

Introduction



The Ecuadorian Andes

(Photograph by R. Rhoades).

Chapter 1

An ICDP Implementation Paradigm of Crossed Lines: South-South and South-North

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Integrated Conservation and Development Projects (ICDPs) emerged on the international development and conservation scene in the mid 1980's, as an innovative strategy for shifting from the traditional passive management of natural resources to a more active approach to promote the conservation of biodiversity (Ack 1991). ICDPs operated from the working hypothesis that rural poverty is one of the primary factors contributing to over-exploitation of the natural resource base, leading to encroachment on protected areas. These projects aimed to "improve the quality of life of people living in areas rich in biodiversity and promote the conservation and management of these areas" (Brown and Wyckoff-Baird 1992).

ICDPs have been loosely defined to include activities ranging from buffer zone and biosphere reserve management projects, to small-scale rural development projects on park boundaries and in protected areas included in regional development schemes (Wells et al. 1992). According to Ack (1991) the specific objectives of ICDPs are:

- ❑ Develop and ensure the long-term environmental protection and management of a natural area.
- ❑ Improve the quality of life of local people by providing tangible benefits that are compatible with the conservation of the natural resource base.
- ❑ Promote environmental understanding among local resource users.
- ❑ Ensure that project activities have a secure institutional base and can be maintained technically and financially with local, national and international resources.

International conservation and development organizations took the lead in the design and implementation of ICDPs with financing from a host of donors, including significant resources from USAID. This approach has been used in Latin America, Africa, Asia, and to some extent in Europe. More recently, World Bank financed Global Environmental Facility (GEF) ICDPs have emerged, as well as European Union initiatives.

By definition, ICDPs require technical expertise in both conservation and development programming. Few organizations are well versed in both disciplines, and the specific focus on either basic science or applied work required for ICDPs results in a technical void at some level within all organizations attempting to design and execute ICDPs. Many organizations have recognized this technical void, and responded by forming consortia, partnerships and strategic alliances. The Sustainable Uses of Biological Resources (SUBIR) Project, an ICDP managed by CARE Ecuador and financed by USAID, has experimented with various models of partnership and consortia in order to manage a challenging, large and complex initiative. The objective of this paper is to describe the project implementation paradigm that the SUBIR Project has developed- one that includes an eclectic mix of traditional approaches.

Three models of project administration for ICDPs

Integrated conservation and development projects require strategic alliances in the design and execution phases (Larson et al. 1998). These strategic alliances are essential to achieve project objectives since development and conservation objectives are intertwined in ICDP programming. Traditionally, bilateral donors have funded these projects via international organizations (e.g., Larson et al. 1998).

World Wildlife Fund recently carried out an evaluation of their ICDP portfolio for the period of 1985 to 1996 (Larson et al. 1998). One of the ten lessons that emerged from their analysis: work in strategic alliances and take on more of a facilitation role. The special skill combinations required by the ICDP are usually met by a combination of institutions with distinct mandates. In addition, international NGOs should foster a facilitation role, rather than a direct delivery or implementation role with local NGOs.

Three principal implementation arrangements have emerged throughout the short history of ICD programming. The three implementation models presented here represent various scenarios along a continuum and do not necessarily represent all such arrangements. However, for illustrative purposes it is useful to examine these models.

The “Classic” North-South Direct Delivery Model

The Classic Direct Delivery Model (Figure 1.1) represents a linear relationship between a donor, the recipient of donor funds, and the project beneficiaries. There are no partnerships formed between the recipient of donor funds and local organizations. Project beneficiaries rely exclusively on the recipient of funds for project activities.

Consortium Model

This construct consists of multiple (at least two) organizations responsible for direct implementation of ICD programming (Figure 1.2). Typically, there are mixtures of expertise, that is, conservation and development mandates are usual combinations between and among organizations. International organizations can subcontract to local organizations for execution, or, the consortium members may opt to implement directly. Usually, one consortium member is ultimately responsible to the donor for project results. Rarely, if ever, are there multiple Lead Implementing Organizations (LIO) or multiple organizations that are legally responsible to the donor under a consortium paradigm.

Multiple Lines of Execution

This model employs various cooperative agreements between recipient organizations with a donor to achieve project objectives (Figure 1.3). These agreements may be a combination of local and international organizations. Each organization is responsible for its activity plan and responds directly to the donor. These organizations may work with local organizations, or may work alone in project execution.

