

PAKISTAN ENVIRONMENT PROGRAMME

MID-TERM REVIEW REPORT

Simon Miles, Public Policy and International Development Consultant, Toronto
Bryan D. Bell, Chief Executive Officer, BMB Consulting Inc., Ottawa
Tariq Qurashi, General Manager, CIDA Programme Support Unit, Islamabad
Athar Ali Khan, Financial Manager, CIDA Programme Support Unit, Islamabad

for
CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

June 1998



TABLE OF CONTENTS

Executive Summary		i
Preface and Acknowledgements		viii
Abbreviations		ix
1.0 INTRODUCTION		1-1
—1.1 The Pakistan Environment Programme		1-1
1.2 The Mid-term Review		1-5
1.2.1 Purpose of the Mid-term Review		1-5
1.2.2 The Approach Taken		1-5
2.0 THE RELEVANCE OF THE DESIGN TO THE ATTAINMENT OF THE OBJECTIVES		2-1
3.0 THE IUCNP AS EXECUTING AGENCY		3-1
4.0 THE CANADIAN PARTNER ORGANIZATION		4-1
4.1 Overview		4-1
4.2 Institutional Strengthening		4-4
4.3 Training		4-7
4.4 Technical Assistance		4-8
4.5 Performance Management Adviser		4-10
4.6 Linkages		4-10
4.7 Relations with IUCN Canada		4-13
4.8 Recommendations		4-14
5.0 CIDA		5-1
5.1 PEP's Macro-design		5-1
5.2 PEP's Micro-design		5-2
5.3 The Bridging Phase		5-2
5.4 The Contract with the IUCNP		5-3
5.5 Management from November 1994 to May 1996		5-3
5.6 The Contract with the CPO		5-4
5.7 Management since May 1996		5-4
5.8 A Perspective on the Making of Recommendations		5-5
5.9 Recommendations		5-6
6.0 REPORTING ON RESULTS		6-1
6.1 The Current Reporting Process		6-1
6.2 The PITS		6-5
6.3 Recommendations		6-7
7.0 RESULTS ACHIEVED TO DATE		7-1
7.1 The NCS Unit		7-1
7.1.1 Assumed Outcome of Activity: The Sought-After Capacities		7-1
7.1.2 Overview		7-2

7.1.3	Major Achievements	7-3
7.1.4	Weaknesses	7-5
7.1.5	Constraints	7-5
7.1.6	Recommendations	7-6
7.2	The Environment Section	7-7
7.2.1	Assumed Outcome of Activity: The Sought-After Capacities	7-7
7.2.2	Overview	7-8
7.2.3	Major Achievements	7-8
7.2.4	Weaknesses	7-11
7.2.5	Constraints	7-12
7.2.6	Recommendations	7-13
7.3	The Sustainable Development Policy Institute	7-13
7.3.1	Assumed Outcome of Activity: The Sought-After Capacities	7-13
7.3.2	Overview	7-14
7.3.3	Major Achievements	7-15
7.3.4	Weaknesses	7-20
7.3.5	Constraints	7-20
7.3.6	Recommendations	7-21
7.4	The IUCN — Pakistan	7-21
7.4.1	The IUCNP's Programme Directorate	7-21
7.4.1.1	Assumed Outcome of Activity: The Sought-After Capacities	7-21
7.4.1.2	Overview	7-22
7.4.1.3	Major Achievements	7-23
7.4.1.4	Weaknesses	7-26
7.4.1.5	Constraints	7-26
7.4.1.6	Recommendations	7-26
7.4.2	The IUCNP's Strategies Support Unit	7-27
7.4.2.1	Assumed Outcome of Activity: The Sought-After Capacities	7-27
7.4.2.2	Overview	7-28
7.4.2.3	Major Achievements	7-28
7.4.2.4	Weaknesses	7-31
7.4.2.5	Constraints	7-32
7.4.2.6	Recommendations	7-32
7.4.3	The IUCNP's NGO/Community Support Unit	7-32
7.4.3.1	Assumed Outcome of Activity: The Sought-After Capacities	7-32
7.4.3.2	Overview	7-34
7.4.3.3	Major achievements	7-35
7.4.3.4	Weaknesses	7-39
7.4.3.5	Constraints	7-40
7.4.3.6	Recommendations	7-40
7.4.4	The IUCNP's Business and Law Unit: The Law Programme	7-40
7.4.4.1	Assumed Outcome of Activity: The Sought-After Capacities	7-40
7.4.4.2	Overview	7-41
7.4.4.3	Major Achievements	7-42

7.4.4.4	Weaknesses	7-46
7.4.4.5	Constraints	7-46
7.4.4.6	Recommendations	7-47
7.4.5	The IUCNP's Business and Law Unit: The Business Programme	7-47
7.4.5.1	Assumed Outcome of Activity: The Sought-After Capacities	7-47
7.4.5.2	Overview	7-48
7.4.5.3	Major Achievements	7-49
7.4.5.4	Weaknesses	7-51
7.4.5.5	Constraints	7-52
7.4.5.6	Recommendations	7-52
7.4.6	The IUCNP's Education Unit	7-52
7.4.6.1	Assumed Outcome of Activity: The Sought-After Capacities	7-52
7.4.6.2	Overview	7-54
7.4.6.3	Major Achievements	7-55
7.4.6.4	Weaknesses	7-59
7.4.6.5	Constraints	7-60
7.4.6.6	Recommendations	7-60
7.4.7	The IUCNP's Communications Unit	7-61
7.4.7.1	Assumed Outcome of Activity: The Sought-After Capacities	7-61
7.4.7.2	Overview	7-62
7.4.7.3	Major Achievements	7-63
7.4.7.4	Weaknesses	7-68
7.4.7.5	Constraints	7-68
7.4.7.6	Recommendations	7-69
7.5	A Note on Programme-Level Outcomes	7-69
7.5.1	Recommendations	7-72
8.0	EFFICIENCY	8-1
8.1	The Clarity of the Expected Results	8-2
8.2	Timing and Absorptive Capacity	8-2
8.3	The Sufficiency of Resources	8-4
8.4	The Operating Context	8-5
8.5	Overall Considerations	8-6
8.6	Recommendations	8-8
9.0	MAJOR MANAGEMENT ISSUES	9-1
9.1	The Overall Management of the PEP	9-1
9.1.1	The Management of the Partnership	9-2
9.1.1.2	The PAC	9-2
9.1.1.2.1	Recommendations	9-3
9.1.1.3	PEP partner Meetings	9-3
9.1.1.3.1	Recommendations	9-4
9.1.2	Specific Management Accountabilities	9-4
9.1.2.1	CIDA	9-4
9.1.2.1.1	Recommendations	9-6
9.1.2.2	The CPO	9-6

	9.1.2.2.1 Recommendations	9-8
	9.1.2.3 The IUCNP as Executing Agency	9-9
	9.1.2.3.1 Recommendations	9-11
9.2	Capacity Development of the Four Individual Institutions	9-11
9.2.1	The NCS Unit	9-13
9.2.1.1	Assumed Outcome of Activity: The Sought-After Capacities	9-13
9.2.1.2	Components of Capacity Required to Develop the Sought-After Capacities	9-13
	9.2.1.2.1 Management/Administration Systems and Manuals	9-13
	9.2.1.2.2 Human Resources Management System and Manuals	9-13
	9.2.1.2.3 Orientation Programme	9-14
	9.2.1.2.4 Job Descriptions	9-14
	9.2.1.2.5 Strategic Plans	9-14
	9.2.1.2.6 Funding Capacity and System for Maintaining the Sustainability of the Institution	9-14
	9.2.1.2.7 Marketing/Communication Capacity	9-14
	9.2.1.2.8 Negotiating Skills Capacity	9-15
	9.2.1.2.9 Project Management Planning Capacity	9-15
	9.2.1.2.10 Information Management Capacity	9-15
	9.2.1.2.11 Monitoring and Evaluation Capacity	9-16
	9.2.1.3 Recommendations	9-16
9.2.2	The Environment Section	9-16
9.2.2.1	Assumed Outcome of Activity: The Sought-After Capacities	9-16
9.2.2.2	Components of Capacity Required to Develop the Sought-After Capacities	9-17
	9.2.2.2.1 Management/Administration Systems and Manuals	9-17
	9.2.2.2.2 Human Resources Management System and Manuals	9-17
	9.2.2.2.3 Orientation Programme	9-17
	9.2.2.2.4 Job Descriptions	9-17
	9.2.2.2.5 Strategic Plans	9-17
	9.2.2.2.6 Funding Capacity and System for Maintaining the Sustainability of the Institution	9-18
	9.2.2.2.7 Analytical Capacity	9-18
	9.2.2.2.8 Networking Capacity	9-18
	9.2.2.2.9 Project Management Planning Capacity	9-19
	9.2.2.2.10 Training Capacity	9-19
	9.2.2.3 Recommendations	9-19
9.2.3	The Sustainable Development Policy Institute	9-19
9.2.3.1	Assumed Outcome of Activity: The Sought-After Capacities	9-19
9.2.3.2	Components of Capacity Required to Develop the Sought-After Capacities	9-20

	9.2.3.2.1 Management/Administration System and Manuals	9-20
	9.2.3.2.2 Human Resources Management System and Manuals	9-20
	9.2.3.2.3 Orientation Programme	9-20
	9.2.3.2.4 Job Descriptions	9-20
	9.2.3.2.5 Strategic Plans	9-20
	9.2.3.2.6 Funding Capacity and System for Maintaining the Sustainability of the Institution	9-21
	9.2.3.2.7 Research Capacity	9-21
	9.2.3.2.8 Information Management Capacity	9-21
	9.2.3.2.9 Communications Capacity	9-22
	9.2.3.2.10 Advocacy Capacity	9-22
	9.2.3.2.11 Policy Development Capacity	9-23
	9.2.3.3 Recommendations	9-23
9.2.4	The IUCNP	9-23
	9.2.4.1 Components of Capacity Required to Develop Sought-After Capacities for all six PEP-funded Units of IUCNP	9-23
	9.2.4.1.1 Management/Administration Systems and Manuals	9-23
	9.2.4.1.2 Human Resources Management System and Manuals	9-23
	9.2.4.1.3 Orientation Programme	9-24
	9.2.4.1.4 Job Descriptions	9-24
	9.2.4.1.5 Strategic Plans	9-24
	9.2.4.1.6 Funding Capacity and System for Maintaining the Sustainability of the Institution	9-24
	9.2.4.2 Recommendations	9-25
9.2.5	The IUCNP's Programme Directorate	9-25
	9.2.5.1 Assumed Outcome of Activity: the Sought-After Capacities	9-25
	9.2.5.2 Components of Capacity Required to Develop the Sought-After Capacities	9-26
	9.2.5.2.1 Strategic Planning Capacity	9-26
	9.2.5.2.2 Monitoring and Evaluation Capacity	9-26
	9.2.5.2.3 Project Management Planning Capacity	9-26
	9.2.5.2.4 Facilitation Capacity	9-27
	9.2.5.3 Recommendations	9-27
9.2.6	The IUCNP's Strategies Support Unit	9-27
	9.2.6.1 Assumed Outcome of Activity: The Sought-After Capacities	9-27
	9.2.6.2 Components of Capacity Required to Develop the Sought-After Capacities	9-28
	9.2.6.2.1 Project Management Planning Capacity	9-28
	9.2.6.2.2 Networking Capacity	9-28
	9.3.6.2.3 Facilitation/Coordination Capacity	9-28

9.2.6.3	Recommendations	9-28
9.2.7	The IUCNP's NGO/Community Support Unit	9-29
9.2.7.1	Assumed Outcome of Activity: The Sought-After Capacities	9-29
9.2.7.2	Components of Capacity Required to Develop the Sought-After Capacities	9-29
	9.2.7.2.1 Training Capacity	9-29
	9.2.7.2.2 Networking Capacity	9-30
	9.2.7.2.3 Organizational Development Capacity	9-30
	9.2.7.2.4 Project Management Planning Capacity	9-30
9.2.7.3	Recommendations	9-30
9.2.8	The IUCNP's Business and Law Unit	9-30
9.2.8.1	Assumed Outcome of Activity: The Sought-After Capacities	9-31
9.2.8.2	Components of Capacity Required to Develop the Sought-After Capacities	9-32
	9.2.8.2.1 Environmental Law/Business Networking Capacity	9-32
	9.2.8.2.2 Policy/Legislative Development Capacity	9-32
	9.2.8.2.3 Training Capacity	9-32
	9.2.8.2.4 Marketing/Communication Capacity	9-33
9.2.8.3	Recommendations	9-33
9.2.9	The IUCNP's Education Unit	9-33
9.2.9.1	Assumed Outcome of Activity: The Sought-After Capacities	9-33
9.2.9.2	Components of Capacity Required to Develop the Sought-After Capacities	9-34
	9.2.9.2.1 Networking Capacity	9-34
	9.2.9.2.2 Facilitation Capacity	9-34
	9.2.9.2.3 Training Capacity	9-34
	9.2.9.2.4 Policy Development Capacity	9-34
	9.2.9.2.5 Project Management Planning Capacity	9-35
9.2.10	The IUCNP's Communications Unit	9-35
9.2.10.1	Assumed Outcome of Activity: The Sought-After Capacities	9-35
9.2.10.2	Components of Capacity Required to Develop the Sought-After Capacities	9-36
	9.2.10.2.1 Project Management Planning Capacity	9-36
	9.2.10.2.2 Networking Capacity	9-36
	9.2.10.2.3 Training Capacity	9-36
	9.2.10.2.4 Policy Development Capacity	9-37
	9.2.10.2.5 Marketing/Advertising Capacity	9-37
10.0	PRUDENCE AND PROBITY	10-1
10.1	Introduction	10-1
10.2	Methodology	10-1
10.3	Documents Reviewed	10-1
10.4	The IUCNP	10-2

10.4.1	Planning, Budgeting and Forecasting	10-2
10.4.2	Budget and Expenses Status to December 31, 1997	10-3
10.4.3	Accounting System - Internal Controls	10-5
10.4.4	Audit	10-5
10.4.5	Financial Reporting	10-5
10.4.6	Security of Assets and Inventory Control	10-5
10.4.7	Procurement Procedures and Disposal of Assets	10-6
10.4.8	Contracting	10-7
10.4.9	Recommendations	10-7
10.5	The SDPI	10-8
10.5.1	Planning, Budgeting and Forecasting	10-8
10.5.2	Budget and Expense Status to December 31, 1997	10-9
10.5.3	Accounting System — Internal Controls	10-10
10.5.4	Audit	10-10
10.5.5	Financial Reporting	10-10
10.5.6	Security of Assets and Inventory Control	10-10
10.5.7	Procurement Procedures and Disposal of Assets	10-10
10.5.8	Contracting	10-10
10.5.9	Recommendations	10-11
10.6	The NCS Unit	10-11
10.6.1	Planning, Budgeting and Forecasting	10-11
10.6.2	Budget and Expense Status to December 31, 1997	10-13
10.6.3	Accounting System - Internal Controls	10-13
10.6.4	Audit	10-14
10.6.5	Financial Reporting	10-14
10.6.6	Security of Assets and Inventory Control	10-14
10.6.7	Procurement Procedures and Disposal of Assets	10-14
10.6.8	Contracting	10-14
10.6.9	Recommendations	10-15
10.7	The Environment Section	10-15
10.7.1	Planning, Budgeting and Forecasting	10-15
10.7.2	Budget and Expense Status to December 31, 1997	10-16
10.7.3	Accounting System - Internal Controls	10-17
10.7.4	Audit	10-17
10.7.5	Financial Reporting	10-17
10.7.6	Security Of Assets and Inventory Control	10-17
10.7.7	Procurement Procedures and Disposal of Assets	10-17
11.7.8	Contracting	10-18
10.7.9	Recommendations	10-18
10.8	The CPO	10-18
11.	MAJOR LESSONS TO BE LEARNED	11-1
11.1	Recommendations	11-4
12.0	MAJOR RECOMMENDATIONS	12-1

References

Appendices



EXECUTIVE SUMMARY

The Pakistan Environment Programme (PEP) is aimed at strengthening the sustainable institutional capacities of, primarily, four institutions to facilitate the implementation of Pakistan's National Conservation Strategy (NCS) and, in so doing, assist Pakistan to move towards environmentally sustainable societal development. Canadian assistance, in the form of a \$15 million grant, is being provided over five years.

The four institutions are:

1. The NCS Unit of the Ministry of Environment, Local Government and Rural Development (MELGRD);
2. The Environment Section (ES) of the Planning and Development Division (PDD), within the Planning Commission (PC);
3. The Sustainable Development Policy Institute (SDPI); and,
4. The IUCN (World Conservation Union) Pakistan (IUCNP).

In addition, some other institutions are to be strengthened through a Linkages Programme (e.g., GIK University), or indirectly through the support given to the above-mentioned four institutions.

The IUCNP is also the Executing Agency. The IUCNP (and the other PEP partners via the IUCNP) are able to call upon the support of the Canadian Partner Organization (CPO) — a consortium of three private sector firms.

The PEP owes its origins to the NCS project. This project, also funded by CIDA, with a grant of \$3.7 million, commenced in 1987 and led to the formulation of the NCS, which received the formal approval of the Cabinet of the Government of Pakistan (GOP) on 1st March 1992.

The PEP is making surprisingly good progress. CIDA's financial support is adding value in the form of sustainable institutional capacities. This is being done reasonably efficiently. There is, however, considerable scope for improvement in the financial management of the funds. And although the funds appear to be administered with an eye to probity, there can be no final conclusion on this without a detailed cost audit.

However, the fact that this evidence of progress is surprising is worthy of examination.

Despite the success of the project that led to the production of a Cabinet-approved NCS, in March 1992, the PEP got off to a bad start. There was a hiatus between March 1992 and the signing of the PEP contract in November 1994. Perhaps of greater consequence, however, was the delay in the signing of

the contract with the CPO until May 1996. The Executing Agency was clearly struggling with what was by far the largest project that it had ever undertaken. However, over those 18 months the Executing Agency and the PEP partners (the four recipient institutions) had, perforce, developed their own mode of operations. It soon became clear that it was going to be very difficult for the CPO to establish a niche for itself in this ongoing operation.

Indeed, it soon became clear that several other assumptions on which the management of the project had been predicated were to be proven invalid. Most notable are that: the Pakistanis would welcome the contributions from Canada to be provided through the CPO, and regard the CPO as an equal partner; there would be joint workplanning between the CPO and the PEP partners; the CPO would be able to become more pro-active over time (albeit that its services are provided only as requested by the Executing Agency); and, that several areas of work in which the CPO was to be involved were not as advanced as the CPO's contract implied (e.g., on the analysis of the needs of the four institutions for capacity development, and on the Performance Indicator Tracking System — PITS).

Particularly significant is that the above-mentioned needs analysis had not been done by May 1996. This should have been the first order of business, and indeed this had been the intention. Unfortunately, because of the continuing delays in the signing of the CPO's contract, the CPO's Institutional Strengthening Adviser had taken on another short-term assignment. His arrival in Pakistan was delayed until October 1996. In the interim, the Performance Measurement Adviser (PMA) had therefore started work on "retrofitting" the Results-Based Management (RBM) approach to what the Pakistanis were actually doing. Expected results and progress indicators were entered into the RBM matrices.

What the Pakistanis were actually doing was not so much concentrating on putting in place sustainable institutional capacities but rather concentrating on "getting on with the job" of attempting to deliver the "products" that one would expect to be produced once that sustainable institutional capacity is in place. This was understandable, given that the NCS had been approved by the Cabinet in 1992 and that there had been such a delay to the start of the PEP.

However, it meant that the Pakistanis were proceeding without a clear plan for putting in place sustainable institutional capacities.

The retrofitting of what was being done into the RBM matrices continued even after the Institutional Strengthening Adviser had visited Pakistan. That retrofitting, regrettably, did not uncover this lack of attention to the building of sustainable capacities. Rather, it resulted in completed matrices that suggested that the PEP was aimed at producing the "products". There was very little attention to the sustainable institutional capacities. These RBM matrices, completed in June 1997, have been guiding the work of the PEP partners since then.

The reporting on the progress has been organized against the expected results and indicators identified in those matrices. Probably because the text in the matrices is, in most instances, hard to follow and overall there is little sign of consistency in the approach to the completion of the matrices, the reporting is also of varying quality and generally hard to follow. In addition, and very significantly, what is being reported on is progress in producing the "products" as opposed to progress in developing sustainable institutional capacities.

However, this is where the surprise comes in. As the Mid-term Review (MTR) team listened to the presentations and asked questions it became more and more evident that a considerable amount is being done by the staff in each of the four institutions that is, in fact, contributing to the development of sustainable institutional capacities.

This is not being done according to a plan and it is not being reported on explicitly. But it is being done and quite extensively.

Unfortunately, because there is no clear coherent plan and because the reporting has been so voluminous and yet not covering the work that does relate to the PEP's original objectives, it has been difficult for outsiders to understand the PEP. This has meant that it has had few supporters in CIDA.

The lack of a plan that focuses on the development of sustainable institutional capacities posed a considerable challenge for the MTR team. We were forced to articulate what we have called statements of "assumed outcome of activity". Since we have assumed that the outcomes of an institutional capacity development programme should be enhanced and sustainable institutional capacities, we have identified the capacities that the PEP partners appear to be seeking. These "sought-after capacities", as we have chosen to call them, have been derived by working backwards from the "products" that have been listed in the RBM matrices. (These and other terms that we were forced to adopt in order to avoid confusion with terms used in the PEP are defined in Section 1.)

With these sought-after capacities clearly identified, we were then able to identify progress being made in putting in place the components of capacity that are the requisite building blocks for each sought-after capacity. The illustrative listings that we have come up with (in Section 7) are really quite impressive.

With these same sought-after capacities in mind, we were able to assess (in Section 2) the relevance of the overall design for the realization of the PEP's objectives. This exercise revealed that at the macro-scale the design is quite relevant. However, to arrive at this conclusion, we had to adapt a conceptual and normative model of the total environmental management system (TEMS) that identifies the major functions that have to be performed by a limited number of institutions in any country if it is to "steer" the behaviour of all of its citizens, in the public, private and popular sectors of society, towards environmentally sustainable development. Table 2.1 (in Section 2) shows that most of the

capacities required to perform these functions are being addressed to some degree by the PEP.

What we were also able to do (in Section 9.2) was to move beyond reporting on what is being put in place by way of components of capacity to develop the sought-after capacities and identify what should be put in place to achieve this end. This required the MTR team to come up with a more normative listing of components of capacity. We then assessed progress in this light. Again, although there are some gaps and shortcomings revealed, we found that by reference to the evidence already provided in Section 7, plus additional observations, the progress is quite impressive.

In short, therefore, the MTR team is quite positive about the PEP and believes that, with some really focused effort, the PEP will produce:

- an Executing Agency with much stronger capacity to perform its role;
- strengthened and more effective PEP partners; and,
- some valuable Pakistan-Canada linkages that will complement the contributions of the stronger PEP partners to meeting the PEP's objectives.

Having said that, the emphasis has to be placed on how to get that really focused effort.

With this in mind, we turn to our recommendations. Throughout this report we have made many specific recommendations relating to specific issues. All are important and action on each one is feasible in the remaining time available. Some have been repeated several times to underscore their significance. Here, in providing an overview, we attempt to convey something of the bigger picture and the more strategic considerations that have to be acted upon if the PEP is to re-position and re-orient itself to enhance its contribution to Pakistan.

In constructing this overview, we would not wish this list of recommendations to be taken as a substitute for the many that appear in the body of the report.

In sum, to resolve the problems and realize the opportunities facing the programme, we propose the following ten steps be taken.

First, there needs to be a clearer sense of purpose — of what is involved in moving a society towards environmentally sustainable development and, within that context, implementing the NCS. We are talking about behavioural change on the part of all Pakistanis. Together, they constitute the players in what we call in this report the TEMS. To effect that behavioural change, the four PEP partner institutions have to acquire the capacity to steer the TEMS. This conceptual underpinning needs to be made more explicit in the design of future work; if the PEP partners are to have a clearer sense of purpose.

There are nine institutional units being strengthened in the PEP (there being six within the IUCNP). For each of these nine units we have articulated the sought-after capacities that we have assumed they are expecting to realize as outcomes of the PEP. These sought-after capacities should be reviewed in light of what the PEP partners collectively and individually believe are the capacities that they will need to have in place in order to play their part in performing this "steering" function effectively and thus facilitate the implementation of the NCS and, more generally, move Pakistanis towards environmentally sustainable development. We expect that this is what the PEP partners will do in the context of the MTR for the NCS this summer.

Thus, we recommend that the PEP partners, with the assistance of all of the CPO's Advisers, jointly review the statements of "assumed outcome of activity" (i.e., the sought-after capacities), and replace or add to them if necessary, with a view to ensuring a clear sense of purpose for their work.

Second, with this clear sense of purpose in mind, it is necessary to identify the components of capacity, or building blocks, that need to be put in place in order to develop these sought-after capacities.

Thus, we recommend that the PEP partners, again with the CPO's assistance, identify a normative list of components of capacity that are required to develop each sought-after capacity and then assess how much is already in place and what still needs to be developed.

Third, having identified what has to be accomplished eventually, the requisite resources will need to be identified.

Thus, we recommend that the PEP partners, again with the assistance of the CPO, identify the requisite resources, initially in broad terms, to get a sense of what is involved. In doing this, they should agree collectively on:

- the staff needed;
- the advisers needed; and,
- the pace of work.

Fourth, with a sense of the resource requirements, the priorities can be set in light of the resources available from the PEP and from other sources: The other sources are particularly important considerations for the two GOP units, since we are talking about the commitment of the GOP to find the resources to implement the PC-1s that have been submitted relative to the full regularization of the two GOP units.

Thus, we recommend that clear commitments as to the resources available, over the near and longer term, should be provided by all PEP partners.

If the GOP cannot commit itself to completing the regularization of the two GOP units then CIDA should consider shifting some of the funds away from those units to other GOP units that have been regularized, or to other NGOs.

Fifth, with a sense of resources available, and the resource requirements for developing each sought-after capacity, the priorities can be set (on the basis of draft strategic operational plans being formulated) and strategic corporate development plans can be drawn up.

Thus, we recommend that each PEP partner formulates a draft strategic operational plan and, in support of this, develops a strategic corporate development plan. Although these plans are expected to be developed by each institution working separately for the most part, there should be a conscious effort to share thoughts about the plans with the other PEP partners, since the plans of the four institutions should be complementary.

Sixth, with a clear sense of each institution's needs relative to capacity development, and plans for the development of those capacities in place, a plan for the PEP as a whole can be put together. This will help to ensure that the best use is made of the limited resources remaining available to the PEP. A key component of this plan will be a plan for the strengthening of the Executing Agency's capacities to formulate and implement the plan for the PEP as a whole.

Thus, we recommend that CIDA, in light of its responsibility for ensuring that "the IUCNP has the developmental, technical, financial, administrative and managerial capacity to run the PEP" should take appropriate action to ensure that, relative to the IUCNP's needs, the IUCNP is offered, accepts and acts upon appropriate advice provided through the CPO.

Seventh, in addition to the CPO being able to help where mentioned above, the CPO's services should be utilized with greater imagination than heretofore.

Thus, we recommend that the Executing Agency and the CPO discuss ways in which the CPO team members could be used to best effect in conveying Canadian and other international experience to the PEP partners.

Eighth, in light of the need to make sure that these plans for more focused effort are put in place, there will be a need for a greater degree of involvement of senior management and more frequent meetings of the mid-level staff.

Thus, we recommend more frequent meetings of the PAC and of the PEP partners and their mid-level staff, a simpler system of reporting that better meets CIDA's needs, and the hiring of a Canadian-based external monitor to keep all of the players and especially the PTL better informed of the progress, or lack thereof, being made on the implementation of the plans to strengthen the four institutions.

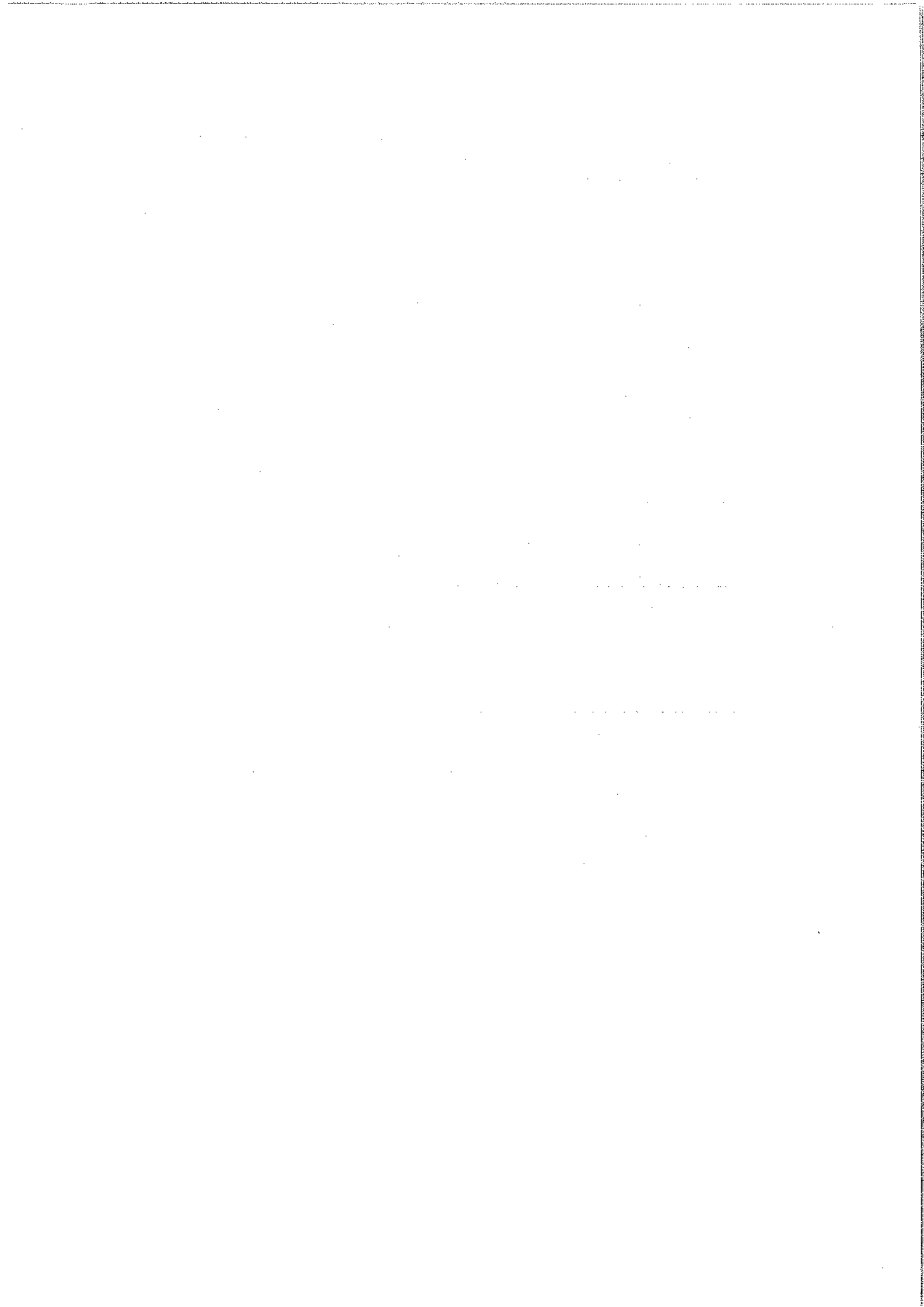
Ninth, in order to ensure that this more focused effort is pursued with efficiency, the various players have to have a clearer sense as to their areas of responsibility and their accountabilities.

Thus, we recommend that CIDA, in discussion with the CPO and the Executing Agency, should establish specific parameters for the responsibilities of the two bodies relative to each other and relative to CIDA. These discussions should include the resolution of difficulties over the CPO's accountability for quality control and expenditures relating to services for which it is nominally responsible but over which it does not in fact have full control.

Tenth and finally, while there is an urgency to the need for this consolidation or focusing of effort in the PEP, it is important that all players recognize that building sustainable institutional capacity in environmental management to effect behavioural change takes time.

Thus, we recommend that CIDA should reconfirm that it recognizes that developing institutional and individual capacity takes time and that, if there are signs of continuing progress, serious consideration will be given to a further phase of support, whether through the current partner units of the programme or through other environmental management institutions within Pakistan's TEMS.

We are sure that all players involved in the PEP recognize the exigencies of the current operating environment. However, the PEP is not about short-term measures. It is about building a sustainable society. For that, certain capacities have to be developed. This takes time and it takes people. Providing these people and adopting a long-term perspective calls for political commitment and, most specifically, in the Pakistani situation, continuing commitment to environmentally sustainable development and to building a modern system of governmental institutions. The PEP is contributing on both fronts. For the expenditures actually made thus far, it is showing remarkable progress. With focused effort, the MTR team is confident that the PEP will yield even greater returns on the investment of CIDA and all PEP partners.



PREFACE AND ACKNOWLEDGEMENTS

The purpose of the mission being reported on here was to provide a mid-term review, for the Canadian International Development Agency (CIDA), of the Pakistan Environment Programme, which the agency has been supporting financially. The terms of reference are provided in Appendix A.

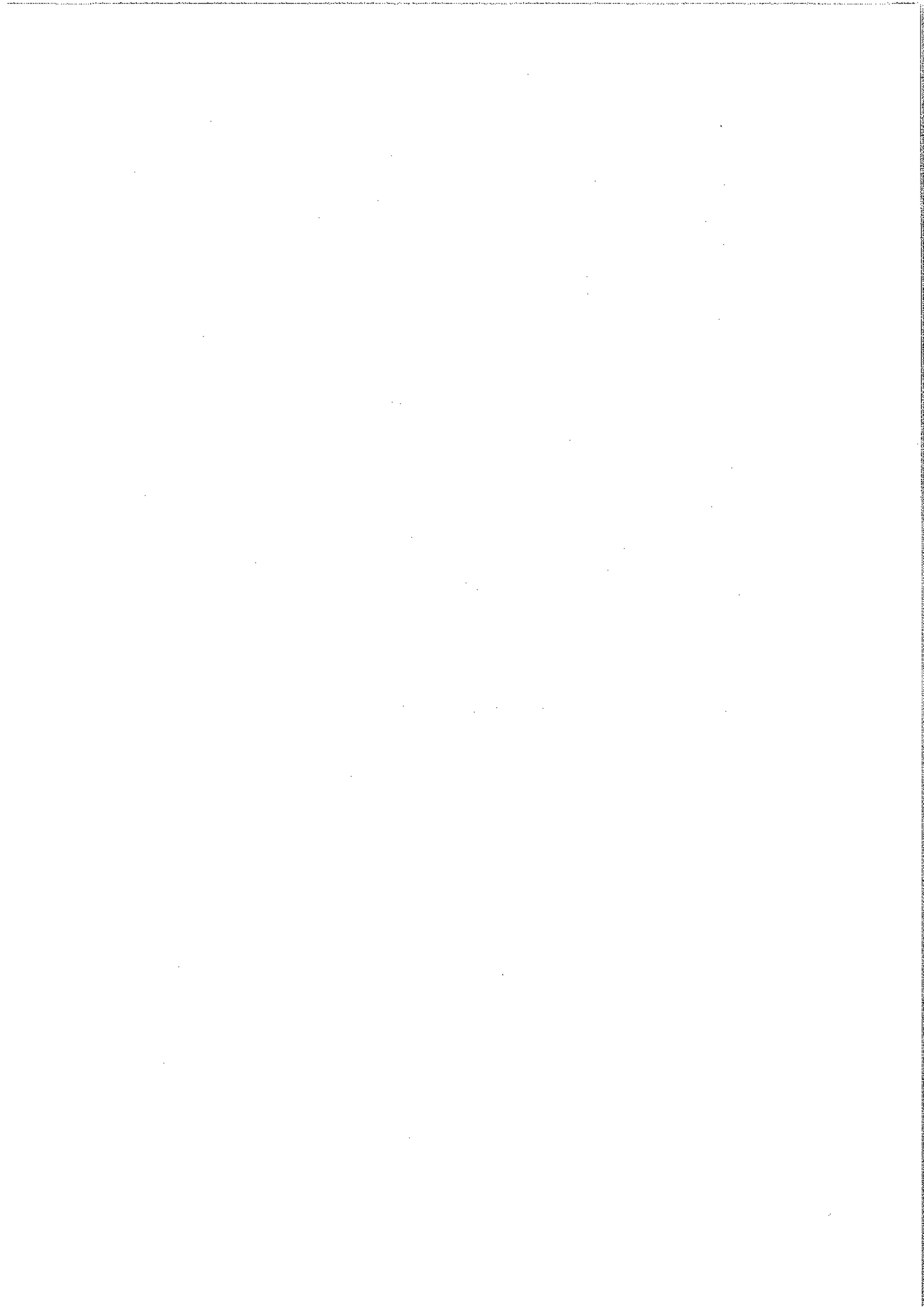
There were two of us on the mission from Canada: Mr. Bryan Bell, CEO, BMB Consulting Inc. of Ottawa, and myself. Two Pakistanis — Mr. Tariq Qurashi and Mr. Athar Ali Khan, General Manager and Financial Manager, respectively, of CIDA's Programme Support Unit in Islamabad — joined us, albeit for the more limited assignment of reviewing the financial management of the PEP.

There were two missions to Pakistan: one in late November-early December, 1997, and one in late February-early March, 1998, each lasting for about three weeks. On behalf of all members of our team I would like to thank everyone with whom we have met, both in Pakistan and Canada, for their willingness to give of their time, insights and ideas. All are listed in Appendix B. Special thanks are due to Dr. Asif Zaidi, the Project Manager, for the many hours spent with us in very open and constructive discussion. Also Ms. Naima Malik, the Mission Coordinator at CIDA's PSU, deserves special mention for her tireless commitment to ensuring that our appointments were properly scheduled and that our time was used to the full. Again, particular thanks are due to Mr. Peter Berkeley, the Project Team Leader, at CIDA, both for having entrusted us with this undertaking and for his patience and understanding in awaiting this report. It proved quite challenging to bring coherence to this complex and somewhat misunderstood programme. We trust that this report will bring added clarity to what we now understand to be a surprisingly productive programme.

In Toronto, too, I owe special thanks to Ms. Eileen Duh, of Inofas Integrated Systems, Inc., for having worked wonders with the word processing in producing this report. As ever, of course, errors of omission or commission are to be laid at the feet of the team's members.

Finally, as leader of the review team, I should like to thank my colleagues, for their contributions and their sense of humour during this challenging undertaking.

Simon Miles
Toronto, June, 1998



ABBREVIATIONS

ADB	Asian Development Bank
AJK	Azad Jammu and Kashmir
BCS	Balochistan Conservation Strategy
BLU	Business and Law Unit, of the IUCNP
CBO	Community-based Organization
CHC	Canadian High Commission
CIDA	Canadian International Development Agency
CPO	Canadian Partner Organization
CU	Communications Unit, of the IUCNP
EA	Environmental Assessment
EC	European Commission
EE	Environmental education
EIL	Ecologistics International Ltd.
EPRC	Environmental Protection and Resource Conservation — a project funded by a soft loan from the World Bank
ES	Environment Section (of the PDD/PC)
EU	Education Unit, of the IUCNP
FY	Fiscal year
GEF	Global Environment Fund
GIK	Ghulam Ishaq Khan Institute of Technology, in Topi
GOP	Government of Pakistan
IIED	International Institute for Environment and Development
IISD	International Institute for Sustainable Development; in Winnipeg, Canada
IS	Institutional Strengthening
IUCN	IUCN (World Conservation Union), as a global network
IUCNC	IUCN (World Conservation Union) Canada
IUCNHQ	IUCN (World Conservation Union), headquarters
IUCNP	IUCN (World Conservation Union) Pakistan
IWASRI	International Waterlogging and Salinity Research Institute
MELGRD	Ministry of Environment, Local Government and Rural Development
MOU	Memorandum of Understanding
NACS	Northern Areas Conservation Strategy
NCS	National Conservation Strategy
NEQS	National Environmental Quality Standards
NGO/CSU	NGO/Community Support Unit of the IUCNP
NGO	Non-governmental organization
NORAD	Norwegian Aid Agency
NWFP	North West Frontier Province
PAC	Programme Advisory Committee
Pak-EPA	Pakistan Environmental Protection Agency
PAM	Project Approval Memorandum
PC	Planning Commission
PD	Programme Directorate of the IUCNP
PDD	Planning and Development Division (of the Planning Commission)
PEP	Pakistan Environment Programme
PEPA	Pakistan Environmental Protection Act

PFEJ	Pakistan Federation of Environmental Journalists
PIEDAR	Pakistan Institute for Environment Development and Action Research
PILER	Pakistan Institution of Labour Education Research
PITS	Performance Indicator Tracking System
PMA	Performance Measurement Adviser
PSU	Programme Support Unit of the IUCNP (now the PD)
PTL	Project Team Leader
RBM	Results-based management
RFI	Resource Futures International
RNE	Royal Netherlands Embassy
SASEANEE	South Asia and South East Asia Network for Environmental Education
SDC	Swiss Agency for Development Corporation
SDNP	Sustainable Development Networking Programme
SDPI	Sustainable Development Policy Institute
SIDA	Swedish International Development Agency
SMG	Senior Management Group
SPCS	Sarhad Provincial Conservation Strategy
SWOT	Strengths, Weaknesses, Opportunities, Threats
TOR	Terms of Reference
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
WAPDA	Water and Power Development Authority
WB	World Bank
ZOPP	Zielorientierte Projektplanung: a technique originating in the USA as Goal Oriented Project Planning and then utilized extensively by the German Aid Agency (GTZ) for getting groups to identify project goals

All \$ figures are for Canadian dollars, unless otherwise specified.

1.0 INTRODUCTION

1.1 The Pakistan Environment Programme

The Pakistan Environment Programme (PEP) is aimed at enhancing the capacities of, primarily, four institutions to facilitate the implementation of Pakistan's National Conservation Strategy (NCS) and, in so doing, assist Pakistan to move towards environmentally sustainable societal development.

The four institutions are:

1. The NCS Unit of the Ministry of Environment, Local Government and Rural Development (MELGRD);
2. The Environment Section (ES) of the Planning and Development Division (PDD), within the Planning Commission (PC);
3. The Sustainable Development Policy Institute (SDPI); and,
4. The IUCN (World Conservation Union) Pakistan (IUCNP).

In addition, some other institutions are to be strengthened through a Linkages Programme (e.g., GIK University), or indirectly through the support given to the above-mentioned four institutions.

The PEP is being funded by the Canadian International Development Agency (CIDA) with a grant of \$15 million over five years, which is extendable to a sixth year.

The Executing Agency is the IUCNP. The IUCNP is a non-governmental organization (NGO), affiliated with the IUCN (World Conservation Union) — an international organization with its headquarters in Gland, Switzerland (IUCNHQ). The IUCN is a union of sovereign states, governmental agencies and NGOs. Like its international affiliate, the IUCNP has some members that are governmental bodies, including the Government of Pakistan (GOP) and seven government agencies, along with 16 national NGOs.

The IUCNP (and the other PEP partners via the IUCNP) are able to call upon the support of the Canadian Partner Organization (CPO) — a consortium of three private sector firms — Cowater International Inc., Resource Futures International (RFI), and Ecologic International Ltd. (EIL), of which Cowater is the lead firm.

The PEP owes its origins to the NCS project. This project, also funded by CIDA, with a grant of \$3.7 million, commenced in 1987 and led to the formulation of the NCS, which received the formal approval of the Cabinet of the Government of Pakistan (GOP) on 1st March 1992. The decision to prepare

an NCS emerged from the invitation of the GOP to the IUCNHQ to establish a presence in Pakistan. The IUCNP office was established in 1985.

The process of preparing the NCS had involved many talented and knowledgeable Pakistanis in positions of leadership in the public, private and popular (non-governmental) sectors of society. The investment of their time, energy and commitment had more than matched the Canadian investment. The process had provided an excellent opportunity for the articulation of a collective view of the state of Pakistan's environment, the growing pressures on that environment, and the action required to put Pakistani society onto a path heading towards environmentally sustainable development. The process had raised the awareness of some key players, had raised expectations among a broader constituency, and started an environmental movement. The actual NCS document — the strategy — was thus just one product.

The NCS document is written with thoughtfulness and clarity and a conviction that belies the dubious state of statistics in the country. Its completion and cabinet approval in 1992 positioned Pakistan in the limelight at the United Nations' Conference on Environment and Development, at Rio, that year. This further raised expectations of the GOP to follow through on this document.

CIDA was justifiably pleased with the various outcomes of the project. Indeed, it had anticipated them to some extent and had begun planning with the GOP and IUCNP for an implementation phase. A useful NCS Plan of Action document prepared by the GOP for the meeting of international donors, in Islamabad in January 1993, placed considerable importance on the strengthening of institutions in order to facilitate the implementation of the NCS. CIDA appeared to be committed to a programme of support for \$24 million in this area.

However, it is important to register that at about this time CIDA's erstwhile continuing commitment began to falter somewhat. Drastic cuts in financial support to CIDA reduced the support available to the NCS follow up to \$15 million over an initial 5-year period, albeit within a planning framework of an estimated 10 years required for implementing the NCS.

There were also doubts at CIDA about whether the IUCNP, which had done an excellent job of orchestrating the formulation of the NCS, had the requisite capacities to act as Executing Agency for this much larger programme. (The NCS project had been the largest undertaking for the IUCNP since the establishment of its office in 1985.) Coupled with this were Ministerial reservations, at the time, as to whether CIDA should be funding any international NGO that was not headquartered in Canada.

As a result of these delays, it was not until 4th July 1994 that the Contribution Agreement became effective, albeit that it was not signed until 8th November 1994 and that the project was not expected to start until late 1994. And it was not until May 1996 that CIDA's contract was signed with the Canadian Partner

Organization, which now accounts for roughly \$4.5 million of the \$15 million of programme funds.

Although the termination date of the PEP's five-year budget is 30th June 1999, and the current termination date of the Contribution Agreement is 31st March 2000, these dates are extendable, assuming no additional funding beyond the \$15 million.

The \$15 million budget is currently allocated as follows:

	\$'000s
IUCNP	4,450.1
NCS Unit	2,000.0
ES	1,400.0
SDPI	<u>1,480.0</u>
sub-total PEP partners	9,330.1
CPO (including GST)	4,500.0
operational reviews	350.0
contingency	<u>819.9</u>
total	<u>15,000.0</u>

Additional details on budget allocations are provided in Section 10.

This planned expenditure of \$15 million over 5 years in order to facilitate the implementation of the NCS needs to be viewed in the context of the estimated cost of implementing the NCS over a period of 10 years. In 1992 this figure was estimated to be R. 150 billion. (At the then prevalent rate of R. 25 = \$1.00 this is about \$6 billion.) About 40% of that total was expected to be derived from an improved allocation of financial resources already being deployed on some conventional programmes in resource management and conservation. The other R. 90 billion was envisaged as additional investment, with R.53 billion coming from the private sector and R. 37 billion from the public sector. The public sector component was expected to be raised equally through donor contributions and domestic sources — the latter primarily through taxation¹. At 1997 exchange rates (of R. 30.5 = \$1.00) the sum sought from the donor community was roughly \$606 million.

In short, while the strengthening of institutions was rightly seen to be of strategic importance in the implementation of the NCS, any ultimate success in implementation — the obvious litmus test for the success of the PEP — is dependent upon many other contributions that are far beyond the control or influence of the PEP.

The strengthening of each institution is organized around clusters of activity. The IUCNP has 6 constituent institutional units that are being strengthened. Thus, in all, there are 9 institutional units being strengthened directly by the PEP. On average there are about 7 clusters of activity being pursued in the strengthening of each unit.

A range of delivery mechanisms is being or will be employed. These include:

- provision of funds for the hiring of staff
- provision of equipment (e.g., computers, vehicles)
- technical missions
- training programmes
- provision of publications and training materials
- linkages between Pakistani and Canadian institutions
- workshops and conferences
- internships for Pakistanis in Canada

Each institution is expected to prepare an annual work plan, annual and semi-annual narrative reports on substantive activities and quarterly financial reports. However, the main document that is now guiding the PEP activities is the set of Results-Based Management (RBM) matrices, completed in June 1997, for the period from July 1996 to June 1999.

The PEP's management unit is in two main offices of IUCNP — in Islamabad and Karachi.

Senior management is required to meet at least twice a year, as a Programme Advisory Committee (PAC), to discuss significant issues. Between these meetings there are PEP Partners Meetings (of the PEP partners and CIDA) on operational issues. More recently two other committees have been created:

- a Tripartite Committee, bringing together representatives of CIDA, IUCNP and the CPO; and,
- a Strategic Planning Group, bringing together the heads of the four PEP partners, although as of December 1997 this group had not met formally.

1.2 The Mid-term Review

1.2.1 Purpose of the Mid-term Review

As indicated in the Terms of Reference (TOR) for the members of the Mid-term Review (MTR) team (see Appendix A), the purpose of the MTR is to provide a first review of progress and a prognosis of the likely results of the programme. In keeping with this purpose, the MTR team is expected to provide a report that, among other things:

1. reviews:
 - the programme's design and underlying assumptions;
 - the progress being made towards the achievement of the intended results;
 - the efficiency with which the activities are being undertaken;
 - the sustainability of the activities following the cessation of Canadian funding;
 - major issues relating to the management of the four PEP partner institutions and the PEP; and,
 - the prudence and probity with which the funds are managed.
2. recommends improvements to the objectives, design, operations and management of the programme.

More generally, we have regarded our mission as being to enhance the effectiveness of the CIDA's assistance being provided through the PEP.

1.2.2 The Approach Taken

The MTR team was made up of two Canadians and two Pakistanis. The review extended over a period of 26 weeks, from early November 1997 to early May 1998, although the team was not active for that length of time. A first round of interviews took place in Canada immediately following the signing of the contracts. Work in the field commenced shortly thereafter and extended for two and a half weeks without a break. This first mission was intended primarily to familiarize the Canadian team members with the programme's design, the current state of work, the issues being faced and the key players involved. Much of the time was given over to presentations by the Pakistanis involved in the PEP. At the wrap-up session for this first mission the team members went through the TOR for the MTR and indicated the additional information that they would like to see provided and the issues they would like to see addressed in the self-assessment that the PEP partners were to undertake during January.

The self-assessment was completed by mid-February. It resulted in two reports: one being a report of progress presented within the framework of the RBM matrices devised for each of the 9 institutional units; the other being a narrative report. At the same time as this exercise was being undertaken the two Pakistani members of the MTR team, Tariq Qurashi and Athar Ali Khan, were conducting their review of the financial management of the PEP. This became the basis for Section 10 of this report. The two Canadian team members, Simon Miles and Bryan Bell, conducted a second round of interviews in Canada in this period.

In mid-February a second field mission, extending for almost three weeks without a break, provided the Canadian team members with the opportunity to conduct interviews with individuals and small groups. Discussions were held with about 60 people in all, with some being contacted a number of times. Although primarily from the four institutions, these persons were from a broad range of backgrounds — government agencies, NGOs, universities, private sector bodies, the media, and donor and lending agencies.

