staff at more operational level; and
8. Include an Annex that shows the overall assessment and specific recommendations of the 40th Expert Panel and respective modifications in tabular form. Modifications should also be highlighted **(bold and underline)** in the text.

C) Conclusion

Category 2: The Panel concluded that the proposal requires essential modifications and will be returned to the proponent. The Panel will need to assess the revised proposal before it can commend it to the Committee.

PD 587/10 (I)

**Critical Land Rehabilitation Using Selected Biodiesel Tree Species
(Indonesia)**

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel acknowledged the relevance of the proposal to the Indonesian Government's programmes on critical land rehabilitation and on the development of biofuel, and to the ITTO's programme on the promotion of forest-based bioenergy.

The Panel noted that a fundamental revision of the proposal is necessary to enable the outcomes of the project contribute to the above mentioned Country's programmes. The main weaknesses of the proposal are imprecise formulation of the key problem to be addressed, and strategic approach and methods. Consequently, the outputs do not serve the objective of the project.

B) Specific Observations

The following observations were made:

1. Two development objectives were defined instead of one;
2. The specific objective does not correlate with development objective. "Lack of community capacity for planting biodiesel tree species" may be promoted as the key problem;
3. No location map was provided and the description of the project areas is weak;
4. Clear terminology of critical land rehabilitation was not given. ITTO guidelines for the restoration, management and rehabilitation of degraded and secondary tropical forests may be used;
5. The description of social, cultural, economic and environmental aspects is more as 'justification' rather than baseline information;
6. The strategic approach and methods are weak;
7. Stakeholder analysis were not based on consultation with the stakeholders;
8. No correlation between the project's outcomes and the objectives;
9. The activities in the work plan were not properly distributed thorough out the project's duration; and
10. No orientation on the project's strategy and activities toward assessing the pre-conditions toward meeting Indonesia target for national energy demand.

C) Conclusion

Category 3: The Panel concluded that the proposal is not accepted because a pre-project proposal is required. According to the indication of the Panel the pre-project shall be submitted to the Expert Panel for appraisal.

PD 576/10 (M)

Promoting Africa-China Collaboration For Improved Forest Governance (PACCIG)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel recognized that the aim of the project is to explore the policy and information needs for establishing a harmonized incentive and regulatory framework for foreign operator to comply with national laws, voluntary best practices, code of conducts, etc. However, this project seems fails to demonstrate how it will strengthen and improve the forest governance in the target region. Furthermore, there are critical weaknesses in analyzing stakeholder participation which should be identified before submitting the proposal rather than being project activities.

The Panel noted that the development objective and specific objectives as well as outputs appeared to be formulated unclearly, imprecisely, and incoherently. The indicators of development objective and specific objective seemed rather ambitious to achieve and have not closely related to the impact and outcome of the project, while some of the outputs and activities designed in the proposal are lack of consistency.

The Panel also noted that a number of key weaknesses existed for the following sections and sub-sections of the project proposal: target area not clarified, socioeconomic aspects need to be better analyzed, problem analysis not clearly elaborated and briefly streamlined, stakeholders analysis not showing how different stakeholders will get the benefit from the project, work plan need to be better formulated, project management team located in different countries and difficult to coordinate in the implementation process.

The Panel further noted that project personnel, duty travel and consumable items comprise a relatively large percentage of the total budget and need to be more streamlined. Some of the budget items, particularly a few personnel cost should not be funded by ITTO according to the Manual.

B) Conclusion

Category 4 (New system): The Panel concluded that it could not commend the proposal to the Committee, and submits it to the Committee with the recommendation not to approve the project proposal.

PD 578/10 (M)

Implementation of a National Information System for the Sustainable Management of Forest Resources (Côte d'Ivoire)

Assessment by the Fortieth Panel

A) Overall Assessment

The Panel noted that the proposed project is a follow up of the completed pre-project "Diagnostic of Current Status and Development of a Strategy and a Project to Improve the National Forest Statistics Management System" (PPD 61/02 Rev. 1 (M)). The panel considered in its recommendations three documents produced in the pre-project including i) the diagnostic study of the current state of forestry statistics, ii) the strategy developed for improving the national forest statistics system, iii) the project proposal "Implementation of a National Information System for the Sustainable Management of Forest Resources (Côte d'Ivoire)". The project proposal was recognised to aim at establishing a national information system for the sustainable management of forest resources in Cote d'Ivoire.