Figure 1.1 The Classic North – South Direct Delivery Model

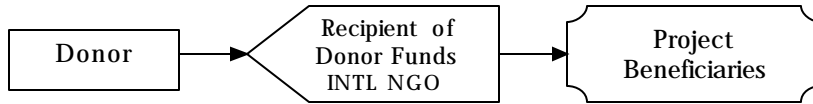
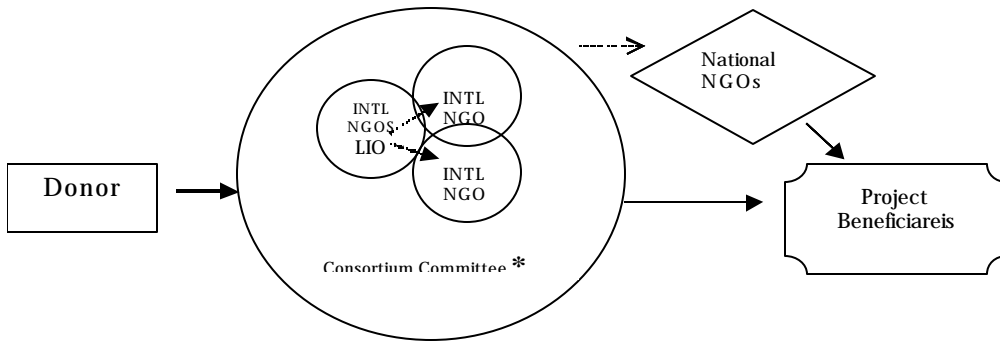
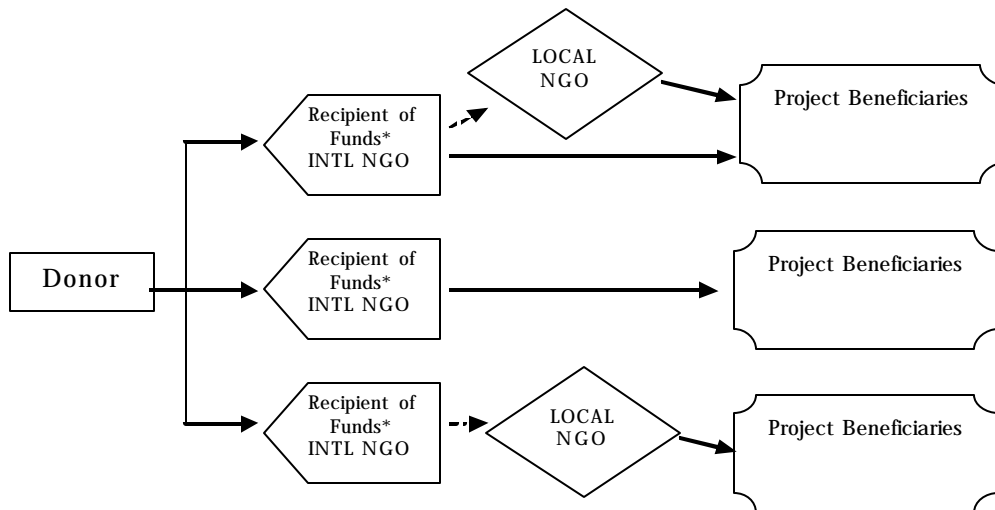


Figure 1.2 Consortium Model



* Composed of conservation and development organizations
 → Subagreement

Figure 1.3 Multiple Lines of Execution Model



* Composed of conservation and development organizations
 → Sub Agreement

Comments on the Three Models

Model 1, the “classic” model, does not build local capacity at the NGO level. Project beneficiaries may see the recipient of funds as the donor. At the end of the project cycle, there is little continuity, since there is no shift in functional emphasis from recipient to local NGO. One of the basic errors of this model is that only one institution is responsible for both conservation and development programming.

Model 2, though theoretically interesting, is rarely effective. Theoretically interesting because this model has attempted to link conservation with development by partnering complementary organizations. However, it is rarely effective because consortium executive committees undertake project management oversight and policy guidance and this can lead to duplication of administrative processes and delays in making and implementing critical decisions. This was the case of the first Phase of the SUBIR Project (Glick et al. 1994).

Under model 2, only one institution is legally responsible to the donor. However, the consortium committee may not be in agreement with the LIO policies (such as hiring, salary levels, procurement and vehicle policies, etc.). Project Coordinators can receive directions from the Consortium executive committee, donor, project counterpart, and from the LIO. These different chains of authority can lead to management frustration, generate confused signals, and contribute to high turnover rates in projects (Glick et al. 1994).

Model 3, though politically appealing, can be divisive and counter productive for the integration of conservation and development. Parallel funding mechanisms for project activities in singular geographic areas require attention from donors to develop a shared vision among all project partners to ensure that linkages between conservation and development are perceived by project beneficiaries. This model can be politically appealing because several organizations participate directly with the same donor and thus resources are shared among many. However, one of the negative aspects of this model is that there is no assurance that each organization is responding to the linkage issue. There could be cases of conservation organizations carrying out conservation activities, and development organizations carrying out development activities, but in distinct geographical areas in a project site. In addition, each organization could be attempting to carry out both conservation and development activities while its organizational mandate is to focus only on one (either conservation or development). In addition, this model requires significant management time and costs from the donor side to oversee multiple cooperative agreements. Lastly, coordination between and among multiple recipients of

funds is the responsibility of the donor. This is essential to ensure that a shared vision is achieved on how to obtain the project objective.