With Section 10 of the report having been received from Mr. Qurashi and Mr. Khan, it fell to Simon Miles and Bryan Bell to complete the report. This called for an extended period of analysis of the documents received and notes taken. This analysis and drafting took far longer than had originally been anticipated due to the complex structuring of the activities, the enormous variation in the ways in which the text in the RBM matrices had been completed — both variations in interpretation as to what was called for in each of the "results" columns and variations in the level of detail and style with which it was presented — and, not least, the sensitive interpersonal issues that have complicated the management of this programme. Although prime responsibility for pulling the report together fell to Simon Miles, there was considerable collaboration on several of the sections. Bryan Bell drafted Section 9 and provided an initial editing of Section 10, and identified some points for consideration in sections 3, 4, 5 and 6. Simon Miles drafted sections 1, 2, 7, 8, 11 and 12, and the Executive Summary, and completed the other sections to which Bryan had contributed points.

The greatest challenge was to lend coherence to the very varied way in which the mix of activities, outputs, outcomes and impacts relating to any one of the nine institutional units had been articulated. Although this was not expected of the MTR team in the TOR an enormous amount of effort was called for in this regard in order to provide a reasonably consistent approach and coherence to the review.

In essence, this involved our stepping back from the strengthening of each institutional unit and articulating an overview two-part statement to convey:

- the assumed contribution of the PEP to the enhancement of institutional and/or personal capacities of significance in facilitating the implementation of the NCS and, more generally, of moving Pakistan towards environmentally sustainable development; and,

- the "products" that are expected from that enhanced capacity and that constitute the more immediate reason for undertaking the PEP-financed activities.

The limitations of time available for the review have meant that these "statements of assumed outcome of activity" could well be improved.

One of the other benefits of having taken this approach is that it retains a focus on the original intent of the PEP — as expressed in the Contribution Agreement — to strengthen the capacities of the institutional units. Since the intention is also to ensure that those capacities are sustainable capacities, it is important to recognize that certain capacities that come with skilled personnel (e.g., the capacity to organize a communications strategy) can be lost to the institution. If the skilled person in question leaves without documenting in some detail the systematic approach that should be taken in order to proceed with the organization of such a strategy, then there is no sustainable institutional capacity development. In short, where skilled personnel have been "bought", it is important to ensure that their portable capacities are "made" into sustainable institutional capacities. Hence the importance of putting in place the systems, etc., to ensure that, at such time as those people leave, others will be able to take over them and continue to perform to similarly high standards. There are also other aspects of the "buy" and "make" distinction and its implications for the sustainability of institutional capacity that are elaborated on in Section 9.

Suffice to say here that the emphasis in the PEP has been on the buying and "getting the job done"². In a number of instances there was less evidence of attention to building the sustainable institutional capacity to ensure that jobs continue to get done in the future. However, as we continued to discover evidence of effort that is being expended toward this latter objective, we became more concerned about why this was not always being reported. Broadly speaking, we concluded that the language used in completing the RBM matrices had neglected to emphasize the importance of putting this sustainable capacity in place, in addition to any effort that may be given over to the very legitimate approach of buying capacity now to get the job done now. This is another shortcoming of the RBM matrices, although it is rectifiable without a great deal of effort if use is made of the "statements of assumed outcome of activity" prepared by the MTR team.

In that these "statements of assumed outcome of activity" focus on outcomes of an institutional strengthening programme they focus on capacities to be developed or strengthened. The concept of outcomes as used in this report is discussed in Section 2. In essence, the capacities that are expressed as outcomes are articulated at a level of generality that allows the institutions to satisfy the implied objectives (i.e., the functions to be performed once the capacities are in place) in various ways.

At this juncture it is useful to introduce the reader to some of the language that we shall be using in this report.

The two key terms "capacity development" and "institutional strengthening/building/development" are elaborated in Section 2. They have been taken from a CIDA document. Some of the other terms used by the MTR team have been devised in order to lend clarity to what it is that we are discussing and to avoid confusion with terms that have been used inconsistently in the PEP.

The capacities that are listed in the outcomes statements are capacities that the PEP partners appear (according to the MTR team) to be seeking. We shall refer to these as the "sought-after capacities" for want of a better label.

The development of the sought-after capacities is based on "components of capacity" being put in place. By "components of capacity" we mean such things as systems, procedures, processes, methods, tools, instruments, skills, networks, etc.

It is also important to note that, as we construe this concept of capacity development, these components of capacity can be combined in various ways to constitute "component capacities", such as the capacity for strategic planning. These component capacities are also, in our lexicon, components of capacity that contribute to the development of the sought-after capacities.

With components of capacity in place, certain "products" can be produced with greater efficiency. (They may have been produced inefficiently and ineffectively prior to that.) Thus a strategic plan is a "product" of a capacity for strategic planning; and the evaluation of a village community development project is, in part, a product arising from the existence of a system for evaluating NGO projects. Of course, the greater the number and quality of relevant components of capacity, the better will be the products. For example, a strategic plan is improved if there exists a system for data collection and analysis. In the RBM matrices, completed in June 1997, these products, where listed, sometimes appear as outcomes, sometimes as outputs. We see them flowing from the enhanced capacities and are thus best envisaged as secondary outcomes — given the focus of the PEP on building the sustainable institutional capacities.

We have tried to define what we mean, in this report, by these terms because we recognize that we are using words that are in common use and that may mean different things to different people. In Appendix E we comment on the difficulties that confront those who do not give sufficient recognition to this simple dictum.

The statements of assumed outcome — that is, the sought-after capacities — are used as starting points in the discussions, in Section 7, of the results that have been achieved to date in strengthening the four institutions and, in Section 9.2, of the additional components of capacity that may require attention if the sought-after capacities are to be developed more fully.

In Section 7, although the focus is on assessing progress made in developing the sought-after capacities, we also assess progress in realizing the products from the components of capacity as they are put in place. For each unit we provide illustrative lists of the components of capacity that are already in evidence to some degree. We do the same for the products. We emphasize that the listings are only illustrative. However, we believe that they are sufficient to indicate why we draw the conclusions that we do, albeit that those conclusions are based on a much more extensive base of information and understanding.

In Section 9.2, within the context of a broader discussion of major management issues, our intent is somewhat different. There, we look at the development of the sought-after capacities from a management perspective. In essence, this is a more normative assessment based on a more generic list of components of capacity (and especially of component capacities) that the MTR team believes should be given attention if any one PEP partner is to develop its sought-after capacities more fully. For any one PEP partner there are two types of component of interest: those common to each unit; and, those particular to each unit. All, however, are expressed as part of a generic listing. Brief comments are made to illustrate the current situation or progress being made. Progress on the component capacities is illustrated by reference to listings of components of capacity. As with Section 7, those listings are again illustrative and indeed continuing reference should be made to the listings in Section 7, where the discussion and detail on components being put in place is more extensive. The utility of Section 9.2 is that it identifies another set of considerations relevant to the task facing the PEP's management — namely strengthening the four institutions. Although these listings are not complete we trust that they may prove helpful in completing the analysis of each institution's needs relative to the building of sustainable institutional capacity.

Having clarified the capacities that are being sought by the PEP partners, the MTR team was in a position to assess the relevance of the design of the PEP for the realization of its objectives. This is done in Section 2. This involved the establishment of a normative model of what would be expected of an institutional strengthening programme if it were indeed to equip a limited number of centrally placed institutions to facilitate the implementation of a broad strategy, such as the NCS, that is designed to put Pakistan on the path to sustainable development. Since one of the authors had already utilized such a model in evaluating, reviewing and designing similar projects this same model was adapted for this review.

In essence, the model is based on the conceptualization of a total environmental management system in which all Pakistanis are regarded as "managers" of the environment in varied ways. The challenge for a society is to organize a system for "steering" the behaviour of all of these environmental managers operating in the public, private and popular sectors of society. If this steering is to be successful, certain central institutions have to have the capacity to perform certain functions. These can be grouped into three macro-functions. The

performance of these, in turn, is dependent upon a larger group of 11 functions being performed effectively. These are represented graphically in Table 2.1.

The relevance of the PEP's macro-design can then be assessed against this normative checklist, as is done in Table 2.1. It suggests that the macro-design is quite relevant. It is suggested that the PEP partners may find this checklist useful in conducting the assessment of their needs relative to the sustainable institutional capacities that they wish to put in place. In essence it makes clear which functions are important and from this one can infer which capacities are needed.

It is also suggested that this normative model can be used for reporting programme-level progress, especially on breakthrough outcomes. Section 7.5 provides an illustration of how such reporting of these results might work.

The review of the micro-design involved assessing the detailed planning that found its expression in the completed RBM matrices. (These matrices are referred to throughout this report as the RBM matrices completed in June 1997.)

2.0

THE RELEVANCE OF THE DESIGN TO THE ATTAINMENT OF THE OBJECTIVES

In reviewing the relevance of the design of the PEP to the attainment of the programme's objectives we shall focus primarily on the broad, strategic characteristics of the design (or what we shall call the macro-scale design). We shall touch more briefly on some of the more detailed features of the design of the activities and instruments for strengthening the institutional units (the micro-scale design). A few of the shortcomings of the design are better discussed in other parts of the report in the context of issues that arise from those shortcomings.

In turning first to the macro-scale design, we are asking what is required of the design to enable the programme to realize its programme-level objectives. To answer such a question in a systematic way requires that we develop a normative, conceptual model of what constitutes the right direction and the challenge for the programme. Such a model was not part of the design of the PEP. Thus we have had to develop one. Part of this exercise of developing a normative conceptual model involves looking at the programme's objectives and the challenge for the four PEP partners.

The programme-level objectives, or the goal and purpose of the PEP, are stated in a variety of ways in different documents. In the Contribution Agreement they are as follows:

GOAL: To improve Pakistan's capacity to achieve environmentally sustainable forms of economic and social development.

PURPOSE: To enhance the performance of four key institutions in providing effective leadership, technical support/analysis, coordination services and catalyst input needed for the implementation of Pakistan's NCS.

The challenge for the PEP partners is the scale of the undertaking. As has been made clear in the NCS document the scale of activity called for in implementing the NCS is such that many institutions and, indeed, in various ways, all Pakistanis will be involved. Thus the key contributions of the PEP can be seen as that of strengthening four institutions that would be expected to have more of a strategic role to play in facilitating the activities of these many other institutions and, more generally, all Pakistanis. Indeed, three of the institutions owe their origins to the NCS; only the IUCNP existed prior to the strategy's formulation, and it too was very young.

Before moving on to look at the strategically important functions that should be performed by the four institutions as a group, it may be helpful to comment on two terms or sets of terms that are central to the PEP. These are:

- capacity development; and,
- institutional strengthening, institution building, and institutional development.

Two quotations from a recent CIDA publication "Guide for a Systems Approach to Training"¹, each, in part, citing other documents, are seen as useful in establishing, in broad terms, the perspective of the MTR team on these processes. We emphasize "in broad terms" because we do not see it as being productive to be slavish about the use of these terms. To some extent other combinations of words convey the same meaning. Indeed the Contribution Agreement and other PEP contract documents contain several examples of this. We shall use these terms interchangeably here. At times we shall qualify them (e.g., by underscoring the importance of sustainable institutional capacity). As the comments below make clear, the terms tend to take on broader, more all-encompassing meanings as the complexity of the processes involved become better understood.

- **Capacity Development**

"Capacity development is the process by which institutions, groups and individuals increase their ability to understand and deal with development issues over time".² This term has recently emerged to acknowledge the complexity of the vast number of inter-related activities required to develop a strong functioning society and country. Traditional mechanisms used to bring about improved capacity, such as training, will need to be delivered more effectively than in the past in terms of contributing to institutional goals and improved local capacity. They will also need to be balanced with recipient led initiatives that foster the development of more receptive environments and attitudes towards changes and effective self-management.

- **Institutional Strengthening, Institution Building, Institutional Development**

These terms have evolved over the years to define the various activities undertaken to strengthen and develop existing institutions as well as to create new institutions. Until recently, donors and development workers assumed that 'in-house' institutional change would be the catalyst for achieving major developmental change in a country. That somewhat narrow perspective is now broadening. As a result, none of these terms appear to adequately describe the complex process required to bring about development and self-reliance as it is understood currently. "The trend in Institutional Development has gradually expanded from one focused on internal management and increasing the 'stock' of institutional resources to one stressing the capacity of institutions to manage change and respond to their various constituencies. Institutions are now also seen as part of wider systems at the sectoral or national levels whose influence must be understood in dealing with Institutional Development issues."³

Particularly relevant to the discussion of the strategically important functions that the four PEP partners will have to perform as a group is the emphasis, in the second quotation, on institutions having the capacity to manage change and being seen as part of a wider system at the sectoral or national levels whose influence (and, we would emphasize here, behaviour) must be understood.

It is suggested here that the key wider system of which the PEP partners are a part is one that could be expressed, in conceptual terms, as being the total environmental management system (TEMS). Further, the success or otherwise with which the behaviour of those players that constitute the system is influenced will be the key to successful environmental management.

Identifying the right functions and capacities to exercise that influence calls for a strategic framework that the key institutions can use to guide the development of the TEMS. This strategic framework becomes apparent through the elaboration of the concept of the TEMS. The concept of the TEMS has been developed and well tested, in a number of countries, by one of the authors of this report⁴. It has proven useful for assessing a country's progress in enhancing its management of the environment. Similarly, it is valuable in assessing the rationale for, and design of, a programme, such as the PEP, that purports to be contributing to the enhancement of a country's environmental management. The concept should be seen as embracing: (a) all of the major groups of players whose behaviour has a bearing on the environmental condition and the environmental sustainability of a society's development; and, (b) the linkages between those players. In essence, the concept can be extended to embrace all Pakistanis. The TEMS becomes a stronger system to the extent that it leads to a coherence and a rationale in the behaviour of the players towards the environment. It becomes a more effective system for promoting sustainability to the extent that it exhibits values of conservation. This requires an element of enlightened steering. This steering is dependent on the ability of the GOP and closely-related bodies, as are found in the IUCNP and the SDPI, to perform three macro-functions effectively.

The three macro-functions are those of:

- A) ensuring that the public, private and popular sectors assume responsibilities for implementing sustainable development;
- B) ensuring that the public, private and popular sectors have the ability to live up to their responsibilities; and,
- C) ensuring that the public, private and popular sectors do indeed live up to their responsibilities.

Note the clear distinction between the assumption of responsibility, the ability to live up to an assumed responsibility and the actual fact of having lived up to that responsibility. This distinction further underscores the importance placed on understanding and appreciating human behaviour. It is not enough to assume that

if government agencies, corporations or individuals are given certain responsibilities that they will be able to, or indeed that they will, live up to them. The first macro-function has to rely heavily on regulatory instruments. The second can rely more on the economic instruments, while the third is more dependent on procedural instruments.

Thus, conceptually, the implementation of the NCS and, more broadly, the move towards environmentally sustainable societal development in Pakistan, calls for bringing about major changes in the behaviour of players in the public, private and popular sectors of society.

This suggests that, as a programme, the PEP's efforts at enhancing institutional capacity should be contributing to the enhanced performance of these macro-functions by the PEP partners and closely-related bodies. These contributions may be direct or indirect. Some may come from other than governmental bodies and NGOs (e.g. the universities have a role in mobilizing human resources).

The essential elements of this strategic framework are given in Table 2.1. The table provides us with a matrix. On the horizontal axis are the three sectors of society — the public, private and popular. (Within the "popular" sector we include not-for-profit bodies and institutions such as the universities, even though the latter are largely funded by the public sector.) In that every Pakistani is making choices about his/her relations with the natural environment and resources, and is thus a "manager" of the environment, these are three sectors of the TEMS. On the vertical axis are the three macro-functions that, if performed effectively, should lead to appropriate modifications in the choices made by, and thus the behaviour of, the targeted Pakistanis. Also shown on the vertical axis are the means used to carry out the macro-functions.

It is within such a normative, conceptual framework that we can then locate the potential contributions of the PEP to the enhanced performance, by the PEP partners, of the macro-functions involved in steering the TEMS. The fact that a PEP activity is referred to in Table 2.1 does not mean that a contribution has actually been planned for, in this way, by the PEP. And since the PEP cannot expect to respond to every need implicit in the framework, one should not expect to find the PEP making such contributions to all parts of the framework.

However, what the matrix reveals is potentially reasonably good coverage, by the activities, of the capacities required to perform the functions identified. A more thorough analysis of not only the PEP's activities but also those of other donor and domestically supported activities would reveal where any possible serious shortcomings exist. This could be a useful exercise to conduct within the context of the upcoming review of progress on the implementation of the NCS.

In broad terms, therefore, one can say that the design is certainly relevant to the attainment of the objectives of the PEP.

Table 2.1 Matrix for Identifying the Potential Contributions of the PEP's Activities to the Enhanced Performance of the Macro-functions Involved in the Steering of the Total Environmental Management System (TEMS).

MACRO-FUNCTION performed by PEP partners and closely related bodies	SUPPORTIVE FUNCTIONS, AND INSTRUMENTS AND MECHANISMS UTILIZED	SECTORS OF TEMS AND THE PEP'S ACTIVITIES POTENTIALLY CONTRIBUTING TO CHANGES IN THEIR BEHAVIOUR		
		PUBLIC	PRIVATE	POPULAR
A) Ensuring that the public, private and popular sectors assume responsibility for implementing sustainable development	1) dev't and use of systems for policy, strategic planning and corporate planning	<ul style="list-style-type: none"> • NCSU #1, #2 • ES #1 • SDPI #6 • IUCNP/SSU 	<ul style="list-style-type: none"> • NCSU #2 • ES #1 • SDPI #6 • IUCNP/SSU/BLU 	<ul style="list-style-type: none"> • NCSU #2 • ES #1 • SDPI #6 • IUCNP/PD/SSU
	2) dev't and use of legislative framework	<ul style="list-style-type: none"> • SDPI #6 • IUCNP/BLU 	<ul style="list-style-type: none"> • SDPI #6 • IUCNP/BLU 	<ul style="list-style-type: none"> • SDPI #6 • IUCNP/BLU
	3) dev't and use of environmental education, awareness, participation programmes	<ul style="list-style-type: none"> • NCSU #3, #5, #6 • SDPI #2, #3 • IUCNP NGO/CSU/BLU/ • EU/CU 	<ul style="list-style-type: none"> • NCSU #3, #5, #6 • SDPI #2, #3 • IUCNP/BLU/EU/CU 	<ul style="list-style-type: none"> • NCSU #3, #5, #6 • NC • SDPI #2, #3 • IUCNP/BLU/EU/CU
B) Ensuring that the public, private and popular sectors are able to live up to their responsibilities	4) mobilization of human resources	<ul style="list-style-type: none"> • NCSU #3 • IUCNP/NGO/CSU/EU 	<ul style="list-style-type: none"> • NCSU #3 • IUCNP/NGO/CSU/EU 	<ul style="list-style-type: none"> • NCSU #3 • IUCNP/NGO/CSU/EU
	5) mobilization of information and advisory services	<ul style="list-style-type: none"> • NCSU #3 • SDPI #4 • ES #5 • IUCNP/CU 	<ul style="list-style-type: none"> • NCSU #3 • SDPI #4 • ES #5 • IUCNP/CU 	<ul style="list-style-type: none"> • NCSU #3 • SDPI #4 • ES #5 • IUCNP/CU
	6) mobilization of appropriate technologies			IUCNP/NGO/CSU
	7) mobilization of financial resources	<ul style="list-style-type: none"> • ES #1 	<ul style="list-style-type: none"> • ES #1 	<ul style="list-style-type: none"> • ES #1 • IUCNP/NGO/CSU
	8) development and use of economic instruments	<ul style="list-style-type: none"> • IUCNP/BLU 	<ul style="list-style-type: none"> • IUCNP/BLU 	<ul style="list-style-type: none"> • IUCNP/BLU
9) development & use of env. planning instruments	<ul style="list-style-type: none"> • ES #2, #4 	<ul style="list-style-type: none"> • ES #2 	<ul style="list-style-type: none"> • ES #2 	
C) Ensuring that the public, private and popular sectors actually live up to their responsibilities	10) development and use of monitoring and evaluation systems	<ul style="list-style-type: none"> • NCSU #4, #7 	<ul style="list-style-type: none"> • NCSU #4, #7 	<ul style="list-style-type: none"> • NCSU #4, #7
	11) development and use of compliance and enforcement systems	<ul style="list-style-type: none"> • SDPI #5 • IUCNP/BLU • ES #4 	<ul style="list-style-type: none"> • SDPI #5 • IUCNP/BLU 	<ul style="list-style-type: none"> • SDPI #5 • IUCNP/BLU

Numbers (e.g., SDPI #6) refer to numbered sought-after capacities identified in Section 7.

If the PEP is successful in strengthening the capacities implicit in the second column ("Supportive Functions, and Instruments and Mechanisms Utilized") then it will be contributing to the enhanced performance of the macro-functions listed in the first column. It is relative to the performance of these three macro-functions that the PEP's management should be seeking what the Project Team Leader (PTL) has been referring to as "breakthrough outcomes". These are the outcomes that make a real difference.

Thus it is against these three macro-functions and in terms of these potential breakthrough outcomes that a very brief programme-level reporting could be conducted in a way that should satisfy the PTL's requirements for his annual reporting on the PEP. We illustrate how such a reporting of results at the programme-level might work in Section 7.5.

Each of the 11 capacities implied in column 2 represents a potential breakthrough. If one can put in place, say, all three capacities relative to macro-function 'A', then one should have achieved a higher order breakthrough. The catch, of course, and this is why institutional strengthening projects require such complex and enormous effort, is that the attainment of a breakthrough on, say, macro-function 'A', while very important, will only realize its maximum potential when accompanied by breakthroughs on the other two macro-functions.

Before leaving the macro-design, it is worth noting two other benefits that strategic framework based on a conceptual model of the TEMS brings to the PEP.

The first is the scope for retaining a focus on the big picture and what is strategically important for the larger system. The TOR for the MTR requests the team to initiate a focus on the "big picture" — a concept introduced by the IUCNP's Country Representative and elaborated upon by the CPO's Performance Measurement Adviser (PMA) in an appendix to the CPO's Second Mission Report of November 1996. The concept of the TEMS and the strategic framework offered here are seen as a way of linking PEP's contribution to that bigger picture. The TEMS framework gives coherence to the PEP as a programme and it helps to maintain a sense of priorities both for the PEP and, because of the PEP's strategic importance, for the implementation of the NCS as a whole. The GOP representatives admitted at the donors' consortium meeting in Paris in 1997 that the GOP was conscious that it did not have clear priorities for the environment and that, as a result, the implementation of the NCS was behind schedule. This suggests that one function (and thus capacity) that requires immediate attention is that of strategic planning and a commitment to act on the strategic plans.

Giving greater coherence to the PEP would help to ensure that its rationale and its mode of operation are easier to understand and, by virtue of this, its priorities and the value of its contributions become more obvious. The IUCNP's Country Representative has rightly been calling for this greater coherence.

We recommend that attention be given to presenting the PEP in a more coherent manner.

The second benefit that derives from such a strategic framework is closely related to but distinct from the first. This is the scope for retaining a focus on capacity development. As already noted in Section 1.2.2 this focus tends to get lost sight of because of the way in which the sought-after capacities and the activities to be undertaken to realize these outcomes are presented (or are not) in the RBM matrices. The proposed "statements of assumed outcome of activity" or something comparable may help to regain this focus.

We recommend that the PEP's management either adopt these "statements of assumed outcome of activity" or come up with similar ones reflecting similar characteristics.

The characteristics are discussed in Section 1.2.2.

These statements help to emphasize that enhanced and sustainable capacities, as well as the products that arise from these enhanced capacities, are outcomes of the institutional strengthening activities. Although the Contribution Agreement was clear on the types of functions that the four institutions would be expected to perform (and that should be the focus for strengthening), somewhere along the line in the more detailed design attention to the capacities, and especially to sustainable capacities, was down played.

This brings us to the micro scale design, that is, the detailed design of the activities and the instruments used in order to strengthen the four institutions. Much of this more detailed design was left to the Executing Agency and the PEP partners to carry out.

There appear to be two closely-related problems here:

- the lack of attention to the concept of outcomes as a concept that, as stated above, embraces both the sustainable capacities as well as the products of these capacities; and,
- the content of the completed RBM matrices.

We have noted the observations in several reports of the CPO's Performance Measurement Adviser aimed at encouraging the PEP partners to improve the text in the RBM matrices.⁵ We recognize the difficult position he is in contractually. In hindsight, although he had to be encouraging to the PEP partners on their progress in wrestling with the challenges of how to both think about and present what they are or plan to do, there seems to be something missing.

For example, perhaps there should have been more discussion on what is meant by outcomes for a project aimed at strengthening institutional capacities.

The aim, in choosing to talk about outcomes, is to convey that there may be more than one way of achieving that which is being sought by way of an enhanced capacity. One has to be able to word the statement of assumed outcome of activity in a general way. If one focuses on an example of how the outcome could be achieved, then one is locked into that approach. Thus, if one calls for the capacity to develop, say, public awareness programmes in-house (as the NCS Unit has been doing), then one is looking at a major commitment of talent that may not be utilizable in an efficient way. If one calls instead for the capacity to produce or acquire ... then one leaves open the option of contracting out and one is looking at the development of a different set of skills in house. One is also looking at a more efficient and sustainable approach. Thus, this improvement in the detailed design of one's intent would also render the macro-scale design more relevant.

The completion of the text in the RBM matrices was an important design exercise in that it was intended to give detailed guidance on what has to be achieved and how the work is to be carried out. The variations in approach to completing the RBM matrices reflect varying understandings of the concepts of impacts, outcomes and outputs. They are extremely difficult to read in some instances and, because of the inconsistency, do not always make sense to the outside reader. This confusion quite possibly stems in part from the fact that the PEP partners were asked to complete the text for the matrices well after the more detailed plans for the activities had been articulated. This difficulty in retrofitting has been openly acknowledged by all concerned. It appears that, in several instances, the completion of the text started with the activities column, probably for the very understandable reason that since everyone was already engaged in activities this was the easiest column to complete. The needs analyses of each institution, called for in the Contribution Agreement, had apparently not been done, or not in sufficient detail, to provide a clear sense of the outcomes sought. If the matrices had been completed as part of the exercise of planning the PEP, then it is likely that the completion of the matrices would have started with the impact (on Pakistan's development) column and worked backwards.

What may be helpful, if CIDA is to continue to use RBM matrices for institutional strengthening projects, is to consider having the format of the matrix reversed. This would place the emphasis on the impact sought. It may also help to underscore the point made above, on outcomes, that in talking about outcomes one is attempting to encourage thinking about alternative ways of achieving what is being sought. While this openness to alternatives may be in the minds of those planning a programme, it tends to get lost once one has already settled on one option.

One assumption bearing on the design was that the GOP would move towards making the two GOP units regular (i.e., permanent) units.⁶ If this were to happen, there may be more attention given to putting sustainable capacities in place.

Our understanding is that the ES as an institutional structure (but not its staff) is now regularized. The NCS unit is not yet regularized as a structure nor is its staff.

In conclusion on the design, what we found is somewhat paradoxical. On a positive note:

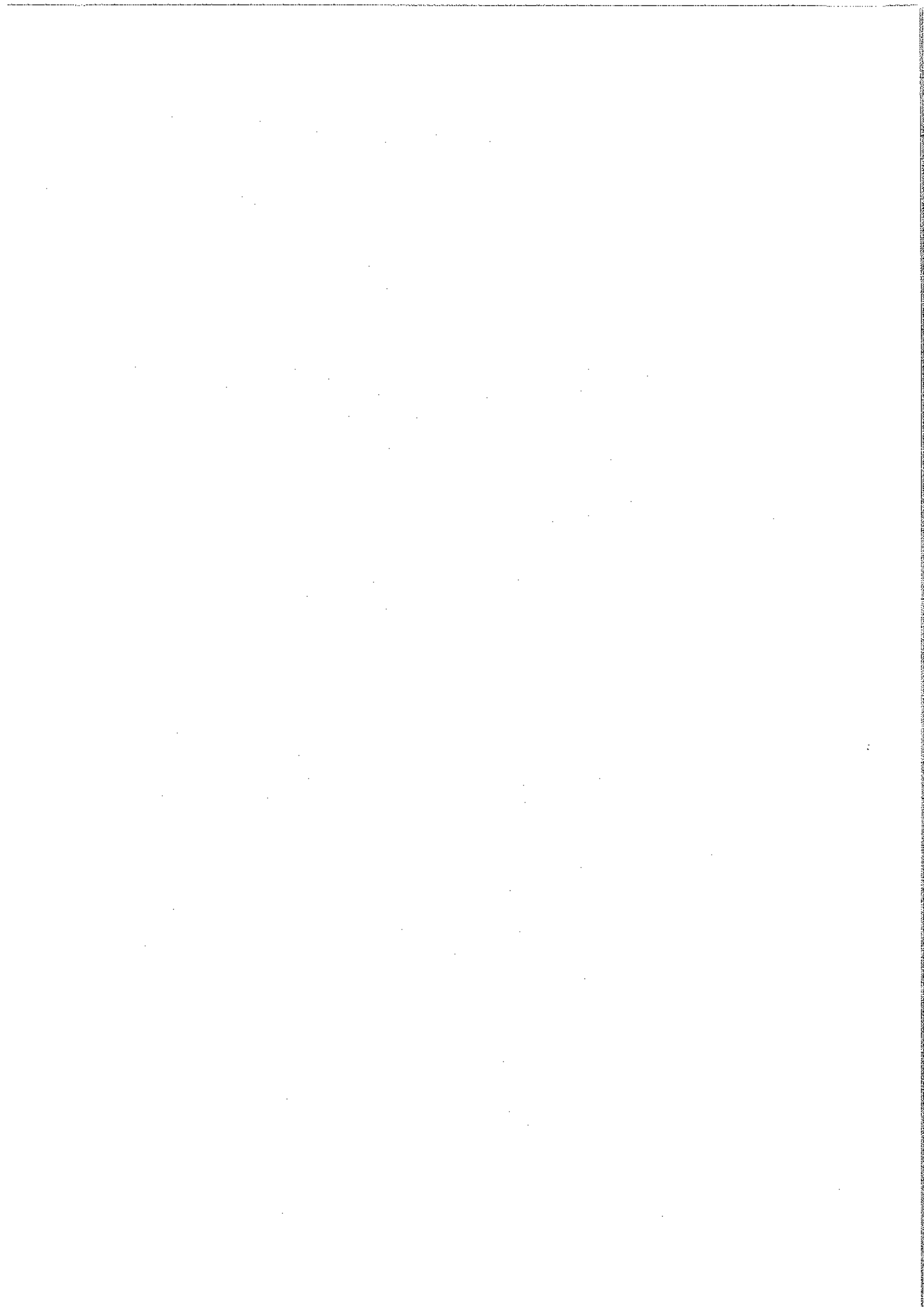
- the PEP is focusing on four institutions that are very relevant to facilitating the implementation of the NCS and, more generally, to moving Pakistan towards environmentally sustainable societal development;
- the emphasis on enhancing the immediate term capacity of the institutions (by "buying" qualified professional staff) is enabling these institutions to make a contribution to realizing the PEP's objectives.

However, the shortcomings appear to be:

- the inattention to putting the systems in place that will help to ensure sustainable capacity to continue with these types of activities after CIDA's funding ceases; and,
- where this work is being done, there appears to be inadequate reporting on it precisely because it is not, in all cases, emphasized in the statements of outcomes sought.

Recommendations

1. Consider utilizing a tool such as the TEMS matrix when conducting the review of the NCS' implementation to assess whether the right institutions are involved and whether they have the right functions assigned to them. This will help to throw further light on the relevance of the design of the PEP to the achievement of its objectives.
2. Revise the RBM matrices or replace them with statements of assumed outcome of activity, along the lines of the "statements of assumed outcome of activity" devised for this MTR, in order to underscore the attention needed to putting in place sustainable capacity as well as immediate capacity and the products of that immediate capacity.
3. The GOP should move to fully regularize the ES and the NCS Unit as soon as possible, by allocating the resources to implement the PC-1s that we understand have been submitted in this regard.
4. Give attention to presenting (or "packaging") the PEP in a more coherent manner.



THE IUCNP AS EXECUTING AGENCY

This section is designed to provide an overview of the considerations bearing on the IUCNP's role and performance as the Executing Agency. Since this role and performance are discussed in various contexts throughout the report, reference will be made to those sections, where sufficient elaboration is provided, rather than reiterating our observations here.

Of particular interest, in this regard, should be: Section 9 in which we discuss, *inter alia*, the management role of the IUCNP; Section 8 in which the efficiency of the IUCNP as Executing Agency is commented upon; and, Section 7 where the discussion of the achievements, weaknesses and constraints pertaining to the enhancement of the capacities of each of the nine units is necessarily also a commentary on the performance of the Executing Agency.

The designation of the IUCNP as the Executing Agency for a programme that involved GOP units as recipient bodies was recognized as experimental at the time. The IUCNP is a hybrid — a cross between a NGO and an intergovernmental body in that it does have some members that are governmental agencies. This hybrid character, plus the experience and values that that implies, probably helped to convince CIDA to take the risk in contracting the role of executing agency to the IUCNP.

However, it is important to recognize that in its role as a NGO, its non-governmental members in particular expect it to fulfil an advocacy role — questioning governments and taking on causes. As the Executing Agency for the PEP it is obviously expected to maintain good working relations with the GOP units. In essence, such relations depend on the GOP being able to trust the IUCNP when sharing confidential information with it. This places those at the IUCNP who are involved in the management of the executing agency functions in a delicate position that calls for considerable tact and diplomacy.

It is important to recognize that when the IUCNP was contracted to undertake the PEP it was a far smaller organization than it is today. In the early '90s IUCNP had a staff of 35 operating out of three offices, managing four or five small projects, with 90% of its funding for programmes coming from CIDA. Today, it is a very different organization, with 180 staff operating out of five offices, managing over 20 large or small projects and a very broad funding base.

Particularly notable is that in the early '90s the IUCNP was very weak in terms of its financial management. A management review in 1993 and a following review in '94-'95 identified weaknesses in a number of management areas. They are being addressed, but relatively slowly in some important areas. This weakness in the IUCNP's management was noted in the PAM for the PEP in October 1993. This weakness accounted, in part, for CIDA's hesitancy in entrusting the IUCNP with the role of executing agency (although, as noted in Section 1, there were other factors bearing on this hesitancy at that time).

However, somewhat offsetting these quite understandable concerns about a young, rapidly-expanding NGO being able to manage the PEP was an operating environment that, when the PEP was being planned, was becoming more favourable for NGOs. The GOP, in particular, was becoming more positive towards NGOs. Ian Smillie, the CPO's PMA, saw three factors accounting for the change in position on the part of the GOP:

- the shift to an elected government;
- the recognition that governments cannot be expected to handle all aspects of development; and,
- the poor economic outlook for Pakistan.¹

Thus, contrary to what is often being said about the GOP's concerns that the IUCNP should be assigned the role of Executing Agency, it may well have been that this notion was not so unacceptable to the GOP. Certainly, today, the GOP seems to recognize the contributions of both the IUCNP and the SDPI as partners in the PEP, and appears to be reasonably comfortable with the IUCNP serving as Executing Agency.

Although CIDA may have had its justifiable concerns in the early '90s, the donor community generally was very enthusiastic about supporting the NGO community. CIDA, being conscious of this competition for good projects among donors and anxious to retain the policy dialogue opportunities in the environmental field that it had established with its high level support through the NCS project, was doubtless very interested in retaining its links with the IUCNP, since the latter was expected to be a major player in the follow up to the formulation of the NCS. This probably explained CIDA's willingness to provide bridging money in 1992 and 1993 while it was deciding on whether or not it would support the PEP.

In short, the early '90s was a time when there was a lot of good will being shown towards NGOs and when a lot of donor money was becoming available.

Despite this good will, however, the expectations of the donors have varied. Some (such as the Dutch) have been quite demanding, expecting the NGOs to perform as executing agencies to the same standards that the donors would expect of an expatriate consulting firm. Others (such as the European Commission) have recognized that the development of a NGO's capacities to serve as an executing agency need to be developed, but that this will take time and considerable understanding on the part of the donor.

The IUCNP was not short of advice on how to prepare itself for what would be by far its largest undertaking in implementing the PEP. Smillie, in his June 1992 report, commissioned by the IUCNP and financed by CIDA, had proposed that the IUCNP consider four options relative to positioning itself and modifying its structure and operations in order to play a useful role in implementing the NCS.

The IUCNP would appear to have taken the most complex and ambitious of these options. It appears to have paid off in that the IUCNP now has a lot of the building blocks in place for it to act as an executing agency. The IUCNP is still lacking experience in this role, but it is learning fast.

Regrettably, but not surprisingly, in 1994 it had a lot less experience than it has today. Once the project started, the problems started. As is noted in Section 8, the IUCNP was struggling in its role as the Executing Agency. The general advice, perhaps not specific enough, that was given in the second management review of the IUCNP, in 1994-'95, by Peter Morgan, et. al., and financed by CIDA², was seemingly not acted upon with sufficient alacrity or enthusiasm.

As we note in Section 8 and in Section 9, the period prior to the CPO coming on the scene was quite distinct from that which followed. The first significant factor to recognize here is that the inability of the CPO to be involved at the outset meant that the IUCNP and the PEP partners developed their own modus operandi. This made it harder for the CPO to develop its role when it did finally have its contract signed in May 1996. The main point here, however, is that the IUCNP was not able to avail itself of the assistance that CIDA had expected to provide, much earlier than May 1996.

There was also a major delay in recruiting the first Project Coordinator. After he did take up office in July 1995, it soon became apparent that he was lacking in the requisite experience. This situation was not rectified as soon as it should have been, although that is easier to say in hindsight.

The first two and a half years were therefore characterized by a very "hands-off" attitude towards the performance of the Executing Agency's role in assisting the PEP partners in strengthening their institutions (see Section 9).

Particularly important in this period was the inattention to the fundamental requirement (emphasized in the Contribution Agreement) for an analysis of the needs of the four institutions relative to the building of sustainable institutional capacity. The consequence was a poorly planned programme and an unclear set of expected results. The difficult situation facing the Executing Agency was seemingly compounded rather than eased by CIDA introducing the PITS concept to the PEP partners, in May 1995, before they had had a chance to come to grips with the RBM approach to the management of the PEP. Thus, by the time the CPO's PMA arrived in mid-1996 to discuss RBM, there was considerable confusion on the part of the PEP partners as to what was expected of them.

The PMA was in a very difficult position as a new player on the scene. He was expected to bring clarity to a situation which had arisen in part because of CIDA's desire to get the PITS launched. At the time, CIDA was also far from clear as to how the RBM approach should be applied to programmes focusing on building sustainable institutional capacity. And, to complicate matters, the PMA could not dictate how long he should remain in the field or indeed whether he should be invited to return.

Unfortunately, although the PMA does seem to have helped the Executing Agency and the PEP partners to improve the structuring of the programme and the quality of the reporting, there was still very little attention being given (especially in the text in the RBM matrices) to actually building sustainable institutional capacity. As is very clear from Section 7, while a good number of components of this capacity are being put into place, they do not appear to be the product of a clearly thought out plan to produce them.

The IUCNP as Executing Agency still appears to need help in producing such a plan. This needs to be an overall plan for the PEP, that identifies the contributions that the four institutions are making and can make to the improved functioning of the TEMS in support of the implementation of the NCS (as discussed in Section 2). It also needs to be a plan that gives really clear guidance to each PEP partner on exactly what has to be done, how, and why, as it relates to the enhancement of each capacity identified as being of significance.

The implications of this lack of a clear plan have been three-fold:

- The lack of clarity over the PEP has meant that it is hard to understand and thus lacks sympathetic supporters in the donor community and in the GOP.
- The lack of clear reporting that is understandably extremely frustrating for CIDA.
- The difficulty in correcting mistakes and using limited resources, especially those available through the CPO, to best effect.

Each of these features of the PEP has made the task of the Executing Agency more difficult. As we have attempted to show here, this situation is only partly of its own making. In light of these various factors that have come to bear on the Executing Agency's performance, it is clear that it requires further assistance. It is for CIDA to ensure, as indicated in the Accountability Matrix in the Contribution Agreement, that the IUCNP is equipped to perform its role as Executing Agency. It is for the IUCNP to recognize that it requires assistance. And it is for the CPO to ensure that it receives the right assistance.

This will require much more face-to-face collaboration between the four sets of players — the PEP partners, the Executing Agency, the CPO, and CIDA — than has been the case heretofore.

These meetings and the ongoing collaboration between the four sets of players must give due recognition to a number of constraints that pose challenges for the PEP and for the Executing Agency in particular. Among these constraints are the following:

- The complexity of the programme, especially given the different functions and motivations of the four PEP partners, and the implications that this has for clear communication.
- The time that it takes to change mindsets.
- The difficulty in getting all players to be as objective as possible.
- The fact that the PEP is only one of several activities for each of the players.
- The low profile and lack of clout and credibility of the NCS Unit which, arguably, should be the central player in the PEP, and the resultant difficulty that the Unit has in persuading other GOP and provincial bodies to be more active in implementing the NCS.

These constraints, and some of the others identified throughout this report, will not necessarily be ameliorated. However, acknowledging them should help to improve the management of the PEP by the Executing Agency and the PEP partners.

In addition, and on a more positive note, the Executing Agency has to be more strategic and pro-active in its direction of PEP. There are a number of opportunities that appear to have been missed and that if acted upon would have helped to open up opportunities for the two GOP units, in particular, to be more effective. For example, the Ministry of Health's Environmental Officer has been very open to cooperation from the PEP. Invitations for collaboration have not been followed up. Similarly, it would appear that the PEP did not take anything like full advantage of the recent review of education policy to advance the cause of environmental education. There are others that also came to our attention.

It may well be that, with more frequent meetings of the four sets of players called for above, these types of opportunities can be mentioned. One or other of the PEP partners could then be assigned to work with the Executing Agency in ensuring that the opportunity for multipliers is explored. This should be a central feature of a strategy for facilitating others to actually implement the NCS.

Beyond the broader functions of the Executing Agency that fall to the PEP's Manager to manage, there are a limited number of responsibilities for specific programme activities that have also been assigned to his offices. The Regional Programme is one such activity. This was taken over from the IUCNP's Programme Directorate when the Project Manager took up office. It is very small. There has been some activity but little that is remarkable.

Far more significant is the incorporation of gender considerations into the PEP.

The current Project Manager is regarded by those with a particular interest in promoting gender considerations as being very supportive of this objective. In

this important respect, the PEP appears to be in good hands. In general terms, our assessment is that while good progress is being made with the two NGOs, there are difficulties confronting the two GOP units — some of which are easier than others to overcome. However, the PEP is now positioned, with a clear strategy and the availability of additional external assistance from CIDA's PSU, to make further substantial advances.

Given the significance of the gender issue for the PEP, we believe it warrants some further elaboration.

The Contribution Agreement indicates that attention should be given to:

- the staffing of the four PEP partner institutions;
- the introduction of a gender focus (or, perhaps more appropriately, a gender perspective) into the programme work of the PEP; and
- the inclusion in the PEP of broader issues regarding women and the environment.

The Contribution Agreement specified that the Inception Report should incorporate a plan for addressing gender issues. This was done in the form of an initial strategy in an appendix and a very clear and open summary in the body of the Inception Report. That strategy has continued to evolve, primarily through the efforts of its original author, a staff member of the SDPI, and, more recently, of the Gender Programme Manager at CIDA's PSU.

The CPO's contract calls for the CPO to assist the PEP partners in various ways, but the CPO is only able to act when called on to do so by the Executing Agency. The CPO's gender adviser was dropped from its team as a result of a joint decision by the CPO, CIDA and the Executing Agency, on the grounds that sufficient competence exists in Pakistan. The MTR team's impression is that this is indeed so and that this is the most appropriate approach to this culturally sensitive issue.

The situation at the start of the PEP, with respect to gender issues, is described very succinctly in the Inception Report. In brief, the staffing situation was as one would expect. The IUCNP had over 50% of its staff positions filled by women, including those at the most senior levels. The SDPI had a large percentage of positions occupied by women. The NCS unit had three women out of 30 on staff; and the ES had two out of 11 positions so filled. The NGOs had a very open and supportive work environment for women, although there were some problems with salary differentials and "macho" attitudes in the SDPI at the time that have since been addressed. The GOP's policy was to reserve five percent of its positions for women. As the Inception Report notes, the Pakistani cultural setting and the attendant low literacy rates and family constraints create barriers to any rapid advancement in the public sector.

Progress on staffing and programme content has been documented accurately in the analytical volume of the Report of the Internal MTR and will not be reiterated here. However, we can offer some overview comments.

Progress on the staffing situation since the start of PEP has been mixed. As requested in the Contribution Agreement, PEP funding has been used to hire some women in the GOP units. The NCS Unit now has a female communications officer and the ES now has a female computer operator. However, it appears that the ES has only one woman on staff as compared with the two in 1994. Since PEP funds used by the two NGOs are not identified with specific individuals, it is not possible to say to what degree the funds have been used to change the staffing mix. As it happens, it appears that the two staffs still reflect a healthy gender balance.

There is progress with respect to the work setting, but again mainly by the two NGOs — where there were several visible signs of effort being made to create an egalitarian working environment. Both IUCNP and SDPI have a formal procedure in place for dealing with sexual harassment; all four institutions have agreed to hold joint meetings on gender issues.

With respect to the incorporation of gender considerations into the work programme, there is not a lot to report. Where progress has been remarkable we have noted it in Section 7. For example the IUCNP's NGO/CSU has incorporated the promotion of a gender perspective into its RBM matrix, and the Business and Law Unit has done notable work. The Communications Unit tries to ensure that as many female journalists and editors as possible attend its workshops. THE SDPI has a major gender research programme. The ES has nothing direct to report, although there are to be chapters on "education and women" and "women in development" in the 9th Plan. The NCS Unit has nothing direct to report. The IUCNP as Executing Agency has provided its support to the GOP units in trying to make staff recruitment procedures gender sensitive.

In sum, the challenge of the Executing Agency is to ensure that all four institutions, but especially the two GOP units, do more to incorporate gender considerations into their work programme. The most recent version of the Gender Strategy was approved in February 1998. The budget for activities identified in the strategy has been approved by CIDA and \$26,000 has been made available in support of these activities. We understand that the Gender Programme Manager on staff at CIDA's PSU is to be made available to assist the Executing Agency in implementing this strategy and that additional consulting time is to be covered by these funds. The MTR team believes that the CIDA PSU Gender Programme Manager should be encouraged to be pro-active and, through the PEP's Project Manager, sits down with the staff of the GOP units to discuss specific ways in which gender considerations can be incorporated into the various instruments, procedures and systems that they employ in their everyday work. Such an approach in our view, should yield some practical results in fairly short order.

We understand that the Project Manager had been requesting, in addition to an Assistant Manager, a full time Gender Assistant. We are not sure that this is necessary at this stage, although we are operating with incomplete information on just what funds and staff are now available throughout the PEP. Our suggestion is that it may be best to see how the implementation of the Gender Strategy progresses with the additional assistance that its funding already brings to bear on the issues of concern.

Recommendations

1. In recognition of the fact that it is the donor community's interest to develop the capacities of NGOs to serve as executing agencies and recognizing CIDA's responsibility, as identified in the Accountability Matrix in the Contribution Agreement, for ensuring the "the IUCNP has the developmental, technical, financial, administrative and managerial capacity to run the PEP", CIDA should take appropriate action to ensure that, relative to this need, the IUCNP is offered, accepts and acts upon appropriate advice provided through the CPO.
2. The IUCNP should recognize that it could benefit from outside assistance in enhancing its capacity to manage the PEP. Specifically, it should be requesting assistance on, inter alia:
 - the organization and implementation of an analysis of the needs of the four PEP partners relative to the building of sustainable institutional capacity to perform the functions that are relevant to the realization of the PEP's objectives; and,
 - the development and implementation of a plan for enhancing the capacities identified as needed.
3. CIDA should insist on more frequent face-to-face meetings of the PEP partners, the CPO, the Executing Agency and CIDA in Islamabad and consider delegating more authority to the CHC, Islamabad, if that were deemed to facilitate CIDA's ability to monitor and contribute to improved management and operation of the PEP.
4. The Gender Programme Manager at CIDA's PSU should be encouraged by CIDA and the Executing Agency to be more pro-active in working with the PEP partners to introduce practical changes to their programme operations.

4.0 THE CANADIAN PARTNER ORGANIZATION

4.1 Overview

This section is designed to provide an overview of the considerations bearing on the CPO's role and performance. It is followed by sections on each of the CPO's significant areas of responsibilities. Since the CPO's role and performance are discussed in various contexts throughout the report, reference will be made to those sections, where sufficient elaboration is provided, rather than reiterating our observations here. Of particular interest, in this regard, should be: Section 9 in which we discuss, inter alia, the management accountabilities of the CPO; and Section 8 in which the efficiency of the CPO is commented upon.

Along with the PEP partners and the Executing Agency, the CPO should be regarded as an important player in the PEP. Although the CPO acts in support of the Executing Agency, it is through the CPO that the PEP partners and the Executing Agency have access to \$4.2 million of additional assistance. This constitutes roughly 28% of the PEP's total resources.

Regrettably, the CPO's contribution to the PEP, overall, has been fraught with difficulties; although relatively little of this appears to have been of the CPO's making.

A number of the factors that have contributed to those difficulties have been discussed in the context of management accountabilities in Section 9 where we have recommended, inter alia, the need for attention to:

- arriving at a contractual resolution to the implications, of the CPO's inability to control the way in which a large portion of the funds in its budget are spent, for the CPO's fiduciary responsibilities and its responsibility for quality control over services that it makes available;
- establishing clear guidelines on the interaction between the CPO and the Executing Agency and the PEP partners; and,
- improving information flow between the CPO and the PEP partners and the Executing Agency.

Additionally, several factors discussed in the context of Section 8, on the PEP's efficiency, have contributed to the CPO's difficulties. Of particular significance are:

- the inability of the CPO to be involved from the commencement of the PEP;
- the lack of clarity over the expected results at the time the CPO commenced work; and,

- the varying absorptive capacity of the Pakistani institutions.

Before entering into an analysis of each of the CPO's main areas of activity, we should add to the above two lists of points by commenting briefly on four misleading assumptions that were implicit in the programme's design and three principles that need to be borne in mind in future operations.

The four misleading assumptions in the design that have had a bearing on the CPO's role and performance are as follows:

1. The first assumption is that the Pakistanis would welcome the contributions from Canada to be provided through the CPO, and regard the CPO as an equal partner. It seems clear that the Pakistanis would far prefer to utilize their own networks to identify whom they might call upon for assistance. This is understandable and some of their suggestions have been accommodated. However, the MTR team is not convinced that some of the suggestions put forward by the Pakistanis are the most appropriate for the proposed tasks. More importantly, there is a need for accountability in the use of these funds.

Although the CPO's contract with CIDA indicates that the CPO's approach to the partnership should recognize, *inter alia*, that the Pakistanis know best when it comes to interpreting their support needs, there is also a clear recognition that it is the role of the CPO "to assist the IUCNP to help participants to identify their own needs, to define the analysis that needs to be done and to identify the action that needs to be taken".¹

Since the CPO is at the call of the Executing Agency, it is up to the Executing Agency and the PEP partners to recognize that the CPO's contributions could be valuable relative to any one need that they are trying to meet. Obviously, the more frequent the opportunities for dialogue with the CPO's representatives, the more likely it will be that the potential value of the CPO's contributions will be recognized. These opportunities have been insufficient.