The Panel commented that the pre-project was not fully considered and its key results were not sufficiently referred to in the proposal. The Panel was also concerned about the implementation of the second phase of national strategy. In this regard, the proposal is describing some outcomes, which can only be achieved by conducting forest inventories and having a GIS as defined in the second phase of national strategy (e.g. the determination of areas to be reforested). In addition, the expected outcomes of data collection should be defined in more details according to the national strategy to improve the forest statistics system.

In terms of the institutional set up and organisational issues, the Panel found the organisation structure unclear: the executing and collaborative agencies' capacities, roles, responsibilities and coordination were not adequately defined. Also the stakeholder analysis of the proposal was found to offer insufficient information in terms of level of consensus and willingness to participate by the private sector and some agencies of the administration. As a result, the stakeholder involvement mechanisms were inadequate.

The defined activities were acknowledged to be well in accordance with the problem tree and outputs, however, the work plan was recognised to be tight.

B) Specific Recommendations

The proposal should be revised taking into account the following recommendations:

1. As the relevance was analysed in light of ITTA 1994, the Panel recommends to assess the relevance considering ITTA 2006; 2008-2011 Action Plan and other existing ITTO policies.
2. The project outcomes need to be clarified considering the objectives of the national strategy; where outcomes of the second phase of national strategy are expected to support the implementation of the proposed project, this should be made explicit.
3. The information concerning the implementation arrangements in Part 4. and in Annex A is recommended to be also introduced in a summarised format under the section 2.1.1: Institutional set up and organisational issues. The coordination efforts should also be explained in more details. In addition, the project partner organisations' capacities, roles and responsibilities should be adequately defined in Annex A: Profiles of the Executing and Collaborating Agencies.
4. In the stakeholder analysis, it is recommended to provide more information on the level of consensus especially referring to the work completed in the PPD; this information can be used to give more details on the involvement and willingness of the private sector.
5. In the Logical Framework Matrix (LFM) and project objectives, some indicators were recognised to be immeasurable and unspecific. It is recommended to strengthen the LFM and objectives by using SMART indicators. In many cases in the LFM, measurable results cannot be achieved during the project implementation, but after it.
6. The Panel recommends that the impact and outcome indicators should be re-examined in a realistic way and to match with the outcomes. The first Impact indicator of the objectives

"Increase in tax receipts" should be quantified while the 2nd indicator is more appropriate to be used as the specific objective indicator. The scheduled timescale to reach the defined specific objective indicator is too optimistic (all stakeholder use the system by the end of year 2).

7. The section 2.3: Project strategy, should be moved under the section 3.2: Implementation approaches and methods.
8. In the budget and Organisation chart, the necessity for inclusion of the driver was questioned.
9. There is a need for re-numbering of the sub-sections under the section 4.1 to conform with the ITTO Manual for project formulation. It is recommended to revise the section on "Organisation, coordination and integration of Activities" in such a way that it clearly shows the roles of the organisations involved in project implementation.
10. The section 4.4: Mechanism of participation should be moved under 4.1.1: Executing agency and partners.
11. The Project Management Team is presented on page 45 (Staff establishment of the Executive agency), but it needs to be defined under a separate section: 4.1.2: Project management team.
12. Instead of the Microsoft Access, it is recommended to seek a more advanced software to be applied in establishing a national information system. In this regard, other national information systems may be consulted.
13. It is recommended to include an Annex of TORs of personnel, consultants and sub-contracts funded by ITTO.
14. Recognising the requirements of the national strategy as a whole, it may be useful to employ a development engineer who is also familiar with the GIS.

C) Conclusion

Category 1: The Panel concluded that the proposal could be commended to the Committee with incorporated amendments.

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