The evolution of implementation in the SUBIR project

The SUBIR Project, financed by USAID, began in 1991 as a consortium managed ICDP, with CARE Ecuador as the LIO, and CARE USA, The Nature Conservancy (TNC), and Wildlife Conservation Society (WCS) constituting the Project Consortium. In 1994, an external Project evaluation was conducted and the consortium was eliminated as a result of a series of recommendations. The consortium model created management and execution confusion, and did not add value to the project beyond the simple sum of the consortium members' strengths (Glick et al. 1994).

The Project was structured with a technical backbone of five components: 1) Institutional Strengthening and Organizational Development; 2) Improved Land Use Management; 3) Ecotourism Development; 4) Protected Area Management; and 5) Biological Monitoring. The original design was to allow each consortium member to manage at least one of the five components. CARE Ecuador was the LIO with USAID. USAID never recognized officially the formation of the consortium (R. Ruybal, pers. Comm.), rather the donor saw the international NGOs, TNC, and WCS as subcontracted technical assistance.

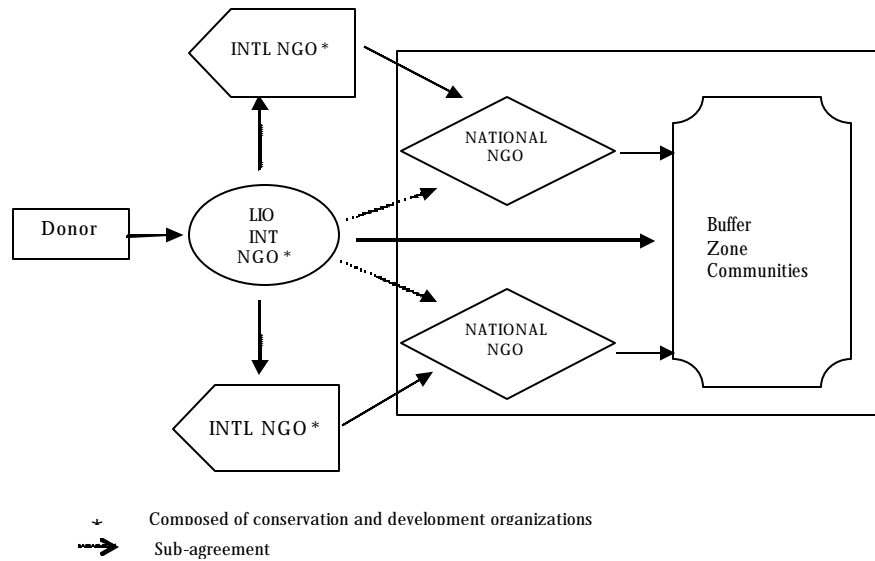
Under the original consortium construct, TNC managed the Protected Areas Management and the Ecotourism Development Components, CARE Ecuador managed the Institutional Strengthening/Organizational Development and the Improved Land Use Components, while WCS was responsible for the Biological Monitoring Component.

The three-chair consortium executive committee was based in the U.S, in each member's respective headquarters. The 1994 evaluation demonstrated that the consortium executive committee contributed to project confusion in administrative and financial aspects, as well as to lines of authority within the management of the Project (Glick et al. 1994).

Post-evaluation: A new project implementation paradigm

The recommendations of the evaluation were acted upon immediately by the Project Coordinator, Donor, and CARE Ecuador. During a six-month "bridging" period between Phases 1 and 2, the management paradigm shifted from a Consortium construct to a Project Consolidated Management structure (Figure 1.4).

Figure 1.4 Consolidated Management Structure Model



A consolidated project management model attempts to bring together local partners in an effort to obtain project objectives. There is one funding arrangement with the donor through which several sub-agreements are made with local NGOs. These NGOs complement, rather than duplicate, efforts to fulfill project objectives. International NGOs, such as WCS, have a technical backstopping and facilitation role, rather than a project implementation role and are sub-contracted by the LIO to provide technical assistance to local NGOs.

The SUBIR consolidated model has both linkage and institutional strengths, as well as a streamlined management structure. A potential weakness of the model is that significant resources are being channeled through one organization. This model builds upon the strengths of both models no. 2 and no. 3. The structure is simplified by having one LIO that is responsible to the donor. The LIO can execute some activities, but should be focused on a shift in functional emphasis to local institutions. This shift is imperative to facilitate the transfer of direct implementation from international NGOs to local partners. Local partners are strengthened in administrative and financial aspects as well as in technical areas. Local partners are selected to be complimentary, and not on existing north-south relationships between international and national NGOs with similar organizational mandates. International NGOs are sub-contracted

by the LIO to provide technical backstopping to local NGOs, rather than performing an execution function in the project. This eliminates “remote control” project execution, detached from the realities of project management. Lastly, this model fosters integration among executing NGOs under one project. Linkages between conservation and development activities are easier to structure in a project where heterogeneous organizations are brought together under one implementation model.