2. Closely related to this assumption, is a second one. It was assumed, as is indicated in the CPO's contract with CIDA, that there would be joint workplanning between the CPO and the PEP partners.² Again, the PEP partners have not involved the CPO's staff and consultant team members in an adequate manner in this regard. Indeed, one of the shortcomings of the PEP has been the lack of serious workplanning. We understand that there is to be more joint workplanning among PEP partners from now on. This should include CPO representatives.
3. A third assumption, again closely related to the above two, is that the CPO would be able to be more pro-active over time. It was recognized in the contract between the CPO and CIDA that this may depend on a

solid foundation of trust developing between the CPO and the PEP partners and Executing Agency.³ This trust has not developed. Again, this is partly due to the inability of the CPO's Manager, in particular, to be on the scene and available for talking issues through with the Pakistanis.

4. A fourth assumption was that work on a number of fronts was more advanced than it actually was when the CPO signed its contract in May 1996. Two important examples suffice. The work on annual needs assessments, by the PEP partners, does not appear to have been done in any systematic manner prior to the arrival of the CPO. The impression conveyed by the CPO's contract is that this was following an organized approach.⁴ Secondly, the indication in the CPO's contract that CIDA had already made good progress in developing the PTTS was, in hindsight, proven to be far from accurate.⁵

Each of these four assumptions has turned out to be misleading, and has had its effects on the CPO's overall performance.

In hindsight, clearly things should have been different. It is possible to identify three fundamental principles of procedure that should have been given more attention in the design stage and observed throughout. They are as follows.

1. More thought needs to be given to each stage and step in the process of implementing the PEP.
2. Communications between the CPO and the Executing Agency and PEP partners needs to be greatly improved and based more on face-to-face meetings that are frequent and that involve the CPO in more planning and everyday implementation work (as opposed to being focused primarily on PAC-level issues).
3. More thought needs to be given to various ways of making better use of the CPO's team and the Canadian consultants whom it can draw upon.

These principles are obviously inter-related. For example, if there had been more thought given in the design of the PEP to the needs of the four Pakistani institutions for putting in place sustainable institutional capacities, then it is likely that the CPO's team would have been utilized differently.

It would have been highly desirable if such an initial profiling of each institution's needs had been done before the start of the PEP. If the CPO had then been able to commence work at the beginning of the project, it would have been most productive to have had the five key members of the CPO's team present together in a workshop with the leading players of each of the four PEP partners and the Executing Agency. This workshop would have allowed the Canadians and Pakistanis to explore:

- first, the bigger picture, or the TEMS as we are calling it here, and the current and possibly improved roles that each institution could play in making that environmental management system more effective (and thus facilitating the implementation of the NCS);
- second, the functions that each institution should be performing;
- third, all of the capacities that each institution would need to have in order to perform those functions;
- fourth, the options for building those capacities, including the possible use of Canadian expertise provided through training and technical assistance (and, indirectly, through collaboration with other institutions, such as universities, through the linkages programme).

We recognize, of course, that the above was rendered impossible by virtue of the delay in the signing of the CPO's contract. However, it is helpful to present this scenario because it appears to the MTR team that such a start to the PEP would most likely have resulted in a very much greater degree of common understanding of: the PEP; the challenges facing each institution; the types of Canadian resources that would be relevant; etc.

Regrettably, at such time as the CPO did appear in the field for the first time, the Institutional Strengthening Adviser was not able to be present (because of the continuing delay in the signing of the contract). His input would have been the most important input at the outset. Instead, there was an implicit acceptance that what the Pakistanis had decided to do, without the benefit of an analysis of their needs for institutional capacity building, should be the basis for future planning. Although the CPO team members responsible for advice on training and technical assistance both emphasized that these activities should be focused on putting in place sustainable institutional capacities, their activities were given less attention at this early stage than was that of the PMA. The PMA had the initial responsibility of helping the PEP partners convert their early plans into a form that would lend itself to being expressed in a completed RBM matrix. Somewhere in this exercise the emphasis on building the sustainable institutional capacities seems to have disappeared. Given the poor use, by the Executing Agency, of the Institutional Strengthening Adviser's time in this respect, this lack of emphasis has remained a characteristic of the RBM matrices and the workplans.

Having offered these overview observations of the factors bearing on the performance of the CPO, we shall comment briefly on what has been done in each of the areas for which the CPO has significant specific responsibilities.

4.2 Institutional Strengthening

There has been only one mission by the CPO's Institutional Strengthening Adviser. This was for 2 weeks in October 1996. Both the organization of the

mission and the outcome have been the subject of considerable debate among all parties associated with the PEP. We do not believe that it will ever be possible for all concerned to agree on what actually happened. However, we do believe that it is constructive to comment on the significance of the main messages in the report and on any lessons that may be learned relative to the ways in which the time of advisers can be put to best effect.

Having re-read the Adviser's report, with the benefit of having had far more time than he had to come to an understanding of the PEP, we believe that the report could have been a very valuable one if it had been processed and utilized differently.

The Adviser's main messages, as we interpret them, were as follows.

- One should not look at individual organizations in isolation from their context. This is something that we understand the Project Director has, rightly, been emphasizing for a long time.
- Whether or not the PEP were to exist, the effective functioning of Pakistan's TEMS will require vastly improved collaboration between public, private and popular sector institutions.
- Given the need to promote the thinking on the larger context and the role of various institutions within it, if the implementation of the NCS is to be facilitated, and given the existence of the PEP, every opportunity to bring together the various talents of the four PEP partners to work out what they can best do (individually and collectively) to make that larger system function more effectively should be used to advantage.

In short, as the first principle enunciated in the overview suggests, there is a need for more thought to be given by the PEP partners, and especially shared thoughts, on how to make the most of that larger TEMS and all the key institutions within it. This strategic thinking can then serve as a guide to suggest the types of functions, and thus the capacities, that need strengthening within each of their institutions and, quite possibly, others.

Such collective thinking would hopefully have led, for example, both to an early agreement that the NCS Unit should have been a central player on the GOP's Task Force on the Implementation of the NCS, and to collective action to try to ensure that this should have come about. Similarly, it may have led to an earlier recognition of the need, in the NCS Unit, for enhanced capacity to plan initiatives that would aim to encourage other GOP ministries to utilize their mandates in ways that would contribute more to the implementation of the NCS.

The essential point here is that the Adviser's report was identifying, for the consideration of the PEP partners and the Executing Agency, some potentially desirable characteristics of the two GOP units. Just how desirable they might be

as outcomes and just how they might be put into place was obviously for the PEP partners to decide.

This brings us to possible lessons relative to ways in which advisers' time can be used to best effect. They can be summarized in point form.

- The Adviser's report should have been regarded as catalytic input to stimulate such collective thinking on the part of the PEP partners.
- The Adviser should have been given more time to collect and put down his thoughts in the field and to have had more opportunity to participate in small group discussions with representatives of each PEP partner (on the subject of the two GOP institutions) and then to move to discussions in which all four partners were represented.

Ideally, he would have been able to have examined the two NGOs on the same trip. But, as we were reminded on several occasions, working successfully in Pakistan requires that one is prepared to be strategically opportunistic. One has to make the most of the existing situation.

- The main lesson though is that the Adviser should never have been looked to as someone who could come in and present a report a few weeks later that would be the answer to everyone's needs.
- As the Adviser himself made clear, the exercise of institutional strengthening is a very extended and extensive process. The use of the outside adviser as a catalyst, who can offer an alternative way of looking at one's own situation to which one is so close, can be very valuable. But it is for the Executing Agency to orchestrate, with the advice of the adviser, the iterative process of the gradual building of more definitive conclusions.
- If the ideas that are to come out of such an exercise (not just out of a report) are to be acted upon, they will have to be "owned" by a broad base of key actors. They should not be published and presented as a final report if they are not so owned. A good test of this ownership is whether local co-authors are prepared to put their names to the reports too. We were told that one needs the credibility of the outside authority. However, one also needs the validation of a local authority. And one needs institutional "champions". This is where the Executing Agency and the PEP partners come in.

The work by the Institutional Strengthening Adviser came to a halt in April 1997. We recommend that it should recommence forthwith. We do not believe it is for the MTR team to say who should continue this work. We do believe that the initial Adviser is competent to continue. We recognize, however, that there has been a considerable amount of tension over this issue and that another adviser may have to continue the work. Another possibility would be to hold an

extended workshop involving all of the key advisers from the CPO with all of the leading players from the PEP partners. This matter should be resolved forthwith by the Project Manager and the CPO, to the satisfaction of CIDA.

4.3 Training

The training needs analysis and draft training plan were produced as the result of a mission by the Training Adviser in March-April 1997. The draft plan wisely focused on training for strengthening sustainable institutional capacities and also emphasized the importance of training mixed teams from the four PEP partners, plus other institutions.

We understand that the mission had been delayed due to the desirability of its following on from the work of the Institutional Strengthening Adviser. The unfortunate delay of the latter adviser's mission and the further delay over the development of any position on his report had repercussions on the timing of the Training Adviser's mission.

In our view it made sense initially to plan for this type of sequence. Whether it would have been possible to have reduced the time delay between the two missions is a question for the CPO and the Executing Agency to ponder. There may be a lesson here. If there were a detailed work plan for the PEP with a clear critical path for each set of activities, it would be easier to see what flexibility the various players may have to introduce some improved contingency planning.

As it happens, the detailed training plan that has followed the draft plan has resulted in two sets of nine training courses being organized by the SDPI, on behalf of the PEP. The funds are to come from the CPO's budget. There have been considerable delays over settling the question of the CPO's fiduciary responsibilities and its responsibility for the quality of the courses when they are to be offered by Pakistani firms that have been contracted by the SDPI. As we indicate in Section 9, we see the CPO being put in an untenable situation in this regard and one that has to be resolved by CIDA.

The MTR team's main reservation about the current arrangement is that the funds that were allocated for the use of the Pakistanis for training in Pakistan, by Pakistani trainers, are seemingly not being used for funding these courses. Paying for the courses with funds set aside for Canadian trainers is reducing the amount of money available for funding Canadian trainers to offer specialized training, either in Canada or in Pakistan, in fields that would add value to Pakistan's institutions precisely because that training is not available in Pakistan.

We recommend that the funds set aside for Canadian trainers should be utilized by Pakistani trainers only at such time as the funds for Pakistani trainers have been exhausted.

4.4

Technical Assistance

A workplan for the technical assistance component of the CPO's activities appeared in December 1996, based on a mission to Pakistan in September and follow-up meetings in Canada thereafter. Like the training plan, this document emphasizes the importance of focusing on technical assistance that will assist in building sustainable institutional capacity.

The mission revealed that the Pakistanis had done little thinking about how they might utilize the presence of Canadians on short-term assignments (two weeks to six months) to work with them so that they may learn on the job and put in place the requisite systems, etc. that would build the sustainable capacity of their institutions to perform their functions more effectively.

It also became quite apparent from this mission that considerably more than the \$50,000 budgeted for managing this component would be required. This point, which became a contentious issue at a later juncture, was one that the Technical Assistance Adviser had been noting in reports from very early on in this exercise. Given that two missions were called for, the MTR team is not surprised that the funds that remained have proven inadequate for administering follow up on specific requests. However, we are not in a position to comment on the efficiency with which these remaining funds have been used.

Following the field mission there has been a very limited number of requests for assistance. In brief they are:

1. One very early request on EIA, from the ES. Considerable work was done on processing this, only to have the dialogue reach a point where the Adviser was getting no responses to material and questions sent to the ES. The ES ended up utilizing the services of the EIA specialist on staff at the IUCNP office in Karachi.
2. An early request for environmental management expertise, from the ES. This died, but was revived as an official request in early April 1998.
3. A request for a management review of the SDPI, by two Canadian consultants already well known to the Project Director and thus not selected by the Adviser. The report was completed in first draft early in 1997. It was then delayed for months, seemingly by the consultants' inability to find time to incorporate changes reflecting the comments on the draft.
4. A request for assistance in developing sustainability indicators, put forward by the IUCNP, SDPI and the ES. This request was quite contentious given that it was not processed through the CPO but involved direct communication between the Executing Agency and the International Institute for Sustainable Development (IISD). Although this request has since resulted in a currently active technical assistance

contract to the IISD through the CPO, the attempt to by-pass the CPO and then to access the funds that the CPO is theoretically responsible for, understandably raised the ire of CPO staff.

5. A request for a management information systems adviser for the IUCNP. This was agreed to in February 1998 and is now being responded to by the Technical Assistance Adviser.
6. A request for a marketing adviser to look at the opportunities for marketing the IUCNP's "Jareeda" and "The Way Ahead" magazines on a commercial basis. It is understood that the SDPI will also take advantage of the presence of this adviser to seek advice on the marketing of some of its publications. Again, this request, approved in February 1998, is being responded to now.
7. It is very likely that an earlier proposal for a "linkage" project will be reformulated as a technical assistance request, on environmental security. The request has yet to be approved by the PEP partners.

Other requests have been discussed, but not moved into a proposal form because they do not qualify. One criterion of importance is that the requests must come from the PEP partners and be for their benefit. Three requests that the Executing Agency was proposing as ones that could be serviced by the IUCN office in Canada (IUCNC) were ruled as unacceptable in light of this criterion.

This brief listing has been given because it conveys several features of this experience to date. There has been a tendency for requests to be made and for communication from the Pakistanis to then cease. This would be unlikely to occur if the CPO were operating from an office in Islamabad. There is also a clear desire on the part of the Executing Agency to source Canadians known to the Executing Agency. This has not necessarily produced superior work completed to a reasonable schedule.

Perhaps more important is that these requests tend to be ad hoc, rather than emanating from any overall plan for institutional strengthening — whether a plan for the PEP as a whole or for any one of the four partners. There is no indication, in workplans, of technical assistance requests that may be made. And since the first technical assistance advisers who actually worked alongside Pakistani collaborators were the authors of the management review of the SDPI, albeit that the report was drafted in North America, it remains to be seen how much benefit accrued to the local Pakistani collaborators by way of enhanced skills and, more importantly, the institutionalization of lessons learned in the form of a documented system for conducting management reviews.

In sum, the work of the Technical Assistance Adviser has been an exercise in frustration. We believe that it is incumbent upon the Executing Agency to improve the procedure by which requests for technical assistance are first identified and then to ensure that the time of the Technical Assistance Adviser

is used to best effect. We understand that some aspects of this procedure have now been committed to paper and that there is a clearer understanding on the part of both parties as to how requests are to be made and responded to in future.

4.5 Performance Management Adviser

The role of the PMA has already been commented on quite extensively in Section 8 and Section 9.

Here we will mention that there has been some confusion as to what degree, if at all, the PMA is also to serve as a monitor reporting back to CIDA. We believe that it is putting the PMA in a difficult, if not impossible, situation to expect him to monitor a self-monitoring system in which he is a central player.

We are not convinced that the self-monitoring function (by the PEP partners and the Executing Agency) is working very effectively yet. If it were, one would expect far more open comment on problems being encountered and discussion of ways in which they may be overcome. Also there should be a greater consciousness, on the part of those doing the monitoring, of the contributions that are meant to be made to building sustainable institutional capacity.

This is not to say that the PMA does not produce informative reports. They are. However, the PMA's role is to work with the PEP partners as they attempt to develop competency in RBM and reporting against expected results. This is not, in our view, the role of an external monitor, nor is it one that is compatible with that of an external monitor.

The major challenge that the PMA has had is to introduce RBM to the PEP partners and to work with the Monitoring and Evaluation specialist on staff with the IUCNP in Karachi to get the staff of the four institutions to complete the RBM matrices. The varying degree of success in this endeavour is brought to light in Section 7.

In short, we are concerned that the PMA has given insufficient attention to focusing the minds of the participants on the importance of building sustainable institutional capacity. We recognize the challenges of his task, given the contractual arrangements under which the CPO works. We underscore that the Executing Agency and the PEP partners must provide the PMA with the collaboration and encouragement to continue this task of improving the clarity with which expected results are articulated. We trust that Sections 7 and 9 will assist in this regard.

4.6 Linkages

The linkages component of the CPO's activity is more easily managed as a separate component, in that it involves other Pakistani players than the four PEP partners. However, it is complementary to the other PEP activities in that it is contributing to some of the key requirements of a stronger TEMS. This is most

easily illustrated by reference to the proposed university linkage which will enhance Pakistan's capacity to mobilize trained environmental/natural resources management professionals.

Broadly speaking, the MTR team finds that this linkages programme is progressing relatively smoothly.

The Linkages Adviser visited Pakistan in the inception mission in May-June 1996 and then again for two weeks in March 1997. This latter mission also involved the Training Adviser and the Director of the IUCNP's Education Unit in the visits to 11 Pakistani universities, relative to a possible universities linkage. Given the involvement of the Training Adviser, it appears that this mission was delayed for the same reason that delayed the training mission.

It merits noting, relative to the three principles identified in the overview, that this component had been given considerable thought by the Adviser before the mission was undertaken. A wise decision, in our view, was to prepare a Discussion Paper on lessons learned from other linkages programmes.⁶ We are not sure how widely this was circulated among the Pakistanis to be involved in the linkages programme. However, it provided a very good sense of the difficulties that could be encountered and the steps that should be taken to obviate or minimize difficulties. This should have served to create a greater degree of common understanding as to what the programme would be attempting to achieve and the characteristics of the procedure to be followed.

Four proposed linkages emerged from the mission:

1. a universities linkage;
2. an air emissions control linkage with the Province of Balochistan;
3. a linkage with the Pakistan Environmental Protection Agency (Pak EPA);
and,
4. an environmental security linkage with the NWFP.

The universities linkage is now proceeding smoothly. It received a set-back when the first prime candidate institution, Quaid e Azam University, was dropped after the SDPI brought to the attention of the PAC the improper land dealings being undertaken by the university.

The linkage is instead to be established between the GIK and Waterloo University in Canada. We understand that a Memorandum of Agreement between the two universities is to be signed in late April/early May 1998. This has involved considerable effort on the part of the CPO, the IUCNP and the two university institutes concerned. It is possible that the first exchange will see Pakistanis at Waterloo in the summer of 1998.

The initial budget is for \$500,000 to support the GIK's development of its capacity to offer advanced education in natural resources management. Benefits are also expected to accrue to Waterloo which has considerable experience with similar linkage programmes. The intention is that the linkage should continue, long after the completion of the PEP, as a permanent extension of the two universities' networks. However, it should be recognized by CIDA, based on its previous experience in establishing similar linkages, that if this does make good progress in its initial stages, it may well warrant some further funding.

The linkage with the Province of Balochistan is being established with Environment Canada. This has been more difficult to get going, partly because the budget of \$200,000 was approved by the PEP partners only in November 1997, but also because of the difficulty in getting the time of the key official in Environment Canada.

We understand that an Environment Canada official has since visited Pakistan and that a proposal is being developed. The intent is to retrofit about 10 to 15 "pilot" motorized rickshaws with less polluting, modified engines that would most likely burn compressed natural gas. Associated pollution monitoring and control procedures, public awareness campaigns and other supportive activities would be put in place, assuming the pilot rickshaws function as expected.

Plans are being detailed currently. It may be that the budget will require some additional funds beyond the \$200,000 currently allocated.

The third linkage, with the PAK-EPA, also involves the same office at Environment Canada. In this instance, Environment Canada has indicated that the \$200,000 originally allocated by the PEP partners is far from sufficient, and should be in the order of \$400-500,000. The PEP partners have declined to extend the budget because they have yet to see a proposal from Environment Canada. And Environment Canada is not inclined to put together a proposal (of 10 to 15 pages) until it knows that the additional funds could be made available. Thus a "chicken and egg" situation has arisen.

Further complicating this impasse is the fact that Environment Canada is undergoing an internal review and may decide that it does not wish to pursue other linkages, beyond that with the Province of Balochistan, at any price. The outcome of the review may be known in June 1998, but it may be delayed.

Given this uncertainty, plus the fact that the fourth proposal for a linkage — on environmental security — is to be re-proposed as a technical assistance activity, there will be some decisions to be made relative to the reallocation of the \$1.1 million budget. It has been put to the MTR team that the current contract documents provide insufficient guidance on:

- who is to be responsible for the reallocation of funds within the linkages programme;
- who is to be responsible for any reallocation of the linkages budget (of \$1.1 million) to other PEP activities.

In addition, guidance is sought on:

- whether or not the IUCNP, as Executing Agency, should be a co-signatory to the linkage agreement between the GIK and Waterloo University (and to any other linkage agreement);
- the roles and responsibilities, if any, of the PEP partners in the overall supervision of the linkages.

We recommend that CIDA should consult with the CPO and the Executing Agency and resolve these matters to its satisfaction.

This completes our comments on the four main areas of the CPO's activities. However, there is also a responsibility to collaborate with the IUCNC offices that warrants brief comment.

4.7

Relations with IUCN Canada

The CPO's contract with CIDA calls for it to develop good working relations with the IUCN Canada office.⁷ The broad intention has been that the IUCNC, through a sub-contract with the CPO, would be given the opportunity to provide some support services that would enhance its capacity to serve as a Canadian-based link for the IUCNP after the completion of the PEP.

As of March 1998 the IUCNC had yet to be actively involved in the PEP. There were a number of factors accounting for this. In essence, the difficulty had been to come to a workable arrangement whereby the IUCNC's membership network and associated resources would be used in a way that would minimize any inherent inefficiencies in having a second body undertaking activities of the type already being carried out by the CPO.

Although contacts between the CPO and IUCNC had been established fairly soon after the CPO signed its contract with CIDA, an agreement between the IUCNC and the CPO was signed only on 4 November 1997. Somewhat strangely, this signing was not reported on at the PEP partners meeting in late November, when the relationship in question was being discussed.

An associated difficulty has been the CPO's accountability for funds advanced to the IUCNC. This is now being addressed by having separate contracts for lump sum advances that have to be accounted for on a monthly basis. The first such contract was also signed on 4 November 1997.

In drafting the agreement and any one contract it has been difficult for the IUCNC to be very specific about the services that it may provide because, like the CPO, the IUCNC is expected to respond to requests emanating from the Executing Agency, on behalf of the PEP partners. Since there has been no plan that identifies the needs of the PEP partners for which external assistance will be sought from Canada, the possible requests cannot be anticipated with any degree of certainty.

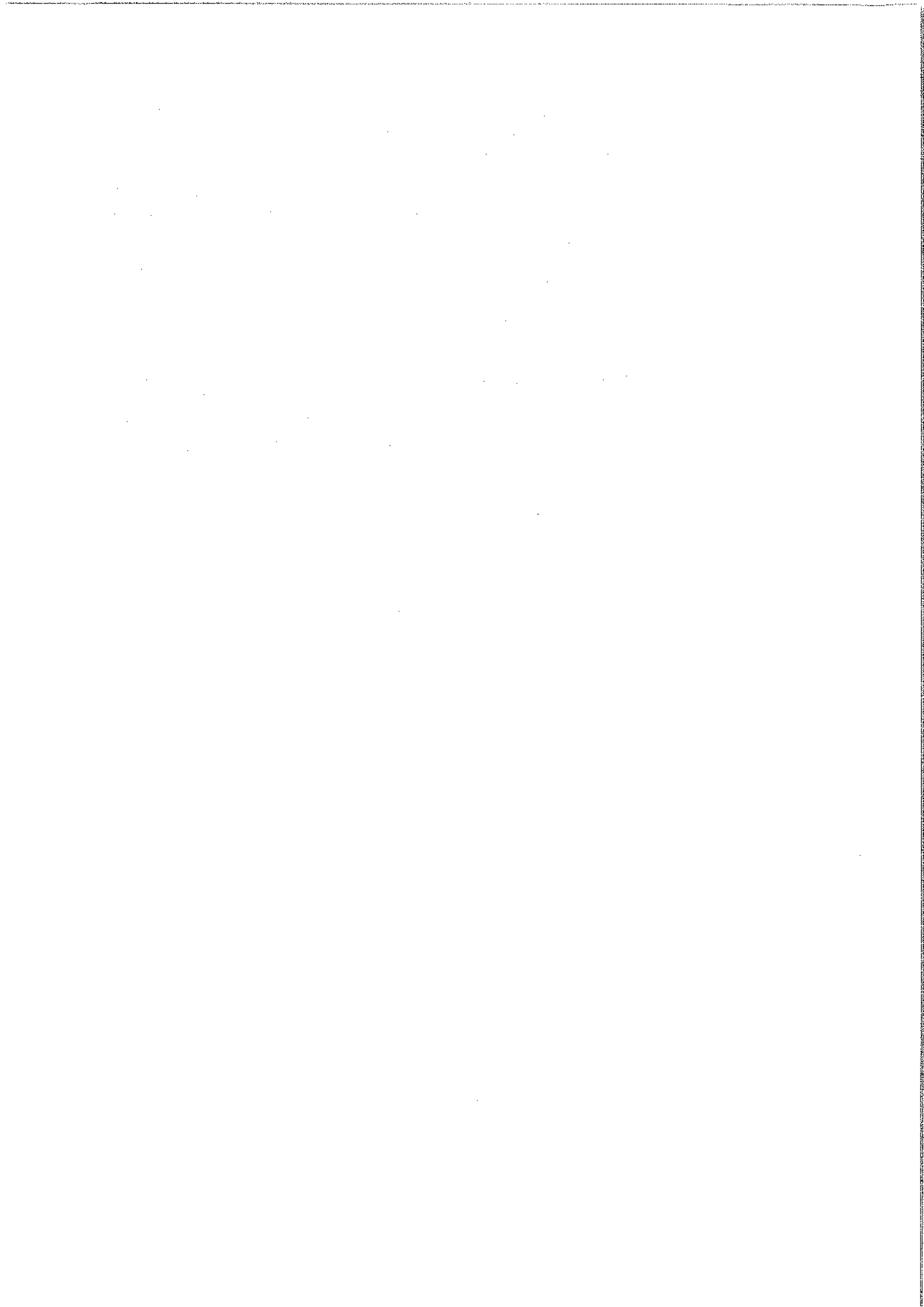
However, we understand that the CPO, the IUCNC and the IUCNP are now collaborating constructively to make the best possible use of the \$200,000 that was set aside for funding support from the IUCNC.

4.8 Recommendations

Some recommendations have already been articulated in the text above. They are repeated here along with others, for ease of reference.

1. The recommendations put forward in Section 9, relative to the improvement of the management of the CPO, should be noted and acted upon.
2. The CPO and the Executing Agency should explore the desirability of enhancing the presence in Islamabad of those CPO team members with a background in environmental management and/or institutional strengthening, with a view to providing greater opportunity for more frequent discussion of issues confronting the PEP partners and possible contributions from Canada.
3. The CPO and the Executing Agency should explore the feasibility of having a joint workshop involving all of the CPO's key advisers and the leaders of the four PEP partners to jointly complete an initial analysis of the needs of each institution for enhanced sustainable institutional capacity to perform their functions effectively. The workshop participants should be encouraged to consider the roles of each institution in the context of Pakistan's total environmental management system. Possibly, this type of exercise could be incorporated into the MTR of the NCS.
4. The CPO and the Executing Agency should identify the implications of: ensuring that more thought is given to planning each stage of the PEP; improving communications; making better use of the time of Canadian advisers.
5. The CPO and the Executing Agency should ensure that the function of the Institutional Strengthening Adviser be recommended forthwith.

6. The funds set aside for Canadian trainers should be utilized by Pakistani trainers only at such time as the funds for Pakistani trainers have been exhausted.
7. The CPO and the Executing Agency should review the recently established guidelines on the procedure for contracting technical assistance in light of experience with the recently processed requests.
8. CIDA should not expect the PMA to serve as a substitute for an external monitor for the PEP and should therefore explore ways in which a closer watching brief over the PEP can be maintained for its remaining duration.
9. CIDA should consult with the CPO and the Executing Agency to produce clear guidelines on the responsibilities, of various parties associated with the PEP, relative to budgetary and decision-making issues associated with the linkages being established.



This section is designed to provide an overview of the considerations bearing on CIDA's role and performance. Since this role and performance are discussed in various contexts throughout the report, reference will be made to those sections, where sufficient elaboration is provided, rather than reiterating our observations here. Of particular interest, in this regard, should be: Section 9 in which we discuss, *inter alia*, the management accountabilities of CIDA; and Section 8 in which the influence of CIDA on the efficiency of the PEP is commented upon.

Since this report has been written, in the first instance, primarily for CIDA, the MTR team has adopted a more summary style of presentation in this Section — it being assumed that the background to the points raised is well known. In essence, the discussion is organized around the chronological sequence of events or decisions focused upon.

PEP's Macro-design

The macro-design of the PEP was a direct responsibility of CIDA's. As is discussed in Section 2, the broad features of the macro-design, as they relate to the attainment of the PEP's objectives, are regarded as satisfactory in that some attention is given, implicitly, to each of the three macro-functions that have to be performed by those key institutions that are central to the overall "steering" of Pakistan's TEMS. The effective performance of this steering function, in turn, is central to the successful implementation of the NCS.

However, there are other observations, positive and negative, to be made of the macro-design.

First, the Contribution Agreement leaves a great deal of the design work to be done by the Executing Agency in collaboration with the PEP partners. Given that the IUCNP's experience as an executing agency was known to be limited and that the need for strengthening the institution's capacities were acknowledged in the macro-design, it is somewhat surprising that so much of this detailed work was left to the Executing Agency.

Second, the reduction in size of the proposed PEP from \$24 million to \$15 million and the consequent elimination of the proposed activity at the provincial level appears to have been a significant decision. As ensuing activity has revealed, it is necessary to have support provided at the provincial level to implement federal policy. However, given that the Executing Agency has been learning on the job, and given the other challenges, it was probably a wise decision (albeit that it was made, perhaps, for other reasons) that the scale of the PEP was reduced for the first five years. If an experienced executing agency had been contracted, it would probably have made more sense to have had a \$24 million programme.

In short, in hindsight, the risk assessment of the proposed PEP should have recommended:

- a smaller PEP if the Executing Agency was to be given so little attention; or,
- more attention to the strengthening of the Executing Agency, at the outset, if the PEP was to be at the \$15 million scale; and,
- the employment of a seasoned expatriate executing agency as an option for a \$15 million PEP and as a pre-requisite for a larger PEP.

5.2 PEP's Micro-design

The micro-design is also discussed in Section 2. Our concerns about the shortcomings of the design are expressed there. However, relative to CIDA's responsibility, it appears that much of the latest documented experience available in CIDA at the time (mid to late 1994), that related directly to projects aimed at building sustainable institutional capacities in the environmental/natural resources management field, was not made available to the Executing Agency. Alternatively, if it was, it is unlikely that the Executing Agency was given sufficient guidance on how to use it to advantage. For example, the Asia Branch had recently completed a detailed analysis of its experience in the strengthening of institutions in Asia that are involved in enhancing environmental sustainability.¹ This was done for the explicit purpose of improving programme design. Some of the six cases, and other reports from the other countries (e.g., the mid-term evaluation of the Zimbabwe Natural Resources Management Programme,² where a very similar problem of lack of focus on building sustainable institutional capacity had been corrected) would have proven very useful to the Executing Agency. Their use, with guidance, should have minimized the difficulties that the Executing Agency and the PEP partners were having in articulating expected results that would emphasize the building of sustainable institutional capacity.

5.3 The Bridging Phase

The bridging phase between the official end of the NCS project and the actual commencement of work on the PEP ran from roughly December 1993 to November 1994. However, since the NCS document was actually approved by the GOP on 1st March 1992, this period when there was little money available probably started shortly thereafter and thus extended for much longer than a year.

In light of the fact that the PEP is adding value of Pakistan's efforts to implement the NCS, CIDA deserves credit for having provided bridging funds to maintain some momentum. Some of the studies produced in that period were providing sound advice, that the IUCNP actually used in preparing itself for the role of Executing Agency.³ Others were less useful. For example, the MAS study on the operational plans of the two GOP units, financed by CIDA in

October 1994 (before the PEP contract had been signed) was also designed to do some preparatory work on the analysis of the needs relative to the building of sustainable institutional capacity. It was completed in May 1995, but it appears that there were enough reservations about its utility that it was not used extensively.

In hindsight, much more assistance, especially of a very practical "hands-on" nature, was required by the Executing Agency once the PEP contract was signed.

Thus CIDA had a mixed record in this bridging period in preparing the PEP players.

5.4 The Contract with the IUCNP

The delayed signing of the contract with the IUCNP on 8th November, 1994, is of significance in two ways. It was an accomplishment, for those who were close to the NCS exercise and thus were able to understand and feel comfortable with the PEP, to get the contract signed at all. However, the delay was also an indicator of the difficulty that CIDA's senior management was having in comprehending and feeling comfortable with a complex and not very coherent PEP. This lack of coherence is discussed in Section 2.

The lesson here seems to be that a programme's design has to be able to show, simply and logically, how all the parts fit together and contribute to the realization of the overall objective.

5.5 Management from November 1994 to May 1996

The period from November, 1994 to the signing of the CPO's contract in May, 1996, was characterized by insufficient attention from CIDA. The fundamental reason for this was the cuts to CIDA's budget and thus the reduced ability to monitor and support the PEP when it was CIDA's direct responsibility to do this.

This "hands-off" approach by CIDA, combined with a similar approach taken by the Executing Agency towards the PEP partners (and especially the GOP units), resulted in the GOP units getting next to no attention. When this was combined with CIDA's pre-occupation with the PITS and its desire to promote this untried concept (as it attempted to do in May 1995) before ensuring that all players were able to articulate their expected results, a noticeable and unnecessary degree of confusion set in.

The lesson is that if one is to make cuts then it may be best not to start new projects rather than to cut back on projects that are dependent on certain resources being in place for basic servicing requirements.

5.6

The Contract with the CPO

The signing of the contract with the CPO on 16th May, 1996, is significant primarily for the unacceptable delay that it represented in bringing on board a key group that should have been contracted before the PEP started. The implications of this delay are discussed in Sections 8 and 9.

The content of this contract with the CPO is also remarkable for: the misleading assumptions that its authors made (and that are discussed in Section 4); and, the lack of clarity on the scope of and limits to the responsibilities of the CPO, the IUCNP and CIDA (see Section 9).

The lack of clarity on the limits of the CPO's authority mirrors a similar lack of clarity relative to the IUCNP in its contract with CIDA. This has contributed to the difficulties in the relations between the CPO and the Executing Agency.

The contract with CPO could have been improved if, for example, it had incorporated an accountability matrix. This could have been a revision of the one in the contract with the IUCNP (see Appendix D). Also, given the desirability on CIDA's part to have the CPO assume major responsibility for decision making, it would have helped to have indicated, where relevant, that the CPO had only to obtain CIDA's approval in principle for the CPO to proceed. This would have reduced the amount of micro-management that the Project Team Leader (PTL) finds himself being involved in unnecessarily.

5.7

Management since May 1996

CIDA's management of the PEP since the signing of the contract with the CPO in May 1996 was influenced in part by a change of PTL, in Hull, in July 1996, and later changes of the Head of Aid and of the First Secretary, Development (responsible for relations with the PEP) at the CHC in Islamabad. Some of the implications of this type of turnover of staff are discussed in Section 9.

For each of these newcomers, but for the PTL in particular, given his responsibilities, the accumulation of all of the shortcomings in CIDA's past performance was to present an enormous challenge in programme management.

The PEP had become increasingly complex and incoherent as the PEP partners had attempted to take their own, distinct, approaches to articulating their expected results and reporting on their progress. The Executing Agency's Coordinator, in everyone's eyes, was not performing satisfactorily, and the Project Director was spread too thinly, with all of the demands upon her, to be able to substitute for the Coordinator's weaknesses. There was no monitor to provide the PTL and the CHC with an overview of what was happening, as seen by a dispassionate neutral party. And there was a new player, in the form of the CPO, trying to establish a rôle for itself in a setting where the other players had already established their modus operandi.

As if this was not enough, the CPO faced difficulties in that: it was not able to start with a field visit by its Institutional Strengthening Adviser, the significance of which is discussed in Section 4; and, it had to try to bring order and coherence to the articulation of expected results.

The intention of the original design was that the CPO would be able to relieve all CIDA staff of a lot of their responsibilities. However, given the lack of enthusiasm shown towards the CPO's arrival on the scene and the weakness in the arrangement whereby the CPO was at the call of the Executing Agency, the CPO was unable to accomplish this.

Given this somewhat messy, if not chaotic, situation, the new PTL was forced to become more involved in everyday management than his time budget really allowed for.

The time budget of the PTL on a programme such as the PEP, is an important consideration for CIDA's management. It seems clear to the MTR team that the PTL either has to spend more time in the field, or utilize more time (if available) of the First Secretary, Development, at the CHC, or (possibly supplementing this latter option) utilize the services of an external monitor.

This will be necessary even with the improved reporting that the PTL is rightly seeking. However, to obtain those improved reports, the PTL will need to be more specific on his requirements. We trust that our articulation of the enhanced capacities to be sought as outcomes and our note on programme-level outcomes (in Section 7) should provide the basis for simpler reporting — something that should also be accomplished before the PITS experiment proceeds any further (see Section 6).

5.8

A Perspective on the Making of Recommendations

Before summarizing the action that CIDA should take to improve its contribution to the PEP and the efficiency with which it plays its role, it is useful to reiterate that, despite the difficulties facing the major players, there is a lot of value being added by the PEP. This is important to bear in mind when considering the time horizons that bear on CIDA's possible actions.

The MTR team believes that, with some really focused effort, the PEP will produce:

- an Executing Agency with much stronger capacity to perform its role;
- strengthened and more effective PEP partners;
- some valuable Pakistan-Canada linkages that will complement the contributions of the stronger PEP partners to meeting the PEP's objectives.

Our justification for feeling positive is provided in Section 7. Our views on what the various players have to do are conveyed throughout the report.

CIDA officials should not be discouraged, in the way that we sense some of them have been, by the current situation. The PEP cannot be allowed to continue on as it has, but it is amenable to great improvement.

For CIDA's part there are a number of actions that it can take to enhance its performance relative to its responsibilities. They can be expressed in the form of recommendations that address:

- long overdue action items;
- recent developments; and
- future opportunities.

5.9

Recommendations

1. **Improve the clarity of the contracts with the IUCNP and the CPO such that areas and limits of responsibility are made much clearer and that CIDA is able to leave more day-to-day decisions with the Executing Agency and the CPO. (This recommendation is further elaborated by two made in the relevant part of Section 9).**
2. **Ensure that more attention is given to strengthening the capacity of the IUCNP to perform its role as Executing Agency.**
3. **Put work on the PITS in Pakistan on hold and instead concentrate on a simplified form of narrative reporting that reports progress against outcomes expressed in the form of sustainable institutional capacities to be enhanced. (For further recommendations on the PITS see Section 6.)**
4. **Provide a clearly defined role for the First Secretary, Development, at the CHC, possibly providing for more decision-making authority to expedite face-to-face negotiations, and, in conjunction with this, give serious consideration to employing an external monitor, operating from a Canadian base to ensure that frequent dialogue with the PTL is facilitated.**
5. **Produce a short, succinct brochure on the PEP that makes it coherent to CIDA's senior management and others whom CIDA would want to have a clear understanding of the PEP.**

6. Give more explicit recognition to the fact that the development of sustainable institutional capacities is a long-term process that may require that CIDA should remain involved in some activities related to those currently being undertaken in the PEP (albeit not necessarily a continuation of the same activities).



6.0

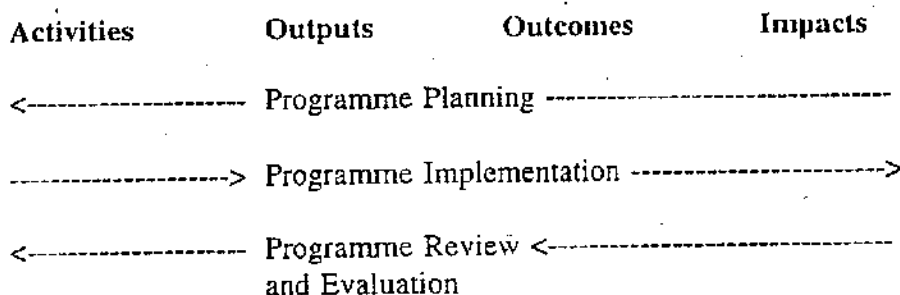
REPORTING ON RESULTS

Before entering a discussion, in Section 7, of the progress being made in attaining the planned results, it is instructive to look at how these results are being and may in the future be reported.

6.1

The Current Reporting Process

Expected results are central to the system of RBM that is meant to be guiding the PEP. The RBM approach is guided by a continuum of expected results. In the management of the planning phase of a project one starts by identifying the desired impact, or long-term effect, on society. This impact is linked to the goal, or long-term vision, of the programme. Then, essentially, one works backwards to plan outcomes, outputs and activities. In the management of the implementation of the programme one works chronologically through the continuum, starting with the sound management of the activities to ensure that they take place, and that the planned outputs are achieved, and then on to ensure that the outcomes and, eventually, the planned impacts are attained. In programme reviews and evaluations one again starts with the end purpose in mind. This can be represented graphically in the following manner.



Not surprisingly, none of these undertakings (planning, etc.) is as simple as it appears from the above. One has to recognize that, as one moves backwards from impacts to outcomes, a number of outcomes may be required in combination to bring about the desired impact. Likewise, any one outcome may be realized only after several components of that outcome have been put in place. Whether these can be called outputs is a moot point, since each of those components may require several outputs to be generated from one or more activities in order for a component of a sought-after outcome to materialize.

This can create a nightmarish situation relative to the definition of the terms (and especially in distinguishing between outputs and outcomes) and the assignment of phenomena or stages in the programme's development to the four above-mentioned sets of results sought. This language problem is discussed briefly in Appendix E.

In addition, one has to recognize that while, as the programme moves from activities to impacts, the potential for the programme to have a developmental impact increases, the programme's control over the process of bringing about the

results sought at any one stage is decreasing. On the left of the above-illustrated continuum, the programme's results are easily quantifiable, attributable and measurable; but little can be said, with any certainty, about their potential developmental impact. On the right side of the continuum, various developmental impacts can be observed and possibly measured; but it becomes more difficult for the programme's managers to control, attribute or quantify the programme's influences.

The "language problem" and the varying attributes of the different categories of results combine to create very real challenges in communications.

In essence the challenge for reporting is to report with clarity on significant developments, and using instruments and formats that are easy for a variety of readers to use.

Reporting on progress in attaining the PEP's expected results is currently being done in a narrative form made available in printed hard copy (available on computer disks). Until now there have been semi-annual and annual reports, although there has been talk of focusing on semi-annual reports, with an abbreviated annual summary overview.

For any one of the nine units being strengthened a report is organized around clusters of activity and, within that, each report comments on activities undertaken, outputs produced and then, where relevant, comments on outcomes and impacts. There may, or may not, be some additional comment on problems being encountered or lessons to be learned.

As described above, this reporting procedure appears to be fine. Our comments on these reports on each unit are offered in Section 7. Overall, however, we observe three serious shortcomings:

1. there is no common concept of outputs, outcomes, and even impacts;
2. the focus on building sustainable institutional capacities is missing;
3. the work on building the PITS as a future system of computer-based, possibly on-line, reporting is not only suffering from seemingly never-ending technical problems, but is also working with less than half of the necessary subject matter (because of point 2 above).

In Section 1 we have drawn attention to the difficulties that the first two of the above problems have created for the MTR team and the considerable effort that was required on our part to rework the outcomes statements in a standard manner for all nine units. These statements on "the assumed outcome of activity" are given at the outset of our discussion of each unit, in Section 7, relative to results achieved to date.

Here, the point being emphasized is that, although the units are reporting what we have chosen to call "products", they are not reporting on progress in building sustainable institutional capacities. These, however, are the key results that are being, or should be, sought.

Thus the first requirement of the PEP is not so much to improve reporting, but to improve the articulation of the expected results such that the future direction of the PEP will be focused more explicitly on the building of sustainable institutional capacities and not just on the production of the "products" of those enhanced capacities (whether sustainable or otherwise).

Once this has been done, the reporting on progress towards the achievement of the total complement of expected results can be organized.

This reporting needs to be simplified. We would suggest that the focus be on outcomes. This is assuming that the outcome of a programme aimed at building sustainable institutional capacities is, indeed, enhanced capacities. The reason for suggesting this focus on outcomes is given in Section 1.

However, before articulating any one outcome, the unit staff should decide how they would articulate the developmental impact on Pakistani society that they would expect to emerge as a consequence of the successful building of the capacities identified in the statement on "assumed outcome of activity" that is relevant for their particular unit.

Each of these statements is based on what the unit staff put into their RBM matrices completed in June 1997, and related documents. If the articulated impacts are indeed the desired impacts, then the outcomes already listed in Section 7 can be presumed acceptable. However, some additional capacities or even components of capacity may still be unmentioned and should be added, if the impact is to be fully realized. Section 9 should be very helpful in this regard.

If one does not envisage the desired impact arising from the capacities listed in Section 7, then one has to change some of the capacities or add to them.

Clearly, this is taking the PEP partners into conducting the analysis of their needs for capacity building — that is called for throughout this report. Eventually the findings of the needs analysis will emerge.

Once the outcomes are clearly articulated and are similar in concept throughout the PEP, for all nine units, and agreed upon in a joint session, then the partnership can move to decide how to simplify the reporting.

CIDA's RBM policy is not looking for complex reporting. The policy that was issued in March 1996 and that the CPO should have been guided by is fairly flexible; one of its seven principles is simplicity. While simplicity is often easier to call for than to observe, it does say something about CIDA's preferences. Thus for the PEP's reporting, it could well be that, for any one unit, a report

would be organized around six or seven capacities as outcomes and, relative to each, some comments on process on both: (a) building the sustainable institutional capacity (e.g., components being put in place); and, (b) generating the "products" from this effort. There could also an overview statement that could include, inter alia, a brief comment on the unit's contribution to the PEP's collective effort to realize programme-level objectives. In Section 2 we have suggested that this could be seen as the enhancement of the capacity of the four key institutions, as a group, to perform the three macro-functions involved in "steering" Pakistan's TEMS in a manner that would facilitate the implementation of the NCS.

What is currently being reported on should not be discarded. It is useful in that it covers the progress on "products" and often, indirectly, alludes to components of built capacity that are being put in place. However, it is less than half of the picture required. Thus it should be retained, but offered in a more abbreviated form for CIDA's use.

If each unit wishes to continue to produce lengthier reports for the record — a desire put to use by some people — this can be continued as an addendum to the more summary free-standing report for CIDA's use.

Thus, although indicators are already in place for the production of the "products", indicators are needed for the components of the sustainable institutional capacities to be built. Again, clues for these will be found in reading Sections 7 and 9. The latter, in essence, can be utilized as a checklist of components of capacities that are needed if the capacities identified in the "assumed outcome of activity" statements are to be realized more fully.

However, our sense is that the reports should not necessarily be confined to reporting against indicators. In some cases, some indications of progress are lost because there is no indicator to report against. This is why having some narrative reporting that is not confined to reporting in terms of indicators (albeit that narrative reporting, as we interpret it, also makes reference to indicators) is so valuable. Several people emphasized their concern that the current format did not allow for many subtle but important contributions to be reported on with ease. Hopefully, however, in thinking about how best to report on such subtleties, appropriate indicators will emerge. This has to be dealt with. In addition, as the PMA has been urging, problems encountered and lessons to be learned deserve more attention.

A sample structure of a simpler form of reporting should be developed and agreed upon with CIDA and all PEP partners. Attached to the sample should be a guide that makes crystal clear how it is to be completed. The PMA put out a note on this in the past; it could be updated to include reference to the coverage of progress on built capacity and to other features of the simpler reporting format.

The PITS

The concept and form of the PITS has evolved since the PEP's first PTL, in the latter half of 1994, requested a CIDA consultant to explore ways in which a multi-media package could be utilized to store information on the current status and previous history of the PEP relative to specific performance indicators. This evolved, with a change in software, to a system that would theoretically lend itself to continuing, on-line updates by people in the field. There was a resistance to this and thus there was a further evolution to the printing out of hard copy reports that would allow for a greater degree of quality control over reporting.

One of the major problems however, is that the printing out of the text recorded in the PITS does not give one a report that looks anything like the type of report (in format) that the PEP partners are used to. Another problem is that the making of linkages between sets of information appearing on different "pages" or "screens" does not enable one to retain several pages on one screen. Indeed, very little information can be carried on one screen. The supposed advantage of speed of connection between linked texts (as opposed to finding the blocks of text in printed reports) is lost to a large degree by not being able to have the related texts spread out in front of the reader for checking back and forth, as would be available with the regular, printed reports. There are also other problems.

Unfortunately, this system was being developed for a long time without appropriate reference to the PEP partners' needs. CIDA, however, was very attracted to the idea. The PITS was not mentioned specifically in the contract with the IUCNP as Executing Agency, although it is referred to in the Inception Report in June, 1995. It is clear from the Inception Report that the PEP partners were very wary of the confidence that CIDA was placing in the PITS. In hindsight, their wariness seems to be fully justified. One year later the PITS was being referred to in the contract with the CPO as a developed system. This was a very misleading assumption. Two years later it is still not functioning in a way that allows it to be used in a manner satisfactory to the PEP partners.

After an early false start in attempting to have the PITS discussed before the concept of RBM had been introduced to and understood by the PEP partners, it was agreed by CIDA and the CPO that there would be no further work on the PITS until all PEP partners felt comfortable with and were correctly applying the RBM approach to their work.¹

This recognition of the significance of the RBM matrices and their contents for the utility of the PITS was both obvious and, in our view, correct. However, this position reflected three assumptions.

1. First, that although it may well take time for the PEP partners to become comfortable with the correct use of the RBM matrices, eventually they would.

Closely related to this assumption are two others on which it is contingent.

2. Second, that institutional strengthening/capacity development projects lend themselves readily to the use of RBM matrices for workplanning and reporting.
3. Third, that the Canadian advisers would be able to demonstrate, from experience with other projects or by preparing sample RBM matrix contents for the PEP partners, how the partners should complete their matrices and how they should report against the content of these matrices.

Thus far, some 18 months after the September 1996 mission of the CPO's PMA, none of these assumptions has been proven valid.

Unfortunately, the wisdom of the CIDA-CPO decision seems to have been forgotten. Work on the PITS has continued, to the point of testing, despite the fact that it is being tested on "results" that are not reflective of efforts to build sustainable institutional capacity.

We recommend, therefore, that the work on PITS, in Pakistan, should again be put on hold, until those in PEP have greatly improved the statements of expected results and associated reporting and workplanning procedures.

To ignore this advice suggests that, if the PITS were to be inaugurated officially in the near future, it is very likely that it would be utilized very differently by different people. It is reasonable to assume, looking at variations within previous reports, that some may treat the recording of information on the PITS as an exercise similar to keeping a diary, while others would record only strategically significant developments.

This is not to suggest that the PITS should not be worked on in Canada. However, given that it has proven to be a technology that is not readily exportable for the benefit of aid recipients, it should be repatriated as a concept. Its further development should be undertaken in Canada, and tested on Canadians. It should only be re-exported at such time as it can be demonstrated to be superior and cost-effective when compared with well organized printed narrative reports, also available on disk.

Given the state of development of the PITS, the MTR team is unable to "assess the effectiveness and appropriateness of the PITS as a tool for performance measurement for the project" as called for in the MTR's TOR. Neither is it possible, of course, for those who are involved in developing or testing the PITS to provide such an assessment. All that one can say, given the need for changes to the expected results and the need for additional indicators, is that further delays should be expected if the work were to continue in Pakistan. As of March 1998, the system has yielded nothing that is readily useable and has consumed considerable time and money on the part of all parties, including CIDA. Since the demonstration that the MTR team received in Pakistan did not address the

tracking of progress in building sustainable institutional capacity — the major objective for the PEP — we cannot use that demonstration as a basis on which to build a prognosis, either negative or positive, for the PITS over the longer term. For the PEP, with a limited time left to run, it would appear wise to put time and money into meeting other priorities.

If the system were to be developed further in Canada it would be advisable to have the users, who would be testing the system, work with the rudimentary base elements of the system as originally envisaged by the PEP partners. Subsequent to an appropriate period of usage, the system and content could be modified to reflect desired changes. By following such an iterative approach to testing the system, one allows the users to "grow" with the system.

Only at such time as the PITS is found to be working satisfactorily for institutional strengthening projects in Canada should CIDA take it to countries such as Pakistan. CIDA should then let Pakistanis (and those in other countries) choose whether or not they wish to adopt such an approach. Before they choose, they should be given all necessary information to be fully informed. The costs and benefits and what may be lost, if anything, through a shift away from the current narrative reporting should be made crystal clear. Only with such information will the Pakistanis be in a position to know what is best for them.

If, after such further development, the Pakistanis decide that they wish to use the PITS and CIDA wants to continue funding it, then the same kind of iterative approach should be adopted as that suggested for its improvement in Canada.

6.3

Recommendations

1. The expected results should be re-articulated, to the satisfaction of all parties (the PEP partners, the Executing Agency, the CPO, and CIDA), to include the building of sustainable institutional capacities.
2. Appropriate additional indicators should be identified, again to the satisfaction of all parties.
3. A simpler form of narrative reporting should be developed, to the satisfaction of CIDA, by all parties.
4. A guide on the completion of reports should be developed, by the CPO and the Executing Agency, in consultation with the other parties.
5. CIDA should decide whether it wishes to continue to fund work on the PITS in Canada with the objective of developing a practical, Canadian-tested system suitable for application on institutional strengthening projects.

6. **Work on the PITS in Pakistan should be put on hold until all of the above recommendations have been acted upon. Whether or not CIDA decides to further develop the system in Canada, the Pakistanis should be given the opportunity for an informed choice as to whether they wish to recommence work with the PITS at a later date.**

7.0 RESULTS ACHIEVED TO DATE

This section provides an overview of the results achieved to date. It is organized around the nine institutional units that are being strengthened -- that is, the NCS Unit, the ES, the SDPI and the six units of the IUCNP. Note, however, that for improved clarity of analysis the IUCNP's Business and Law Unit has been discussed as two separate programmes. The order followed is that used in the RBM matrices completed in June 1997, for the period July 1966 to June 1999..

The analysis of each unit's results commences with the MTR team's statement of the assumed outcome of the activity being undertaken in support of the strengthening of the institution.

The necessity for such a statement and its basic characteristics are discussed in Section 1.2.2, which the reader is advised to look at first. These statements are designed to focus on the outcomes of the PEP -- that is, the sought-after sustainable institutional capacities. The merit of this is discussed in Section 2. The level of analysis is designed to be sufficient to convey a sense of the progress or lack thereof, rather than a systematic and complete analysis of every result.

Following the analysis of the 9 units, a brief comment is offered on programme level outcomes in Section 7.5.

7.1 The NCS Unit

7.1.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the NCS Unit to facilitate the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Unit:

- 1 to promote the formulation, by federal and provincial agencies, of NCS-related policies;
- 2 to identify, prepare and coordinate NCS-related projects for and with federal and provincial agencies and NGOs;
- 3 to collaborate with NGOs and private sector bodies;
- 4 to monitor and evaluate NCS-related projects;
- 5 to increase public awareness and bring about environmentally-sound behaviour;
- 6 to promote environmental education;

- 7 to promote the implementation of the NCS; and,
- 8 to administer the NCS Unit.

B. "Products" realized from this enhanced and sustainable capacity.

This "statement of assumed outcome of activity" is based largely on the RBM matrix of June 1997. However, as with the Annual Report for July '96 - June '97 and the presentation made to the MTR team, #2 does combine capacities to be built from two clusters of activity in the RBM matrix — thus the numbering is not the same as in the RBM matrix.

7.1.2 Overview

Approximately \$211,000 (or 11%) of the \$2 million PEP budget allocated to the NCS Unit had been spent as of 31st December 1997 — primarily on PEP-funded staff, equipment and operational costs (e.g., for the vehicles). The former Deputy Secretary's position has been that all of the work done by the seven PEP staff is NCS-related. There are three technical staff positions available under the PEP, two of which were occupied in December (i.e., Project Planning and Monitoring Specialist, and a NGOs and Private Sector Specialist). In early March a new Information, Education and Communication Specialist was also hired. They are supported by a Database Manager, a Manager (Administration), an Office Assistant and a Stenotypist, for which all three latter positions were being advertised in November '97.

The reasons for the low level of disbursement are discussed in Sections 8 and 10; one of the more frequently cited, however, is the frequency of changes in the Government and the senior personnel — both ministerial and staff. The discussion on constraints, below, throws further light on disbursement levels. Suffice to say that the World Bank's Environmental Protection and Resource Conservation Project (EPRC) has been suffering from under-disbursement too.

The general assessment is that a lot has been done for the very little money that has been disbursed; and that the PEP funds are adding value to the efforts of the Unit. However, the slow pace of disbursement relative to the PEP's total overhead raises questions about the efficiency of this spending (see Section 8). There appears to be considerable scope for using the staff more efficiently, although it cannot be denied that the everyday exigencies of having to respond to the demands of a frequently changing political and staff leadership do illustrate the difficulties being faced in this regard. The intense demand for briefings on issues is something that we were exposed to.

7.1.3

Major Achievements

The '96-'97 Annual Report on the NCS Unit, the text of which was used for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR, appears somewhat misleading. A good number of the outputs and outcomes, we understand, did not involve the PEP-funded staff.

There is no denying that capacity has been added to the Unit by the hiring of the professionally trained staff under the PEP. However, relative to the important distinction that we have made in Section 1.2.2 between the building of sustainable institutional capacity and the buying of capacity to meet immediate needs for "products", there appears to be more attention to the latter.

Some of the outcomes, or components of capacity, that have materialized or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.1.1.

- #2. A process for the selection of NGO projects.
- #2. A system for developing and maintaining an inventory of environmentally-related Public Sector Development Projects.
- #3. A system for developing and maintaining a data base on environmental NGOs.
- #4. A system for monitoring and evaluating NGO projects funded by MELGRD.
- #5. A procedure for selecting and contracting advertising companies for undertaking media campaigns.
- #5. A procedure for administering an award to environmental journalists.
- #8. Improvements with respect to the system for reporting on, inter alia, PEP-funded activities.

These are some of the component systems, etc. that came to our attention. Some, but not all of them, are being reported on in a way that makes it clear that these are the type of outcomes being sought by CIDA through the PEP. Unfortunately, for the most part, the reporting overwhelms the reader with lists of activities and outputs that lead up to the production of a "product" outcome, such as increased public awareness. This means that some of the component systems, etc., go unreported or are hard to discern. In some instances, they may have been regarded as outputs.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place, or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.1.1, is as follows:

- #1. The federal Ministry of Education has apparently been persuaded to incorporate environmental considerations into the curriculum at the secondary and post-secondary levels, with a set percentage of marks being identified with environmental awareness of the student. This happened to be a priority of the 8th Plan. However, the NCS Unit has yet to see the product of this exercise. This may still be in process, and should be monitored.

- #1. The federal Ministry of Health was also cited as one that had been persuaded to give attention to environmental conditions and their bearing on health. This was another priority in the 8th Plan. A discussion with the officer responsible for environmental health programmes in the Ministry of Health revealed a very impressive performance on the part of a single person office. What could not be determined was whether the decision to hire this person (who set up the office) owed its origins in part to any influence exerted by the NCS Unit, however indirectly. Unfortunately, the small size of the staff in the NCS Unit and the lack of continuity of personnel have meant that the Unit has not followed up on the possible outcomes of many of its efforts to promote NCS-related initiatives.

As it is, the health officer appears to be better organized than the NCS Unit staff at managing networks and ensuring follow up. There are very likely real benefits to be gained from exposing the NCS Unit staff to his style of management.

- #2. An inventory of environmentally-related Public Sector Development Projects, that has assisted in negotiations with other federal departments, provinces, NGOs and private sector groups in promoting activity supportive of the NCS.

- #2/3. A data base of environmental NGOs that assists in selecting appropriate NGOs for project activities.

- #3. A series of three workshops with about 200 private sector representatives on the implications of the introduction of ISO 14000 as an international performance standard.

- #4. An evaluation of the design of an Asian Development Bank (ADB)-funded project in support of the NCS, that led to improvements in the project.

- #4. The on-going monitoring of 40-50 MLGRD-funded projects.
- #5. Several campaigns to promote environmental awareness: some being run by the NCS Unit; some being contracted out to NGOs (e.g., PIEDAR).
- #5. The initiation of a "green journalists award".
- #3/5. Collaboration with NGOs on the establishment of a network of environment clubs.
- #5. The acquisition of the support of the Ministry of Information to provide free T.V. space for a media campaign.

The above listing is illustrative of initiatives made possible with the PEP funding.

7.1.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- the virtual absence of requests to the CPO for technical assistance; and,
- the slow pace at which PEP-funded staff positions have been filled following resignations or transfers out of the Unit.

In addition, the PEP-funded staff expressed concern that they were not given opportunities to develop their skills. This is understandable given that the staff have been hired on a project basis. However, that basis runs contrary to the assumption that the GOP will regularize the NCS unit in time.

7.1.5 Constraints

There are a number of constraints on the NCS Unit's performance in realizing the PEP's objectives that were brought to our attention.

1. We were told that the NCS document is not laid out in a way that makes the NCS easy to implement, since it was conceived of outside the regular planning process. There appears to be a concern that more attention has to be given to incorporating the document's proposals into the regular planning process. Closely related to this was the expressed need for a strategic allocation of the resources required for the implementation of the NCS. Since the 8th Plan did make allocations to each of the 14 core areas mentioned as priority areas in the NCS, there may be a subtle point requiring examination here. Just how significant this is should be revealed in the mid-term review of the implementation of the NCS, expected to start in June '98. If this is a serious issue, it could be a

candidate for assistance through technical assistance or from the Institutional Strengthening Adviser.

2. Frequently cited was the continuing turn-over of staff within the NCS Unit and of those officers in MELGRD and other ministries with whom the NCS Unit staff work. We were told that in 1994 the NCS Unit obtained the commitment of each ministry to prepare three projects that would be supportive of the NCS. This came to nothing, supposedly for lack of staff to follow up and discontinuity in staffing in other ministries.
3. The loss of responsibility for the NGO Fund to another part of the Ministry is also attributed to this lack of staff time available for administering it. However, this does raise the question as to why the Fund had to be moved and a person could not have been assigned to the Unit.
4. There is a need for more support from parliamentarians. Again, this is seen to be partly a product of the lack of staff available to meet with the parliamentarians. There may be a case here for a special effort. On several occasions the PEP-funded staff, along with other NCS Unit staff, have had notable successes in changing the attitudes of parliamentarians. Most notable was an interim Minister of the Environment who was converted from being completely unsupportive to being very supportive of the MELGRD's work.
5. There is relatively little opportunity for the PEP-funded staff to act on their own initiative in their efforts to collaborate with other ministries. In essence, the senior staff have been reluctant to delegate authority to the PEP-funded staff to correspond with and meet with staff of other ministries. This may be because they are not part of the regularized staff of MELGRD. However, we found that the PEP-funded staff in the ES did enjoy considerable opportunity to deal with staff in other ministries on their own initiative. We understand that the ES has urged the NCS Unit senior staff to delegate more authority to the junior staff.

7.1.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed at the next PEP partners meeting with a view to ascertaining their seriousness and their amelioration or elimination.
2. The senior NCS Unit staff should consider ways in which the PEP-funded staff can be deployed more strategically (e.g., perhaps more of the mass awareness campaign activity can be contracted out, thus freeing up time for other activity; multipliers may be gained by ensuring that the NGO specialist has the time and support to assist

with the work of the NGO Fund Committee and to implement the system for monitoring NGO projects funded by MELGRD).

7.2 The Environment Section

7.2.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the ES to promote environmentally sustainable development planning in Pakistan.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the ES:

1. to formulate and review policies and plans;
2. to screen and technically appraise projects;
3. to coordinate collaboration on environmental planning matters intergovernmentally and between governments and NGOs and private sector bodies (including NCS activities);
4. to enhance environmental understanding and planning skills in federal and provincial agencies;
5. to service information requirements of the Planning Commission and the international investment community;
6. to manage the work of the ES.

- B. "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcome is based on a combination of the RBM matrix of June 1997 and the July '96 - June '97 Annual Report. The latter document is organized around 11 clusters of activity and thus presents 11 sets of outcomes. A number of these sets of outcomes have been recombined in the above listing. For example, the upgrading of the skills of the staff of the ES is seen to be part of the exercise of enhancing various capacities and is better discussed, where relevant, relative to each capacity in question.

And, since this statement is organized around outcomes, the activities should be discussed relative to each outcome that they are designed to realize. For example, much of the training activity, as described in the Annual Report, is captured within capacity #4 in the above listing. Similarly, the attending of workshops by the ES staff described under cluster #9 in the Annual Report is more appropriately described relative to the capacity that it is intended to develop. The organization of workshops by the ES staff, for others, also described in the same cluster #9 in the Annual Report, is more easily and

appropriately recognized as a distinct activity if it is described relative to realization of capacity #4.

The current work plan (July '97 - June '98) has 17 clusters of activity, none of which imply that additional outcomes to the above listing are being sought. Thus all 17 could be discussed within a framework around the 6 capacities in list "A" above.

7.2.2 Overview

Approximately \$179,200 (or 13%) of the \$1,400,000 PEP budget allocated to the ES had been spent as of 31st December 1997 — primarily on PEP-funded staff and operations. The position of the Chief of the ES (and expressed in the Annual Report '96-'97) is that all of the work done by the Section was supported by PEP input. In recognition of this the ES has integrated the PEP and non-PEP funded activities. There are four staff positions available under the PEP, (two consultants; one computer operator and one accountant), all of which were filled in December. In addition, the ES' full complement of staff also allows for: one chief; two deputy chiefs; four assistant chiefs; two research officers; and peons. However, not all of these positions were filled as of December.

The reasons for the low level of disbursement are discussed in sections 8 and 10; the one most frequently cited being that the GOP pays for several of the expenditures budgeted for under the PEP.

The general assessment is that a great deal has been done for the very little PEP money that has been disbursed, and that the PEP funds are adding value to the efforts of the ES. As with the NCS Unit, the slow pace of disbursement of the PEP funds relative to the PEP's total overhead raises questions about the efficiency of this spending level since the ES' funds are very unlikely to be disbursed completely before June 1999 (see Section 8).

Since the most obvious constraints upon the ES's doing more is the shortage of staff and since the work of the current PEP-funded staff is of great value, there is a good case to be made for the PEP funding more staff. However, as with the NCS Unit, if the ES staff are to do more which involves working with other federal or provincial agencies, it may be necessary to provide some funding to those other agencies for very specific activities.

7.2.3 Major Achievements

As with the NCS Unit, the text on the ES for the '96-'97 Annual Report was also used for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR. For both GOP units the text is far easier to read in the annual report format. However, unlike the NCS Unit, the ES appears to have very few, if any, activities in the last reporting period ('96-'97) that have not involved the PEP-funded staff at least to some degree.

As with the NCS Unit, immediate-term capacity has been added to the ES by the hiring of the professionally trained staff under the PEP. In addition, however, there appears to be more attention being given to the building of sustainable institutional capacity in the ES, as compared with the NCS Unit. The Chief appears to be adopting a strategic approach to capacity development albeit that it may not be down on paper and that it is hard to implement according to a schedule because of the number of unknown variables to contend with. In this respect both GOP units are working in a similar operating environment. However, the challenge for the ES is not as great as it is for the NCS Unit in that much of the work of the ES is necessarily more routine in nature and lends itself more readily to being organized within the context of systems and procedures. Further contributing to the progress being made in building sustainable institutional capacity in the ES is that the process of on-going review of past work (especially the plans produced) is built into activities of the ES. This documenting of experience is far more conducive to a learning environment than the everyday "fighting of fires" that is more characteristic of the NCS Unit.

Some of the outcomes, or components of capacity, that have materialized or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under "A" in Section 7.2.1.

- #1. A procedure, involving a broad range of players, for drafting an Environment Chapter for the 5-year Plan.
- #1. A procedure for drafting environmental sections for the 3-year and annual plans, based on lessons learned from plan reviews.
- #1. Standardized procedures for reviewing policies and plans.
- #2. Procedures for screening and technically appraising projects to ensure that they promote environmentally sound development (including procedures incorporating NCS-derived criteria).
- #3. A procedure for assessing the performance of government agencies in implementing projects central to the implementation of the NCS.
- #4. Modules for training programmes, for training officials, from a broad range of sectors, on incorporating environmental considerations into project designs and appraisals.
- #5. A system for briefing Planning Commission members for meetings with parliamentarians and international investors and other visitors.
- #6. An (unwritten) strategy on staff development and ES' sustainable institutional capacity development was outlined to us. (Although this needs more attention, it was encouraging to know that there is a concern about addressing this in a strategic manner.)

These are some of the component systems, etc. that come to our attention. A few, but not many of them, are being reported on in a way that makes clear that these are the types of outcomes being sought by CIDA through the PEP. Although the '96-'97 Annual Report's coverage on the ES is far more succinct than that on the NCS Unit, most of the text is devoted to activities and outputs that lead up to "outcomes statements" that sometimes describe "product" outcomes (as defined in this MTR report) or outputs, but which rarely describe capacities that have been enhanced and rendered more sustainable.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place, or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.2.1, is as follows.

- #1. An Environment Chapter for the 9th Plan has been produced from a highly participatory process organized by the ES. The draft is about 60 pages and should be approved in June '98. In the 8th Plan there was a much shorter section on the environment as one of four "critical issues". In the 9th Plan the environment becomes a "perspective", occupying the first chapter. This is a product outcome that is likely to contribute significantly to each of the four "impacts" (on Pakistani society) that are listed in the June '97 RBM matrix.
- #1. A 3-year rolling plan and an annual plan for the environment sector are also in place.
- #1. Contributions to the GOP's first 20-year Perspective Plan.
- #2. Reviews of projects proposed by MELGRD were prepared. We saw some of these and, while critical, they were also very constructive. The quality of the review procedure has also quite clearly improved enormously with the hiring of the PEP-funded staff. In one instance we were shown reviews of the same project proposal before and after the arrival of the new staff. The first was a "two-liner"; the second was a very succinct "two-pager", with very clear and useful suggestions.
- #2. In the last reporting year about 80 projects from government agencies (federal and provincial) were appraised. In addition to the many projects that were subject to some need for modification, about five were rejected at the concept or project proposal stage. The criteria being utilized had been developed by the PEP-funded staff, with assistance from the EIA specialist on staff at the IUCNP. These later became the basis for the ES's contribution to the formulation of the EIA Guidelines for use by the Pakistan Environment Protection Agency (Pak-EPA).
- #2. Another 21 project proposals for foreign investment in the environment sector in Pakistan were appraised in terms of the demands they would

make on technical capacity in Pakistan. The appraisal method, developed by the PEP-funded staff, was outlined and shown to us and appeared to be very professional.

- #3. A streamlined and more efficient Phase II for the EPRC loan from the World Bank is emerging. In reflecting lessons learned from the first phase it will likely focus on just the provinces. We heard varying estimates as to the size of the loan; MELGRD indicated that it would be about US \$70 million. This could be very significant in facilitating the implementation of the NCS.
- #3. A federal strategy on climate change is emerging from a multiple committee process being coordinated by the ES.
- #3. The possible omission of the forestry sector from the schedule of sectors to be subject to EIA under the new Pakistan Environmental Protection Act (PEPA) was brought to the attention of the Pak-EPA by the ES.
- #4. A symposium for a broad audience was co-organized with ENERCON on energy conservation.
- #4. A symposium on environmental health organized with the Ministry of Health.
- #4. A training workshop on the use of the new EIA guidelines was organized with the Pak-EPA, the organization responsible for the administration of the guidelines.
- #5. Fact sheets, work plans, programmes, and a budget were prepared for Planning Commission representatives participating in the interministerial Vision 2010 planning exercise.
- #5. Various briefs, conference speeches, etc., which we saw, have been prepared for use by the senior officials in the Planning Commission in enabling them to make an informed contribution on behalf of Pakistan in international debates and negotiations on environmental issues.

The above listing is illustrative of initiatives made possible with the PEP funding.

7.2.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- the virtual absence of requests to the CPO for technical assistance; and,

- the lack of action by the GOP in not providing what is a regularized ES with permanent staff.

With respect to the technical assistance, there were two requests made: one for EIA, the second for environmental management. There has been considerable confusion over these, but their status in April '98 is that the first request has been withdrawn and the second has been revived.

The situation with respect to the status of the ES is somewhat odd. It appears that the ES was approved as a regular office but without staff. Thus, although the ES is not a "project" funded under the development budget, the staff are borrowed from other departments. This has led to a reluctance on the part of the Chief to provide his borrowed staff with training since they may be transferred out at any time. There certainly appears to be a need for a re-examination of this position on training. A degree of tension appears to have crept into an otherwise productive working relationship between the PEP-funded and non-PEP-funded staff. This appears due largely to the differential treatment afforded the two categories of staff with respect to training. The PEP-funded staff, although they complain of lack of opportunities for personal development, appear to have attended several workshops. The non-PEP-funded staff should be treated more equally. One simple example was the several unanswered requests, from the non-PEP-funded staff, for training (by the PEP-funded staff) on the use of the Internet.

7.2.5 Constraints

There are a number of constraints on the ES's performance in realizing the PEP's objectives that were brought to our attention.

1. A concern somewhat similar to that voiced at the NCS Unit is that the NCS document is now seen as being outdated. Further, it was said that it is not organized in a way that readily leads to the formulation of projects. Again, as with the related constraint highlighted by the NCS Unit, this should be the subject of scrutiny during the mid-term review of the NCS's implementation.
2. The ES, unlike the NCS Unit, has no access to the EPRC project funding, since the ES only came into existence in late 1993 — well after the EPRC project was designed and launched.
3. Only the Province of Punjab and the North West Frontier Province (NWFP) have a unit equivalent to that of the ES in the provincial-level PDD.

4. There is a lack of staff to conduct some of the activities that really are central to the work of the Planning Commission, such as:
 - occasional field visits to sites of proposed projects or existing projects;
 - discussions with parliamentarians to expand their understanding of the economics of the environment;
 - working with other ministries' staff to improve their performance in environmental planning.

7.2.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed at the next PEP partners meeting with a view to ascertaining their seriousness and their amelioration or elimination.
2. If the request for two additional PEP-funded staff (most likely on sustainability indicators; and, green accounting) materializes, as we were told it would (along with a request for two more GOP-funded staff), then CIDA should give serious consideration to supporting this request. However, it should be made conditional upon the ES and its staff being fully regularized (i.e., staff do not have to be borrowed from other agencies).

7.3 The Sustainable Development Policy Institute

7.3.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the SDPI to promote the adoption and implementation of policies, in the public, private and NGO sectors of Pakistani society, that are supportive of sustainable development.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the SDPI:

1. to manage the SDPI;
2. to increase public awareness of sustainable development issues in academia, government, the NGO community and the private sector;
3. to promote public debate of key sustainable development issues;
4. to provide access to research and information on sustainable development;

5. to conduct successful advocacy programmes;
6. to contribute to improvements in existing policies of public, private and NGO sector bodies.

B. "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcome is based on the RBM matrix of June 1997 and the July '96-June '97 Annual Report. The text of the SDPI's RBM matrix is consistent throughout and much easier to read than those of the GOP units. Under the outcomes column one finds listed what in this MTR report we would regard as generic groupings of "product" outcomes. It is very easy to articulate the capacities that would be required to realize these products and, in our view, such an exercise produces the above listing. It should be noted that there is some combining of product outcomes in this listing (e.g., capacity #5, on advocacy, combines three product outcomes). The most recent work plan made available to us (for July-December '97) also follows the headings used in the completed text of the RBM matrix.

7.3.2

Overview

Approximately \$1,341,900 (or 91%) of the \$1,480,000 PEP budget allocated to the SDPI had been spent as of 31st December 1997 — with noticeable cost overruns for "catalytic operations" (for which there was no line item in the original budget) and for operations (see Section 10). It should be noted, however, that the overall picture is not one of such a rapid disbursement as may at first appear, in that the fifth year was always intended to be one of low expenditure. The formal position of the SDPI, as expressed in official documents, is that all of the SDPI's projects fit into, or are supportive of, the priority objectives of the NCS. This is as it should be in the early stages of the institution's life. It was founded in August 1992 based on a recommendation in the NCS document that such an institute was much needed in Pakistan. The funding from the PEP is not seen as being tied to a limited number of SDPI's activities but as part of the support for all activities. Thus, unlike the situation with the GOP units, no distinction is made between staff members on the basis of funding from the PEP. The SDPI has about 50 professional and support staff. However, it is known that in February 1998 two staff members were being completely funded by the PEP and two areas of activity (or, in the language of this review, the building of two areas of capacity) were heavily reliant on the PEP (i.e., #4 and #5 above).

In 1994 the PEP funding accounted for 87% of SDPI's budget. For FY '97-'98 this reliance on the PEP had dropped to 15%, primarily due to considerable success in raising funds from other sources. The flexibility of the deployment of the PEP funds is readily acknowledged as being of great value in enabling the staff to mobilize these additional funds — both through the ability it affords the staff to develop sound proposals and to leverage other funds.

The general assessment is that the SDPI has made a very useful contribution to Pakistan. Despite the rapid pace of disbursement, the PEP funds have added considerable value to the efforts of Pakistanis to move towards a pattern of development that is both environmentally and socially sustainable. In this regard, it merits noting that the environment is the only sector in Pakistan in which people are regularly consulted on their views. CIDA's contributions in the environment field also represent an additional, most valuable contribution in the spheres of good governance and the fostering of a civil society. The IUCNP and the SDPI, in particular, can claim credit here. Indeed, there are already signs that the sought-after impacts on Pakistani society and its development — listed under "impacts" in the SDPI's RBM matrix — are beginning to occur.

Since there is only 9% of the budget remaining for the remaining 18 months (or 30%) of the PEP's duration, one has to assume that the SDPI will have exhausted its PEP funding by the end of the planned 5 years of the PEP. If there were no second phase of funding, the SDPI would continue. What would not continue, we were told, would be some of the more significant functions for which funding is so hard to obtain. In sum, however, our view is that the funds have been used efficiently.

7.3.3 Major Achievements

The text on the SDPI for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR, unlike that for the two GOP institutions, is straight narrative, based on annual reports. This proved to be far easier to read. It is based on annual reports.

In the broadest sense, given the programme's objective of building the sustainable capacity of the four institutions, the biggest achievement for the SDPI is to have almost attained that state of sustainability. This is discussed further in Section 9, but warrants some comment here.

As with the two GOP units one can make the distinction between immediate, "bought" capacity and sustainable capacity. However, for two reasons, the SDPI has achieved a very different position as compared with, say, the NCS Unit.

Firstly, given its position as a NGO, when the PEP funding runs out there will be no threat of the sudden termination of funding from one other key source (in the case of the GOP units, this key source is the Ministry of Finance of the GOP).

Secondly, given its ability to enter the funding market, the SDPI is in a position, while receiving PEP funding, to go out and raise additional funding — as much as it is capable of — and to retain this for its own use. It has done this and it has been relatively successful at it. Although the GOP units can assist others outside of the GOP to locate funds they have limited scope for raising funds for their own budgets in an entrepreneurial way. This scope is limited because their financial allocations have to be approved by other bodies in the GOP and are

subject to other considerations beyond their control. Thus even if they were to receive access to loan funds such as those that are available to the NCS Unit under the loan from the World Bank for the EPRC Project, the scope for them to control the entire amount is very limited.

Put another way, even though the test for sustainable funding for both a GOP unit and a NGO could be expressed conceptually as the ability to continue to raise funds from traditional categories of funding (that can be expected to continue to exist), the categories of traditional funding sources for the NGOs are very different from those for the GOP units.

In short, the test of sustainability for a GOP unit is that it can convince the Cabinet to make it a regular unit with a full complement of permanent staff. The test of sustainability for a NGO is whether it can continue to raise funds from sources such as donors, international foundations, and the private sector and general public in Pakistan.

However, in order for the SDPI to continue to raise funds and thus to continue to function effectively, it will have to do reasonably well in building its capacity (as outlined above) to perform the functions expected of it. If not, it will not attract funding. Thus a similar analysis of performance in building sustainable capacity and realizing "products" from that capacity is called for.

Some of the outcomes, or components of capacity, that have materialized or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.3.1 above.

- #1. Manual on management procedures and a reasonably good operating structure to support catalytic action on the part of the institution.
- #1. An office of Personnel providing, inter alia, attention to career development.
- #1. A local area network (LAN) and Internet connection.
- #1. A system for organizing training programmes.
- #2. Systems for producing internal working papers, research reports, externally published papers, books, etc.
- #2. Staff time available for meeting visitors.
- #3. Institutionalized linkages with the media.
- #3. Systems for organizing conferences and workshops.

- #3/4. A system for producing publications for reaching both Urdu and English readers.
- #4. A Resource Centre library providing a system for cataloguing books and facilitating inter-library exchanges.
- #5. A procedure for ensuring that each advocacy issue is pursued through the mode of operation most suited to its particular characteristics (such modes ranging from seminars, to networking, public interest litigation, lobbying, press conferences, signature campaigns, demonstrations, etc.).
- #5. Membership in networks and staff skilled in utilizing the networks.
- #6. Instruments in place for maintaining open dialogue with governments (even interim governments) on environmental policy (e.g., SDPI's role as secretariat for the Environmental Standards Committee of the PEPC).
- #6. A systematic approach to the organization of conferences, committees etc. to obtain a broad base of input into processes aimed at producing sound advice.
- #6. A systematic approach to organizing responses to requests for policy briefs, assistance for parliamentarians, etc.
- #6. A system for ensuring the relevance of research work to policy requirements.
- #6. Skills in fund-raising for research.

These are some of the component systems, etc. that came to our attention. A number of these, but not enough of them, are being reported on in a way that makes clear that these are the types of outcomes being sought by CIDA through the PEP. Although the annual reports of the SDPI are well written, the attention, when discussing "outcomes", is focused on the "product" outcomes rather than capacities or components of capacity.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place, or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering systems as under 'A' in Section 7.3.1, is as follows.

- #1. A management review of the SDPI has recently been conducted and appropriate follow up is being considered by the board.
- #1. Staff time is freed up for research, advocacy and policy advice.
- #1. Staff training needs are being met (e.g., on computers).

- #1. SDPI is about to be contracted by the CPO to provide training programmes funded by the PEP.
- #2. A large number of working papers, research reports (35 in the '96-'97 year) and a few books have been completed, with several being published in national and international journals. These cover the 14 priority areas of the NCS, among other subjects, with a particularly strong contribution on sustainable agriculture, forestry, and industrial pollution. Some international agencies are also clients (e.g., UNEP's funding of a report on Climate Change). Also about 24 articles were written for the press in the '96-'97 reporting year.
- #2. There are 15-25 visitors each week to the Executive Director or Deputy Director — enabling a sharing of views, etc.
- #3. There is extensive media coverage (388 print appearances in one year), despite the limited number of press conferences.
- #3. There has been a number of sizeable conferences (e.g., on "Green Economics" in 1995-'96 and on "Youth and the Environment" in the same year).
- #4. There is an extensive range of publications, for reaching different audiences, that include, inter alia: "SDPI News and Research Bulletin"; the "Annual Citizens' Report"; "Development Database"; and "Development Monitor". One publication, the "Pakistan Environmental Digest" is specifically tracking, through the collation of news articles, progress on the implementation of the NCS. Unfortunately, the funding from the Asia Foundation was about to terminate in March 1998. It may be a way of keeping track of the NCS that would warrant funding from the PEP. However, a reader survey should be conducted first.
- #4. A library holding of over 9,000 books and 1,600 documents has attracted a growing membership (doubling from 87 to 167 in the '96-'97 year), and an increasing number of visitors to the Resource Centre (8-12 daily). In addition, the Centre handles about 8-12 requests for written information daily.
- #5. There has been a number of successful advocacy campaigns, in which the SDPI actively champions issues. They include, inter alia:
- the largely successful convincing of WAPDA to modify its plan for the Ghazi Barotha hydro-power project;
 - the successful campaign to ban the importing of obsolete technology from Denmark for the production of chlor-alkali;

- the successful campaign for the withdrawal of the NGO bill aimed at imposing stringent controls on NGOs; and,
- the successful lobbying for the PEPA.

These and other campaigns have generally involved SDPI in utilizing or establishing extensive networks of contacts. They have raised the consciousness on environmental issues of groups from rural areas to cabinet ministers.

#5. Other, less driven, more relaxed advocacy efforts have utilized more conventional workshops, seminars, panel discussions and video shows. SDPI estimates it mounted 59 separate events of this nature in the '96-'97 year alone.

#6. Improvements to be introduced through new government policies and/or practice, include, inter alia:

- promulgation by Parliament and the signing into law of the new PEPA, reputedly the first piece of environmental legislation to be passed by the GOP since the country gained independence in 1947 — an act for which the SDPI had lobbied hard for over a year;
- the acceptance of SDPI's advice on the National Environmental Quality Standards (NEQS);
- contributions to the new forestry policy;
- the ongoing work on the Task Force on Poverty Eradication (of which a staff member of SDPI is an active member); and,
- contributions to the forthcoming 9th Plan.

#6. Improvements in existing government policies and/or practices include, inter alia:

- modifications (with more expected) to the marketing and advertising of pesticides;
- Pakistan's position on cotton production (for a UNEP debate);
- discussions with the Prime Minister's Cultural Adviser on "sustainable livelihoods";
- research on the role of judicial institutions in environmental protection, the findings of which were accepted almost in their entirety.

#6. Improvements in private sector policies and/or practices include, inter alia:

- provision of advice to industrialists, on appropriate technologies to adopt for production processes, following the acceptance of SDPI's advice to the government on requisite changes in this field.

#6. Improvements in NGO sector policies and/or practices include, inter alia:

- assessment of the viability of water supply schemes being returned to local community control (with only 14 of 50 schemes being found potentially viable).

The above listing is illustrative of initiatives made possible with PEP funding.

7.3.4

Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- the tardiness with which the Canadian authors of the management review of the SDPI completed their assignment through no fault of the SDPI, the IUCNP as Executing Agency, or the CPO;
- the inattention to market research on the potential readership of documents (a problem here being that the SDPI, being on the cutting edge of the policy research/advice business in Pakistan, is having to develop its market from scratch);
- poor financial management (see Section 10);
- inadequate follow up on policy advice offered to governments.

The question of marketing publications has prompted the SDPI to start work on a formal strategy in this area. The intention, expressed to the MTR team, was to "piggy-back" on the IUCNP's recent request for technical assistance on the marketing of two of its publications ("Jareeda" and "The Way Ahead").

7.3.5

Constraints

There are few, if any, obvious constraints confronting the SDPI in its work, other than the political instability which has disrupted dialogue with the government of the day and, at times, led to investments of time and effort showing little return. However, the SDPI appears to have devised ways of maintaining open channels of communication with the civil servants and political leaders even in

times when little can be accomplished. In sum, the SDPI appears to be making the best of its operating environment.

7.3.6 Recommendations

1. The above-mentioned weaknesses should be discussed by the SDPI's Board of Governors and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.
2. Although not a weakness that has affected the operation of the PEP, the SDPI's Board of Governors and the PEP partners should consider devising a funding strategy for the SDPI to ensure that the organization retains a modicum of funding that is flexible in its use.

7.4 The IUCN — Pakistan

All six of the IUCNP's units that are being subject to institutional strengthening through the PEP are discussed here. Note, however, that for improved clarity of analysis the IUCNP's Business and Law Unit has been discussed as two separate programmes. The comments follow a format similar to that utilized in reviewing the progress on results achieved with the other three institutions.

7.4.1 The IUCNP's Programme Directorate

7.4.1.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the Programme Directorate (and thus of the IUCNP) to ensure that the IUCNP's projects and programme contribute effectively to the overall IUCN mission and to the implementation of the NCS in Pakistan.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Programme Directorate (PD):

1. to integrate and strategically focus the IUCNP's programme;
2. to support the development of projects that are both fundable and effective;
3. to ensure the effective monitoring and evaluation of the IUCNP's projects and programme;
4. to ensure effective programme management;
5. to contribute to the IUCNP's general policy making and administration;

6. to manage the Regional Programme to the benefit of both the IUCNP and other IUCN offices in the region of South and East Asia.

B. "Products" realized from this enhanced and sustainable capacity

This statement of assumed outcome is based primarily on the RBM matrix of June 1997, with the overall outcome being derived from the presentation made to the MTR team on 2 December, 1997. The MTR commenced shortly after the Programme Support Unit (PSU) had evolved into the PD with its expanded responsibilities. Since this evolution is seen as being part of the institutional strengthening process, we will refer to the unit as the PD.

7.4.1.2 Overview

Approximately \$533,000 (or 56%) of the \$944,800 PEP budget allocated to the PD had been spent as of 31st December, 1997. There were four persons on the PD's staff in late December '97. There were also plans to hire another three. The allocation of PEP funds is discussed in Section 10; suffice it to say here that, since the use of the funds is flexible, distinctions are not made between PEP and non-PEP-funded staff in those units receiving PEP funding.

The general assessment is that a lot has been done to strengthen the PD through the use of PEP funding and that this has added value to the effectiveness of the IUCNP's projects and programme. The PD is probably the foremost performer of the six IUCNP units in terms of the extent to which it has attempted to introduce a systems approach to its work. This is not to say that all of these attempts have been successful, but they are being made and where there are weaknesses they are openly acknowledged and thought about. Given the PD's responsibility for maintaining an overview of all IUCNP activity, this predisposition towards the use of systems is not surprising. What is surprising is that, as with the other three institutions already commented upon, the text for the RBM matrix for the PD has not highlighted the enhancement of capacity in the outcomes column, but instead confined itself to what we are calling the "products" of that enhanced capacity. However, it is easy to infer from these "products" what capacities should be sought — hence the above listing of assumed outcomes. Yet, despite this ease with which one can draw these inferences, one does not see any emphasis in the "activities" and "outputs" columns on putting in place the requisite systems etc. to provide the sustainable capacity sought.

A considerable amount of time has had to be spent, on behalf of the IUCNP, on wrestling with the concept of RBM and with trying to make the PITS functional. This is time that should not have been required of the PD if CIDA had had truly operational systems to offer the Pakistanis. Thus one has to conclude that while the use of some of the PD's time has been inefficient, it is not of their making for the most part.

7.4.1.3 Major Achievements

The text on the PD for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR presents a very succinct summary of key points to consider in the review. It appears to be based on annual reports and it proved helpful.

As with the other units considered thus far, the PD has enhanced its immediate-term institutional capacity by "buying" highly qualified staff. These staff have benefited from the advice of earlier management reviews of the IUCNP and, to some extent, this is reflected in some of the changes in the way they do their business — one example being the improved use of committees for programme integration.

With respect to moving towards sustainability, the PD has to be regarded as a unit that will precept on the projects of other units — given its role as a support and directing unit. However, it also has a central role to play in keeping the IUCNP at the cutting edge of what has to be done — where there should be an effective demand for the IUCNP's presence — and for which financial supporters, including donors, should be available. Its staff are conscious of this role. Indeed this role, along with that of making the IUCNP a "learning organization", should be salient features of their work.

Some of the outcomes, or components of capacity, that have materialized or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.1.1.

- #1. Systems for rendering operational the integration of inputs of the IUCNP's thematic units into the work of any one project (e.g., through the incorporation of cross-charges in project budgets, or through framework agreements).
- #1/4. A system for managing framework agreements.
- #1. Tools being developed for planning results-focused projects (e.g., ZOPP, SWOT, RBM).
- #1. A 3-year strategic planning process that is being developed to focus work on Pakistan's priority needs.
- #2. Systems in place for designing, reviewing and reporting on progress with proposals, and for raising funds for projects. (The Project Management Procedures Manual is relevant here, although its former title — Project Proposal Development Procedures Manual is more accurate.)
- #2/4. Systems being put in place for enhancing the effectiveness of project operations (e.g., for the design of TOR for project consultants).

- #2. A draft policy position exists to guide the IUCNP's response to requests from member NGOs for the endorsement of proposals for which funding is being sought.
- #3. Systems being refined for monitoring and evaluating progress being made in realizing intended objectives of projects.
- #3/5. A system being developed for internalizing lessons to be learned from previous project experiences.
- #3. A framework being developed for planning, monitoring and evaluating framework agreements.
- #4. Standards being developed for progress reports.
- #5. A "Human Resources Management Systems Manual" (May 97) in place.
- #6. A concept paper, endorsed by all units, outlining the Regional Programme's objectives, management, and activities.
- #7. Institutionalized methods that can be applied to other countries' situations.

These are some of the component systems, etc., that came to our attention. Compared with the other units reported on above (i.e., NCS Unit, ES and SDPI) more, but not enough, of these are being reported on, but not in a way that always makes it clear that these are the types of outcomes being sought by CIDA through the PEP. Thus, although good work is being done on building sustainable capacities, it is not being highlighted as such in a systematic way in the reports.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place, or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering systems as under 'A' in Section 7.4.1.1, is as follows.

- #1. A more holistic approach and integrated operations are being reflected in the thematic units' inputs into project designs (e.g., the Northern Areas Conservation Strategy design).
- #1. Weekly meetings of the heads of the Karachi-based units are taking place to maximize the opportunities for an integrated approach to the design and operation of IUCNP's programme and projects.
- #1/2. Projects are being launched, with a results focus, that are being supported by other donors than CIDA.

- #1/2. Longer term support is being obtained through framework agreements.
- #2. The funding base is expanding well beyond CIDA to include NORAD, SDC, RNE, WB, EC, UNDP, etc.
- #3/5. Tangible signs of a learning organization are emerging:
 - the Sarhad Provincial Conservation Strategy (SPCS) was the first to incorporate an approach to internalizing lessons to be learned;
 - the Biodiversity Project followed; and,
 - the strengths and weaknesses of the RBM approach used in the PEP are being noted for the modified application elsewhere.
- #3. The NORAD Frame Agreement incorporates a framework for planning, monitoring and evaluating projects.
- #3. An internal review of the NGO/Community Support Unit (NGO/CSU) has been conducted.
- #3. TOR for a Coordinator and three officers for the EC project were developed.
- #4. Contributions were made to the plan of operations for the Balochistan Conservation Strategy.
- #4. Contributions were made to the hiring of staff for the Upland Rehabilitation Project and the Biodiversity Project.
- #4. The Second Frame Agreement with NORAD was initiated, and one is being negotiated with the SDC.
- #6. Advice was given to, and accepted by, various regional offices of the IUCN:
 - Bangladesh — on a programme and management review and new priorities and project concepts;
 - Nepal — on a programme review; and
 - Sri Lanka — on a programme review.
- #6. Advice was given to and accepted by the Canadian High Commission (CHC) in Dhaka, based on an evaluation of the CHC's Environmental Initiatives Fund.

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.1.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- an overly ambitious scheduling of work by an overworked staff that has highlighted the need for an institutionalized approach to work planning and the linking of budgets to work plans.

7.4.1.5 Constraints

The prime constraint on the effectiveness of the PD is the difficulty associated with funding a core operation of a NGO. In essence, the challenge for the PD had been one of maintaining a very careful balance between the activities that it could take on and the funds that could be made available to this service unit.

However, the rapid growth of the IUCNP, from an organization with 35 staff in three offices in the early 'Nineties to one with 180 staff in five offices today, has necessarily forced a reconsideration of management modes.

The issue of possible decentralization of some of the PD's functions is being given serious consideration. There is clearly a need to maintain a strong core to retain the coherence of the organization. However, the staff are conscious that it is difficult to provide the best support possible to all five offices from one location. This is, however, the type of issue that the PEP is designed to help resolve.

The other constraint on the PD is the inordinate amount of time that has had to be expended on the adoption of RBM and on the development of the Performance Indicator Tracking System (PITS). This is discussed in Section 6.

In sum, however, the IUCNP is an impressive NGO and compared with many NGOs, especially those in developing countries, it is very well run. The PD has played a useful role in the achievement of this degree of success.

7.4.1.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed by the IUCNP's Senior Management Group (SMG) and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.

7.4.2 The IUCNP's Strategies Support Unit

7.4.2.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the Strategies Support Unit (and thus of the IUCNP) to promote and facilitate the formulation and implementation of conservation strategies.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Strategies Support Unit (SSU):

1. to manage programmes, such as the PEP, efficiently and effectively;
2. to assist GOP units to meet their obligations to programmes, such as the PEP, of which they are a part;
3. to maintain effective links, for programme collaboration, with international institutions, such as the CPO and the IUCN's regional offices, that are outside Pakistan;
4. to promote and develop provincial and local conservation strategies;
5. to maintain productive links with international donors, and the federal and provincial governments in Pakistan, as sources of funding;
6. to maintain productive relations with governments in Pakistan in support of the implementation of the NCS; and,
7. to contribute to the planning and management of the IUCNP's programme.

- B. "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcome is based primarily on the RBM matrix of June 1997 and the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR.

Note that the completed RBM matrix for the SSU includes coverage of the SSU as the institutional base for the PEP's Manager. However, the role of the IUCNP as the Executing Agency has been considered in Section 3. Thus, in this section, relative to the first three outcomes of the above list, we will confine our attention to what may have been contributed, by the PEP, to the strengthening of the SSU as a unit. Since the unit obviously should have the sustainable capacity to manage programmes such as (but also other than) the PEP, the articulation of the first three outcomes in the above list is designed to reflect this interest.

7.4.2.2 Overview

Approximately \$552,000 (or 66%) of the \$833,300 PEP budget allocated to the SSU had been spent as of 31st December 1997. At that time, there was one professional and one secretary on the SSU's staff full time (the PEP Manager) and one person for one-fifth of his time. The use of the PEP funds is flexible although it is primarily for financing the PEP Manager and his operations. Distinctions are not made between PEP and non-PEP-funded staff. The PEP funding has been very valuable in facilitating the launching of several strategies, a process that may involve a staff member gradually increasing his/her funding from another source and reducing demands on the PEP funds commensurately. This is the situation experienced with the Director of the SSU who, in May '97, temporarily moved to the Balochistan Conservation Strategy office in Quetta, where he is currently funded 100% by the Dutch for the 80% of his time spent there and the remaining 20% spent at the Islamabad office.

The general assessment is that the PEP funding to the SSU is adding considerable value to Pakistani efforts to implement the NCS — an activity central to the SSU's role — and to the building of sustainable institutional capacity for the SSU to perform its functions. This latter activity is being pursued in a reasonably efficient manner. In addition to providing the base from which the launching of the PEP was organized and from which the PEP is now being managed, the SSU has also initiated three provincial conservation strategies (in NWFP, in Balochistan and in the Northern Areas) that are fully fledged projects with support from other donors. Proposals for three other strategies are at various stages of finalization (i.e., those for Punjab, Sindh, and the Azad Jammu and Kashmir-AJK-region).

Each of these strategies is a major undertaking and the SSU has had to learn fast from its initial experiences. Regrettably, but not surprisingly given that the PEP is rooted in the recognition that these units require strengthening, some of those lessons have had to be derived from mistakes. One major mistake was the choice made in the hiring of the initial Project Coordinator. It may be that this choice was also influenced by the expectation that each of the nine units being strengthened would be self-starters, given the past enthusiasm with which the NCS document had been prepared, and that a coordinator would be all that would be required. The Project Manager, hired in May '97, has brought a much-needed improvement to the management of the PEP, something that is discussed further in Sections 3 and 9.

7.4.2.3 Major Achievements

The text on the SSU for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR is reasonably easy to read. However, the text used for the discussion of the outcomes, which is derived from the '96-'97 Annual Report, again fails to highlight the contributions that have been made to the building of sustainable institutional capacity. Having said that, it is clear from reading

various reports and from our discussions that a good number of components of that capacity have emerged.

Some of the outcomes, or components of capacity, that have materialized, or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.2.1.

- #1. A system for developing contracts with programme partners and consultants.
- #1. Systems for the management of information pertaining to programme governance and content are evolving.
- #1/2. A system for providing guidance to partners on their roles in the implementation of the project and in reporting is evolving.
- #2. Systems utilized in the IUCNP's ongoing work are being modified to support the GOP units in:
 - administering their contractual obligations (e.g., recruitment and remuneration of contract personnel; procurement of project equipment); and,
 - organizing workshops and conferences.
- #2. Experience gained in establishing consensus in collaborative work with the GOP, if documented, should prove to be of great value.
- #3. Systems for organizing missions by foreign consultants are being put in place.
- #3. Experience gained in shaping common understanding of a project, if documented, should prove very valuable.
- #4. A system for promoting the development and implementation of conservation strategies covering key considerations at all stages in the process, including: catalyzing initial interest; maintaining that interest during follow up; orchestrating meetings involving citizens; and, providing technical backstopping and general support to key players.
- #5. A network of donors demonstrating a tangible interest in supporting the implementation of the strategies and the transfer of experience gained on one strategy to another strategy, albeit supported by a different donor.
- #5. The existence of several strategies that each contributed to the creation of an enabling environment for the work of the donors.

- #6. An institutionalized procedure for systematic dialogue through project steering committees provides opportunity for maintaining continuing relations and follow up by staff.
- #6. A systematic approach to the organization of joint projects with governments.
- #7. An array of SSU contracts provides a network through which information, on the priority concerns of a broad range of groups in Pakistan, can be obtained to help shape IUCNP's priorities.

These are some of the component systems, etc., that came to our attention. A number of them are mentioned in reports but generally not in a way that makes it clear that these are the types of outcomes being sought by CIDA through the PEP. Thus, again, although good work is being done on building sustainable capacities it is not being highlighted as such in a systematic way in the reports.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place; or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.4.2.1 above, is as follows.

- #1. The preparation of the PEP partners and the briefings for the MTR team's visits were efficient and useful.
- #2. The GOP units were assisted in the recruitment of staff for the PEP.
- #2. The NCS Unit was assisted in: the organization of the ISO 14000 conference; and the establishment of the NGO Fund.
- #3. Several multi-person missions have been organized for CPO personnel or facilitated for others (including CIDA personnel).
- #4. Conservation strategies are being worked on in three areas (NWFD, Balochistan, the Northern Areas) and proposals are at various stages of finalization in three other areas (Punjab, Sindh, AJK).
- #5. There was a relatively swift process leading to the provision of financial support by the SDC for Phase 2 of the SPCS and by the RNE for support for the Balochistan Conservation Strategy (BCS).
- #5. The concept of framework agreements, whereby donors may undertake to fund several projects, may provide a vehicle through which NORAD and the SDC may fund, inter alia, the NACS.