This new model recognized the following objectives in the SUBIR Project:

- ❑ Local NGOs will be strengthened administratively, financially, and technically in order to carry on with project activities.
- ❑ Local NGOs will be responsible for technical project components.
- ❑ Only one international NGO will be the LIO and will be responsible for reporting to the donor.
- ❑ Other international NGOs participating in the project will have to facilitate, rather than execute.

The Project was re-structured with these objectives in mind. CARE Ecuador was designated the LIO. This meant that only CARE Ecuador would report to the donor technically and financially. WCS, through a subcontract, became a technical assistance arm used for the Project in very specific technical areas, specifically, in biodiversity monitoring and forest management for EcoCiencia and Jatun Sacha. EcoCiencia and Jatun Sacha began to execute and assume full responsibility for two of the Project’s technical components, Biological Monitoring and Improved Land Use, respectively. These two components are the largest of the five Project components in terms of the number of activities and financial resources. CARE Ecuador executes three of the technical components, to complement the technical expertise of EcoCiencia and Jatun Sacha. These components include Institutional Strengthening/Organizational Development, Commercialization and Marketing, and Policy and Legal Affairs

Conclusions

The model adopted by SUBIR, after the 1994 Project evaluation, was one that fostered the development of local NGOs to execute project activities with a reduced level of direct implementation by international NGOs. This model has many advantages over more traditional consortium or multiple lines of management models. First of all, the Project was consolidated by including all partners in the design, execution and evaluation phases. This approach facilitates the development of a shared vision and encourages the strengthening of partners. Local partners are required to resolve local problems without the

intervention of international NGOs. Secondly, complementarity was sought, rather than duplication or dispersion of effort. Since ICDPs are composed of development and conservation activities, the Project was constructed to allow for clear understanding on the part of each participating organization of its respective role. CARE Ecuador provided development expertise, while WCS provided conservation expertise. EcoCiencia and Jatun Sacha, with years of technical training, carried out conservation and development programs with the technical backstopping of two international organizations. Future ICDP implementing schemes could include a model whereby the donor finances local NGOs directly, without any relationship with international NGOs. This paradigm will require some fine-tuning based on the actual financing arrangements that some donors currently use.

International NGOs have typically received funding from international donors due to the perceived technical strength of recipient international NGOs. Another reason has to do with administrative and financial management, logistical capacity and familiarity with donor requirements. This issue can be central to many ICDPs. ICDPs tend to be large, long-lived and costly. Some donors may prefer to operate via letters of credit rather than via cash advances. In the former case, NGOs that have established letters of credit with donors can begin to use their respective organizations, resources via financial obligations from the donor, and be reimbursed for their expenses on a regular basis. In the latter case, donors have to provide up front cash advances, and settle these advances with the recipient prior to releasing additional advances. The latter can be tedious and expensive for a donor to manage. In general terms, many US based international organizations operate with letters of credit, especially with USAID, while many local organizations operate via cash advances. Thus, for long-term, multi-million dollar ICDPs, there has been the tendency for donors to finance these projects via international NGOs, rather than via local NGOs.

Recognizing this tendency, many bilateral donors have a keen interest in the strengthening of local organizations to receive bilateral donor funds directly without passing through international NGOs. There are three issues related to this interest. First, donors usually require a counterpart match, either in cash or in kind, and many times both. A change from international NGOs to local NGOs could have a major impact in the amount of leveraged counterpart funding that a local NGO could muster. Second, donors will have to increase their local staff to manage local grants that use the cash advance approach. Third, local NGOs will have to pass administrative/financial screening to manage donor funds directly. This screening will include calculation and approval of overhead rates, maintaining and using approved administrative structures (e.g.,

personnel policies [salary structure, evaluations, hiring/dismissal], vehicle policies, etc.), and financial structures and programs.

Lessons learned

- ❑ ICDPs require a combination of institutions that specialize in conservation and development.
- ❑ Linkages between conservation and development work better when the project institutions share a common vision and philosophy.
- ❑ As much as possible, national institutions should carry out their own project activities and, when necessary, international organizations should provide technical backstopping to the national institutions.
- ❑ The sustainability of project activities will depend largely on local institutions.
- ❑ A consolidated project management model offers many advantages over other models. Common vision is promoted. A shift in functional emphasis from international organizations executing project activities to local organizations taking a more active role in project administration is encouraged.

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