- #5. The GOP and provincial governments are providing some funding for the implementation of the NCS (albeit insufficient) and several provincial strategies.
- #5/6. In the February '97 election campaign, both major parties — the Pakistan People's Party and the Pakistan Muslim League — mentioned the NCS in their manifestos.
- #6. The relationship between the IUCNP and the GOP units has evolved from one in which there was, quite understandably, initial tension over matters such as the control of funds to one which appears to be more conducive to collaboration. Given the novelty and, more importantly, the untested nature of the IUCNP's role as executing agency for a programme in which government units are key players, this is remarkable.
- #6. The SSU, often with other IUCNP units, has responded to invitations to contribute to the work of the GOP in implementing the NCS (e.g., work on the 8th and 9th Plans with respect to the section or chapter on the environment) and has also taken the initiative to co-sponsor field projects (e.g., the biodiversity conservation project with a rural community; an upland rehabilitation project involving rural communities; a biodiversity action plan; and, a protected areas management plan project).
- #7. An assessment of the needs of various federal agencies, relative to environment assessment, (organized by the SSU but utilizing the services of the IUCNP's Environmental Assessment Unit) provided considerable understanding of the situation facing the GOP, beyond the issue of environmental assessment (EA), and has helped refine the IUCNP's priorities.

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.2.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- insufficient attention to work planning based on: objectives that emphasize the sustainable institutional capacities and elements of those capacities sought; realistic schedules; clear targets to be met; and, direct links with budgets;
- reporting that has not highlighted the efforts being made to build sustainable institutional capacities.

7.4.2.5 Constraints

The constraints upon the SSU staff in their lead role in executing the PEP are discussed in Section 3. The constraints on the SSU in strengthening the SSU and in performing its other roles owe their origins, in part, to those larger, PEP-related considerations. However, in part they also arise from the other activities of the SSU, such as the work on promoting and implementing provincial strategies.

The progress on this work is subject to the constraints of the limited capacities at the provincial level to perform the newly devised roles for government. Thus progress on the implementation of the SPCS is dependent, in many respects, on the strengthening of the provincial environmental protection agency and other provincial bodies. In short, as is emphasized in Section 2, in the discussion of the definition of institutional development, it is virtually impossible to think of the strengthening of a few institutions as a discrete package of activity that will solve a set of problems that are manifested throughout a system (in this instance the total environmental management system) of which those institutions are a part.

7.4.2.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed by the IUCNP's SMG and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.

7.4.3 The IUCNP's NGO/Community Support Unit

7.4.3.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the NGO/Community Support Unit (and thus of the IUCNP) to ensure community and NGO participation in the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the NGO/Community Support Unit (NGO/CSU):

1. to develop strategies for assisting communities to organize and become involved in environmental management projects;
2. to strengthen the sustainable institutional capacity of NGOs to manage themselves;
3. to strengthen mechanisms for the mobilization of financial resources for NGOs working on the environment;

4. to enhance the environmental management capacities of NGOs;
5. to incorporate gender considerations into the work of the IUCNP;
6. to contribute to the planning, management, and field operations of the IUCNP's programme.

B. "Products" realized from this enhanced and sustainable capacity

This statement of assumed outcome is based on a combination of the completed RBM matrix of June 1997, the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR, the '96-'97 Annual Report, and the presentation to the MTR team on 2nd December 1997. The overall outcome is derived from the '96-'97 Annual Report. Since the above list of capacities (under 'A') does reflect some changes to the listing of eight clusters of activity in the RBM matrix, the modifications warrant some comment.

As with all of the nine units being strengthened through the PEP, the outcome statement is designed to emphasize the capacities of those units that are being strengthened (whether that strengthening is explicit or implicit). In the RBM matrix it is the last cluster of activity listed (#8) that purports to address the need to strengthen the NGO/CSU. However, that appears to be lending a very narrow interpretation to the task of strengthening the unit; and at the same time it is attempting to address the contribution of the NGO/CSU to other activities of the IUCNP. In the above, revised list of capacities as outcomes the intent is to make clear that the Unit's capacities are being strengthened in the ways implied, as it undertakes its work on all fronts. This then leaves the last capacity in the above list (#6) to focus on the capacity to make a positive contribution to IUCNP's planning, management and field operations. This terminology for #6 seems to better reflect what we learned was being done.

The first of the above-listed capacities attempts to combine the capacities that the Unit would require in order to perform the types of activities and realize the types of outcomes referred to in the first three clusters of activity listed in the RBM matrix. It is recognized that, while clusters #2 and #3 in the RBM matrix are virtually identical, there is some distinction between them and cluster #1 in terms of the skills that may be required. However, it would also seem that by combining these three in the above listing of capacities one is also giving more recognition to:

- the fact that other organizations (whether NGOs or Community-based Organizations — CBOs) are likely to be involved in this exercise of organizing communities for involvement (as is implied in cluster #1.3 in the RBM matrix); and,
- the desirability of organizing communities (not just NGOs) to participate in the development of conservation strategies. (addressed in clusters #2 and #3 in the RBM matrix).

The second of the above-listed capacities has been slightly reworded to emphasize:

- the intent, namely to focus on the capacity of the NGOs to manage themselves (as opposed to the other institutional capacities that are being addressed in the other efforts of the Unit); and,
- that the key feature of the capacity to manage, that is of interest, is the sustainability of the institutional capacity.

The third of the above-listed capacities has been modified slightly to reflect a concern expressed to us that the RBM matrix did not sufficiently reflect the effort that has been put into assisting NGOs to raise funds. This provides a good illustration of the point made in Section 2 about the articulation of an "outcome" being expressed in a way that leaves open some options for how the outcome may be achieved. Thus, in this case, the long-term interest of the IUCNP is to have a NGO/CSU that has the capacity to help mobilize funds for other NGOs. Such a capacity embraces both helping other NGOs to raise funds and helping to put in place funding institutions (like the NGO Fund in the MELGRD). Indeed, it also embraces the raising of funds for NGOs, something that we heard evidence of having happened.

7.4.3.2 Overview

Approximately \$296,000 (or 56%) of the \$526,300 PEP budget allocated to the NGO/CSU had been spent as of 31st December 1997. At that time there were two professionals and a half-time secretary on the Unit's staff. The use of the funds is flexible and it was remarked to us how valuable this had been for assisting the Unit in becoming involved in jointly planning activities with other units — especially those that can benefit greatly from the Unit's input to their field operations. Given this, and the excellent work that the Unit is doing, it is unfortunate that the involvement or at least consultation of the Unit is not called for in every IUCNP project with a field component. Indeed, the PMA suggests, in his report on his October '97 mission, that this should be required of such projects.

The general assessment is that the PEP funding to the NGO/CSU is adding considerable value to the efforts of the Pakistanis to implement the NCS. The greater involvement of NGOs, CBOs and otherwise unorganized citizens in environmental management projects is tangible evidence of people having recognized that they have to assume more responsibility for moving the country towards environmentally sustainable development. As the discussion of the TEMS in Section 2 makes clear, ensuring that people assume this responsibility is the first of the three macro-functions that have to be performed on behalf of society by the GOP and closely related institutions such as the IUCNP and SDPI.

The strengthening of the NGO/CSU is taking place in a reasonably efficient manner and it is positioning the IUCNP to make a stronger contribution at the

field level. This field level involvement is important for the IUCNP because of the greater focus on policy-level issues. There is a great need for this policy-level involvement from an NGO but it is important that the policy advice be informed by grass-roots experience. The feedback from the work of the NGO/CSU can help to ensure this.

7.4.3.3 Major Achievements

The text on the NGO/CSU for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR has some useful data in it. It proved somewhat difficult to read for the reasons given in explaining the re-articulation, in Section 7.4.3.1, of the capacities sought as outcomes. The text in the Annual Report '96-'97, although suffering the same structural problem, is far easier to read as narrative. From the summary in that report it appears that the Unit has interpreted its role within the PEP as one that gives little attention to enhancing the capacity of the Unit to perform its various tasks. However, the fact that it notes, in the second paragraph of that summary, that certain of its activities received less attention than was anticipated, because of the limited capacity of the Unit, suggests that the Unit's staff is conscious of the need to strengthen the Unit's capacities. Similar evidence of the awareness of this need is found in the valuable and very open assessments in the sections on "lessons learned", which address both the Unit's capacity-building needs as well as those of the NGOs/CBOs with which the Unit is working.

Indeed, as the listing below suggests, although the strengthening of the Unit's capacities is not coming to the fore in the way in which the text in the RBM matrix is articulated, the Unit is strengthening itself in many ways, as it goes about its work with NGOs in the field.

It bears noting that the Unit was established following the CIDA-funded report by the PEP's PMA, Ian Smillie, for the IUCNP, in 1992, on NGOs and their role in the implementation of the NCS¹. Initially, the Unit focused on the development of: the capacities of NGOs to assist community groups to look after the environment; and, the NGOs' technical capacities to manage the environment. In his report on his October 1997 mission the PMA added some useful notes on changes that he had observed in Pakistan's NGO community since 1992. Those changes and the evolution of the NGO/CSU led him to suggest that the NGO/CSU should give more time to: the need for community mobilization skills and strategies in support of IUCNP projects; and, the need to broaden the base of NGO support for the environment. Judging by the presentation given to the MTR team on 2nd December 1997, the Unit has indicated that it will be considering these suggestions seriously. However, we would like to emphasize that attention should be given to enhancing the Unit's capacity to perform whatever new activity it takes on as well as giving attention to "getting the job done".

Some of the outcomes, or components of capacity, that have materialized, or that appear to be materializing relative to the building of sustainable institutional

capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.3.1.

#1. Systems for:

- advising on the recruitment of suitable project staff;
- developing and organizing staff training programmes — both for social organizers and for those involved in the technical aspects of environmental management;
- organizing workshops/round tables to encourage and facilitate NGO collaboration on preparing sub-strategies for NGO involvement in projects such as provincial conservation strategies or environmental rehabilitation; and,
- conducting assessments of NGOs' needs as an input into project designs.

#2. Systems for organizing training on:

- management;
- participation;
- institutional development; and,
- assessing the impact of training.

#2. A system for evaluating NGO work programmes.

#2. A system for assisting NGOs to contract consultants.

#2. NGO network (started by NGO/CSU), focusing on Participatory Rural Appraisal, is available as a vehicle for organizing the exchange of experiences and lessons learned from others.

#3. An NGO Fund established at MELGRD (with advice from NGO/CSU, although the Unit's staff now have reservations about the fund).

#4. A system for enhancing the capacity of NGOs and CBOs in environmental/natural resources management that emphasizes participatory methods, including, inter alia, the organization of training courses on incorporating environmental considerations into projects on agricultural land rehabilitation, sustainable agriculture, forestry, etc.

- #4. A working partnership with at least 5 major NGOs for collaboration on environmental field projects as support organizations to local NGOs and CBOs.
- #5. IUCNP has established a Gender Committee with a gender policy that addresses personnel and staff issues and that is incorporated into the IUCNP's system manual.
- #5. A system being developed for monitoring and reporting on progress in implementing the gender policy.
- #6. A system for advising on:
 - staff recruitment;
 - training staff in participatory techniques; and,
 - social/community mobilization.

These are some of the component systems, etc., that came to our attention. A number of them are mentioned in reports but generally not in a way that makes it clear that these are the types of outcomes being sought by CIDA through the PEP. Thus, again, although good work is being done on building sustainable capacities it is not being highlighted as such in a systematic way in the reports.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place; or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.4.3.1 above, is as follows.

- #1. Training provided to:
 - 12 social organizers, as part of the development of a strategy for social organization on environmental rehabilitation within the Uplands Rehabilitation Project (funded by the EC);
 - 89 people on the technical aspects of upland rehabilitation (same project).
- #1. Support given to the BCS team in organizing two meetings, each with about 25 mid-sized to large NGOs, that produced the recommendation, inter alia, that NGOs should establish a round table to assume responsibility for developing a sub-strategy for guiding the role of the NGOs in the formulation and implementation of the BCS. The same meetings also provided an opportunity to identify the NGOs' training needs.

- #2. NGO/CSU organized a course on "Women in Natural Resources Management" and produced an assessment of the extent to which the training offered had been internalized by the trainees. According to the Unit, the training had been successful in this respect.
- #2. The Village Community Development Project, organized by an NGO, Baahn Beli, was evaluated and the advice given was acted upon.
- #2. NGO/CSU has assisted NGOs to recruit suitable project staff and consultants (e.g., a consultant for the coastal project of the NGO Anjuman Samaji Behbood).
- #2. NGO/CSU organized management training programmes for the managers and training officers of about 25 NGOs on various subjects — e.g.:
- on the training of trainers in NGO management — with the collaboration of the Asian Institute of Technology (AIT);
 - on strategy development (through Sindnet);
 - on participatory training methods (through Sindnet);
 - on the training of trainers in financial management.
- #2/3. The NGO Coordinator of the BCS Project was funded to participate in a course on Participatory Rural Appraisal.
- #3. NGO/CSU helped the NCS Unit's NGO Fund by participating in the selection of NGOs for funding and, later by reviewing the Fund's effectiveness and impact.
- #3. NGO/CSU assisted the NGO Anjuman Samaji Behbood in obtaining funding, for the preparation of a project proposal, from the UNDP's Global Environment Fund (GEF).
- #3. NGO/CSU organized two courses on fund raising for NGOs.
- #4. NGO/CSU organized training courses on environmental management that resulted in project proposals being developed and funded by large NGOs (such as OXFAM) — e.g., on land rehabilitation.
- #4. Programmes run by NGO/CSU on rehabilitation of irrigation channels have led to the return of villagers to land that had been abandoned. A video made of one of these projects is now being used by the World Bank — resulting in a significant multiplier effect from the Unit's initial efforts.

- #5. NGO/CSU has demonstrated a pro-active approach to enhancing its understanding of gender issues (e.g., in selecting to evaluate a project, from a choice of 17 options offered it by the Asia Foundation, from the perspective of the impact of the funding for the project on gender-related activities).
- #5. Assistance has been offered to all PEP partners on gender-related issues and all PEP partners have agreed to joint sessions on gender issues.
- #5. Some gender-related questions have been incorporated into the hiring procedures for some projects.
- #5. An equal number of men and women (6 and 6) were trained as social organizers in the EC-funded Uplands Rehabilitation Project.
- #6. NGO/CSU has shown a particular interest in contributing to the IUCNP's discussions on financial management, reporting, and other areas recognized as being weaknesses.

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.3.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory analysis of the NGO/CSU's capacities that need to be built or strengthened;
- some difficulty in getting invited to participate in the joint work planning of projects of other units or PEP partners that could benefit from the input from NGO/CSU;
- the need for follow up on the criteria to be used, and the style of management of the NGO Fund, by MELGRD (although this is really beyond NGO/CSU's control now);
- the need for more interaction between the IUCNP and government agencies to provide a better network on which the NGO/CSU could draw when forging links between NGOs/CBOs and government agencies.

Most of these weaknesses were brought to our attention by the Unit which has a very transparent and open style of operation that is conducive to learning and early correction of weaknesses. However, each of these weaknesses listed cannot be dealt with by the Unit alone.

7.4.3.5 Constraints

Several constraints upon the work of the Unit have been identified by the staff, including:

- the need for more funding for the front-end work in organizing social mobilization projects;
- the difficulty that the Upland Rehabilitation Project had in finding and then retaining a suitable manager for the project, to which the NGO/CSU has been making contributions;
- the inadequate funding for gender-related activities had been a constraint which appears to have been rectified.

7.4.3.6 Recommendations

1. **The above-mentioned constraints and weaknesses should be discussed by the IUCNP's SMG and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.**

7.4.4 The IUCNP's Business and Law Unit: The Law Programme

The Business and Law Unit (BLU) is comprised of two programmes. In the completed RBM matrix of June 1997 only the Law Programme was described. In the '96-'97 Annual Report it is noted that the Business Programme has been undergoing change and that a new RBM matrix would be completed at such time as the Programme has stabilized. Although the Programme is still evolving, our assessment is that the staff should be in a position to produce a completed RBM matrix in the near future. For purposes of this MTR we have discussed the two programmes separately here. However, where there are features of the Unit that cannot easily be discussed separately for each programme, they are discussed within the context of the Law Programme.

7.4.4.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. **The enhanced and sustainable capacity of the Law Programme of the BLU (and thus of the IUCNP) to promote and contribute to the development of effective environmental legislation and the facilitation of its implementation.**

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Law Programme of the BLU:

1. to develop and fund its programme in environmental law;
2. to contribute to the development of environmental legislation;

3. to provide legal support for the IUCNP's projects;
4. to provide training in environmental law;
5. to serve as an environmental law resources facility; and,
6. to contribute to the IUCNP's general administration and policy development.

B. "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcome is constructed from the RBM matrix completed in June '97, the '96-'97 Annual Report, the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR; and the presentation made to the MTR team on 3rd December 1997. The overall outcome is derived from the Internal MTR document. The first capacity mentioned in the list of six (under 'A') reflects some modification of what appears in the RBM matrix in order to place greater emphasis on what we observe is being done to secure a sound funding base for the Programme. Since this is so central to the building of sustainable institutional capacity, it merits being highlighted. Also, it reflects the very clear way in which the strategic approach to funding has been highlighted in the Internal MTR document.

7.4.4.2 Overview

Approximately \$133,000 (or 57% of the \$234,600 PEP budget allocated to the BLU (i.e., including both programmes) had been spent as of 31st December 1997. There were four persons on the BLU's staff in March '98: the Director (who spends most of her time on the Law Programme); a Legal Assistant (full time on the Law Programme); an Environmental Economist (full time on the Business Programme); and, a Secretary (serving both programmes). The Director joined the staff in mid-'96, the other three joined around mid-'97. The use of the PEP funds is flexible. Thus no distinction is made between PEP-funded and non-PEP funded staff and all activities are seen as PEP-related. However, the Internal MTR document does indicate where PEP funds are being used directly and how the PEP funds have been used to catalyze other funding initiatives and thus, indirectly, gain great multipliers for the PEP funding. The most notable example of this multiplier effect is the securing of the NORAD Frame Agreement funding, itself relatively flexible, which has supported several very worthwhile initiatives. The PEP's contribution to these has been acknowledged by the BLU as being of great value.

The general assessment is that the PEP funding has added great value to the efforts of the Pakistanis to implement the NCS. Given the impressive output of draft legislation and the number of documents that have been adopted by federal or provincial governments, the small staff, with its skillful use of consultants, generally on a pro bono basis, is to be congratulated for its productivity and efficiency.

Although, as with all of the nine units being strengthened through the PEP, the emphasis is on the generation of "products" from the "bought" capacity of the skilled staff, there is considerable progress on the building of sustainable institutional capacity with the array of systems that are emerging for getting the work done. It may be, however, that the development of legislative proposals and the drafting of legislation lend themselves to more systematic approaches than does the work of some of the other units.

7.4.4.3 Major Achievements

The text on the BLU for the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR has been laid out in a way that is not directly related to the RBM matrix. Although it takes time to relate the blocks of text to the June '97 RBM matrix, it also has the advantage of a more narrative style of text that is able to capture more points that are worth emphasizing in a MTR — such as the approach to the use of the PEP funding and the efforts to incorporate gender considerations into the work of the Unit.

Given the significance of a legislative framework for the successful functioning of Pakistan's TEMS, and thus the implementation of the NCS, the contributions of the Law Programme in this regard warrant some elaboration.

Probably the most significant product from the Law Programme is the Pakistan Environmental Protection Act (PEPA). This legislation, funded largely by the PEP, was passed into law on 6 December, 1997. While its eventual signing was the outcome of the efforts of many, it was, in large part, the product of the IUCNP's enhanced capacity to raise funds, organize a broadly-based consultative process, and recruit a highly competent lawyer able and willing to draft the act within such a process. Over 5,000 copies of the draft were circulated for workshops around the country. This process was breaking new ground in democratic governance in Pakistan.

The significance of the PEPA is that it introduces into the TEMS an instrument that is central to the assignment of responsibilities, and acceptance of those responsibilities throughout society, for the pursuit of environmentally sustainable development (i.e., macro-function A in Figure 2.1). Of course, regulations and guidelines will also be required (indeed over 30 have already been identified for development), but a sound foundation is now in place.

Those responsible for formulating and approving the PEPA are to be commended for the act's:

- comprehensive definition of the environment;
- clarity of structure and presentation;

- specificity of requirements that are designed to address some of the shortcomings of the previous Pakistan Environmental Protection Ordinance (1983), most notably with regard to:
 - the management of some of the key funding mechanisms (provincial sustainable development funds) for achieving the purposes of the act; and,
 - the ability of citizens to take offending parties, including government agencies, to an Environmental Tribunal for non-observance of the act.

The PEPA calls for the establishment of a federal level Pakistan Environmental Protection Agency (Pak-EPA) — which had already been established under the 1983 Ordinance. Provincial level agencies, not specifically called for under the Ordinance, are called for under the 1997 Act, and are to play their part in implementing the federal act, depending on the powers delegated to the provincial governments or directly to the provincial environmental protection agencies. This delegation may call for provincial legislation. The Law Programme, again with PEP funding, has already assisted in the production of the Environment Act for the NWFP (1998).

The NWFP Environment Act is significant in that it incorporates environmental rights and thereby introduces into the TEMS an instrument that may better enable citizens to ensure that responsible parties do indeed live up to their responsibilities (i.e., macro-function C in Figure 1). (We understand that this notion of environmental rights was inspired by the work on Bills of Environmental Rights in Ontario and the Yukon.)

The NWFP Act is also of particular interest in that it provides for the review and updating of the Sarhad Provincial Conservation Strategy (SPCS) — the principal plan for implementing the NCS in the NWFP. The Act is also expected to serve as a model for similar legislation in the other provinces.

Another notable achievement of the BLU is the attention that it has given to the incorporation of gender considerations into its work and its products. Although this is not identified as a discrete cluster of activity in the Law Programme's RBM matrix (whereas it is the NGO/CSU), the Law Programme appears to have institutionalized its approach to the incorporation of gender considerations. For example:

- special consultation sessions for women only have been organized for the preparation of several pieces of legislation including the two important acts referred to above — the PEPA and the NWFP Environment Act — plus other documents, such as the AJK Forestry Legal Review;
- the Biodiversity Access Legislation will incorporate a requirement that women share in the benefits flowing from this legislation; and,

- the "Layperson's Guide to Environmental Cases" includes case studies designed to address the types of issues that women face.

Some of the outcomes, or components of capacity, that have materialized, or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.4.1.

- #1. A system for raising additional funds by using existing funds strategically as: seed money; as co-funding; or, as primary source funding.
- #2. A system, involving extensive citizen consultation and professional networking, for developing environmental legislation.
- #3. A systematic approach to making different types of contributions to IUCNP's projects (e.g., legal review of relevant legislation and previously recommended reforms).
- #4. Systems for organizing workshops and seminars and securing the services of highly qualified lawyers, often pro bono).
- #5. An Internet-based system for access to an extensive information base.
- #5. A "Laypersons's Guide to Environmental Cases".
- #5. A legal aid system is being developed (with SCOPE, an NGO member of the IUCNP).
- #5. A Pakistan Environmental Law Association is being developed to promote scholarship in, access to, information on, training in, assistance in pursuing cases in, and implementation of international treaties on, environmental law.

These are some of the component systems, etc. that came to our attention. Although, compared with most of the other eight units, more of them stood out as being consciously developed to build sustainable institutional capacity for the Law Programme, they could have been highlighted far more clearly if reported on differently.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place; or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.4.4.1 above, is as follows.

#1. An impressive record has been established in using the PEP funds for raising additional funds, e.g.:

- PEP funds as seed money to finance input into the proposal for:
 - the NORAD Frame Agreement II (which is being used to fund unspecified legislative projects, and training programmes);
 - the model wildlife legislation project;
 - the Protected Areas Management Plan.
- PEP funds as a co-funding source for:
 - PEPA;
 - NWFP Environment Act;
 - Biodiversity Action Plan Legal Chapter.
- PEP funds as the primary funding source for:
 - Kirthar National Park legal advice;
 - legal advice on the establishment of the IUCNP's EA Unit as a separate company;
 - establishing the Pakistan Environmental Law Association.

#2. A number of significant pieces of legislation have been produced on the basis of extensive consultative processes, including:

- the PEPA;
- a draft Wildlife Law;
- the NWFP Environment Act, 1998;
- the AJK Forestry Legal Review;
- draft Biodiversity Access Legislation.

#3. Contributions to IUCNP's projects have been made on several occasions, e.g.:

- the Biodiversity Action Plan;

- the SPCS — drafted NWFP Environment Act;
 - the Biodiversity Project — drafted Model Wildlife Legislation.
 - Kirthar National Park — legal opinion on a dispute over drilling for natural gas in a park.
 - the proposed establishment of an EA service company.
- #4. Environmental law seminars and training programmes have been organized for various constituencies, e.g., on the PEPA for senior civil servants; for Urdu speaking journalists.

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.4.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis.

7.4.4.5 Constraints

There are or have been four significant constraints upon the work of the Law Programme that have come to our attention:

- The instability of governments, both federally and provincially, has been significant in the period of the PEP. This constraint became most evident from November 1996 to February 1997, during the period of the caretaker governments at the federal and provincial levels. The implications for the Law Programme are described succinctly in the '96-'97 Annual Report. In essence, all legislative drafting, other than on anything that could be completed in very short order, was on hold. The backlog of business facing the new governments also had its effect. Since the Law Programme's work has to be done with the continuing involvement of government officials, this and other holdups in other periods of change have governed the pace of work.
- Even when the governments are relatively stable, it is impossible to predict with any certainty when specific milestones can be reached.
- The success of the work of the Law Programme is in large part dependent upon the attitude of the business community to any new legislation designed to modify their behaviour relative to the environment.

Although the Law Programme and, more generally, both the IUCNP and the SDPI have done a lot to involve business community representatives in the discussion of potential improvements to production processes and

products, and of the options for legislating changed behaviour, there is clearly an enormous amount of work to be done on this front. These attitudes will take time to change, even with the valuable initiatives of the Business Programme and the SDPI on green economics.

The pace of that change is reflected in the fact that the observance of the PEPA, relative to the attainment of the National Environmental Quality Standards (NEQS), may have to rely to a large degree, at least initially, on the voluntary compliance of the business community. The business community was heavily involved in the development of the NEQS and the system of penalties for non-compliance. However, as already noted, many rules and regulations need to be put in place yet and both the Pak-EPA and the provincial counterpart EPAs need to be staffed for enforcement. This will take time.

The Law Programme has to be cognizant of these factors in setting its goals and in pacing its work. It will also take time to see just how effective the impact of the Law Programme's current work is on Pakistan.

Although better staffed now, in the early part of 1997 the BLU was down to one person, with the transfer of one staff member to the NGO/CSU.

7.4.4.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed by the IUCNP's SMG and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.

7.4.5 The IUCNP's Business and Law Unit: The Business Programme

As noted in the introduction to Section 7.4.4 on the Law Programme, a number of observations on the Business Programme have been made in that section in the context of discussion on the Unit as an entity. This, and the smaller size of the Business Programme, mean that this section is more summary in its analysis.

It should also be reiterated that, as of March 1998, there was no current RBM matrix for the Business Programme.

7.4.5.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the Business Programme of the BLU (and thus of the IUCNP) to encourage and facilitate the role of the business community in the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Business Programme of the BLU:

1. to promote the merging of environment and economics in decision making;
2. to promote the development of options for financing the NCS;
3. to promote the development and enforcement of effective pollution controls; and,
4. to develop and fund its programme on environmentally sound business.

B. "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcomes is constructed from the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR, the '96-'97 Annual Report, and the presentation made to the MTR team on 3rd December 1997. The overall outcome and the first three capacities sought as outcomes are based on text in the Internal MTR volume. The fourth capacity listed has been added to complement a similar capacity listed for the Law Programme. Again, because it is clear from the Internal MTR volume that the same type of strategic approach to fund raising is being taken with the Business Programme, and because of the central importance of developing a sound funding strategy for building sustainable institutional capacity, this capacity warrants highlighting.

7.4.5.2 Overview

Observations on the financial disbursements to date, on the staffing, and on the strategic use of the PEP funds, have been made in Section 7.4.4.2.

The general assessment of the Business Programme is that, while it has been in operation in a small way since 1992, it really acquired a significant profile when it was able, with assistance from PEP funding, to hire a qualified environmental economist. That was in July 1997. Since then, the work that is being done under the general rubric of "green economics" suggests that this Programme should be of enormous value to both the IUCNP and to Pakistanis generally in the implementation of the NCS. In this sense, although it is too early to judge the Business Programme, the PEP has the potential to add great value to the efforts of the Pakistanis in achieving the goal and purpose of the PEP.

As with the Law Programme, although the language used in describing the Business Programme tends to emphasize getting the job done to the apparent neglect of putting in place the sustainable institutional capacity required for getting jobs done on a continuing basis, there are signs of components of this capacity for the Programme being put in place. It seems, however, that this is secondary to getting products produced. What has been accomplished so far appears to have been done reasonably efficiently.

7.4.5.3 Major Achievements

The PEP funding has made possible some useful initiatives both with respect to building sustainable institutional capacity and "products". Prior to the PEP's launch in mid-'94, round tables, involving representatives from business, labour, academia, governments and NGOs had initiated discussions on the NEQS. PEP funding made possible further round tables specific to the pulp and paper sector and the textile sector — which also built on research being done by the SDPI.

This type of multi-interest involvement was not completely new to Pakistan but it was by no means commonplace. What the PEP is doing is helping to institutionalize the approach. To the extent that this is being realized, another component of sustainable institutional capacity is being put in place — not just for the Business Programme (and for the utilization or marketing of the SDPI's research findings) — but also for others who can benefit from the use of these approaches to problem resolution. At the same time, it has become expected of governments to organize multi-interest consultative processes on the environment. Hopefully, similar expectations will begin to be expressed relative to other sectors of concern.

The value of the round table process is that it helps to improve the understanding, on the part of any one interest group, of the situation facing other interest groups. This, in turn, helps different groups to recognize and accept their responsibilities for environmental management within the larger context of the TEMS (i.e., relative to Macro-function 'A' in Figure 2.1). Further, it provides governments with a better appreciation of what they have to do to enable these different players to live up to their responsibilities (i.e., relative to Macro-function 'B' in Figure 2.1). Finally, if the round tables are well orchestrated and each group represented senses that it is being listened to, each group will develop a sense of ownership of the recommendations emanating from the round table process and become a champion for the implementation of those recommendations.

A second important contribution of the Business Programme that the PEP funds have catalyzed is the development of the "green accounting" initiative. In essence, the objective is to incorporate, into national accounts, statistics that reflect the value of environmental resources and the costs to society of the depletion or degrading of natural capital. The continuing funding for this exercise has now been assumed by the IUCN's Washington, DC, office.

Thirdly, it should be noted that, like the Law Programme, the Business Programme has also taken practical steps to incorporate gender considerations into its work.

Some of the outcomes, or components of capacity, that have materialized, or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.5.1.

- #1/3. A system for organizing multi-interest round tables as a mechanism for moving toward the resolution of environmental issues relative to which the business community has a major role to play.
- #1. A network of institutions involved in, and interested in collaborating on, environmental accounting has been established.
- #1. A procedure for drawing on the advisory input from the IUCN Washington, DC, office at very little expense.
- #2. A sourcebook prepared on the development of environmental funds in Pakistan, drawing on lessons from abroad.
- #2. A National Environment Fund in the process of being established.
- #3. The Environmental Technology Programme for Industry (the Steering Committee of which the IUCNP is a member) provides a good forum for maintaining long-term links with business and government.
- #4. A system for raising additional funds by using existing funds strategically as: seed money; as co-funding; as supplementary funding; or, as primary-source funding.

These are some of the component systems, etc. that came to our attention. As with the Law Programme, compared with the other eight units, more of them stood out as being consciously developed to build sustainable institutional capacity for the Business Programme. However, they could have been highlighted by being reported on in ways that make clear that this is what was motivating their development.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place; or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.4.5.1 above, is as follows.

- #1. A project to incorporate a "green accounting" into Pakistan's system of national accounts (produced by the Bureau of Statistics in the Ministry of Finance) is under way and is expected to have some initial results to report on in late 1998.
- #1. Advice on trade and the environment has been accepted by the Planning Commission and incorporated into the Environment Chapter of the 9th Plan.
- #2. The sourcebook on funding options is leading to work on a Mountain Areas Conservancy Fund;

- #3. Significant contributions to the shaping of the NEQS have been made.
- #4. A good record has been established in using the PEP funds for raising additional funds, e.g.:
- PEP funds as seed money to finance the proposal for:
 - the "green accounting" project;
 - the capacity-building project on Trade and Sustainable Development.
 - PEP funds as a co-funding source for:
 - round tables on issues confronting the textile sector and the pulp and paper sector;
 - the sourcebook on environmental funds;
 - the Legal Chapter for the Biodiversity Action Plan.
 - PEP funds as a supplementary funding source for:
 - work on the scope for Pakistan negotiating "debt for nature swaps".
 - PEP funds as the primary funding source for:
 - the report on trade and the environment that was used as input for the 9th Plan;
 - the organization of the participation in industry round tables and fora on such issues as: the NEQS; and, the Environmental Technology Programme for Industry;

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.5.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- the long time taken to recruit an environmental economist given the central importance of this work. However, in part, this delay is understandable since there are few with the appropriate education, as the SDPI has recently discovered when attempting to recruit one.

7.4.5.5 Constraints

The Business Programme's involvement in the discussions with the business community on the shaping of the NEQS is subject to the same constraints experienced by the Law Programme, relative to this type of activity.

In other respects, the two programmes are different and the Business Programme is relatively free of constraints.

7.4.5.6 Recommendations

- 1. The above-mentioned constraints and weaknesses should be discussed by the IUCNP's SMG and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.**

7.4.6 The IUCNP's Education Unit

7.4.6.1 Assumed Outcome of Activity: The Sought-After Capacities

- A. The enhanced and sustainable capacity of the Education Unit (and thus of the IUCNP) to work collaboratively as an effective intermediary between education and the environment in order to build capacity for education that supports sustainable development.**

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Education Unit (EU):

- 1. to recruit and train the Unit's staff;**
- 2. to contribute to the IUCNP's general administration and policy development;**
- 3. to support the development and implementation of environmental education (EE) sub-strategies within or supportive of conservation strategies;**
- 4. to support change in policies and practices in government education departments and the formal education sector;**
- 5. in the IUCNP's project areas, to add to the capacity of communities to manage their natural resources by enabling them to make the best possible use of EE;**
- 6. to promote EE, in the formal and non-formal education sectors, through dedicated human resources development (HRD) programmes;**

7. to build the capacity of the IUCNP's NGO members and partners for promoting EE;
8. to mobilize resource materials for the learning and teaching of EE; and,
9. (acting on behalf of the IUCNP), to build and utilize networks to links parties interested in promoting EE.

B. "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcome is constructed primarily from the "Results: Outputs and Outcomes '94-'97" volume of the Internal MTR and the presentation made to the MTR team on 1st December 1997, and less so from the RBM matrix completed in June '97 and the '96-'97 Annual Report. The overall outcome is derived from the 1st December presentation material.

Since there were several changes to both the number of clusters of activity and the content and titles of those clusters in the Internal Review document as compared with the RBM matrix, and since the above list reflects some further refinement of the Internal MTR version, the above listing warrants some comment.

It is clear that the revisions to the clusters of activity and the accompanying outcomes are the product of considerable thought having been given to refining an RBM matrix that was itself the product of considerable thought. Unlike most of the completed matrices, the EU's has clear signs of its construction having started from the articulation of the sought-after impacts. We had this confirmed as being the case. This is the right approach in our view and it is hoped that our comments will be taken in a positive light as an attempt to further improve the clarity of the results sought by the EU.

The above listing builds primarily on the Internal Review document because it is understood that, as each unit learns more about what it really should be doing to enhance its capacities to perform its functions (and indeed as its functions evolve), so that RBM matrix may change.

Both the RBM matrix and the Internal MTR document signal, through the first cluster of activity listed in those documents, that the strengthening of the capacity of the EU is important if it is to perform its functions effectively. However, in our view, the confining of this attention to capacity building of the EU to one cluster is misleading. In essence, the EU, like each of the other units being strengthened, should be ensuring that it is enhancing each of the capacities required to perform each of the functions that it envisages that it should be capable of performing. By organizing the clusters of activity around the capacities being sought as outcomes, one is better able to highlight the importance of building the sustainable institutional capacity required to perform each function and thus to realize the requisite "product" outcomes.

The other consideration that led us to suggest the change to the wording for the first capacity listed above is that the activity, as described by the EU, is really confined to the recruitment and training of the EU's staff. It does not address the putting into place of all of the other components of sustainable institutional capacity that the EU will require if it is to be able to perform effectively. A number of those components are being put into place as the EU organizes itself to perform its various functions. Some of these will be mentioned below.

The wording of second capacity listed above has been modified only very slightly to align it with wording used for similar capacities being enhanced for other units. There should probably be an across-the-board review of the wording of these near comparable (and in some cases completely comparable) expressions of capacity sought, in order to reduce any unnecessary confusion.

Relative to the fourth capacity listed above, we are assuming that the wording used in the programme's documents (and ours) is designed, very carefully, to convey that the change being supported is change that has been tacitly accepted by governments as being necessary. That is, in pursuing this outcome the EU is not preparing itself for a pro-active role in perhaps the same way as it appears to be doing in pursuing a number of other outcomes (e.g., #3 and #5 in the above listing). This consideration is an important one for the EU to clarify since it has implications for the capacities that will be required.

The fifth capacity listed above reflects a slight revision of the wording used in the cluster title in the Internal MTR document. Our concern here is to make it clear that:

- it is the capacity to manage the natural resources that is the focal point of interest here; and,
- enhancing the community's ability to incorporate EE techniques and programme content into their approaches to that resources management is only one of many possible contributions to the overall enhancement of their capacity to manage those resources.

The eighth capacity has been slightly reworded to imply that the EU does not necessarily have to assume the responsibility for actually developing the material. Some of this may be available from elsewhere and could be mobilized from those other sources. Indeed, this is implied in the descriptions of the activity associated with the putting in place of the ninth capacity listed above (i.e., that among other things this capacity will enable the EU to exchange information nationally and internationally).

7.4.6.2 Overview

Approximately \$227,000 (or 51%) of the \$443,700 PEP budget allocated to the EU had been spent as of 31st December 1997. There were three professional staff and half of the time of a secretary being employed by the Unit as of the

same date. It should be noted that there are only seven professionally qualified environmental education specialists in Pakistan and two are employed by the EU. As with the other IUCNP units, the use of the funds is flexible. Thus no distinction is made between PEP-funded and non-PEP funded staff and all activities are seen as PEP-related.

The general assessment is that the PEP funding to the EU is adding considerable value to Pakistani efforts to implement the NCS and to building the sustainable institutional capacity for the EU to perform its functions. Although the emphasis in the planning documents is on the "products" rather than on the EU's sustainable institutional capacity building, in practice there is an enormous amount of work being done in realizing both types of outcomes.

The PEP funding has allowed the Unit to shift from what was largely a reactive mode of operation to one that also includes pro-active initiatives. The PEP funding has been used strategically in ways that have realized considerable multipliers: either by funding activities that are organized in ways that lend themselves to replication; or by funding activities that help to build a larger funding base (as with the NORAD funding that has been attracted to the Unit); or by combining these two approaches.

The PEP funding has also enabled the EU to develop a broad-based constituency of institutions that are now interested in and able to undertake EE activities.

This emphasis on seeking multipliers and the good results achieved to date suggest that those results achieved thus far have been realized with considerable efficiency.

7.4.6.3 Major Achievements

As already noted, several significant changes have been made to the RBM matrix of June '97. There are good reasons for these, which we fully accept. However, this does make the Internal MTR document hard to follow when read against the RBM matrix. More important, however, is our standard concern that not enough is being done to highlight the effort that should be, and is, going into strengthening the sustainable institutional capacities of the EU.

As the Overview section has noted, work is proceeding on a broad range of fronts and with considerable evidence of good multiplier effects being realized. In some instances there is already tangible evidence of changes in human behaviour, relative to the way Pakistanis are managing the environment, that can be attributed in part to the efforts of the EU. The enthusiasm with which several coastal communities are restoring the fish habitats, through the planting of appropriately selected varieties of mangroves, is illustrative of the multiplier effect gained from the Unit's inputs to a project managed by the IUCNP's Coastal Ecosystems Unit.

Additionally, since many of the "products" of the EU's work are in the form of stronger institutions, these products are likely to produce many multipliers. The reference above, to the enhanced capacity of coastal communities to make good use of EE methods, is again illustrative of this point.

Further, the EU is being strengthened, in large part because of the staff's interest in developing systems to organize their approach to any major undertaking. This allows for replicability; again something that is already in evidence. For example, the Directorate of Education for the Northern Areas found it relatively easy to adapt the curriculum (developed by the EU and tested in Karachi by St. Patrick's College of Elementary Education) for training pre-service trainee teachers on how to infuse environmental education into the core curriculum.

All of this suggests that, although the building of sustainable institutional capacity has not been getting the attention in the planning documents and reports that is required for this to be done systematically, a lot is being done that is resulting in the EU's capacity being enhanced.

Some of the outcomes, or components of capacity, that have materialized, or that appear to be materializing relative to the building of sustainable institutional capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.6.1.

- #1. A systematic and ongoing approach to offering the Unit's staff comprehensive training and professional development relative to their responsibilities for management and programme delivery.
- #2. Methods for making people recognize and internalize the importance of EE and how to incorporate it into their project activities and other lines of endeavour.
- #2. One member of the EU has been relocated to the Islamabad office to be able to serve as a member of the Core Planning Group that will guide the IUCNP's triennial planning process.
- #3. A systematic approach is being developed to support the provincial conservation strategy teams to:
 - recruit appropriate EE officers;
 - provide appropriate staff training;
 - obtain the support of the provincial departments of education;
 - develop EE sub-strategies covering matters ranging from techniques for holding audience interest to ways of dealing with cultural constraints in rural areas; and,
 - provide ongoing support to project staff serving as EE focal points.

- #4. A programme manual (in English and Urdu) has been developed and tested (in collaboration with St. Patrick's College of Elementary Education) for teaching pre-service trainee teachers on how to infuse EE into the mainstream curriculum.
- #4. Orientation and technical assistance programme approaches are in place and are being extended or modified in order to assist tertiary level education institutions to incorporate EE into mainstream courses.
- #5. A systematic approach is in place relative to: the development of a plan of action; the implementation of an orientation programme, and, the administration of training in environmental/natural resources management.
- #6. A generic, replicable orientation module is being refined for use with different professional or citizen groups.
- #7. A range of techniques is in place for responding to ad hoc requests from members for assistance in building their capacities to offer/utilize EE, including:
 - the assessment of the institution's programme needs relative to content and training;
 - the provision of technical assistance relative to the integration of EE into project proposals;
 - orientation workshops; and,
 - "tailor made" modules for building institutional capacities.
- #9. A network of interested NGOs is in place in Pakistan and in the region of South and South East Asia.

These are some of the component systems, etc., that came to our attention. A number of them are mentioned in reports but generally not in a way that makes it clear that these are the types of outcomes being sought by CIDA through the PEP. Thus, again, although good work is being done on building sustainable capacities it is not being highlighted as such in a systematic way in the reports.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place; or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.4.6.1 above, is as follows.

- #1. Training and professional development have been offered to the staff relative to a broad range of managerial and operational requirements (e.g., from conflict resolution to environmental management).

- #2. Selected documents from the IUCNP's projects in which the EU (and the Communications Unit) had some involvement, show clear signs of the positive influence of these units on the clarity of presentation and the educational style with which the issues are explored. Recent examples are booklets from the Biodiversity project and the SPCS' summary document.
- #3. EE sub-strategies have been developed for provincial conservation strategies in the NWFP and Balochistan and one is in process for the Northern Areas Conservation Strategy. The NWFP's SPCS, being the most advanced, has the most to show in the EE field including, for example:
- the NWFP Education Department has agreed to incorporate EE into the curriculum and an orientation programme has been held in support of this; and,
 - a round table has been established on EE.
- #4. The first 80 trainee teachers, with an understanding of how to infuse EE into the mainstream curriculum, have graduated.
- #4. The Northern Areas Directorate of Education has accepted the model developed and tested by the EU in collaboration with St. Patrick's College of Elementary Education in Karachi. The Government College of Education, for the Northern Areas, has adapted the model and in a trial run trained 13 teacher educators and 11 potential master trainers. This has greatly assisted the more rapid progress towards EE's broader incorporation into school curricula throughout the country.
- #4. EE is also being infused into various tertiary level courses, e.g.:
- Karachi University's Psychology Department, with EU's help, is developing an outline for a course on Environmental Psychology to throw light on how attitudes and behaviour towards the environment are changed; and,
 - Aga Khan University's School of Nursing will be introducing educational modules on environmental health.
- #5. The collaboration between the EU and the IUCNP's Coastal Ecosystems Unit in the Korangi Project on the rehabilitation of the coastal mangrove ecosystem and associated fish habitat has led to the extensive and highly successful involvement of a large number of local citizens in the replanting work. The orientation sessions successfully conveyed the importance of the rehabilitation for the livelihoods of those dependent on catching fish.

- #6. A replicable module for promoting EE has been tested with various audiences, e.g., doctors, with an emphasis on health. Prime target groups have been identified: teachers; the media; and, leaders of NGOs and CBOs.
- #7. A good number of institutions have been assisted to enhance their capacity to deliver EE programmes. In some cases, this requires that the EU has to tailor make a programme for an organization. The Pakistan Institute of Labour Education Research (PILER) provides one example of the way in which a considerable multiplier effect can be gained from the EU's efforts. The PILER now has an officer who serves as a focal point for EE. The PILER provides educational programmes to labour unions. The EU trained the focal point officer and mounted the first orientation sessions. The focal point officer has gradually been able to assume full responsibility for the PILER's programme.
- #8. There has been relatively little progress on this front. However 3 books on EE were produced by the EU in collaboration with the Adult Literacy Society.
- #9. Several contributions have been made to the work of the South Asia and South East Asia Network for Environmental Education (SASEANEE), e.g.:
- revisions to their internship programme;
 - comments on the biodiversity handbook;
 - the training of two of the network's staff;
 - exchanges of and dissemination of documents.
- #9. Project proposals have been reviewed and EE components incorporated for the benefit of several organizations in Pakistan, e.g., Baahn Beli and the International Waterlogging and Salinity Research Institute (IWASRI).

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.6.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- the need, which has been recognized, for a proper HRD programme;
- the need, which has been recognized, for more balance between:

- the formal and the non-formal sectors;
- the private and public sectors;
- tertiary and primary education; and,
- the need for attention to the sustainable financing of the Unit.

7.4.6.5 Constraints

The main constraints upon the EU's work that were brought to our attention have already been listed very succinctly in the section on "Learning and Reflections" on p. 106 of the '96-'97 Annual Report. They remain as constraints today. In essence, they are as follows.

- The formal education systems that the EU is attempting to influence are, not surprisingly, not very open to change. Furthermore, the lack of influence of the NCS Unit over the federal Ministry of Education, and the IUCNP's identification with the NCS Unit, through the PEP, does not make this challenge of bringing about change any easier. The posting of one of the EU's staff to the Islamabad office is designed, in part, to help alleviate this situation.
- The EU is having to counter an attitude, on the part of people of influence in the formal education sector, that EE is a western concept of little value to Pakistan. Our sense, however, is that the progress on projects, like the Korangi Project, will enable the EU to overcome this constraint in time.
- As the EU becomes better known for its accomplishments, it is having to spend an increasing amount of time being courteous in turning down those who are seeking its assistance for "one-off" activities, because it knows that it can only afford to be strategic in its undertakings.
- Collaborative work calls for integrated schedules — which are difficult to maintain when one has no control over the collaborating institutions.

7.4.6.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed by the IUCNP's SMG and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.

7.4.7 The IUCNP's Communications Unit

7.4.7.1 Assumed Outcome of Activity: The Sought-After Capacities

- A.** The enhanced and sustainable capacity of the Communications Unit (and thus of the IUCNP) to provide communications support to the IUCNP's overall mission, including the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Communications Unit (CU):

1. to enhance the communications capacity of the PEP partners for the purposes of NCS' implementation and other programmes;
2. to facilitate the development of provincial conservation strategies;
3. to facilitate the implementation of provincial conservation strategies;
4. to assist in building the capacity of the media for environmental reporting;
5. to disseminate information on the environment;
6. to assist the IUCNP to become an effective advocate of sustainable development in Pakistan;
7. to contribute to the development of well-rounded programmes for both the IUCNP and the IUCN.

- B.** "Products" realized from this enhanced and sustainable capacity.

This statement of assumed outcome is based on the RBM matrix completed in June '97, and the presentation material provided to the MTR team on 1st December 1997. Each of the seven clusters of activity in the RBM matrix is clearly expressed in the form of a function that the CU has to be able to perform. The capacities required to perform these functions were thus easy to articulate in the form of the list in 'A' above. The only slight modification was to #7, where both the IUCNP and the IUCN are referred to in order to better reflect the intention of the activities identified. The overall outcome statement was based on the presentation material.

7.4.7.2 Overview

Approximately \$506,000 (or 53%) of the \$946,100 PEP budget allocated to the CU had been spent as of 31st December 1997. There were six professional staff, an intern and one secretary employed by the Unit as of the same date: the Project Director; a Director of Publications; an Editor; an Assistant Editor; an Advocacy Coordinator; a Senior Adviser, Audio-Visuals; an Intern, on Audio-Visuals; and the Secretary. The use of the PEP funds is flexible. Thus no distinction is made between PEP-funded and non-PEP-funded staff and all activities are seen as PEP-related. Roughly 70% of the CU's total expenditures were met through PEP funding in 1997.

The general assessment is that the PEP funding to the CU is adding considerable value to the efforts of the Pakistanis to implement the NCS and to building the sustainable institutional capacity of the CU to enable it to perform its functions. As with the other eight units being strengthened under the PEP, the emphasis in the planning and reporting documents appears to be on the "products" as opposed to building the CU's sustainable institutional capacity. However, again as with most of the other eight units, we find that a considerable amount has been done to put components of that sustainable institutional capacity in place. One simple indicator of this is that there has been a turnover of staff for the editing of "The Way Ahead" and yet the production has continued, with good quality being maintained.

The PEP funding has helped the CU to develop the capacities to perform the core functions expected of it — i.e., publishing, and information and media management. However, additional added value had been derived from the flexibility of the PEP funding that has provided the Unit with the opportunity to develop more strategic approaches to the development of communications tools and skills in promoting sustainable development.

Traditionally, communications has been interpreted rather narrowly, in Pakistan, in Canada and elsewhere, with an emphasis on publishing and press conferences.

The CU has adopted a broader, development mandate. It has demonstrated that considerable multipliers can be obtained by institutionalizing environmental journalism and by ensuring that the provincial conservation strategies and other significant environmental projects recognize that, if one is to achieve the central objective of bringing about improved understanding and environmentally sound behaviour, one has to be sure that one is communicating one's message.

A further multiplier derived from the PEP funding to the CU is that it enabled the Unit to contribute its skills to securing NORAD's long-term, flexible financial support in the form of the Frame Agreement II.

Again, as with the other IUCNP units, this emphasis on multipliers suggests that the PEP funds are being deployed efficiently.

7.4.7.3 Major Achievements

Not surprisingly, both the text of the RBM matrix completed in June '97 and that in the Internal MTR document, are reasonably easy for the outside reader to comprehend. The CU is also to be commended for its section in the '96-'97 Annual Report, which is very open on the challenges facing the Unit.

What does come across to the reader is that, although the text in the RBM matrix gives hardly any attention to the building of sustainable institutional capacity of the CU to perform its functions, many of the "product" outcomes being sought are actually the enhanced capacities of other institutions to perform their communications-related functions. This is partly because communications functions (as compared with those of some of the other of the IUCNP's units) are generally functions that one would expect to find being performed by these other institutions, and partly due to the strategic approach that has been adopted by the CU in striving for multipliers from its efforts. Thus while it is expected of the CU to enhance the capacity of, say, the NCS Unit to deploy communications tools and skills to good effect, the work that the CU has done to enhance the capacity of journalists and, more generally, the media to convey the importance of environmentally sound behaviour is notable.

The CU has managed both to expand the cadre of informed and supportive journalists in both the Urdu and English print media and to go beyond this by playing the lead role in establishing the Pakistani Federation of Environmental Journalists. This is resulting in more in-depth articles in the papers on environmental issues. The Urdu press in Karachi, for instance, now carries, on average, three or four significant environmental articles each week.

Another notable achievement is the way in which the CU has been able to get the key players associated with the development and implementation of the provincial conservation strategies to:

- internalize the value of communications in realizing their objectives;
- develop ownership of a communications sub-strategy; and,
- integrate that sub-strategy into their broader conservation strategy.

One other achievement of note is the high quality of the publications that are being produced. They are remarkable for their attractiveness, readability, informing and educational style, conciseness, and relevance to the key environmental issues facing Pakistan. Some of them would also be of considerable value for use in environmental courses in schools and universities in Canada.

Some of the outcomes, or components of capacity, that have materialized, or that appear to be materializing relative to the building of sustainable institutional

capacities, are as follows. The numbers refer to the capacities identified under 'A' in Section 7.4.7.1.

- #1. A more strategic approach to the CU's provision of assistance to the GOP units is emerging (e.g. the principle has been established that the CU will work with the units in order to develop the units' capacity to do a given job, but it will not do that job for them).
- #1/6. Advocacy techniques are available for use in convincing governmental bodies to recruit communications officers.
- #2/3. The basic building blocks for developing and implementing a communications sub-strategy within the context of a conservation strategy appear to be in place or emerging, e.g.,
 - a system for assisting in hiring and training a communications officer;
 - a system for involving key players in the planning of a communications strategy in a way that ensures the development of a sense of ownership and a preparedness to incorporate it within the conservation strategy and champion its implementation;
 - a system for launching provincial conservation strategies;
 - a systematic approach to the targeting of the local population with the most appropriate media instruments;
 - a system for publishing key documents; and,
 - a system (based on a form of RBM) for focusing on results and monitoring progress in achieving those results.
- #4/5. A network of informed environmental journalists is being built by various means, e.g.:
 - by contracting them to write for the IUCNP's publications;
 - by drawing their attention to interesting stories available in the IUCNP's and other literature;
 - by providing them with access to accurate, comprehensible data;
 - by holding workshops for the media on environmental issues, with particular attention being given to sensitizing the Urdu media to environmental issues; and,

- by formally establishing the network as the Pakistan Federation of Environmental Journalists (PFEJ).
- #4/5. A system for organizing the mass production and circulation of high quality news vehicles and other specialized documents for conveying information on the implementation of the NCS and other related activities to various distinct audiences (including the media).
- #5. The Sustainable Development Networking Programme (SDNP) on the Internet — which now has over 2,000 subscribers in Karachi and over 10,000 in Pakistan.
- #5. A library system on environmental matters is in place, with the capacity to acquire, catalogue, and provide public access to documents in Karachi and Islamabad.
- #6. A system is emerging for developing the IUCNP's policy positions, on a large range of issues, that make responses to the media much more efficient.
- #6. Techniques for producing and using audio-visual presentations.
- #6. A system for supporting other IUCNP projects with advocacy material.
- #7. A system is emerging for ensuring that communications input is incorporated, where relevant, in the design of other IUCNP projects.
- #7. A systematic and ongoing approach to offering the Unit's staff comprehensive training and professional development relative to their responsibilities for management and programme delivery is beginning to emerge.

These are some of the component systems, etc., that came to our attention. A number of them are mentioned in reports but generally not in a way that makes it clear that these are the types of outcomes being sought by CIDA through the PEP. Thus, again, although good work is being done on building sustainable capacities it is not being highlighted as such in a systematic way in the reports.

Turning to some of the more significant "product" outcomes — these have been derived from either or both of: (a) having the above-mentioned systems in place; or (b) having hired staff with the skills to deliver the products. Again, a brief listing, using the same numbering system as under 'A' in Section 7.4.7.1 above, is as follows.

- #1/6. Advocacy on the part of the CU led to the NCS Unit establishing a communications post and hiring an officer. The initial reluctance to hire such an officer appears to have been due to the NCS Unit's insufficient

appreciation of the potential influence that the Unit would be able to exercise by having an effective communications strategy.

- #1. The NCS Unit has been assisted to produce its own communications strategy. Although the strategy still requires further improvement, it is important to note that the NCS Unit has been encouraged to develop ownership of the strategy. In part, this stems from the opportunity given to the NCS Unit to take its strategy to an international meeting in Bangkok. However, also of significance in this regard is that the CU insisted that the NCS Unit's communications officer accompanying the senior officer of the NCS Unit to Bangkok should be financed with the NCS Unit's own funds.
- #2. The CU assisted in the hiring of the communications officers for both the SPCS and the BCS.
- #2. The CU orchestrated the development of the communications sub-strategy for incorporation into the BCS through the involvement of a multi-interest group constituting a round-table established especially for this purpose.
- #2. The CU organized the launch of both the BCS and the NACS, with good attendance from all parties to be involved and good coverage in all media (radio/TV/print).
- #3. Although coming into the process at a later stage with the SPCS (as compared with the BCS — simply because the SPCS started several years earlier), the CU again established a round-table with multi-interest membership and again was able to develop a sense of ownership on the part of those members. The communications strategy has been in place since mid-'96. Some notable developments have been:
 - the publication of the SPCS, and an excellent summary, in English;
 - the publication of a reader-friendly, non-technical overview of the SPCS in Urdu;
 - the production of a film on the SPCS, to promote the strategy and its recommendations; and,
 - the use of a modified form of RBM to try to ensure that the communications sub-strategy does remain focused on results.
- #4. The Urdu press has become sensitized to the environment as an area of public concern. This press and Urdu-speaking radio and television are central to influencing the behaviour of most of the people in Pakistan. Although it is difficult to monitor systematically, we understand that, on

average, three to four in-depth environmental stories appear each week in the Urdu press in Karachi alone.

- #4. There has been good attendance at several environmental workshops organized by the CU specifically for journalists (one lasted five days on industrial pollution, wildlife and forestry issues). The Karachi Union of Journalists has also sought the assistance of the CU in organizing a workshop for 20 of its members.
- #5. A popular version of the NCS document has been produced in Urdu.
- #5. Two very well-written magazines — "Jareeda" (Urdu) and "The Way Ahead" (English) — are published by the CU each quarter. Each one is circulated free of charge and each has a print-run of about 3,500 copies. The potential for commercializing their operation on a self-supporting basis is to be the subject of examination through technical assistance support under the PEP.
- #5. The IUCNP's two libraries, in Karachi (with 5,000 documents) and Islamabad, are growing fast and assisting the IUCNP to respond to a growing number of enquiries for information from the general public and the media. The libraries are open to the public for reference purposes.
- #5. A number of documents has been produced, generally as instruments to be used within an IUCNP project, but with a broader audience in mind. As noted in Section 7.4.7.2 above, some of these are of remarkable quality (e.g., the recent one on Biological Diversity in Pakistan; and, the English summary of the SPCS).
- #6. The CU's audio-visual film (with sound tracks in Urdu and Sindhi) on the process followed by the IUCNP in working with villagers to rehabilitate the Rahuki irrigation canal, and the successful return of villages to abandoned land, has itself become a success story. The World Bank is now making use of the film for assisting other, similar projects.
- #6/7. A three-day workshop was organized for local teachers in the Northern Areas within the context of the Biodiversity Project. Posters were prepared for the same project.
- #7. Training and professional development have been offered to the staff relative to a broad range of managerial and operational requirements (e.g., library management, writing in English, editing, environmental journalism).

The above listing is illustrative of initiatives made possible with the PEP funding.

7.4.7.4 Weaknesses

Weak performance on the PEP is noticeable in:

- the absence of a satisfactory capacity-building needs analysis;
- the slow progress being made with the ES, which could doubtless gain greater multipliers from the good work that it is doing with other GOP agencies, if it were to have the CU work with it to develop a communications strategy;
- the slow progress, until recently, with the NCS Unit (although the recent hiring of a well-known communications officer could result in great improvements);
- the need for more attention to Urdu audiences;
- the need to give more attention to marketing products. (Although this is about to receive attention relative to "Jareeda" and "The Way Ahead", it may be that other documents, audio-visuals and other information products could be sponsored by non-donor funding sources).

7.4.7.5 Constraints

The slow progress that has been made with the GOP units and that is noted above as a weakness cannot be explained solely in that way. Our sense is that the CU has had to work hard to make the progress it has in getting to the point where the NCS Unit has adopted its first communications strategy. We have the impression that that strategy still needs considerable attention. The arrival of the new, experienced communications officer at the NCS Unit in late March 1998 augurs well. However, she will need considerable support from both the CU and her superiors. This latter consideration is an unknown variable. It is up to those superiors to provide that support. If they do not, the CU will continue to be constrained in what it can achieve with the NCS Unit. Having said that, there is unlikely to be any other unit within the PEP that is better equipped to convince the GOP units of the merits of giving more attention to communications. Thus the CU should continue to treat work on this front as a priority.

The tardiness with which the consultants preparing the SDPI's Management Review completed their report has also constrained the CU's potential to contribute on this front. Now that the report has been received, this constraint should be removed. The SDPI, as noted in Section 7.3, has enjoyed a lot of media exposure under the leadership of its previous Executive Director. However, this energy, along with that going into the programme activity, needs to be more focused. The SDPI will, we understand, be taking advance of the marketing analyst (being funded under the PEP to work with the CU on its publications) to look at the potential of putting some of the SDPI's documents on a commercial footing.

7.4.7.6 Recommendations

1. The above-mentioned constraints and weaknesses should be discussed by the IUCNP's SMG and, shortly thereafter if that discussion can be organized soon, by the PEP partners, with a view to their amelioration or elimination.

7.5 A Note on Programme-Level Outcomes

As noted in Section 2, the PTL has to provide a brief report, once a year, to CIDA's senior management, on progress being made by the PEP at the programme level. The PTL has often mentioned that it is for this reason that he is looking for signs of any breakthrough outcomes. Unfortunately, he has never provided any clear explanation as to what he is looking for or what the characteristics of these breakthrough outcomes may be. Nor has the Executing Agency, on its own initiative or with the assistance of the CPO, ever attempted to develop the concept. In our view it is a useful concept and warrants exploration.

We believe that the concept implies that the breakthrough outcome (in this report being a capacity that has been developed) should be presented in a way that makes clear its multiplier potential, if not effect. We recognize that the "Consolidated Outcomes" for each institution are of interest but the multiplier effect is not made clear. Hence our preference for another approach.

What follows is a brief note on an optional approach to programme-level reporting.

In Section 2, we have suggested that the success or otherwise with which the behaviour of all Pakistanis, as "managers" in the total environmental management system (TEMS), is influenced will be the key to successful environmental management.

The PEP is designed to strengthen four institutions that play a central role in Pakistan's TEMS — that is, the "steering" of that behaviour so that the implementation of the NCS will be facilitated and, more generally, the country will move towards a sustainable development path.

In Section 2, we suggested that programme-level reporting on the PEP could be conducted against the three macro-functions that have to be performed in order to carry out such a steering function. These three macro-functions are shown in column 1 in Table 2.1. The reporting could be in terms of any breakthrough outcomes or signs of them relative to the 11 capacities implicit in column 2 of Table 2.1.

In light of the progress already observed and commented on in Sections 7.1 to 7.4, we believe that there are a number of breakthroughs that are well on the way to becoming complete and several others which are showing potential.

Using the letter codes for the macro-functions in Table 2.1 and the # code for the 11 supportive functions, we could summarize this programme-level progress report as follows.

The reader should, of course, remember the cautionary note offered in Section 2 — that one needs breakthrough outcomes relative to all supportive functions of macro-function 'A' in order to get the higher order breakthrough at the level of macro-function 'A'.

A. Ensuring that all sectors assume their responsibilities for implementing sustainable development.

1. Strategic and corporate planning

The NCS document was the first evidence of this becoming a breakthrough outcome, but the lack of really strategic planning in strengthening institutions to facilitate its implementation suggests that the breakthrough is still awaited here in terms of strategic planning capacity.

2. Legislative framework

The signing of the PEPA is an almost complete "product" breakthrough. With the regulations and guidelines it should represent a complete breakthrough product outcome. Other pieces of legislation are also breakthroughs of a similar nature, on a smaller scale. More important, they are indicators of an institutional capacity to produce such legislative instruments. This is an important breakthrough outcome.

3. Environmental education, awareness, participation

The graduation of the first sizeable class of teachers trained in environmental education is an indicator of the institutional capacity to produce such teachers in the future, which represents another important institutional capacity breakthrough outcome.

Awareness is being enhanced on several planes, most notably through SDPI's enhanced institutional capacity to generate open public debate on environmental issues.

Participation in environmental decision-making processes has become institutionalized — indeed it is supposedly the only major public policy issue area on which the public is consulted on a systematic basis. This is an important breakthrough outcome.

B. Ensuring that all sectors are able to live up to their responsibilities

4. Mobilization of human resources

The capacity of the IUCNP's NGO/CSU and the EU to mobilize people at the community level to carry out massive environmental rehabilitation projects can be regarded as a breakthrough outcome.

5. Mobilization of information

The capacity of IUCNP's CU to mobilize information that both informs the potentially activist public and the media (which are using it) is a breakthrough outcome. More could be made, through IUCNP's capacities, we suspect, of the research findings that are mobilized by the SDPI, which represents an indicator of the SDPI's capacity to produce useful research — another breakthrough outcome.

6. Mobilization of appropriate technologies

There is not very much activity on this front. There does appear to be considerable capacity, however, in the IUCNP's NGO/CSU to mobilize appropriate technologies for community environmental rehabilitation projects. This is a breakthrough outcome in a specific area.

7. Mobilization of financial resources

There appears to be a capacity in the ES to mobilize funds for the environmental sector, judging by the negotiations that are leading to a larger scale second phase of the loan from the World Bank for the EPRC project. However, we are unsure to what extent other players played a part in these negotiations.

The SDPI appears to have achieved a breakthrough with its capacity to maintain a sustainable funding base for its own activities.

8. Development and use of economic instruments

There is no breakthrough outcome yet. However, there are good prospects for one with the IUCNP's BLU work with the private sector.

9. Development and use of environmental planning instruments

There is a potential breakthrough that is close to being realized in the ES's capacity to utilize various instruments to screen,

technically appraise, and improve projects of line agencies. For this to become a sustainable institutional capacity — which would also contribute to its being more properly regarded as a breakthrough outcome — the ES' staff has to be "regularized".

C. Ensuring that all sectors live up to their responsibilities

10. Development and use of monitoring and evaluation systems

There do not appear to be any significant breakthrough outcomes in institutional capacity development in support of this function.

11. Development and use of compliance and enforcement systems

The SDPI's capacity to organize successful advocacy programmes and thus create "countervailing powers" that lead to compliance with norms of environmentally sound behaviour can be regarded as a breakthrough outcome, especially given the weakness of other, formal enforcement mechanisms.

The ES' capacity to ensure that all project planning documents (PCI) from federal and provincial agencies address environmental considerations provides the ES with an institutionalized capacity to ensure compliance with specific formal requirements of projects.

The above listing is illustrative. We believe that it would be valuable for the PEP partners to consider whether there are other possible breakthrough outcomes that represent sustainable institutional capacities to perform the above-listed functions.

Again the framework should prove useful at such time as the PEP partners conduct the analysis of their needs for sustainable institutional capacities. This would help to bring a more normative approach to the analysis. Similarly, in Section 9.2, we go further into looking at components of capacity that should be considered on a normative basis in that needs analysis.

7.5.1

Recommendations

1. CIDA should identify the characteristics of the programme-level breakthrough outcomes that it is seeking and possibly utilize the TEMS framework or something similar.
2. CIDA should then request that a PAC meeting should consider the merits of reporting on breakthrough outcomes utilizing an approach proposed by CIDA but open to possible modification by the PEP partners and the Executing Agency.

EFFICIENCY

An effective programme is one that achieves the results expected of its activities. It is efficient to the extent that it achieves those results at the lowest cost and at adequate or required levels of quality or service. And it can be said to be an economical programme if it provides the right amount of the right resources — financial, human, physical, and informational — at the right level of quality, at the right time, in the right place, and at the right cost.¹

In this section the focus of attention is on the efficiency of the PEP; that is, the efficiency with which the four institutions are being strengthened in order to perform those functions that will enable them to better facilitate the implementation of the NCS and, more generally, programmes supportive of sustainable development. Some attention, however, is also given to effectiveness and economy.

In assessing the efficiency with which this change is being introduced, it is necessary to consider a number of factors:

- the clarity with which the expected results are articulated;
- the realism of the scheduling, especially relative to the absorptive capacity of the institutions being strengthened and of the people involved;
- the sufficiency (quality and quantity) of resources; and,
- the operating context.

These are not easily separable for purposes of discussion. And further complicating the analysis is that one should distinguish between the overall picture, over time, and the current situation, and between the overall programme and work on each unit.

In essence, the general assessment is that the PEP, as an overall programme, has been muddling through, yet has the potential to realize most of its objectives, as identified in the Contribution Agreement, if some changes are made. It has exhibited considerable inefficiency in its operations until recently, primarily because of the extraordinary delay in the signing of the CPO's contract. The hiring of a Project Manager to replace the Project Coordinator appears to have made some difference and the hiring of an Assistant Project Manager, as is being discussed, appears warranted. Considering the nine units separately one has a different picture. The IUCNP's units and the SDPI are being strengthened reasonably efficiently. The two GOP units are also efficient for the extremely low expenditures from the PEP budget. They become inefficient when the implications for PEP overhead costs are considered.

8.1 The Clarity of the Expected Results

The Contribution Agreement makes clear that the intent of the PEP is to strengthen the four institutions involved so that they shall be able to perform their functions more effectively. However, as was underscored in Section 2 of this MTR report, in its early stages those responsible for the PEP seem to have lost sight of the fact that sustainable institutional capacity had to be built and that the most efficient way of doing this would be to conduct an analysis of the institutions' capacity-building needs relative to the functions that the institutions were expected to perform in an enhanced way. Regrettably, this was not done.

Instead, after a considerable period of time, we find that in the RBM matrices that were completed in June '97 it is only the "products" of these enhanced capacities that are being emphasized as expected results. Again, unfortunately, the untimely introduction of the unfamiliar and inadequately articulated concept of RBM and the accompanying matrices meant that the matrices were not completed in a consistent manner by all nine units being strengthened.

Thus the expected results were not expressed with clarity. And thus there has been a lack of clarity as to precisely what each player should be doing and how it relates to a bigger scheme of things.

8.2 Timing and Absorptive Capacity

Timing becomes a factor in two distinct ways when considering the efficiency of the PEP:

- the delays in signing the contracts with the IUCNP and later the CPO;
- the pace of work relative to absorptive capacity.

Ideally, the PEP would have commenced as soon as possible after the NCS was given the stamp of official approval by the Cabinet of the GOP on 1st March 1992, and after the NCS project funds (\$3.7 million) had been exhausted. The NCS project officially terminated in late 1993, but judging from the existence of some small "bridging activities" the funds had been exhausted earlier than that. As it happened, and as is discussed in Section 1, the contract between CIDA and the IUCNP as Executing Agency was signed only on 8th November 1994. Thus there was a considerable period with no significant contract in place. Although the official start of the PEP is identified as being 4th July 1994, this appears to have been done to cover a complete fiscal year and to cover the costs of an initial study conducted by MAS, a firm of local consultants, on the plans of the two GOP units involved. We have not had the opportunity to examine the MAS study but we have been given varying views as to its utility. The net result, however, is that it does not seem to have been utilized. And the period without a significant contract thus assumed an even greater significance.

With 8th November 1994 being the actual starting date (and implicitly acknowledged as such in the Contribution Agreement), there appears to have been a sense that, after the hiatus of a year or two, the momentum over the NCS was being lost. To the extent that this was a concern, it doubtless contributed to a desire to "get the job done". That, however, seems to have been translated into "implementing the NCS", with insufficient explicit attention to building the sustainable institutional capacity of the four institutions to enable them to "enhance their performance in facilitating others to get the job done".

Over the following 18 months or more, until the CPO's contract was signed with CIDA, any outside guidance had to come from CIDA. CIDA was undergoing severe budget cuts and seemingly decided that it could not afford to assign sufficient personnel time, to provide the requisite guidance. At about this time CIDA as an agency also decided to severely reduce the investment in external project monitors. This further reduced the desk's resources and the PEP's efficiency.

What CIDA did do, doubtless in recognition of its responsibilities for making sure that the IUCNP had the capacity to serve as the Executing Agency, was to commission, in December 1994, a study — "Capacity Building for the Environment: A Background Study for the Pakistan Environment Programme". While this appears to be a very interesting document, it did not pretend to provide any analysis of the capacity-building needs of the four PEP partner institutions. Nor did it provide a clear, step-by-step guide to how the IUCNP and the PEP partners should proceed on this front. Thus while some useful references were made to it in the Inception Report, they were of a very general nature. Although the report may have been discussed, it seems to have left little lasting impression on those who were responsible at the time for undertaking any more detailed design work. In short, it misjudged the absorptive capacity of the IUCNP as the Executing Agency and of the PEP partners at that time.

The IUCNP was clearly struggling with its first undertaking, of consequence, as an executing agency. The Inception Report appeared in June 1995, but again there was no step-by-step guide as to what was to be done. The Memoranda of Understanding (MOUs) with the other PEP partners took a long time to finalize, with that for the ES being signed on 29th August 1995, and that for the NCS Unit being signed on 4th September 1995.

It is not clear whether there was a conscious policy position on CIDA's part both to accept the PEP as a locally-directed programme and to accept this slow pace as a necessary part of such a programme, whereby the IUCNP would "learn by doing", at its own pace, to become an executing agency. To the extent that there may have been a policy position, which could under certain circumstances be a perfectly acceptable position, so this should be taken into account in assessing the efficiency and the economy of the PEP's implementation. To the extent that there may have been no such policy position, it would appear that CIDA may have misjudged the IUCNP's capacity to serve as an executing agency. Paradoxically, under either scenario, it would appear that CIDA was not

providing sufficient guidance to the PEP in this period to May 1996 — simply because CIDA had the responsibility to ensure that the IUCNP had the capacity to perform as the Executing Agency.

The fact that the PEP calls for the IUCNP's strengthening across the board suggests that there was recognition of the Executing Agency's needs.

However, other factors suggest that there was no such policy position at the time, despite the inference that one may be behind certain clauses in the CPO contract in May 1996. For example, CIDA seemed very insistent that the PEP should adopt the PITS, which at that time was far from fully developed and had never been used on a project in Canada or elsewhere. The PITS was the subject of a workshop in May 1995. It is discussed in Section 6. Suffice it to say here that the system was still not operational in March 1998 after having absorbed a lot of precious time. It cannot, in our view, be regarded as appropriate technology in its present state. And such insistence on its adoption is not consistent with a policy of first building basic capacity to serve as an executing agency.

Thus, in terms of the absorptive capacity of the IUCNP as Executing Agency and of the PEP partners, it would appear that, prior to May 1996, they were ready to absorb more assistance than they were receiving but it clearly needed to be much more relevant to their needs.

After the signing of the contract with the CPO, in May 1996, there was, quite understandably, a desire on the part of all concerned to get the CPO's team out into the field. Indeed, it is impressive how quickly the first mission was fielded. In hindsight, it is unfortunate that the Adviser on Institutional Strengthening was not able to be on that first mission and that the focus was therefore not on what should have been the central concern at the outset — namely the organization of, or at least the approach to, the analysis of the institutions' needs for capacity-building. (Due to the continuing delays in the signing of the CPO's contract with CIDA, the Adviser had committed himself to another short-term contract.)

At this juncture, considerations pertaining to the sufficiency of resources (both in terms of quality and quantity), while already of significance, become that much more important, because of the availability, through the CPO of \$4.2 million.

8.3 The Sufficiency of Resources

The signing of the CPO's contract with CIDA on 16th May 1996 meant that, 18 months after the actual start of the PEP, the IUCNP and the PEP partners were to have access to roughly \$4.2 million in services from Canada. These funds were in addition to the \$9.3 million already available to these parties.

The totality of these resources (i.e. \$13.5 million) appears to be of sufficient quantity, given the absorptive capacity of the recipient parties. The quality of the

resources is also good. Here our interest is essentially in the quality of the personnel who have been hired or supported in Pakistan or hired from Canada.

As we have noted throughout Section 7, relative to each of the nine units being strengthened, the staff involved are generally of excellent quality. We have noted that in the NCS Unit the staff appear to require somewhat more direction but, once given that direction, they should also be given more latitude to act on their initiative if they are to be employed efficiently.

The lead players in the CPO's team are also suitably qualified and it is regrettable that they have not been able to be deployed more as a team. Their performance is commented on further in Section 4 and Section 9.

8.4 The Operating Context

The operating context is somewhat different for each of the four institutions being strengthened. As is noted in Section 7, the ES (and to a large degree the Law Programme within the IUCNP) has a set of responsibilities that make it easier for it to systematize its work. The NCS Unit, on the other extreme of the spectrum, is having to fight a lot of fires. It is possible to organize for this, but it is more challenging.

The two GOP units are very susceptible to changes in government and to turnover of senior personnel — both ministerial and staff. Business does not proceed as usual under a caretaker government. And each time the Secretary changes, or indeed any other senior staff change occurs, there is a lot of time wasted on briefings and getting a sense of the latest priorities, etc.

This has accounted, in large part, for the very low disbursements by the two GOP units. In addition, the PEP's approach to disbursing funds to a GOP unit through a NGO was completely new for the GOP; as was the procedure for staffing. This affected disbursements initially. In the medium term the NCS Unit also became conscious of the need to guard against political pressures on their resources. And over the longer term, for both GOP units, it was found that a number of expenses that originally were budgeted for under PEP are in fact being met through the regular budgets of the ES and, in the case of the NCS Unit, of the MELGRD.

As is explained in Section 7, the situations of the two GOP units are somewhat different in that the ES has a regularized office but not a regularized staff (they are borrowed); whereas the NCS Unit is a project under the GOP's development budget. This uncertain status of the NCS Unit, and to a lesser extent the ES, has affected the attitude towards the training of staff, which in turn affects the attitude of the staff towards remaining on the job. This, in turn, affects the overall efficiency of the PEP's support.

The SDPI and the IUCN operate under very much less demanding conditions than the GOP units. The SDPI, in particular, with its relatively manageable mandate, has already been able to put 90% of its allocation of the PEP budget

to good use. The IUCNP, with a relatively broad programme of activity, faces more constraints than does the SDPI. Yet despite this, each individual unit has used its funds very efficiently.

8.5 Overall Considerations

In light of the above considerations, our assessment of the efficiency of the work being done towards the realization of the expected results is as stated in the general assessment in the introductory remarks to this Section 8.

To provide some elaboration on this general assessment, it is helpful to focus on both the macro-scale and the more micro-scale levels of activity of the PEP.

At the macro-scale, our great concern has been with the poor timing of the signing of the CPO contract and the implication of this for overall efficiency.

The delay in the availability of the CPO's additional resources has doubtless accounted for some inefficiency in the spending of the funds prior to May 1996. We believe that it is reasonable to assume that, if the CPO's services had been available to the IUCNP at the start of the PEP in November 1994, there would have been a willingness on the part of the IUCNP and PEP partners to have fully involved the key players on the CPO's team in the preparation of the Inception Report and the more detailed planning of the PEP. Most likely, although one cannot be sure, this would have resulted in a programme design that would have made explicit the building of the sustainable institutional capacities of the four institutions as a prime objective to be satisfied prior to, or at least in tandem with, the production of what we call, in Section 7, the "product" outcomes. Hopefully, this early involvement of the CPO's team would also have produced:

- the capacity-building needs analysis;
- a clearer statement of expected results;
- more useful work plans;
- budgets that from the outset were more clearly related to work plans; and,
- reports that were more clearly related to work plans and budgets as well as expected results.

Given the delay in signing the CPO's contract, the IUCNP and the PEP partners had already established a mode of operation by the time the CPO became available. The CPO could suggest, as it has done on several occasions, that it would be helpful if the above improvements (such as the conducting of the needs analysis) were to be introduced. But it is up to the IUCNP and the PEP partners to decide what should be done and when.

At the micro-scale our concern focuses on the lack of a plan for institutional strengthening based on an analysis of the need for sustainable institutional capacity development.

As is discussed in Section 9, on the IUCNP's role in managing the PEP, and in the further discussion of the IUCNP as Executing Agency in Section 3, the Executing Agency has not been performing well. Its requests of the CPO are not being made within the context of a clear, overall plan with timelines. It is thus impossible to assess, with any accuracy, the timeliness or appropriateness of any one input from the CPO, unless one assumes that:

- everything else that is being done that relates to that input is also appropriate; and,
- the request really represents a priority that has emanated from a clearly thought out plan for the PEP as a whole and for the units within that overall plan.

In essence, the same limitations are placed on one's ability to assess the timeliness and appropriateness of the Executing Agency's inputs.

What one has to do therefore is what we have done in Section 7. We have produced statements of "assumed outcome of activity", based on what the PEP partners appear to be seeking to realize, assuming that they do intend to satisfy the terms of the Contribution Agreement. Against these sought-after results, that we have chosen to regard as outcomes, we have been able to offer a general assessment of the efficiency with which those outcomes are being realized. Our overall impression, given all the other limitations and constraints under which each unit is working, is that each unit performing reasonably efficiently. The fact that it is so difficult to set timelines that can be adhered to, in an operating environment such as exists in Pakistan, makes the achievements of the units that much more remarkable. What makes the PEP as a whole less efficient is the built in overhead of the CPO and CIDA, which is predicated on the assumption that the PEP partners and the Executing Agency would be moving at a faster pace.

Although none of the "assumed outcomes" identified in Section 7 has been fully realized as yet, all are being worked on. What one can try to determine is whether any key components of capacity are being neglected. In Section 9.2 we have taken a more normative approach to identifying components of capacity that are likely to be needed in order to develop the capacities currently sought by the PEP partners. Our comments identify where there may be particular weaknesses requiring attention. However, as we reiterate there, what is required is the needs analysis. This would also reveal whether the lists of sought-after capacities are complete.

Clearly, the conducting of such a needs analysis would make the PEP that much more efficient.

8.6

Recommendations

1. CIDA should consider the implications of its responsibility for ensuring that "the IUCNP has the developmental, technical, financial, administrative and managerial capacity to run the PEP" (as per the Contribution Agreement), and undertake appropriate action.
2. An analysis of the needs of the four PEP partners for the development or strengthening of sustainable institutional capacities should be undertaken forthwith, or immediately following the MTR of the implementation of the NCS if that is expected to be completed within, say, three months. Plans should then be made for the remaining period of the PEP to meet those needs on a priority basis within the context of the budgets of each of the nine units. Any activities that cannot easily be justified to, and supported by, the PEP partners should be eliminated and the savings in outlay should be redistributed to those units most in need.

9.0

MAJOR MANAGEMENT ISSUES

This section addresses major issues relating to the management of the PEP. In essence, it is structured to respond to those issues identified in Section 4.5 of the MTR team's TOR, although it also accommodates the examination of some other management-related issues identified in other parts of the TOR.

The discussion is organized in two parts:

- The PEP's overall management, including the management of the partnership and the specific management responsibility of CIDA, the Executing Agency and the CPO.
- The development of the capacities of the PEP partner institutions. Here, as in Section 7, we again start with the statements of assumed outcome of activity — i.e., the sought-after capacities. However, as explained in Section 1.2.2, which readers are encouraged to look at first, here we take a more normative approach and identify the components of capacity that should be put in place if the PEP partners are to more fully develop their sought-after capacities. We then identify some indications of progress in this respect. That discussion should be read in conjunction with the relevant parts of Section 7.

9.1

The Overall Management of the PEP

As indicated in Section 1.1, the basic structure of the PEP consists of the four PEP partners as recipient institutions, the Executing Agency, and the CPO.

CIDA's management responsibility for the PEP is vested in a Project Team led by a Project Team Leader (PTL), based in the Pakistan Division of the Asia Branch in CIDA Headquarters, in Canada. CIDA signed a Contribution Agreement with IUCNP for the management of the PEP in Pakistan. The IUCNP, as the Executing Agency for the programme, subsequently signed agreements with the Sustainable Development Policy Institute (SDPI), the Ministry of Environment, Local Government and Rural Development (MELGRD) of the GOP, and the Planning and Development Division (PDD) of the Planning Commission of the GOP.

PEP is managed according to the activities cited in the CIDA/IUCNP Contribution Agreement, and confirmed and elaborated in the Inception Report and subsequent annual workplans and reports. Specific management accountabilities of each institution involved in the management of the PEP are identified broadly in the following sections. More specific details of management responsibilities are found in the respective agreements signed by between CIDA and IUCNP and CIDA and the CPO.

Here, we look first at the management of the partnership and then at the specific management accountabilities of CIDA, the CPO, and the IUCNP as the Executing Agency.

9.1.1 The Management of the Partnership

9.1.1.1 Governance Structure

The programme is governed through three fora: the Programme Advisory Committee (PAC), the PEP partners meetings, and the Strategic Planning Group.

The Programme Advisory Committee is composed of senior representatives of the MELGRD, PDD, CIDA, SDPI, and IUCNP, and has an observer from the CPO office. The PAC provides overall strategic guidance to the programme, and is scheduled to meet, at a minimum, every six months.

The PEP partners meetings were set up as a means of managing PEP between PAC meetings. The PEP partners meetings provide the forum for operational decision making and for sharing information about PEP and the activities of the PEP partners. The four PEP partner organizations and the CIDA Pakistan field representative attend these meetings.

The Strategic Planning Group is comprised of the heads of the four PEP partner organizations and was created to ensure political commitment to PEP from senior levels within the GOP.

Fundamental to the success of the PEP, from a management perspective, is whether an appropriate structure is in place to govern the overall direction of the programme. The current arrangement, with the three levels of committees providing overall governance to the PEP would appear to be an efficient design on paper. Implicit in this design, however, is the requirement for all stakeholders involved in the management function to develop a relationship which is based on open communication and demonstrated performance. An indicator of the productiveness of such a relationship can be found in the type and levels of communication that occurs between the respective stakeholders.

Communication on management issues can take many forms, such as formal reporting mechanisms, scheduled meeting of committees, and informal communications between the respective partners.

The Strategic Planning Group was set up in 1997 and has not met to date, therefore no comments can be rendered as to its responsiveness to the needs of the PEP partners, as requested in the TOR of the MTR.

9.1.1.2 The PAC

In examining the minutes of the previous PAC meetings, and having observed an attempt at holding a PAC meeting upon our arrival in November 1997, it would

appear that the level of issues being discussed in this forum are not of a strategic nature, and do not appear to be providing overall strategic guidance to the programme. In examining the underlying rationale for the apparent lack of strategic direction being provided through this forum, one of the fundamental constraints that surfaces is the lack of a proper allocation of functions between the PEP partners relative to their contribution in implementing the NCS.

An initial attempt at such a division of labour was undertaken by the MAS group at the outset of the programme. However, indications are that the session was not effective in identifying and allocating the totality of the functions to be undertaken in support of the NCS implementation across the PEP partner organizations. A subsequent attempt at identifying the institutional issues for the two government units, undertaken by the Institutional Strengthening Adviser from the CPO did not produce the desired results. The end result is that each organization was left to develop its own interpretation of how it should contribute to the successful implementation of the NCS, and the appropriate division of functions across the PEP was not considered in a systematic or holistic manner.

The development of the resultant "stovepipes" has contributed to an each of the institutions not knowing what the bigger picture is that they are all jointly contributing towards. This leads to PAC discussions that focus on procedures and operational issues, without examining and discussing the broader, strategic directions of the programme relative to the state of the environment within Pakistan.

9.1.1.2.1 Recommendations

- 1. The PAC should meet separately to discuss the strategic direction of the PEP, relative to the results of the NCS review (to be undertaken this summer) and re-focus the programme on areas of highest priority identified in the NCS review.**

9.1.1.3 PEP Partner Meetings

With respect to the PEP partner meetings, it would appear that there is a lot of discussion that is focused on clarification of operational procedures and processes relative to the PEP. This is partly justified by the attendance of varying staff members from the respective organizations. A major factor that is contributing to this repetition and clarification of procedural information was the lack of documented procedures that were communicated and understood by all of the programme partners. This was apparent in the PEP partner meetings attended by the MTR team and further substantiated by the lack of clarity evidenced in the process used to request technical assistance. We acknowledge that various procedures have been subsequently developed and distributed to all PEP partners for such requests (January, 1998) and other requests for assistance from the Executing Agency and the CPO.

There is a need, however, to develop additional procedural guidelines relating to the sharing of information between PEP partners, reporting on activities, consultation procedures to obtain input to activities, feedback and sharing of training activities, seminars and conferences between PEP partners, and other areas requiring clarification and consensus on procedures between the PEP partners.

Similar to the statements made in regard to the PAC, the PEP partners suffer from the lack of an integrated planning framework, resulting in individual work-planning activities that are not integrated for the PEP as a whole. The purpose of undertaking such an activity within the PEP would be to identify overlaps in activities, identify areas of common interest and benefit from savings achieved through the consolidation of functions. This would lead to improvements in the focus of individual organizations and result in efficiencies in the allocation of the scarce resources dedicated to the PEP.

9.1.1.3.1 Recommendations

- 1. The Executing Agency should finalize the development of procedural guidelines on consultation between PEP partners and other guidelines for accessing CPO or Executing Agency assistance by the PEP partners.**
- 2. The PEP partners should undertake a joint work planning session to focus organizational functions across the PEP partners and eliminate overlaps and duplication of efforts. (This may have to be finalized following the outcome of the NCS review.)**

9.1.2 Specific Management Accountabilities

Three key players in the management of the PEP are CIDA, the CPO and the IUCNP as Executing Agency. Since there have been some difficulties with the lack of clarity over their roles, their specific accountabilities merit attention. The starting point for this assessment is the functions that each organization is responsible for as stated in the Contribution Agreement, the Memorandum of Understanding, and the contracts entered into by the CPO and the IUCNP with CIDA.

9.1.2.1 CIDA

CIDA's responsibilities are exercised by the CIDA Project Team Leader, acting in cooperation with the Canadian High Commission (CHC) in Islamabad. More precisely, CIDA's management responsibilities are to:

- Approve, through participation in the PAC, the Inception Report;
- Select and contract, in consultation with IUCNP, a Canadian Partner Organization;

- Review and approve IUCNP requests for advances, based on actual requirements for funds in relation to activities;
- Review audit reports and Annual Workplans;
- Contract for monitoring, evaluations and other operational reviews and audits as required to assure compliance with CIDA's relevant standards;
- Remain aware of PEP progress and problems and be able to identify the need for and take corrective action;
- Determine whether project outputs and purpose are being met as per the RBM matrices; and
- Ensure that the Executing Agency has the requisite capacities to run the PEP.

With respect to CIDA's contractual management functions, there was an extraordinarily lengthy delay in the appointment of the CPO. This affected the CPO's ability to establish joint planning procedures and operational guidelines for its interaction with the PEP partners, given that the individual organizations had already developed their own operating guidelines during the two year time lag in the appointment of the CPO. It is recognized that, at the time the CPO contract was being let, CIDA was in the process of implementing new contracting rules and regulations that may have extended the contracting process. It is understood that the new contracting regime should allow for the more timely issuance of contracts of this nature.

Another important factor in examining CIDA's management functions is the stability of staff during the course of the programme's life cycle. Since its inception, CIDA's management personnel have experienced a complete turnover, resulting in a new PTL at CIDA HQ, a new Head of Aid at the CHC, and a new field officer at the CHC in Islamabad. This resulted in a steep learning curve for the individuals taking on the management responsibility and generated some confusion in dealings with the PEP partners, with accepted practices being questioned, some procedures being revisited and additional information being requested for reporting, both in terms of content and format. Although this turnover is part of the cyclical nature of employment within CIDA, CIDA should anticipate these types of departures of management staff during the course of a project's life cycle and plan accordingly.

In reviewing the levels and type of communication between CIDA HQ and the PEP partners, it appears that, although copious quantities of information are being distributed by the PEP partners to CIDA, the sheer volume and lack of specificity in terms of content do not allow for detailed examination and analysis by the PTL. This results in feedback that is general (e.g., CIDA needs "breakthrough outcome reporting") and that does not provide specific enough direction back to the PEP partnership to be of ready use in improving its capacity in this regard.

In reviewing the levels and type of communication between CIDA HQ and the CPO, it appears that there is lack of common understanding as to the limits of authority engendered in the CPO contract, resulting in the subsequent need for CIDA to provide detailed decisions relative to operational aspects of the CPO

functions. This form of micro-management is viewed unfavourably by the CPO and the PEP partners.

Although we recognize the need for the CPO to properly discharge its fiduciary responsibilities (given the surety bond that was established), CIDA must ensure that the CPO and the PEP partners comprehend their respective management functions and responsibilities by providing adequate direction in terms of feedback to the respective organizations. This requires the full cooperation of the CPO and the PEP partners in recognizing each other's contributions to the success of the PEP and in defining their working relationship in unambiguous terms.

9.1.2.1.1 Recommendations

- 1. CIDA should provide specific direction to the Executing Agency as to an acceptable format and level of reporting from the PEP and the CPO. This should address both the content of the information being provided and the level of detail required to provide CIDA with the requisite fiduciary information needed to respond to Government of Canada financial regulations.**
- 2. CIDA should develop, in consultation with the CPO, specific guidelines for the involvement of CIDA in decisions relating to the PEP partners. This will necessitate the full cooperation and acceptance of the PEP partners as to the role and limits of authority/discretion the CPO must exercise in discharging its contractual obligations to CIDA.**

9.1.2.2 The CPO

The CPO's responsibilities are in supporting IUCNP in the planning and facilitation of linkages between Canadian and Pakistani specialists and organizations; and in implementing the regional initiatives component of the PEP.

More specifically, the CPO is to:

- Advise on Canadian capability to meet IUCNP and GOP needs and on areas of mutual interest between Canada and Pakistan;
- Identify, contract and administer Canadian resources;
- Facilitate the development of networks and relationships between selected GOP public sector, academic and NGO organizations and their Canadian counterparts and implement regional initiatives, under the direction of IUCNP;
- Coordinate and manage training activities in Canada and assist as required with regional initiatives;
- Liaise with the IUCN Canada office in Montreal regarding the promotion of linkage activities.

- Account for all funds spent on Canadian goods and services and submit required reports to IUCNP and CIDA HQ; and
- Participate as an observer in PAC meetings.

There have been some difficulties encountered within the context of the PEP surrounding the specific role and limits of authority of the CPO in its relations with the PEP partners and CIDA. As previously identified, part of the difficulty appears to be the late entrance of the CPO in the PEP relationship, with the PEP partners already having developed their own "modus operandi", without the benefit of the advisory function envisaged in the CPO contract. Other factors contributing to the difficulties the CPO has encountered in discharging its functions are: the lack of standardized procedures for interaction with the PEP partners; and confusion over the limits of the CPO's quality control function. This is a flaw in the design of the programme and constitutes a major factor limiting the progress achieved to date.

The CPO's role is one of support to the IUCNP as Executing Agency in the PEP. At the same time, however, the CPO is charged with maintaining the quality control aspects relating to the acceptance of, and the provision of, these products and services, thereby necessitating a certain discipline in its approach to interactions with the PEP partners. This discipline has been perceived by the PEP partners as an attempt by the CPO to control certain aspects of the PEP.

A case in point is the rejection by the PEP partnership of proposed candidates put forth in response to a request for technical assistance. It appears that the CPO interpreted the rejection as a lack of adequate information provided to the PEP partners with respect to the experiential requirements of the candidates. The CPO thus proceeded to re-propose the same candidates, providing additional information on their backgrounds. This was perceived by the PEP partners as the CPO attempting to control the selection of candidates.

From a business perspective, the CPO finds itself in an untenable position. On the one hand, they are contractually responsible for the quality of the candidates and the process used in the provision of assistance to the PEP partners. On the other hand, they have no direct control over the selection or the quality of the assistance rendered once the selection has been made by the PEP partners.

A similarly untenable position is found with respect to the fiduciary responsibility the CPO has for the disbursement of training funds and funds allocated for regional initiatives. On the one hand, they are contractually responsible for these funds. On the other hand, they have no control over the funds once they have been allocated to a PEP partner.

Another factor that becomes apparent in the relationship between the CPO and the PEP partners is the lack of clear direction provided by CIDA with respect to the limitations of the CPO's role. This has necessitated the intervention of CIDA as an arbitrator in matters that should have been dealt with more appropriately in the context of a partnership between the CPO and IUCNP as the Executing

Agency. The basis for a partnership is one of open communication and trust, two aspects which, until recently, had not been evident in this relationship. The MTR team is cognizant that communication between the CPO and the PEP partners has recently gone through a turbulent period, — although it now appears to be improving, with clearer processes and procedures being initiated.

It is imperative that the CPO and IUCNP as the Executing Agency develop a common understanding on the provision of assistance by the CPO for the PEP. This also includes the concept of risk management between the CPO and IUCNP as the Executing Agency. An example of this would be the Institutional Strengthening Adviser's report relative to the two government institutions. It would appear that, although IUCNP was actively involved as the Executing Agency in the conduct of this review and the production of the report, it abdicated its management responsibility in defending the conclusions of the report in discussions with the other PEP partners. There must be a conscious recognition that IUCNP has a joint responsibility in responding to criticisms emanating from the other PEP partners in the conduct of the CPO function.

Another aspect of the programme design that appears to be counterproductive in the context of the PEP was the premise that the CPO role would mainly be one of a "reactive" nature. In capacity development/institutional strengthening projects, the reality is that the recipients of the assistance may not have enough knowledge to really know what they need. It is therefore incumbent on the provider of technical assistance to be proactive rather than purely reactive. The PEP partners as a whole, but especially the government units, have not been adequately briefed and helped on the kinds of and type of technical assistance available. Although the CPO has done some rudimentary training needs analysis work with the PEP partners there has been no serious professional integrated needs analysis done. Without a needs analysis it is impossible for either the client or the CPO to make any professionally informed decisions concerning the amount or type of technical assistance required.

9.1.2.2.1 Recommendations

- 1. CIDA should develop, in consultation with the CPO, specific parameters for the responsibility of CPO in the quality control process relating to the provision of services to the PEP partners. This will necessitate the full cooperation and acceptance of the PEP partners as to the role and limits of authority/discretion the CPO must exercise in discharging its contractual obligations to CIDA.**
- 2. With respect to the fiduciary responsibility of the CPO over funds which are controlled and disbursed by the PEP partners, the CPO and CIDA need to amend the contractual obligations of the CPO to absolve the CPO of the responsibility for these funds.**
- 3. The CPO needs to be more pro-active in its provision of services to IUCNP and the other PEP partners. This would have been achieved**

had the institutional profiling of the requirements for the various PEP partners been undertaken and supported as a preliminary step in identifying the type and levels of assistance required. At this stage, given the time remaining in the original programme, we do not advocate an institutional profiling exercise of all the PEP partners, however, urge the CPO and IUCNP to conduct a needs analysis based on current knowledge of the functional requirements of the programme.

4. A CPO representative should attend all PEP partner meetings to ensure that information flow between the partners and the CPO is maintained. This will help the CPO not only in becoming more responsive, but will also enable the CPO to put forward its own point of view on technical issues and the availability of Canadian technical expertise.

9.1.2.3 The IUCNP as Executing Agency

The primary responsibility of IUCNP is to manage planned activities in order to achieve the PEP's objectives. More specifically, IUCNP is responsible for:

- Signing agreements with SDPI, the NCS Unit of the Ministry of Environment and the Environment Section of the Planning Commission;
- Ensuring that the overall PEP focus on institutional strengthening is maintained and that the resources necessary to plan and implement effective human resources development and institutional strengthening activities are mobilized;
- Ensuring that all project components and activities are properly planned, managed, implemented and monitored and that any requisite corrective action is taken;
- Ensuring that appropriate linkages are established between the various project components;
- Assisting as required with the preparation of PC-1s and PC-4s to ensure that they are in place;
- Ensuring that all programme components have annual work plans with indicators and milestones for each activity. The definition of such indicators shall reflect the use of a results-based management approach in the management of PEP;
- Monitoring implementation through indicators and milestone reports;
- Ensuring fiscal responsibility for all the project components through periodic audits;
- Managing all CIDA disbursements on the Programme, except for contracts with the CPO and CIDA evaluators;
- Submitting all required reports to CIDA HQ; and,
- Acting as the secretariat to the Programme Advisory Committee.

In examining the role that IUCNP has undertaken as the Executing Agency for the PEP, it is important to differentiate between the initial stage of the

programme (administered through the PEP Coordinator) and the current stage of the programme (coordinated through the PEP Manager).

The initial interpretation of the function of executing agency by IUCNP was that of a role of coordinating the various activities and requests for assistance from the PEP partners. Prior to the appointment of the CPO in May 1996, this function consisted largely of facilitating the disbursement of funds to the PEP partners and ensuring that the reports required by CIDA HQ were produced on time and in an acceptable format. Notwithstanding the Contribution Agreement signed between CIDA and IUCNP, wherein IUCNP is to facilitate the capacity development and institutional strengthening of the four PEP partners (itself included), the IUCNP, particularly with respect to the two government units, adopted a "hands-off" approach.

During this period, however, there were initiatives undertaken by IUCNP's thematic units to provide assistance on an activity basis. The Communications Unit of IUCNP did provide assistance in the development of a communications strategy relating to the development of a mass awareness campaign for the NCS unit and did a communications review of SDPI. The Business and Law Unit was actively involved in the development of the Pakistan Environmental Protection Act, collaborating with the NCS unit in its promulgation and ratification by the Parliament.

In the area defined as institutional strengthening, however, little effort was undertaken to transpose some of the systems and components adopted within IUCNP (e.g. orientation programme, human resources manual, financial management system etc.) to the PEP partners.

IUCNP's own role as manager was clarified only midway through the current phase. Only then could it strategically facilitate other PEP partners in implementing their workplans.

This situation was exacerbated by the misunderstanding that each PEP partner had in planning and developing their individual workplans - lack of joint work planning meant that all the partners took their own routes, based their vision of what activities were required. There was even a lack of joint work planning between the various IUCNP units.

Subsequent to the appointment of the PEP Manager, there has been more proactive assistance rendered to the PEP partners. The financial manager of the IUCNP has recently provided assistance to SDPI in establishing a financial management system. The Environmental Impact Assessment Unit of the IUCNP has collaborated with the ES in the conduct of a workshop on reviewing and critiquing environmental impact assessments provided as part of project proposals.

One of the areas requiring better coordination amongst the PEP partners is the sharing of information regarding each others' activities and projects, with a view

to creating synergy between the PEP organizations. Creation of synergy among PEP partners is a function of the PEP Manager.

9.1.2.3.1 Recommendations

1. The PEP manager should initiate joint work planning sessions between the PEP partners with a view to identifying areas of commonality and opportunities for joint activities, efficiently utilizing the sources devoted to PEP.
2. The PEP Manager should develop a mechanism to ensure better communication of information on activities between the PEP partners. This may take the form of activity updates by each organization during the PEP partner meetings, and should be facilitated by the improvements recommended relative to the reporting system (in Section 6).
3. An Assistant Manager for PEP should be hired to support the PEP manager in the areas of operational work and the coordination of the reports from PEP partners. The Manager of PEP could then concentrate on strategic issues, particularly the creation of synergy among the PEP partners and maintaining a focus on building sustainable institutional capacities.

9.2 Capacity Development of the Four Individual Institutions

In Section 7 we looked at what is being done to build the components of capacity that will contribute to the development of the sought-after capacities. Relative to each sought-after capacity, we identified examples of components of capacity that are being put in place.

What we did not do was to comment on what will be needed by way of additional components of capacity if the four institutions are to more fully develop the sought-after capacities. To throw light on what may be missing or is being given inadequate attention it is helpful to adopt a more normative approach, as is done here. As indicated in Section 1.2.2 this leads us to identify two distinct sets of components of capacity:

1. Those components of capacity that are requirements common to each of the four institutions:

- Management/Administration Systems and Manuals;
- Human Resources Management System and Manuals;
- Orientation Programme;
- Job Descriptions;
- Strategic Plans;
- Funding Capacity and Sustainability of the Institution.

Common to all PEP partners, MTRs, Joint

These specific components are commented on separately, as discrete items identified in the MTR team's TOR.

2. Those components of capacity specific to each institution's needs. As indicated in Section 1.2.2, it is here that we have structured the discussion around what we have chosen to call "component capacities" (e.g., strategic planning capacity). A "component capacity" is both a component of capacity and is built up from the combination of other components of capacity.

For any one institution, the listing of the two types of components of capacity is designed to take the PEP partners closer to coming up with a comprehensive list. However, we wish to emphasize that the listings should not be viewed as a total listing. Having said that, we trust that the list should help to stimulate consideration of what should be looked for at such time as the PEP partners conduct their analysis of needs in building sustainable institutional capacity. These listings should be read in conjunction with the listings in relevant subsections in Section 7.

The observations rendered for each of the PEP partners and the individual units within IUCNP focus on the training and development initiatives, and the development of systems, tools and methodologies that are required to enhance the capacity development of the institution itself. As previously stated in Sections 1.2.2 and 7, the PEP funding has focused primarily on "buying" the capacity; that is, recruiting individuals for these organizations who have the requisite capacities in terms of skills, ability and knowledge required to perform the functions expected of their respective positions. No observations are rendered as to the particular degree of expertise or experience required by individuals within these positions.

In a number of areas where particular component capacities have been identified as being required in order to achieve the sought-after capacities identified in Section 7 (and repeated here for the convenience of the reader), no evidence was observed or provided with respect to the enhancement of that capacity: neither through the development of tools, systems or documented methodologies which may be used by other staff members of the organization or by its clients; nor by the attendance of staff members in various fora such as formal training programmes, conferences or symposia.

This should not be construed by the reader to convey that capacity development did not occur. It is meant to be reflective of fact that any such strengthening was solely as a result of the individual doing his or her job (i.e., it was "bought" capacity).

Such bought capacity, although of substantial benefit to the organization on a short term basis, cannot be regarded as "sustainable". When staff turnover occurs within an organization, the capacity of the organization is diminished unless the institution has documented and disseminated the knowledge that was resident

within the individual, and institutionalized the procedures, etc., such that they become available for the further development and use of others within the institution.

9.2.1 The NCS Unit

9.2.1.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the NCS Unit to facilitate the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Unit:

1. to promote the formulation, by federal and provincial agencies, of NCS-related policies;
2. to identify, prepare and coordinate NCS-related projects for and with federal and provincial agencies and NGOs;
3. to collaborate with NGOs and private sector bodies;
4. to monitor and evaluate NCS-related projects;
5. to increase public awareness and bring about environmentally-sound behaviour;
6. to promote environmental education;
7. to promote the implementation of the NCS; and,
8. to administer the NCS Unit.

9.2.1.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.1.2.1 Management/Administration Systems and Manuals

The NCS Unit follows government procedures with respect to management procedures and administrative processes.

9.2.1.2.2 Human Resources Management System and Manuals

The Human Resource Development Chapter of the five year plan is the overall HRD guide for the NCS Unit. Training opportunities are almost always taken advantage of. However, non-PEP staff are able to avail themselves of both PEP and non-PEP funded training opportunities but PEP-funded staff can utilize only PEP-sponsored training opportunities.

9.2.1.2.3 Orientation Programme

The NCS Unit has no formalized orientation programme for staff, neither relative to the Ministry of Environment nor to the PEP.

9.2.1.2.4 Job Descriptions

PEP-funded staff at the NCS Unit do not have job descriptions per se. They do function, as contracted employees through IUCNP, under a set of TOR that clearly delineate their functional responsibilities..

9.2.1.2.5 Strategic Plans

The NCS unit does not have a strategic plan, identifying the overall direction of the unit. The de-facto strategic approach, however, has been dictated by the NCS, which is, in and of itself, the strategic document guiding the work of the NCS Unit.

9.2.1.2.6 Funding Capacity and System for Maintaining the Sustainability of the Institution

Currently, the majority of positions within the unit are funded by PEP.

A PC-1 has been prepared and forwarded for review by the Planning Division, requesting the provision of funding from the GOP under development budgets for all PEP-funded positions from the expiration of PEP funding to the year 2003, at which time a further PC-1 will attempt to "regularize" these positions under non-development funding from the GOP.

It is evident that the sustainability of the NCS Unit is heavily dependent upon receiving the required funding from GOP. The MTR Team was advised by Senior Management of the NCS Unit that continued funding will be provided from GOP.

In the absence of securing appropriate funding from the GOP, it is expected that the NCS Unit would cease to exist. Given the apparent lack of uptake by the individual line ministries and agencies of their functional responsibilities relating to the NCS, this would precipitate a gradual (or perhaps rapid) withdrawal by the GOP from the implementation of the NCS within Pakistan.

Further observations relating to the sustainability of the NCS Unit are provided in Section 7.0, sub-section on SDPI.

9.2.1.2.7 Marketing/Communication Capacity

Employees recruited under PEP enabled the Unit to establish links with Ministries/Divisions like M/o Education, M/o Health, M/o Commerce, M/o Petroleum and Natural Resources, and Provincial Govts./line

agencies/departments for promotion of the NCS. In particular the M/o Education and M/o Health were consulted for chalking out mass awareness programmes.

One section officer of the NCS Unit attended a 40 day training programme on Urban Water Supply and Waste Water Management in Sweden, sponsored by SIDA.

The Deputy Secretary of the NCS Unit participated in a workshop on Environment Awareness and Education In Bangkok, sponsored by UNESCO and IUCN.

The Secretary and Section Officer Training, Ministry of Environment, and Deputy Secretary, and IEC Specialist; NCS Unit participated in the World Conservation Congress in Montreal, Canada.

Three staff members of the Unit (the Joint Secretary, the Deputy Secretary and a Section Officer) received training abroad in environment-related subjects during the year.

The Joint Secretary (NCS) visited Japan twice in the year, attending the workshops of Environmental Congress organized by Japan Government. Other officers of the Unit also participated in the various environment related activities abroad.

9.2.1.2.8 Negotiating Skills Capacity

No evidence was observed or provided with respect to the enhancement of this component capacity: neither through the development of tools, systems or documented methodologies which may be used by other staff members of the organization or by its clients; nor by the attendance of staff members in various fora such as formal training programmes, conferences or symposia.

9.2.1.2.9 Project Management Planning Capacity

A transparent selection process was developed to select the advertising agencies to carry forth the mass awareness campaigns for the problem of water pollution and health hazards associated with contaminated drinking water.

The Unit developed criteria for the selection of advertising companies related to mass communication campaigns.

The NCS constituting a committee to select the advertising agency/agencies.

9.2.1.2.10 Information Management Capacity

A database of environment-related NGOs has been developed.

A one-month Office Automation Software Computer Training course was followed by the Database Manager of NCS Unit.

A database of Islamabad-based advertising agencies through the Press Information Department of Ministry of Information and Media Development was developed.

The Unit developed a database of all projects/schemes under implementation by federal and provincial agencies. This was to keep track of NCS implementation.

9.2.1.2.11 Monitoring and Evaluation Capacity

A Project Planning and Monitoring Specialist was recruited in January 1997.

The NCS developed a Logical Framework Analysis (LFA) process for monitoring NGO projects funded by the Ministry of Environment, Local Government and Rural Development;

9.2.1.3 Recommendations

1. **The NCS Unit should develop an orientation programme for new staff members to familiarize them with the NCS and the Environment Ministry, thereby developing contacts and establishing networks.**
2. **The NCS Unit should develop a strategic plan to guide its operations during the implementation of the NCS. This would lead to improved prioritization of activities and more efficient use of resources.**
3. **The NCS Unit staff members should participate in a negotiating skills training programme, increasing their capacity in establishing networks and contacts with other line ministries.**
4. **Given the opportunities for increasing knowledge of a large constituency through the use of electronic media, the NCS Unit should investigate the use of the Internet, both as a research tool in accessing information as well as a vehicle for distributing information to a broader audience base.**

9.2.2 The Environment Section

9.2.2.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the ES to promote environmentally sustainable development planning in Pakistan.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the ES:

1. to formulate and review policies and plans;
2. to screen and technically appraise projects;
3. to coordinate collaboration on environmental planning matters intergovernmentally and between governments and NGOs and private sector bodies (including NCS activities);
4. to enhance environmental understanding and planning skills in federal and provincial agencies;
5. to service information requirements of the Planning Commission and the international investment community;
6. to manage the work of the ES.

9.2.2.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.2.2.1 Management/Administration Systems and Manuals

The Environment Section follows government procedures with respect to management procedures and administrative processes. Within the Environment Section, management authority has been devolved to Chief, Environment Section and subordinates, with clearly established guidelines identifying the parameters of these authorities in place.

9.2.2.2.2 Human Resources Management System and Manuals

The Human Resource Development Chapter of the five year plan is the overall HRD guide for the Environment Section. Training opportunities are almost always taken advantage of. However, non-PEP staff can avail themselves of both PEP and non-PEP funded training opportunities but PEP-funded staff can utilize only PEP-sponsored training opportunities.

9.2.2.2.3 Orientation Programme

The Environment Section has no formalized orientation programme for staff, neither relative to the Planning Division nor to the PEP.

9.2.2.2.4 Job Descriptions

PEP-funded staff at the Environment Section do not have job descriptions per se. They do function, as contracted employees through IUCNP, under a set of TOR that clearly delineate their functional responsibilities..

9.2.2.2.5 Strategic Plans

The Environment Section has no formal strategic plan in place.

9.2.2.2.6 Funding Capacity and System for Maintaining the Sustainability of the Institution

Currently the Environment Section is approved as a regular office, funded for capital and operational expenses under GOP funding. The current funding, however, does not cover staff salaries and benefits, necessitating the temporary allocation of staff from other line ministries and agencies within GOP.

A PC-1 has been prepared requesting provision of funding, under non-development budgets from the GOP, for staff salaries and benefits upon expiration of current PEP funding. It was indicated to the MTR Team by Senior Management of the ES that this PC-1 will be approved.

Further observations relating to the sustainability of the Environment Section are provided in Section 7.0, sub-section on SDPI.

9.2.2.2.7 Analytical Capacity

The formulation and review of environmental policy is a continuous activity that depends on periodic inputs from implementing agencies, and the lessons learnt from the shortfalls and bottlenecks.

Previous policies on the environment were reviewed and the programmes were evaluated to search out the bottlenecks and shortfalls which may have hampered plan implementation during the 8th plan.

The staff of the Environment Section did not proceed for direct training, however, received on the job training through participation in various seminars/symposia, workshops and other meetings organized by different national and international agencies like GIK Institute of Technology, National University of Science and Technology, SDPI, UNDP, ADB and NORAD.

About 14 national and international workshops on the various aspects of environment, organized by different agencies, were attended by the staff. Two training workshops, one in Bangkok sponsored by UNDP and other in India sponsored by ADB, were attended by the staff.

The Deputy Chief (Environment) participated in an Environmental Audit Workshop arranged by WWF (World Wide Fund). The officers of Environment Section attended a workshop on Performance Indicators Selection at Bhurban. The Chief (Environment) also attended the meeting of the National Committee for Habitat-II arranged by Environment & Urban Affairs Division.

9.2.2.2.8 Networking Capacity

International links were established with different international agencies like ADB, UNDP, UNEP, WHO, NORAD, World Bank, etc.

9.2.2.2.9 Project Management Planning Capacity

The Chief of Environment Section attended the 5th International Seminar on Environmental Management held in June, 1996 in Halifax, Canada.

The Environment Section participated in an RBM matrices and annual work planning workshop facilitated by a CIDA consultant and the monitoring and evaluation specialist at IUCNP.

9.2.2.2.10 Training Capacity

The staff have not received formal training on how to offer training programmes. They have had an opportunity to learn on the job in providing an environmental health impact assessment workshop and also, when working with the IUCNP's EIA specialist, in providing an EIA workshop. There are also modules in place for training programmes on how to incorporate environmental considerations into project designs and proposals.

9.2.2.3 Recommendations

1. The Environment Section should develop an orientation programme for new staff members to familiarize them with the Planning Division and to PEP, thereby developing contacts and establishing networks.
2. The Environment Section should develop a strategic plan to guide its operations during the implementation of the NCS. This would lead to improved prioritization of activities and more efficient use of resources.
3. The Environment Section staff members should participate in a training skills training programme, increasing their capacity in establishing training material and programmes for use with other Divisions within the Planning Division or other line ministries.

9.2.3 The Sustainable Development Policy Institute

9.2.3.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the SDPI to promote the adoption and implementation of policies, in the public, private and NGO sectors of Pakistani society, that are supportive of sustainable development.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the SDPI:

1. to manage the SDPI;

2. to increase public awareness of sustainable development issues in academia, government, the NGO community and the private sector;
3. to promote public debate of key sustainable development issues;
4. to provide access to research and information on sustainable development;
5. to conduct successful advocacy programmes;
6. to contribute to improvements in existing policies of public, private and NGO sector bodies.

9.2.3.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.3.2.1 Management/Administration Systems and Manuals

SDPI follows its management procedure manual for PEP and non-PEP activities alike. There is no distinction between PEP and non-PEP-funded staff at SDPI.

9.2.3.2.2 Human Resources Management System and Manuals

SDPI has a full time personnel officer.

It also has a formal HRD strategy embodied in its Personnel Development Plan. SDPI has done training needs assessments in the past, and is now in the process of completing a training needs assessment exercise for all PEP partners.

9.2.3.2.3 Orientation Programme

SDPI has a formal orientation programme embodied in the document "Induction Program at the SDPI".

9.2.3.2.4 Job Descriptions

All staff at SDPI have TOR that clearly delineate their functional responsibilities. SDPI undertakes mandatory annual staff appraisals.

9.2.3.2.5 Strategic Plans

SDPI has a strategic plan at the institutional level for the organization. It was developed in 1992. Individual units within SDPI do identify a strategic direction for themselves through the research agendas that are developed and approved through the management structure of SDPI.

9.2.3.2.6 Funding Capacity and System for Maintaining the Sustainability of the Institution

As previously identified in Section 7.0, the biggest achievement for the SDPI is to have almost attained that state of sustainability.

Given its position as an NGO, when the PEP funding runs out there will be no threat of the sudden termination of all funding.

SDPI has, while receiving PEP funding, gone out to the marketplace and successfully raised additional funding from other donors and international foundations. It has been less successful thus far with the private sector and general public in Pakistan.

However, in order for the SDPI to continue to raise funds and thus to continue to function effectively, it will have to do reasonably well in building its capacity and demonstrating a credible level of performance in achieving results.

Further observations on the sustainability of SDPI are found in Section 7.0.

9.2.3.2.7 Research Capacity

Positions were created to build linkages between SDPI research and NCS core programme areas. Faculty were hired and the research programme was developed. Eleven interns were trained through research assistantships at the Institute.

Two workshops on research methodology were held and attended by staff and researchers from Shirkatgah, Aga Khan Medical University, Balochistan Rural Support Programme, and the Strengthening Participatory Organization project.

SDPI assisted four research assistants in attending training and research workshops in Lahore, Malaysia and at the Harvard University.

SDPI established the research tool of interlibrary loans, something that was new to Pakistan. A workshop was held on Electronic Assistance and Resources Available at the SDPI Library. The Library database was converted to Library Automation Management Programme (LAMP) and the office staff trained to use the new database. A seminar was also arranged on co-ordination for inter-library loans.

9.2.3.2.8 Information Management Capacity

A Database Management Unit was established to expedite research by ensuring smooth and efficient functioning of computer hardware and software. The Institute subscribed to CompuServe and Sustainable Development Network. These global networks enabled the institute to send and receive electronic mail. Access to users from their workstations was also developed.

For internal communication, a Local Area Network, with a capacity of twenty users, was installed to exchange data files and messages between workstations.

Two databases were developed. The Development Database is a quarterly publication, which indexes and compiles abstracts of documents published in selected fields: the economy, social sector, service sector and survey methods. The Development Monitor is a weekly publication which indexes current economic and development news.

A number of databases were acquired from a number of organizations. These databases are available for public use.

An Internet connection was obtained, staff trained and a proposal developed for the much needed LAN upgrade. The network manager traveled to Canada to receive training in PITS.

9.2.3.2.9 Communications Capacity

A workshop was organized to introduce the Development Monitor database to staff and prospective users. SDPI started providing the Development Database (index of key statistics on development) and Development Monitor (index of current news on development and environment) to users upon request.

254 abstracts and summaries were prepared of reports focusing on macro-economic issues, from national and international institutions and organizations (e.g. Federal Bureau of Statistics, Population Census, State Bank, Ministry of Finance and the World Bank). These abstracts were also made available via an electronic network (Internet and E-mail).

9.2.3.2.10 Advocacy Capacity

SDPI is accredited to several international organizations and conferences. It also is a member of the IUCN. The Institute acquired membership in various research institutes including IIED (London); NEST(Nigeria); ZERO(Zimbabwe); WALHI (Indonesia); IIED/ILA (Argentina); and some environmental groups. SDPI developed extensive links with the Society for International Development, based in Rome.

SDPI also focused on strengthening and developing partnerships with various local NGOs including the Islamabad Social Science Forum and the Human Rights Commission of Pakistan.

A tool kit on pesticides was developed for NGOs. It contains a sample letter to editors, a letter to elected representatives and background information on pesticide use. Steps were being taken for circulation of the tool-kit among NGOs.

SDPI, in collaboration with the Goethe Institute, organized a three day conference on the Informal Sector. Various staff from SDPI were in attendance. The objective was to lend prominence to the contribution, richness and variety of the hitherto invisible informal sector, and highlight its importance in catering to the needs of a large section of the population.

9.2.3.2.11 Policy Development Capacity

No evidence was observed or provided with respect to the enhancement of this capacity: neither through the development of tools, systems or documented methodologies which may be used by other staff members of the organization or by its clients; nor by the attendance of staff members in various fora such as formal training programmes, conferences or symposia.

9.2.3.3 Recommendations

- 1. SDPI should develop an orientation programme for new staff members to familiarize them with the Planning Division and the PEP, thereby developing contacts and establishing network.**
- 2. SDPI staff members should participate in a policy development training programme, increasing their capacity in policy writing and development and in the provision of advice on policy development by the GOP.**

9.2.4 The IUCNP

9.2.4.1 Components of Capacity Required to Develop Sought-After Capacities for all six PEP-funded Units of IUCNP

9.2.4.1.1 Management/Administration Systems and Manuals

IUCNP follows its management procedure manual for PEP and non-PEP activities alike. There is no distinction between PEP and non-PEP-funded staff at IUCNP.

9.2.4.1.2 Human Resources Management System and Manuals

IUCNP has a full time personnel officer.

IUCNP encourages Human Resource Development but a formal HRD strategy does not exist. IUCNP has done a training needs assessment in the past, and is now in the process of completing a training needs assessment exercise for all PEP partners, in collaboration with SDPI.

IUCNP has a well developed Human Resources Manual, available to all staff, and the subject of mandatory review in the orientation programme of new staff members.

9.2.4.1.3 Orientation Programme

IUCNP has a well developed employee orientation manual and programme, which covers responsibilities on the part of the employee and the organization. Particular activities must be jointly undertaken and signed off by both parties. There are also provisions within the orientation programme for discussion between the employee and management of IUCNP on areas requiring further clarification.

9.2.4.1.4 Job Descriptions

All staff at IUCNP have TOR that clearly delineate their functional responsibilities. IUCNP undertakes mandatory annual staff appraisals and has a well developed procedural section in the human resources manual relating to the appraisal process.

9.2.4.1.5 Strategic Plans

IUCNP does not have a strategic plan at the institutional level for the organization. Individual units within IUCNP do identify an overall direction for themselves through the annual workplans that are developed and approved through the management structure of IUCNP.

9.2.4.1.6 Funding Capacity and System for Maintaining the Sustainability of the Institution

For IUCNP, PEP's main contribution has been to allow IUCNP to 'subsidize' a range of activities. It has allowed IUCNP to broaden its donor base. Following the successful completion of the First Frame Agreement, NORAD currently supports a three-year Second Frame Agreement with IUCNP. Similarly, IUCNP is receiving project funding from UNDP, The European Union, SDC, and the Royal Netherlands Embassy. Potential donors among others include the World Bank and Asian Development Bank. In order to further strengthen its resource base, IUCNP is in the process of setting up a Environmental Assessment consulting company.

Various units of IUCNP have successfully undertaken consultancy assignments in Pakistan and internationally. Last year IUCNP undertook consultancies for: IUCN offices in Nepal, Sri Lanka, Bangladesh; UNDP Pakistan; CIDA Bangladesh; Government of Saudi Arabia; Ghazi Barotha Hydropower project; Gharib Wal Cement Factory; etc. There is a steady increase in the number of requests to IUCNP for consultancy work from various organizations.

IUCNP's capacity has enabled it to secure large projects. Thematic units are being paid for their inputs to the projects through cross-charges.

The Programme Directorate has initiated an annual work planning and budgeting process for all IUCNP projects and programmes. The process is helping both the

thematic units and projects to negotiate required inputs and assistance, and agree on the outputs and cross-charges.

A review of the thematic units' resource base shows that although PEP remains the single largest source of funding, the proportion derived from cross-charges is increasing every year. In selected cases thematic units have successfully sought funding for their own thematic areas (e.g. the Education Unit has been funded through the British Council for a project on in-service teacher education).

Furthermore, due to the availability of high quality project staff, IUCNP is exploring the possibility of supporting thematic programmes with the help of project staff. If this were to materialize, the expansion of thematic work would take place in the project and programme offices. This would also allow for leaner thematic units at the country office, facilitate IUCNP's decentralization policy and build local capacity to respond to the programmatic and project needs in the provinces.

9.2.4.2 Recommendations

- 1. IUCNP should develop a formal strategic plan to guide its operations during the implementation of the NCS. This may lead to improved prioritization of activities and more efficient use of resources.**

All six of the IUCNP's units that are the subject of capacity development through the PEP are discussed as follows. The comments follow a format similar to that utilized in reviewing the progress of the other three institutions.

9.2.5 The IUCNP's Programme Directorate

The Programme Directorate has enhanced its capacity by "buying" highly qualified staff. These staff have also benefited from the advice of earlier management reviews of the IUCNP, which identified areas requiring further institutionalization of various systems, methodologies and tools for use within IUCNP. Very little formalized training or development has been undertaken within the unit itself. However, numerous systems, tools and methodologies have been developed which have strengthened the sustainability of the capacities required within IUCNP. A number of these are commented on in Section 7.0, and this section should be read in conjunction with comments rendered in Section 7.0.

9.2.5.1 Assumed Outcome of Activity: the Sought-After Capacities

The enhanced and sustainable capacity of the Programme Directorate (and thus of the IUCNP) to ensure that the IUCNP's projects and programme contribute effectively to the overall IUCN mission and to the implementation of the NCS in Pakistan.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Programme Directorate (PD):

1. to integrate and strategically focus the IUCNP's programme;
2. to support the development of projects that are both fundable and effective;
3. to ensure the effective monitoring and evaluation of the IUCNP's projects and programme;
4. to ensure effective programme management;
5. to contribute to the IUCNP's general policy making and administration;
6. to manage the Regional Programme to the benefit of both the IUCNP and other IUCN offices in the region of South and East Asia.

9.2.5.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.5.2.1 Strategic Planning Capacity

The PD has developed a 3-year strategic planning process to focus work on Pakistan's priority needs. Once finalized, it will be formalized with procedural manuals and established the appropriate tools (e.g., forms) for obtaining input from the various units within IUCNP.

The PD has developed a concept paper outlining the Regional Programme's objectives, management, and activities.

9.2.5.2.2 Monitoring and Evaluation Capacity

The PD has developed a system for monitoring and evaluating progress being made in realizing intended objectives on a project basis.

The PD has established a process for planning, monitoring and evaluating framework agreements.

The PD unit has created standards for progress reports.

9.2.5.2.3 Project Management Planning Capacity

The PD has developed and disseminated a Project Management Procedures Manual (although its former title — Project Proposal Development Procedures Manual — is more accurate), which is incorporated in basic training provided to new employees.

9.2.5.2.4 Facilitation Capacity

Although the PD has facilitated numerous meetings and workshops for the PEP partners (particularly in the development of the RBMs), there is no evidence of having attended any training or development programmes in this regard, nor having developed training modules on facilitation techniques for use within IUCNP or by the PEP partners.

9.2.5.3 Recommendations

1. **The PD Unit should ensure that all six PEP-funded units re-articulate their objectives for PEP and become comfortable with a simplified system of reporting before proceeding further with the PITS.**

9.2.6 The IUCNP's Strategies Support Unit

Few comments are rendered with respect to the Strategies Support Unit. Most of the capacity development that has been attained by this unit has occurred through the recruitment of highly qualified staff, providing coordination activities relative to the PEP. A large part of the work involves facilitating the communication and reporting of the PEP partners. The achievements relating to these areas are amply commented upon in Section 7 and are not repeated here. The focus in this section is on those aspects of capacity development that relate more to tools and methodologies that have been put in place or are required to be developed within the Unit.

9.2.6.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the Strategies Support Unit (and thus of the IUCNP) to promote and facilitate the formulation and implementation of conservation strategies.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Strategies Support Unit (SSU):

1. to manage programmes, such as the PEP, efficiently and effectively;
2. to assist GOP units to meet their obligations to programmes, such as the PEP, of which they are a part;
3. to maintain effective links, for programme collaboration, with international institutions, such as the CPO and IUCN's regional offices, that are outside Pakistan;
4. to promote and develop provincial and local conservation strategies;
5. to maintain productive links with international donors, and the federal and provincial governments in Pakistan as sources of funding;

6. to maintain productive relations with governments in Pakistan in support of the implementation of the NCS; and,

7. to contribute to the planning and management of IUCNP's programme.

9.2.6.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.6.2.1 Project Management Planning Capacity

A financial tracking and reporting system was designed and put in place, in collaboration with CIDA's Programme Support Unit.

A revised set of reporting guidelines was developed.

9.2.6.2.2 Networking Capacity

A network of donors demonstrating a tangible interest in supporting the implementation of the strategies and the transfer of experience gained on one strategy to another strategy, albeit supported by a different donor.

The existence of several strategies that each contributed to the creation of an enabling environment for the work of the donors.

An institutionalized procedure for systematic dialogue through project steering committees provides opportunity for maintaining continuing relations and follow up by staff.

An array of SSU contracts provides a network through which information on the priority concerns of a broad range of groups in Pakistan, can be obtained to help shape IUCNP's priorities.

9.3.6.2.3 Facilitation/Coordination Capacity

Established a Programme Advisory Committee (PAC), comprised of senior representatives of GOP, CIDA, SDPI and IUCNP.

Established a comprehensive exercise to prepare RBM matrices, workplans, annual expense accounts and budget forecasts for the unit.

Developed a process for purchase of equipment for the government units within the PEP.

9.2.6.3 Recommendations

1. Strategies Support Unit staff members should participate in a networking training programme to increase their capacity in networking.

9.2.7 The IUCNP's NGO/Community Support Unit

Few comments are rendered with respect to the NGO/Community Support Unit. Most of the capacity development that has been attained by this unit, has occurred through the recruitment of highly qualified staff, providing support activities to various NGOs and CBOs. A large part of the work involves facilitating the development of these various institutions. The achievements relating to these areas are amply commented upon in Section 7 and are not repeated here. The focus in this section is on those aspects of capacity development that relate more to training undertaken by staff, and tools and methodologies that have been put in place or are required to be developed within the Unit.

9.2.7.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the NGO/Community Support Unit (and thus of the IUCNP) to ensure community and NGO participation in the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the NGO/Community Support Unit (NGO/CSU):

1. to develop strategies for assisting communities to organize and become involved in environmental projects;
2. to strengthen the sustainable institutional capacity of NGOs to manage themselves;
3. to strengthen mechanisms for the mobilization of financial resources for NGOs working on the environment;
4. to enhance the environmental management capacities of NGOs;
5. to incorporate gender considerations into the work of IUCNP; and
6. to contribute to the planning, management and field operations of IUCNP's programme.

9.2.7.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.7.2.1 Training Capacity

Various staff from the Unit attended the following training programmes:

- Participatory training methods
- Identification of training needs of NGOs (Vietnam)
- Curriculum development workshop for NGO Management Training.

9.2.7.2.2 Networking Capacity

NGO network (started by NGO/CSU), focusing on Participatory Rural Appraisal, is available as a vehicle for organizing the exchange of experiences and lessons learned from others.

Working partnership with at least 5 major NGOs for collaboration on environmental field projects as support organizations to local NGOs and CBOs.

Organized roundtable discussions to facilitate NGO collaboration on preparing sub-strategies for NGO involvement in provincial conservation strategies and projects on environmental rehabilitation.

9.2.7.2.3 Organizational Development Capacity

Systems for organizing training on institutional development.

System for advising on:

- staff recruitment;
- training staff in participatory techniques; and,
- social/community mobilization.

9.2.7.2.4 Project Management Planning Capacity

Participated in an internal LFA and monitoring and evaluation exercise organized for IUCNP's staff, under PEP.

Participated in the MAS workshop on the planning for PEP.

Worked on the development of the RBMs.

9.2.7.3 Recommendations

1. **NGO/Community Support Unit staff members should participate in an Organizational Development training programme to increase their capacity in supporting the development of other institutions.**
2. **NGO/Community Support Unit staff members should participate in a Project Management Planning training programme to increase their capacity in project management planning.**

9.2.8 The IUCNP's Business and Law Unit

For the purposes of this section of the report, the business programme and the law programme are grouped as one Unit, given the requirement for common component capacities. In Section 7 they are treated as two separate programmes. In undertaking the needs analysis recommended in Section 7, it may be more appropriate to treat the Unit as two separate programmes.

recognizing there may be discrete component capacities required within an individual programme.

It is evident that in the field of law and business relations, most of the capacity development that has been attained by this unit has occurred through the recruitment of highly qualified and respected staff within the business and law communities. A large part of the work involves reviewing and critiquing draft legislation and policies relating to environmental law and/or drafting policies and legislation relating to environmental law issues. The achievements relating to these areas are amply commented upon in Section 7 and are not repeated here. The focus in this section is on those aspects of capacity development that relate more to tools and methodologies that have been put in place or are required to be developed within the Unit.

9.2.8.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacities of the Business and Law Unit (and thus of the IUCNP) to promote and contribute to the development of effective environmental legislation and the facilitation of its implementation, and to encourage and facilitate the role of the business community in the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Business and Law Unit (BLU):

1. to develop and fund its programmes in environmental law and environmentally sound business;
2. to contribute to the development of environmental legislation;
3. to provide legal support for IUCNP's projects;
4. to provide training in environmental law;
5. to serve as an environmental law resource facility;
6. to promote the merging of environment and economics in decision making;
7. to promote the development of options for financing the implementation of the NCS;
8. to promote the development and enforcement of effective pollution controls; and,
9. to contribute to IUCNP's general administration and policy development.

9.2.8.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.8.2.1 Environmental Law/Business Networking Capacity

Developed and documented the processes used in organizing round table discussion groups, bringing together government, industry, NGO and trade union representatives.

Undertook a study on the background of, and prospects for, debt for nature swaps in Pakistan, leading to an increased understanding amongst government of alternative future funding mechanisms for environment projects (albeit that debt swaps have limited potential in Pakistan).

Established long-term links with industry within a forum in which to assist with the development of effective pollution controls.

9.2.8.2.2 Policy/Legislative Development Capacity

Developed a pro forma Village Conservation Fund Agreement.

Developed a draft guide to handling of environmental cases by non-lawyers "The Layperson's Guide to Environmental cases".

Developed a draft reference volume for lawyers intended as a companion to the Layperson's Guide to Environmental cases.

Developed a proposal for a project on building awareness of green accounting.

Developed an Overview Paper for green accounting in Pakistan.

Developed a working manual "Developing a National Environment Fund in Pakistan Using Lessons Learned from the Field" which became the sourcebook for the development of proposed environmental funds in Pakistan (MACP Fund, Provincial Sustainable Development Funds).

Established alternative models for addressing the implementation of National Environmental Quality Standards and the operation of the proposed pollution charge.

9.2.8.2.3 Training Capacity

Developed a training programme entitled "NIPA Training: basic knowledge of Pakistan Environmental Protection Act", which imparted basic knowledge of the environment to senior civil service.

Developed a similar programme entitled "KUJ Training: basic knowledge of Pakistan Environmental Protection Act" which was provided to journalists working in Urdu.

Developed all material in preparation for a workshop for relevant government, NGO and research institutions on the Green Accounting Initiative.

9.2.8.2.4 Marketing/Communication Capacity

No evidence was observed or provided with respect to the enhancement of this capacity: neither through the development of tools, systems or documented methodologies which may be used by other staff members of the organization or by its clients; nor by the attendance of staff members in various fora such as formal training programmes, conferences or symposia.

9.2.8.3 Recommendations

- 1. Business and Law staff members should participate in a marketing/communication training programme, increasing their capacity in marketing/communication.**

9.2.9 The IUCNP's Education Unit

9.2.9.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the Education Programme (and thus of the IUCNP) to work collaboratively as an effective intermediary between education and environment in order to build capacity for education that supports sustainable development.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Education Unit (EU):

- 1. to recruit and train the Unit's staff;**
- 2. to contribute to the IUCNP's general administration and policy development;**
- 3. to support the development and implementation of environmental education (EE) sub-strategies within or supportive of conservation strategies;**
- 4. to support change in policies and practices in government education departments and the formal education sector;**
- 5. in the IUCNP's project areas, to add to the capacity of communities to manage their natural resources by enabling them to make the best possible use of EE;**
- 6. to promote EE, in the formal and non-formal education sectors, through dedicated human resources development (HRD) programmes;**

7. to build the capacity of the IUCNP's NGO members and partners for promoting EE;
8. to mobilize resource materials for the learning and teaching of EE; and,
9. (acting on behalf of the IUCNP), to build and utilize networks to links parties interested in promoting EE.

9.2.9.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.9.2.1 Networking Capacity

Staff members attended the "GRID seminar", which providing organization and leadership skills, required in the establishment of networking capacity within the institution.

9.2.9.2.2 Facilitation Capacity

Various staff members attended the following training programmes:

- "Techniques for influencing"
- "Collaborative management"
- "Strategy development for NGOs"
- "Grass roots communications in rural development".

9.2.9.2.3 Training Capacity

Various staff members attended the following training programmes:

- "Conflict resolution"
- "Developing participatory training skills".

Developed all materials, format and content, and provided an orientation workshop for a local NGO (Korangi Project).

9.2.9.2.4 Policy Development Capacity

Various staff members attended the following training programmes:

- "Report and letter writing skills"
- "Global policy issues and advocacy"
- "Biodiversity education conference from policy to practice".

Developed a draft manual for EE.

Developed an action plan for community participation in Korangi Project, in collaboration with the IUCNP's Coastal Ecosystem Unit.

Produced an awareness raising pamphlet for mangrove conservation.

Developed a concept paper for the development of "learning teaching" material.

Developed a process for integration of EE into pre-service teacher education.

Developed and gave a master trainers training program to incorporate EE in selected institutions.

Developed a process to enhance SPEDP's capacity to incorporate EE into its programmes.

Developed a process for the incorporation of environmental components into the Dept. of Psychology, Karachi University and the Aga Khan University--School of Nursing.

9.2.9.2.5 Project Management Planning Capacity

Various staff members attended the following training programmes:

- "PRA training"
- "Logical framework analysis"
- "Capacity building for RBMs"

As well, staff attended a CIDA monitoring and evaluation workshop.

9.2.10 The IUCNP's Communications Unit

9.2.10.1 Assumed Outcome of Activity: The Sought-After Capacities

The enhanced and sustainable capacity of the Communications Unit (and thus of the IUCNP) to provide communications support to IUCNP's overall mission, including the implementation of the NCS.

More specifically, this overall outcome is to be realized through the enhanced and sustainable capacity of the Communications Unit (CU):

1. to enhance the communications capacity of the PEP partners for the purposes of NCS' implementation and other programmes;
2. to facilitate the development of provincial conservation strategies;
3. to facilitate the implementation of provincial conservation strategies;
4. to assist in building the capacity of the media for environmental reporting;
5. to disseminate information on the environment;
6. to assist the IUCNP to become an effective advocate of sustainable development in Pakistan;

7. to contribute to the development of well-rounded programmes for both the IUCNP and the IUCN.

9.2.10.2 Components of Capacity Required to Develop the Sought-After Capacities

9.2.10.2.1 Project Management Planning Capacity

Developed and documented TOR for the Balochistan Conservation Strategy Communication Officer 's position.

Developed and documented TOR for the Sarhad Provincial Conservation Strategy Communication Officer 's position.

Participated in an internal LFA and monitoring and evaluation exercise organized for IUCNP staff, under PEP.

Participated in the MAS workshop on the planning for PEP.

Worked on the development of the RBMs.

9.2.10.2.2 Networking Capacity

Assisted in the development of the Sustainable Development Networking Programme.

Assisted SDNP in establishing a node in Karachi: supervised the purchase of equipment and the hiring of staff, and developed a process of handling customers and financial systems.

Classified and catalogued approximately 400 books in the development of an information resource centre for the promotion of environmental issues within Pakistan, and later computerized the cataloguing system.

Created a periodicals list and disseminated this to journalists and other interested parties.

Monthly lists of new acquisitions circulated in IUCNP, and sent to "eco-list" subscribers of SDNP.

Librarian attended a three-month course on library computerization.

9.2.10.2.3 Training Capacity

Assisted in writing a concept paper "Capacity Building in Environmental Communication – the NCS Unit's Role in Information Dissemination".

Evaluated SDPI's Communications Unit.

Developed a five-day workshop on industrial pollution, wildlife and forestry issues for Urdu journalists.

Developed an orientation workshop, in collaboration with the Karachi Union of Journalists, on environmental communication.

Developed an orientation workshop on biodiversity for media staff members.

Developed a communications paper for the Biodiversity Action Plan.

Developed a three-day workshop on communications and education for the Biodiversity Project.

9.2.10.2.4 Policy Development Capacity

Coordinated the development of draft PEP gender strategy by SDPI staff member.

One staff member participated in a gender sensitization workshop.

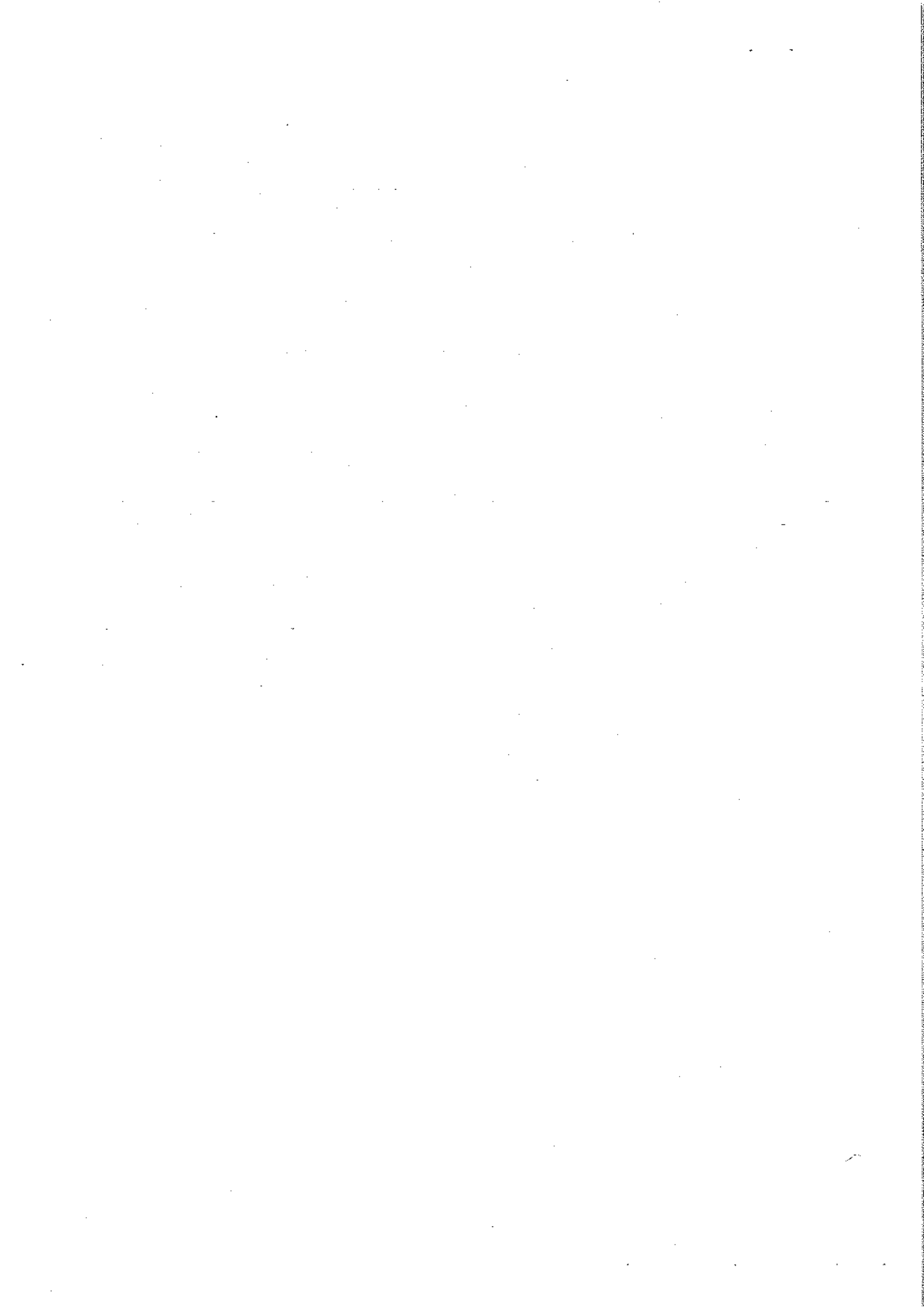
9.2.10.2.5 Marketing/Advertising Capacity

Organized a PRA workshop as an NCS demonstration project to further develop the communications skills of staff.

One staff member sent to a Panos/Shirkat Gah workshop on environmental journalism in Faisalabad.

One staff member received training in English writing skills.

A staff member attended the '96 Wildscreen Film Competition.



10.0 PRUDENCE AND PROBITY

10.1 Introduction

This section responds to four basic questions relating to the financial aspects of the PEP that are referred to in 4.6 of the MTR team's TOR:

- Is the financial information complete, accurate and reliable ? Are financial resources being used economically?
- Are there sound financial management policies and procedures in place, including budgeting, accounting and reporting systems and practices?
- Are there adequate strategies and practices in place that respond to the nature and level of risk to project funds and assets?
- Do the organizations (PEP partners) have contracting and contract management practices in place in accordance with sound contracting policies?

10.2 Methodology

Two local consultants, Mr. Tariq Qurashi, General Manager of the CIDA Programme Support Unit (PSU) and Mr. Attar Ali Khan, accountant at the CIDA PSU, were engaged to undertake this section of the review. They focused on:

- Planning, Budgeting and Forecasting;
- Accounting Systems and Administrative Procedures (including procurement, security and disposal of assets, and contracting)
- Financial Reporting.

Each of the four units was examined by conducting staff interviews, reviewing documentation and doing spot checks and "walk through checks" where possible.

Each organization is reported on separately.

11.3 Documents Reviewed

The following documents were reviewed for each of PEP partners, wherever possible. Comments have been made only in those areas which require special attention, areas which are not specifically mentioned were found to be satisfactory.

- TOR of MTR
- Contribution Agreement
- MOUs between IUCNP and the PEP Partners
- Advance Requests / Forecasts
- Reconciliation of Actual and Reported Expenditures, IUCNP

- Exchange Rate calculations, IUCNP
- Expenditure Reporting
- Financial Reporting
- Funds Requests of IUCNP Offices and Units
- Receipt and Payment Vouchers
- Lease Agreement, IUCNP
- Curricula Vitae and TOR of Finance Staff, IUCNP
- Budget Committee Reports, IUCNP
- Payroll, IUCNP and Government Units
- Insurance Policy Lists
- Internal Control Procedures
- Inventory Lists
- Audit Reports of IUCNP and SDPI
- Workplans

10.4 The IUCNP

10.4.1 Planning, Budgeting And Forecasting

Each of the six heads on the PEP funded units prepare annual work plans and budgets. Essentially the activities of these units can be divided into project based activities and other activities. In effect all expenditures that can be assigned to a particular activity or project which is funded through other donors or other sources of income is assigned first in this way. The remaining expenditures which cannot be assigned to a particular project are then assigned by the unit managers to be taken out of the PEP funds. The reason for this is that the PEP funding is much more flexible in nature and it is felt that it should be used only when expenditures cannot be assigned to a particular project activity. The PEP funding is therefore used heavily for activities such as planning and research which has often led to the preparation of proposal documents for funding from other donors. At other times PEP funding of staff salaries allows personnel to work on internal systems such as planning, budgeting and reporting which are difficult to assign to a particular project.

The problem with this system is that different managers seem to be using different methodologies while assigning budgets. In addition the budgeting process itself within each unit seems to be ad hoc and not clearly linked to planning. Since the budgets provided to the finance section feed into the forecasts presented to CIDA for PEP funds, this seems to have led to fairly inaccurate forecasting, with IUCNP on some occasions using only half the amount requested from CIDA for a particular period. It must, however, be said that a significant contribution to the inaccuracy in the forecast is also made by the government units. IUCNP is however in a position to work more closely with them than it appears to have done in helping them with their financial systems in general, and forecasting in particular.

This problem can at least be partially addressed within IUCNP itself by standardizing procedures for PEP funding allocation within the units, and making

sure that there is a real and consistent link between funds requested, and planned activity. Again, unit managers seem to require training in linking their planning systems into their budgeting. One explanation for this possible weak linkage between planning and budgeting may be that a Results Based Management (RBM) matrix was developed well after the beginning of the project and had to be retrofitted as required. These new (RBM) matrices should be used not only for the annual work plans, but also for the quarterly work plans, and the unit managers should be asked to prepare quarterly and annual budgets linked directly to and corresponding with the activity they plan to undertake.

Although a system exists for preparation of budgets and for quarterly advance requests, in some cases forecasts have exceeded the actual expenditure. IUCNP does not follow up with the other PEP partners on the issues of over forecasting and excess balances in hand. An analysis of the forecast and expenditure for the last eight quarters substantiates this view:

Quarter	Fiscal Year	Forecast Cdn \$	Actual Expenditure Cdn \$	Variance %
1	96/97	477,186	349,400	27.00
2	96/97	415,740	367,200	12.00
3	96/97	438,400	251,200	43.00
4	96/97	341,992	311,100	9.00
1	97/98	347,305	257,700	26.00
2	97/98	438,554	238,700	46.00
3	97/98	473,880	402,000	15.00
4	97/98	501,000	203,300	59.00

10.4.2 Budget and Expenses Status to December 31, 1997

The table shown below shows the following trend for the expenses incurred up to December 1997 for all nine units being strengthened, including the six from IUCNP.

PEP Partners Allocations of Expenses
December 1997

Items	1 Budget Cdn. \$ (000)	2 Budget Break down %	3 Actual Exp Cdn. \$ (000)	4 Actual Expenses %	5 Balance unspent %
Communication U.					
Staff	538.9	5.78%	254	5.75%	52.79%
Operations	193.9	2.08%	111	2.51%	42.60%
Activities	213.3	2.29%	141	3.17%	34.13%
Education U.					
Staff	301.6	3.23%	158	3.57%	47.55%
Operations	122.1	1.31%	68	1.53%	44.47%
Activities	20	0.21%	1	0.02%	95.50%
Programme Directorate					
Staff	732.1	7.85%	409	9.25%	44.08%
Operations	127.9	1.37%	94	2.12%	26.58%
Activities	84.8	0.91%	30	0.67%	65.09%
NGO/CSU					
Staff	396.3	4.25%	239	5.40%	39.72%
Operations	82.8	0.89%	42	0.95%	49.28%
Activities	47.2	0.51%	15	0.35%	67.37%
Business & Law U.					
Staff	141.1	1.51%	64	1.45%	54.36%
Operations	53.6	0.57%	47	1.05%	13.25%
Activities	39.9	0.43%	22	0.49%	45.61%
Strategies Support U.					
Staff	507.1	5.44%	295	6.66%	41.83%
Operations	286.2	3.07%	249	5.62%	13.14%
Activities	40	0.43%	8	0.18%	79.75%
PITS					
Staff	8.1	0.09%	1	0.02%	88.89%
Operations	5	0.05%	0	0.00%	100.00%
Activities	10	0.11%	6	0.14%	36.00%
Equipment	94	0.10%	53	1.20%	43.40%
Overhead cost	404.3	4.33%	388	8.76%	4.08%
Sub Total IUCNP	4450.2	47.70%	2694.9	60.88%	39.44%
NCS Unit	2000	21.44%	211	4.76%	89.47%
ES	1400	15.01%	179	4.05%	87.20%
SDPI	1480	15.86%	1,342	30.31%	9.33%
Total	9330.2	100.00%	4426.6	100.00%	52.56%

- i. IUCNP has spent 61% of their budget up to Dec 97.
- ii. NCS Unit has spent only 11% of their budget up to Dec 97.
- iii. Environment section has spent only 13% of their budget up to Dec 97.
- iv. SDPI has spent 91% of their budget up to Dec 97.

Detail analysis by each line item is given in the relevant table of each PEP partner.

10.4.3 Accounting System - Internal Controls

IUCNP has reasonably good internal controls and a good accounting system. The Finance section is well equipped and has qualified staff. There exists a system of cross checks and balances, segregation of duties and regular data entry for updating. IUCNP is using a very well known and comprehensive accounting software, SUN, for recording accounting transactions and for financial reporting. It consolidates and integrates the accounting systems of its Karachi head office with its two main branches, i.e. Islamabad and Peshawar.

It should also be noted that, relative to each of the four PEP partners payroll costs are not charged to the project on the basis of time spent by the employees as required in the contribution agreement.

10.4.4 Audit

IUCNP is regularly audited by a well known audit firm Coopers and Lybrand. Although they have been getting clean audit reports, the audit report does not include any management letter, pointing out the weaknesses in internal controls and making suggestions for improvements. The utility of these audits in terms of improving systems and procedures is therefore limited.

10.4.5 Financial Reporting

There exist a lag, of approximately two months, between the timing of the advance requests and reporting of the actual expenditure.

10.4.6 Security of Assets and Inventory Control

No proper inventory had been maintained in IUCNP until fairly recently, but now most capital items have been brought onto the inventory list in the head office, and the branch offices are now in the process of sending in their inventories.

Although it appears that IUCNP has taken corrective action, it was not in a position to provide an updated inventory list for the organization. Up to quite recently, capital assets within this organization would have been open to pilferage, and or, misuse without any possibility of checking records to ensure the security of these assets. It also means that any new goods procured will not have been entered into any inventory register and therefore could have been diverted to illegal use.

In addition, any capital items that have become redundant unserviceable, or have been disposed of in any other manner may now be impossible to detect or locate.

The lack of proper inventory records is a serious oversight for an organization which has the quantum of assets of high value that IUCNP has.

A full physical inventory should be taken of all movable and immovable assets and this must be matched and cross referenced with purchase orders and/or invoice payments made for such items right from the inception of this project. In addition, inventory control and management procedures must be laid out clearly for the procurement of assets, their record while in use, and the procedure for their disposal at the end of their functioning life. It is imperative that copies of all purchase orders and/or invoice payments or goods procured are copied by the Finance Section to the Administration Section for inclusion or deletion from the inventory list. The inventory must be updated at a minimum on a quarterly basis.

10.4.7 Procurement Procedures and Disposal of Assets

Procurement of large capital items seems to be done with a good level of transparency and following a set procedure which involves signatures on the purchase orders by the Administration Manager, Accountant and Financial Manager. At least three quotations are asked for in writing, which is considered to be sufficient for CIDA purposes. It appears however that quotations are not all opened at the same time by a selection committee, and this could therefore lead to irregularities in the bidding procedure, in that one of the quotations could be opened earlier and one of the bidders forewarned concerning its contents. There is no evidence that this has actually happened. However, a selection committee should be constituted for all procurement so that all bids can be opened together.

Normal procurement procedures are not followed for the purchase of stationery and other items which are often procured in relatively small quantities. These are bought frequently and without a competitive process. IUCNP is already reviewing this situation, and is in the process of getting bids for stationery items so that they can be procured less frequently, in larger quantities and at a more competitive price.

It appears that IUCNP makes good use of its duty free status and uses duty exemption certificates wherever possible so as to reduce the cost of items imported by it or procured from the local market.

Auctioning and disposal of assets seems not to have occurred very frequently, but where it has, the auction seems to have been internal in which only IUCN staff participated. This is against CIDA regulations and all items for auction should be disposed of in an open auction in which the general public is allowed to bid.

Periodic cross checks by the Finance or Administration staff into the cost of items in the local market should be done as a matter of practice, so that there is an independent opinion as to whether the procurements IUCNP has done are compatible with market prices. If a particular piece of equipment is so badly damaged, or so obsolete that it cannot be auctioned easily, then a committee, perhaps the same committee that does procurement, should be empowered to

write off an asset so that it can be withdrawn from the inventory. This will ensure that the inventory only contains items which are still serviceable.

Rules and regulations within the procedures manual in IUCNP be followed more strictly than has been the practice up till now.

10.4.8 Contracting

The contracts in IUCNP are essentially maintenance contracts, (such as those for computers and photo copiers), and staff contracts. The great majority of contracts however are for staff positions and fall into two categories: fixed term contracts; and, open ended core staff contracts. There are only a few core staff with open ended contracts, and the vast majority are on fixed term contracts for a specific duration which tends to be related to project work. The selection procedure for staff is extremely transparent involving a fairly complex process and two interview panels before a final decision is arrived at. Staff salary is determined by the position requirements, experience and the previous pay of the candidates selected.

There is an "end of probation review" after six months, and if the candidate is selected he/she is confirmed with full staff benefits.

It appears that the selection process for the contracting of staff is extremely rigorous and transparent, and this is reflected in the high quality of staff that IUCNP has managed to recruit.

10.4.9 Recommendations

- 1. IUCNP should improve its coordination with the other PEP partners to streamline its forecasting and funds management. However, it is recognized that this also depends on the adequacy and competency of Finance staff of the other PEP partners, especially the NCS unit.**
- 2. IUCNP should improve its reporting procedures to promptly report the actual expenditure.**
- 3. The procurement procedures and inventory recording systems need to be streamlined, and procedures in this regard laid out clearly and adhered to.**
- 4. Planning and budgeting procedures should be integrated and streamlined.**

10.5 The SDPI

10.5.1 Planning, Budgeting and Forecasting

Other than the PEP's results-based plan which includes work planning of all the PEP partners, there seems to be little quarterly planning done in a formal way. There is also no connection between any planning which might have been done by section heads and quarterly funds forecasting. Forecasts were based on figures extracted from the Memorandum of Understanding (MOU) and divided by four to get quarterly amounts. The new Director of Finance is trying to get the situation under control and says that they are now working on starting a system of financial forecasting and budgeting which will be linked to quarterly planning.

It appears that other sections within SDPI have little contact with, and possibly little interest in, the accounting and financial aspects of management. This is a weakness which has continued from the beginning of the project and is reflected in the fact that SDPI seems never to have really got to grips with this aspect of organizational capacity building. It appears that technical assistance from IUCNP, the CPO or short term consultants was neither sought nor offered at any time.

If the budgeting and forecasting function of SDPI is to be streamlined it should be a requirement that the Accounts and Administration Section must work more closely with the rest of the organization and be directly involved in decision making such as planning. In turn each researcher/section head must be trained in some basic financial skills and must be made responsible for and accountable for the budgets that their section both prepares and uses. It is only if managers within the organization have to take accountability for their decisions that involve financial expenditures that one will get good financial forecasting and budgeting. We understand that some section heads have started to prepare their budgets, but clearly much more needs to be done.

10.5.2 Budget and Expense Status to December 31, 1997

Allocation of Expenses
December 1997
SDPI

SDPI has spent 91% of their budget.

Items	1 Budget Rs.	2 Budget Break Down %	3 Actual Exp Rs.	4 Actual Expenses %	5 Balance unspent %
Salaries & benefits					
EDs Office					
TB	6,652,119	20.43%	4,096,986	13.94%	38.41%
DD	886,489	2.72%	623,219	2.12%	29.70%
NS	322,305	0.99%	222,122	0.76%	31.08%
Sub-total	7,860,913	24.14%	4,942,327	16.82%	37.13%
Program Dev & Monitoring					
MS	1,618,387	4.97%	940,815	3.20%	41.87%
Sub-total	1,618,387	4.97%	940,815	3.20%	41.87%
Administration & Finance					
ND	1,234,120	3.79%	1,165,280	3.96%	5.58%
Mgr Finance	2,008,128	6.17%	616,485	2.10%	69.30%
FJ	1,035,592	3.18%	881,093	3.00%	14.92%
NZ	491,990	1.51%	439,090	1.49%	10.75%
FD	380,458	1.17%	241,641	0.82%	36.49%
AM	177,620	0.55%	130,018	0.44%	26.80%
GM	92,122	0.28%	85,214	0.29%	7.50%
Gulshan	303,579	0.93%	228,884	0.78%	24.60%
Rasheed	157,486	0.48%	174,865	0.59%	-11.04%
MH (Chokidar)	217,607	0.67%	192,407	0.65%	11.58%
SZ	96,614	0.30%	61,402	0.21%	36.45%
LM (Sweeper)	126,669	0.39%	82,401	0.28%	34.95%
Sub-total	6,321,985	19.42%	4,298,780	14.63%	32.00%
Comm. & Advocacy					
KN	0	0.00%	89,780	0.31%	0.00%
Sub-total	0	0.00%	89,780	0.31%	0.00%
Policy Advice:	1,830,000	5.62%	478,604	1.63%	73.85%
Sub-total	1,830,000	5.62%	478,604	1.63%	73.85%
Publications:					
NN	600,000	1.84%	301,564	1.03%	49.74%
MU	125,832	0.39%	284,957	0.97%	-126.46%
Sub-total	725,832	2.23%	586,521	2.00%	19.19%
Operations	14,202,883	43.62%	15,250,301	51.89%	-7.37%
Sub-total	14,202,883	43.62%	15,250,301	51.89%	-7.37%
Catalytic Operations	0	0.00%	2,803,736	9.54%	0.00%
Sub-total	0	0.00%	2,803,736	9.54%	0.00%
Grand Total	32,560,000	100.00%	29,390,864	100.00%	9.73%
Eqv. Cdn \$	1,480,000	100.00%	1,341,900	100.00%	9.33%

10.5.3 Accounting System - Internal Controls

Since its inception, SDPI has consistently faced problems in setting up its accounting systems and has had a high turn over of staff in their Finance Section. It has been experimenting with different accounting software, and then reverting back to a manual system. At the moment it is trying to set up another computer software programme and has been in the process of entering data for the last eight months (July '97 to Feb. '98). The section has no formal system to process the accounting data and to prepare financial reports. It is relying solely on the bank book for this purpose.

10.5.4 Audit

Until now, the audit reports of SDPI have not included any management letters, pointing out the weaknesses in internal controls and making suggestions for improvements. Thus, the utility of this audit in terms of improving systems and procedures has been limited. Later in this review we learned that a management letter had been received, although we have not seen it.

10.5.5 Financial Reporting

SDPI is regularly sending financial reports to IUCNP. However, as SDPI has been constantly facing problems in setting up an accounting system, the accuracy of these reports is doubtful.

10.5.6 Security of Assets and Inventory Control

There is an inventory list available of assets procured with PEP funds, but this list does not include the prices of the items procured, and therefore it is not possible to cross check this list with records kept in the accounts. The inventory list should contain prices of items procured. There has not been a regular annual physical check of the inventory which should be done regularly to ensure that the records match the physical reality of the inventory held.

10.5.7 Procurement Procedures and Disposal of Assets

Procurement procedures are clearly laid out in a comprehensive procedures manual that SDPI has, and appears to be followed in a transparent manner.

There has been almost no disposal of assets up till now but we would like to remind the organization that according to CIDA regulations any disposal of assets should be done by open auction.

10.5.8 Contracting

The vast majority of contracts in SDPI are staff contracts and are entered into once selection of staff has been made by two recruitment committees. One committee is for the research staff and the other committee for non-research staff.

The procedure is well laid out and transparent. However, when a particularly good candidate is identified, a position is created for him/her and the selection procedure gone through as a formality. This was stated to be due to the fact that since there is such a shortage of skilled and suitable candidates in Pakistan it is inadvisable to let the opportunity of recruiting good candidates go by.

10.5.9 Recommendations

1. The process of data entry for the last eight months should be expedited and a manual system of accounting should be maintained as a back up until the computerized system of accounting is fully tested and updated.
2. A proper fixed asset register should be maintained, with regular stock taking and reconciliation with accounting records.
3. Auditors' terms of reference should include the audit of internal controls and a systems review, that points out the weaknesses and makes recommendations for improvements.
4. Budgeting, planning and forecasting procedures should be integrated and streamlined.

10.6 The NCS Unit

10.6.1 Planning, Budgeting and Forecasting

There are six areas of activity in which the NCS unit is involved at present: the PEP funded by CIDA; the Mass Awareness Program funded by the GOP; the EPRC project funded by the World Bank (Soft Loan); the Kasur Tanneries project funded by UNIDO; the Juniper Forest Project funded by the Government of Balochistan; and, the Upland Rehabilitation Project funded by the European Commission.

As far as the PEP is concerned the main planning document is the combined PEP annual results-based workplan. Most activities of the NCS unit seem to be based on proposals and planning for a particular activity rather than an integrated planning process related to the PEP results-based work plan.

The net result of this rather heavy and ad hoc work load is that planning and budgeting are very under developed. The NCS unit has so far only asked for two advances totalling two million eight hundred and twenty five thousand rupees and has not yet utilized this amount fully. Forecasting and budgeting by each unit head on a quarterly basis is not practised, and at present all financial work is being done by one of the PEP managers as an additional charge. There is a vacancy in the Administration Accounts position which has not been filled for nearly a year, and therefore the person who at present handles this portfolio is

neither trained for, nor experienced in carrying out the financial and administrative activities that he is now required to undertake.

It is imperative that budgeting and planning for quarterly activities be integrated, and the officers concerned become directly involved in this process for the areas of activity for which they are responsible.

The reasons given for under utilization of the budget are complex internal approval procedures for activities, and a heavy workload in activities other than the PEP. In addition, some operating expenditures are charged to the GOP, and not, as originally budgeted, to PEP.

At present the planning, budgeting and forecasting systems are quite underdeveloped and require much attention.

There is no proper procedure for accurate forecasting and funds requests. The funds requests are made on the basis of dividing the total budget by the number of remaining quarters in the future period. This has resulted in the holding of excess funds in hand, and is evident from the following analysis

Date	Advance Received Rs.	Quarter Ended	Actual Expenditure Rs.	Balance In Hand Rs.	Balance In Hand
Oct, 96	2,325,000				
Dec, 96	500,000				
		Dec 96	503,657	2,321,343	82%
		Mar 97	529,808	1,791,535	63%
		June 97	463,264	1,328,271	47%
		Sep 97	391,022	937,249	33%

10.6.2 Budget and Expense Status to December 31, 1997

As is shown in the following table, so far NCS has spent only 11% of its budget which suggests that there is a delay in carrying out their activities.

Allocation of Expenses July 1996 to December 1997 NCS Unit

Items	1	2	3	4	5
	Budget Rs.	Budget Break Down %	Actual Exp Rs.	Actual Expenses %	Balance unspent (1-3) %
Equipment	5,200,000	11.74%	1,540,100	5.24%	70.38%
Sub-total	5,200,000	11.74%	1,540,100	5.24%	70.38%
Activities					
Int. Travel	1,221,000	2.76%	385,509	1.31%	68.43%
Dom. travel	1,221,000	2.76%	47,166	0.16%	96.14%
W. shop/Conf.	6,105,000	13.79%	118,986	0.40%	98.05%
Printing	611,000	1.38%	697,250	2.37%	-14.12%
Resear./studies	6,105,000	13.79%	0	0.00%	100.00%
Training	2,500,000	5.65%	12,000	0.04%	99.52%
Mass awareness	1,000,000	2.26%	107,302	0.37%	89.27%
Env./Edu	2,500,000	5.65%	47,924	0.16%	98.02%
Consultancy	4,689,000	10.59%	1,613,789	5.49%	65.58%
Sub-total	25,952,000	58.60%	3,029,926	10.31%	88.32%
Operations	13,132,000	29.65%	1,047,929	3.57%	92.02%
Sub-total	13,132,000	29.65%	1,047,929	3.57%	92.02%
Grand Total	44,284,000	100.00%	5,617,955	100.00%	87.31%
Eqv. Cdn	2,000,000	100.00%	210,600	100.00%	89.47%

10.6.3 Accounting System - Internal Controls

The unit follows the rules and procedures of the Government of Pakistan for payment receipts and procurement which are adequate for control purposes.

The unit has no proper accountant and the NGO and Private Sector Specialist was handling the accounting matters as an additional charge. There are no books of accounts being maintained and regular reconciliations with the bank are not being done. In the absence of a proper accountant and an accounting system, accurate financial reporting is not possible.

10.6.4 Audit

The unit has not been externally audited since the funds have been transferred to its bank accounts.

10.6.5 Financial Reporting

The unit has been regularly sending in its financial reports. However in the absence of an accounting system, the accuracy of the data reported in these reports is doubtful.

10.6.6 Security of Assets and Inventory Control

There is an inventory register maintained for all items procured under PEP, and each item has been numbered in the register. However, since there is no formal accounting system in existence within the NCS Unit it is impossible to cross check these procurements with the financial records. However, it is possible to cross check these procurement against the bank cheque books held, since they contain the reference numbers of the files on which procurement permission was obtained.

A physical inventory check has not been done regularly and it should be done at least once a year.

There are three vehicles which were procured under the PEP, however these vehicles are not at the disposal of the NCS Unit's staff, but are being used by other officials within the Ministry. These vehicles should be returned to the NCS Unit. In addition to these vehicles the NCS Unit does have access to four Government of Pakistan vehicles which they use for their day to day duties.

10.6.7 Procurement Procedures and Disposal of Assets

Procurement procedure seem to be well laid out and follow Government of Pakistan regulations, in that any procurement over twenty five thousand rupees has to be advertised in the newspaper and written quotations obtained. The quotations are opened by a procurement committee. For any procurements over five thousand, but less than twenty five thousand rupees, quotations are asked for and approval given for the procurement by the Deputy Secretary and then the Joint Secretary. For amounts under five thousand the Deputy Secretary is allowed to procure without any quotations being required. This procurement process is well within CIDA guidelines.

10.6.8 Contracting

There is very little contracting for any services under the PEP. However, the seven staff funded under PEP are supposed to be contracted by IUCNP directly. They are being paid against the equivalent government grades under which they were employed. They do not get government holidays, and receive only fifteen

days of leave a year which includes sick leave. The Environment Section's contract employees get full GOP leave allowances, and the discrepancy between the Environment Sections staff and the NCS Unit's staff is causing dissatisfaction. In addition, the future of the NCS Unit's Contract Staff after the PEP project ends is unclear, since the PC-1 which would regularize their positions has not yet been approved.

10.6.9 Recommendations

1. The NCS unit should immediately hire a proper accountant and should maintain proper books of accounts.
2. Bank accounts should be reconciled each month.
3. Proper budgeting and forecasting should be done based on the planned activities, to keep the balance in hand to a minimum.
4. An annual audit should be carried out by independent auditors.
5. Contractual conditions of the NCS Unit's staff should be reviewed by IUCNP to make them more compatible with those of the Environment Section. There should be special attention given to leave allowances and per diem levels.

10.7 The Environment Section

10.7.1 Planning, Budgeting and Forecasting

The annual results-based work plan of the PEP is the basic planning document of the Environment Section (ES). Since the work of the ES is clearly laid out and fairly routine compared to some of the other PEP partners, there is a good co-relationship between the results based matrices in the work plan and the actual work done in the section. There is no forecasting based on quarterly planning. The funds utilized by the ES tend to be consumed largely on operating costs such as vehicles and telephone.

Since the government pays for the non-PEP salaries, electricity and many other operating costs, the utilization of funds in this government unit are much lower than those expended in the IUCNP or SDPI. Both of these NGOs of course spend their funds on salaries, operating costs and other core funding activities at a much higher rate than does the ES. This was the main explanation given for the under utilization of funds by this section. Since it does not have projects or other activities in large quantities, but tends to work on routine assessment of government projects, its utilization of funds for other activities is also relatively low. In addition, much of the procurement of capital items has already been done, and there is much lower expenditure under this head. This unit has a fully qualified accounts officer, and therefore their accounts files and budgets, such as they are, are well maintained and properly recorded.

Early on in the PEP, the ES had over-forecasted, which resulted in its holding excess funds. This is evident from the following data:

Date	Advance Received Rs.	Quarter Ended	Actual Expenditure Rs.	Balance in Hand Rs.	Balance In Hand %
Aug 25, 96	1,885,000	Sep 96	154,699	1,730,301	92%
		Dec 96	535,906	1,194,395	63%
		Mar 97	278,574	915,821	49%
		June 97	366,848	548,973	29%
Sep 25, 97	1,000,000	Sep 97	403,321	1,145,652	115%
Dec 8, 97	1,000,000	Dec 97	632,751	1,512,901	151%

10.7.2 Budget and Expense Status to December 31, 1997

The breakdown of expenses prior to July 96 is not available. However the total expenses in terms of Canadian Dollars is \$ 179,200. This is 13% of the ES's budget and suggests delay in carrying out its activities.

Allocation of Expenses: ES July 1996 to December 1997

Items	1	2	3	4	5
	Budget Rs.	Budget Break down %	Actual Exp Jul 96-Dec 97 Rs.	Actual Expenses %	balance unspent (1-3) %
Equipment	2,300,000	7.28%	233,744	0.80%	89.84%
Sub-total	2,300,000	7.28%	233,744	0.80%	89.84%
Activities					
Int. Travel	2,500,000	7.91%	187,497	0.64%	92.50%
Dom. travel	1,280,000	4.05%	47,083	0.16%	96.32%
W. shop/Conf.	4,550,000	14.4%	199,318	0.68%	95.62%
Printing	615,000	1.95%	6,000	0.02%	99.02%
Resear./studies	5,000,000	15.83%	0	0.00%	100.00%
Training	2,500,000	7.91%	8,285	0.03%	99.67%
Consultancy/Contracted Servs.	6,300,000	19.94%	1,145,450	3.90%	81.82%
Sub-total	22,745,000	72%	1,593,633	5.42%	92.99%
Operations	6,545,000	20.72%	544,721	1.85%	91.68%
Sub-total	6,545,000	20.72%	544,721	1.85%	91.68%
Grand Total	31,590,000	100.00%	2,372,098	8.07%	92.49%
Eqv. Cdn	1,400,000	100.00%			

10.7.3 Accounting System - Internal Controls

The unit follows the rules and procedures of the Government of Pakistan for payments receipts and procurement which are adequate for control purposes. This unit is well organized and is keeping books of accounts.

The unit has a proper accountant and a reasonably maintained manual accounting system. The unit maintains a cash book in an odd fashion, funds received are not entered in the cash book and only payments are entered. Bank balances are worked out from the totals worked out from the counter foils of the cheque book, and not from the cash book. Also, no reconciliation has been ever done with the bank since the funds have been received.

10.7.4 Audit

The unit has not been externally audited since the funds have been transferred to its bank accounts.

10.7.5 Financial Reporting

The unit has been regularly sending the quarterly reports to IUCNP.

10.7.6 Security Of Assets and Inventory Control

There is a proper inventory register maintained, and since this unit has just shifted to new premises, a physical inventory check has recently been carried out. However no prices of goods procured have been entered in the inventory, and this makes it impossible to cross check with the financial record.

10.7.7 Procurement Procedures and Disposal of Assets

Procurement procedures follow Government of Pakistan regulations and seem to be followed in a transparent manner. However, quotations above twenty five thousand Rupees should be opened by a Procurement Committee and it appears that this has not yet been formed. It needs to be said however that none of the recent procurement files that we were shown exceed this amount.

Prior to the arrival of the new Deputy Secretary and before the ES had its own PEP account, although all PEP expenditures were approved by the IUCNP, it seems that the procurement procedures of the government were not followed. The previous Deputy Secretary made substantial procurements without following the approval process as laid down in GOP rules and regulations. The present Deputy Secretary has obtained very clearly delegated authorities for certain procurements and not for others. These authorities now seem to be strictly adhered to.

11.7.8 Contracting

The only contracting the ES does is for maintenance of equipment. The PEP staff contracts are directly with IUCNP. These contracts however do give the staff the same holidays as their Government of Pakistan colleagues, unlike the NCS Unit. No medical coverage is given and for those staff on leave from other departments of the government, and there has been no pension contribution included. The PEP-funded staff expressed their concern at the lack of these conditions. The Deputy Secretary however was of the opinion that these allowances had been included in the staff contract package at the time of negotiation.

The professional staff employed by the ES under the PEP funding include two professionals with foreign qualifications specifically in environmental subjects. In addition, the ES wants to create two more regular positions for permanent technical staff.

10.7.9 Recommendations

1. The accounting system should be standardised and upgraded according to the standard accounting system for the GOP.
2. A Procurement Selection Committee should be instituted.

10.8 The CPO

With the late arrival of the CPO, it appears that the other PEP partners have taken some time to adjust to the arrival of a new player. Many of the problems to which this gave rise, such as the actual procedures for requesting assistance and the approval procedures have now been worked out.

One of the major problems the CPO still appears to have is a surety bond for \$200,000 which the CPO has had to give CIDA. This bond is a legal requirement by CIDA to cover advances to the CPO. The CPO in turn advances money to IUCNP for use in its "Regional Initiative" and any training done on behalf of the CPO. This would appear to be an untenable arrangement from a business perspective, in that it places an organization (COWATER) in a position of being held fiscally accountable for monies over which it has little control once it is handed over to IUCNP.

11. MAJOR LESSONS TO BE LEARNED

The PEP has been active since November 1994 — some three and a half years, including the Inception Phase. Already, a number of lessons can be derived from this experience. They are identified here in point form. Since they are primarily lessons of value to those designing future programmes, these points have been organized in a way that relates, roughly, to the sequence of the project cycle. Although, in the first instance, they are assumed to be of particular interest to CIDA, these lessons should be noted by all parties involved in the PEP.

1. In negotiating aid agreements:
 - sought-after assurances that will influence the design must be settled and any conditions should be met before the Memorandum of Understanding (MOU) is signed (e.g., "regularizing" of government bodies and their staff).
 - CIDA must ensure that it can commit itself to a level of involvement and continuity of management sufficient to ensure that the Executing Agency and the recipient country (and, indeed, CIDA) live up to their obligations.
 - CIDA should assess with great care the capacity of a local executing agency to ensure that the scale of the programme is appropriate in terms of that capacity to execute.
2. In designing an environmental programme/project for relevance in realizing its objectives and for sustainability:
 - use should be made of a conceptual model of the TEMS, or something similar, that serves to identify not only that which the programme will be addressing but also, just as importantly, that which it will not be addressing but which will need to be addressed by the recipient country to ensure relevance and sustainability of the programme's activities.
 - an hierarchy of simple, clear statements of expected results should be articulated at the levels of the programme, major institutional or other components (e.g., the four institutions in the PEP), and sub-components before the programme is launched.
 - clear recognition should be given to the importance of having any "bought" capacity (skilled personnel) institutionalizing their systematic procedures, etc. for the benefit of others who will join the institution, quite possibly once the skilled person has left.

- full use should be made of CIDA's extensive experience with similar projects, possibly by bringing together key players (such as designers, evaluators and PTLs) from those other projects.

3. In designing a programme/project intended to enhance capacity to manage the environment:

- make more use of normative frameworks (such as the concept of the TEMS) that makes for easier identification of the capacities to be developed, and for easier reporting.
- more attention should be given to realizing outcomes than to relying on producing outputs, thus putting more emphasis on: the development of capacity wherever best located; and, on keeping options open as to how one eventually realizes those outcomes.
- insist on an analysis of each institution's needs for sustainable institutional capacities.
- look for signs of a positive learning environment in the recipient country's collaborating institutions and avoid those institutions that cannot demonstrate such interest.
- ensure the active involvement of offices within the central executive of the host country's government.
- recognize that in order to change conservative institutions one has to commence with small and yet strategic interventions that are non-threatening but likely to yield multipliers (as has been done in training teachers for providing environmental education).
- consider using project teams to link several advisers and counterparts to work jointly on coming up with joint recommendations on institutional change.

4. In designing a programme/project for efficient and effective management:

- give priority consideration to a private sector Canadian executing agency, with extensive experience in developing countries, if the prime consideration is to put sustainable institutional capacity in place quickly in order to facilitate the implementation of a time-limited strategy that has already been developed.
- whether a local or a Canadian executing agency is used, carefully assess the absorptive capacity of the recipient institutions when setting the pace for attaining objectives; and recognize that that pace and the productivity of any one recipient institution is often

governed by the resources and other capacities of other institutions that have not been included in the project.

- ensure that any Canadian partner organization is contracted to start at the same time as the local organizations and that the partnership is one of equals.
 - ensure that a clear, coherent structure underpins the project and that this is reflected in clear, easy to understand documents on the project if full support is to be received from Canadian and recipient country institutions.
 - insist on clear lines of command, acceptable to all parties, that ensure accountability; minimize confusion; and, provide scope for personal development.
 - provide monitoring and other necessary support services and ensure that they are not cut back once the project has started.
 - hold extensive discussions on the acceptability and honesty of all assumptions underpinning the design.
 - do not attempt to impose untried techniques and tools on aid recipients.
5. In making for a more efficient and effective executing agency once a programme/project has been operating for a while:
- employ an external Canadian-based monitor from the outset, who has no other involvement in the project and who can be in frequent contact with the PTL in CIDA HQ, thus facilitating follow up on advice given.
 - review all job descriptions and better define the jobs in light of experience.
 - actively encourage the executing agency to take advantage of CIDA's corporate experience, in managing projects in developing countries.
 - review reporting formats to ensure that reports are capturing "big picture" developments and are anticipatory rather than solely reactive.
 - avoid, if at all possible, attempting to "retrofit" a project with a new management approach well into the term of the project.

- ensure that the executing agency produces updated versions of a well thought out plan for the programme/project as a whole, that make clear the critical paths for the sequence of events and the scope for contingency planning when confronted with the inevitable unforeseen situation.
6. In making for good, productive relations between the host country's agencies and the Canadian partner agency or executing agency:
- ensure that all job descriptions are well defined.
 - ensure that lines of command are clear, easy to understand, and fully accepted by all parties.
 - ensure that these are opportunities for Canadian advisers and their counterparts to work together as teams (in addition to any one-on-one working relationships) and that this process is carefully managed by someone sensitive to creating a productive learning environment and to building local ownership of ideas generated.
 - ensure that frequent self-evaluations are carried out by advisers and their counterparts, together, in a setting that will enable any tensions to be discussed openly and resolved before they contribute to lasting, unproductive rifts.
 - use simple language and explain what one has in mind rather than assume that everyone will have the same perceptions of issues and the same understandings as to the meaning of terms used.

11.1 Recommendations

1. CIDA should ensure that the above lessons are given serious consideration by all relevant offices in the Agency and that those pertinent to the on-going management of the PEP are discussed at a forthcoming PAC meeting.

MAJOR RECOMMENDATIONS

There have been many specific recommendations made throughout this report, on specific issues. All are important. Here, we provide an overview of the more strategic considerations with the intention of offering guidance to the PEP's key players on how to make the most of the remaining time available. In essence, there is a need for a consolidation of the efforts that have been made to date, and to do this in a planned manner.

However, in constructing this overview of how to focus the effort of players, we would not wish to have this list taken as a substitute for the many recommendations that have appeared throughout the report.

We recommend:

1. **The PEP partners, with the assistance of all of the CPO's Advisers, jointly review the statements of "assumed outcome of activity" (i.e., the sought-after capacities), and replace or add to them if necessary, with a view to ensuring a clear sense of purpose for their work.**
2. **The PEP partners, again with the CPO's assistance, identify a normative list of components of capacity that are required to develop each sought-after capacity and then assess how much is already in place and what still needs to be developed.**
3. **The PEP partners, again with the assistance of the CPO, identify the requisite resources, initially in broad terms, to get a sense of what is involved. In doing this, they should agree collectively on:**
 - **the staff needed;**
 - **the advisers needed; and,**
 - **the pace of work.**
4. **Clear commitments as to the resources available, over the near and longer term, should be provided by all PEP partners.**
5. **Each PEP partner formulates a draft strategic operational plan and, in support of this, develops a strategic corporate development plan. Although these plans are expected to be developed by each institution working separately for the most part, there should be a conscious effort to share thoughts about the plans with the other PEP partners, since the plans of the four institutions should be complementary.**
6. **CIDA, in light of its responsibility for ensuring that "the IUCNP has the developmental, technical, financial, administrative and managerial capacity to run the PEP" should take appropriate action to ensure**

that, relative to the IUCNP's needs, the IUCNP is offered, accepts and acts upon appropriate advice provided through the CPO.

7. **The Executing Agency and the CPO discuss ways in which the CPO team members could be used to best effect in conveying Canadian and other international experience to the PEP partners.**
8. **More frequent meetings of the PAC and of the PEP partners and their mid-level staff, a simpler system of reporting that better meets CIDA's needs, and the hiring of a Canadian-based external monitor to keep all of the players and especially the PTL better informed of the progress, or lack thereof, being made on the implementation of the plans to strengthen the four institutions.**
9. **CIDA, in discussion with the CPO and the Executing Agency, should establish specific parameters for the responsibilities of the two bodies relative to each other and relative to CIDA. These discussions should include the resolution of difficulties over the CPO's accountability for quality control and expenditures relating to services for which it is nominally responsible but over which it does not in fact have full control.**
10. **CIDA should reconfirm that it recognizes that developing institutional and individual capacity takes time and that, if there are signs of continuing progress, serious consideration will be given to a further phase of support, whether through the current partner units of the programme or through other environmental management institutions within Pakistan's TEMS.**

REFERENCES

Section 1

1. Environment and Urban Affairs, Division, Government of Pakistan and the IUCN (World Conservation Union), The Pakistan National Conservation Strategy, (Karachi: IUCNP, 1992), p. 358.
2. A useful discussion on this is found in Mary E. Hilderbrand and Merilee S. Grindle, Building Sustainable Capacity: Challenges for the Public Sector, of which we have only the Executive Summary. It is part of a larger study prepared by the Harvard Institute for International Development for the UNDP in November 1994, and carrying the above title.

Section 2

1. CIDA, Guide for a Systems Approach to Training, (Hull: CIDA, undated), p. 2-3.
2. CIDA, Capacity Development in Environment, (Hull: CIDA, April 1994). This document was CIDA's submission to the OECD's Working Party on Development Assistance and Environment DCD/DAC/ENV.
3. Peter Morgan and Heather Baser, Making Technical Cooperation More Effective: New Approaches by the International Development Community, (Hull: CIDA/TCD, July 1993).
4. The concept of the TEMS was first elaborated for CIDA by Simon Miles in the evaluation of a programme similar to that of the PEP. See: Simon Miles, Geza Teleki, Alex Crawford and Daniel Ajamiseba, Environmental Management Development in Indonesia — Phase 2 (EMDI-2): Mid-term Evaluation, report to CIDA, April 1988, section 3. The concept has also been used by the same author in shaping the design of strategies and programme aimed at enhancing the capacity of institutions to manage the environment. This section of the review also draws upon: Simon Miles and Geza Teleki, Zimbabwe Natural Resources Management Programme — Mid-term Evaluation, report to CIDA, July 1994, section 2.
5. For example: the report of the Adviser's April-May 1997 mission, his comments of 22 July 1997 on the July-Dec. '96 Semi-Annual Report, his report of his Oct. '97 trip. These reports are generally presented in an encouraging light, pointing to progress being made. However, despite the emphasis rightly placed on reporting on outcomes, for example, in his April-May '97 report, there was no elaboration on how the term "outcomes" was to be interpreted. In hindsight, this would have been beneficial.
6. Contribution Agreement, signed 8th Nov. '94, Attachment 'A', p. 6 and p. 8.

Section 3

1. Ian Smillie, NGOs and Pakistan's National Conservation Strategy (Karachi: IUCNP, June 1992).
2. Peter Morgan, et. al., Capacity Building for the Environment: A Background Study for the Pakistan Environment Programme, (Karachi: IUCNP, April 1996).

Section 4

1. CPO's contract with CIDA, 16 May 1996, Appendix D, p. 6 of 24.
2. Ibid., p. 4 of 24.
3. Ibid., p. 4 of 24.
4. Ibid., p. 15 of 24.
5. Ibid., p. 3 of 24.
6. CPO, Second Mission Report, November 1996, Appendix (not lettered).
7. CPO's contract with CIDA, op. cit., p. 3 of 24, and p. 8 of 24.

Section 5

1. This exercise, carried out in late 1993 and early 1994, was designed to evaluate the Asia Branch's performance relative to one of its strategic objectives — namely: the strengthening of institutions in Asia involved in enhancing environmental sustainability. Six case studies were commissioned. One of the authors of this MTR report, Simon Miles, prepared a case study (completed in February 1994) on CIDA's Environmental Management Development in Indonesia - Phase 3 (EMDI-3) project. This was the largest (\$34 million over 5 years) of these projects, and there were many lessons of direct relevance to the PEP.
2. Simon Miles and Geza Teleki, Zimbabwe Natural Resources Management Programme — Mid-term Evaluation, report to CIDA, July 1994. This programme had had a similar problem with insufficient attention being drawn to the importance of building sustainable institutional capacity. The mid-term evaluation re-articulated the assumed outcomes to correct this. The statements of expected results were expressed far more simply than they are in the form that the MTR team has had to adopt in reviewing the PEP. Such simplicity at the outset could have greatly eased the burden that RBM has imposed on the PEP.
3. For example, see: Ian Smillie, NGOs and Pakistan's National Conservation Strategy (Karachi: IUCNP, June 1992); and, Peter Morgan, et. al., Capacity Building for the Environment: A Programme and Management Review of IUCN — The World Conservation Union in Pakistan, (Karachi: IUCNP, April, 1993).

Section 6

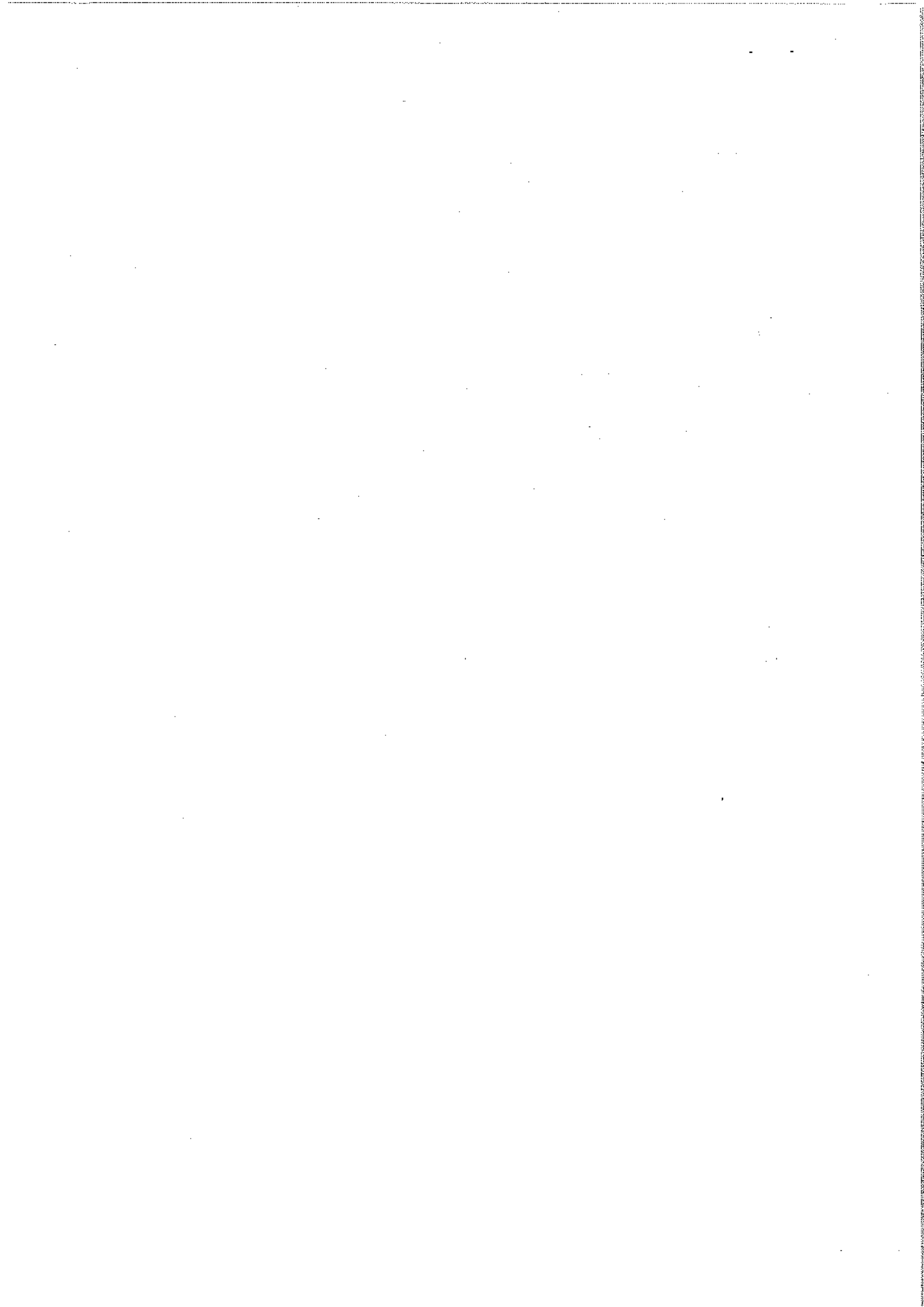
1. CPO, Second Mission Report, November 1996, p. 3.

Section 7.4

1. Ian Smillie, NGOs and Pakistan's National Conservation Strategy (Karachi: IUCNP, June 1992).

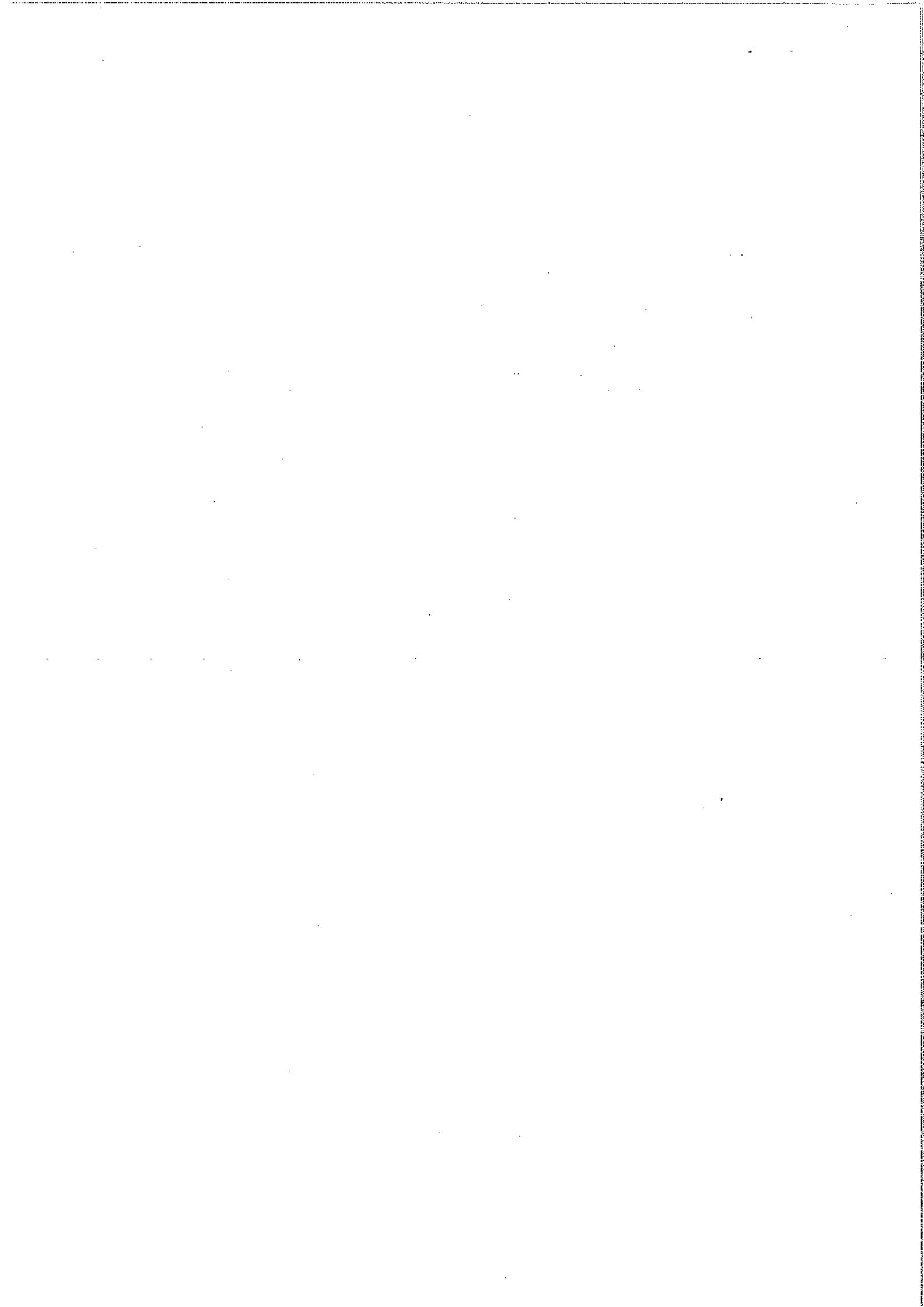
Section 8

1. These terms are based on: CIDA, CIDA's Policy for Performance Review, (Ottawa: CIDA, 1994), p. 14.
2. Peter Morgan, et. al., Capacity Building for the Environment: A Background Study for the Pakistan Environment Programme, (Karachi: IUCNP, April 1996).
3. Contribution Agreement, signed 8th Nov. '94. Appendix 4 to Attachment 'A' — PEP Accountability Matrix.



APPENDICES

- A: Pakistan Environment Programme — Mid-Term Review
Consultants' Terms Of Reference
- B: Contacts Made in Pakistan and Canada
- C: PEP Logical Framework Analysis
- D: PEP Accountability Matrix
- E: The Use and Abuse of Language in Aid Programmes



APPENDIX A

PAKISTAN ENVIRONMENT PROGRAMME — MID-TERM REVIEW

CONSULTANTS' TERMS OF REFERENCE

1.0 Background

- 1.1 In 1987 CIDA approved a project to fund IUCN (World Conservation Union) Pakistan (IUCNP) to develop the **National Conservation Strategy (NCS)** for Pakistan. The NCS was approved by the Government in 1992 and represents a comprehensive analysis of the environment within a sustainable development framework and sets out a ten year plan of action for implementation to achieve the NCS objectives. In 1994 CIDA approved a five year, \$15 million dollar initiative to strengthen four institutions central to the implementation of the NCS: 1) IUCN Pakistan which will also serve as the executing agency for the program; 2) the NCS Unit of the Ministry of Environment, Local Government and Rural Development; 3) the Environment Section of the Planning and Development Division; and 4) the Sustainable Development Policy Institute (SDPI). The program also has a **Canadian Partner Organization (CPO)**, contracted in 1996. The CPO is not an executing agency but rather a "helpful partner" that is to assist the Pakistani partners in meeting their objectives through providing technical assistance/training, arranging for institutional linkages and assisting in designing and implementing effective self monitoring and evaluation frameworks. The goal of the program is to improve Pakistan's capacity to achieve environmentally sustainable forms of economic and social development. The purpose of the program is to strengthen the necessary institutional capacity in Pakistan to implement the NCS.

In order to situate PEP in the overall context of NCS implementation, the MTR should examine the existing NCS context and priorities and implementation status in relation to the direction that PEP has taken vis-à-vis support to NCS implementation (see section 4.1.5 below).

The structure and reporting relationships in this program are complex and unusual for a CIDA project. For example, the executing agency, IUCNP is also a recipient of assistance and the Pakistani partners consist of two government departments and two NGOs with an NGO (IUCNP) in the lead. The CPO is also in a very unique position, being the Canadian representative but not accountable for program delivery. Additional important contextual information is that the Pakistani partners have spent almost 10 years focusing on developing a strategy through extensive consultation and consensus building at senior levels while this program represents a shift to capacity development of institutions (and mid-level managers) in the public sector to design and deliver activities contributing to NCS implementation. Finally, this program is designed to include a self monitoring and evaluation framework where the partners determine results and indicators and report on their progress. It should be noted that CIDA adopted the Results

Based Management (RBM) process after the design of this programme so a certain amount of design retrofitting has been necessary. The CPO initiative contains a position (Performance Measurement Advisor (PMA)) which has and will be integral to the development of PEP performance measurement systems.

1.2 The Contribution Agreement with IUCN Pakistan was signed in July, 1994. The CPO contract was signed in May, 1996.

2.0 Purpose of the Mid-Term Review (MTR)

2.1 The MTR will primarily provide a timely assessment of the efficiency and **results** (output and outcome at this point in the project) of the project in relation to stated objectives and design. A MTR, in particular, is undertaken during implementation as a first review of progress and a prognosis of the likely **results** of the project. In carrying out this mandate, the Consultant shall review project design and underlying assumptions to determine if they remain valid and make recommendations for any required changes affecting project operations. This project aims to improve Pakistan's capacity to achieve environmentally sound forms of economic and social development. Is this capacity being enhanced by the project? In what specific ways?

The project purpose is to strengthen institutional capacity to implement the NCS. In what specific ways has this occurred? In addition, the MTR will initiate a focus on the "Big Picture" (PEP's contribution collectively to the goals articulated in the NCS). It will be important for the Consultant to assess and identify developments that are of significance in explaining the evolution of the project.

3.0 SPECIFIC SERVICES

Without limiting the generality of the foregoing, the Consultant shall provide professional and technical services as follows:

- 3.1. Review CIDA project documentation including (but not limited to): relevant **NCS documentation** prepared prior to and after PEP approval, project approval documents, progress reports, annual workplans, PEP Partners meeting reports/Minutes, Annex A PEP Contribution Agreement, MOUs between IUCNP and other Pakistani partners, CPO contract TORs & reports, Management Reviews of IUCN Pakistan and SDPI, Project Advisory Committee (PAC) reports, self monitoring reports and project audits;
- 3.2 Carry out interviews with PEP Partners, and CPO, selected individuals in the government and NGO community involved in NCS implementation, members of the PAC, clients of SDPI, individuals from the donor community involved in the environment sector, CIDA and Canadian High Commission staff and others to be determined;
- 3.3 Prepare draft workplan for the initial MTR mission that details the purpose, activities/process, roles/responsibilities for the mission and each team member, to be reviewed by CIDA before finalization by the MTR team and approval by CIDA

and the PEP Manager. The workplan for subsequent work (Phase II) is to be completed upon return to Canada;

- 3.4 Undertake a first mission to Pakistan from November 24-December 9/1997;
- 3.5 Prior to departing from the field for the first mission, prepare a summary of the findings to serve as the basis for a debriefing for representatives of CIDA and PEP Partners (as appropriate). The summary of findings will be transmitted to CIDA HQ to the CIDA Project Team summarizing observations and preliminary recommendations from the mission;
- 3.6 Prepare a draft workplan for the second MTR mission that details the purpose, results, activities/process, roles/responsibilities for the mission and each team member, to be reviewed by CIDA before finalization by the MTR team and approval by CIDA and the PEP Manager. A draft Table of Contents (TOCs) for the Final Report is to be included as part of the second phase workplan;
- 3.7 Undertake a second mission to Pakistan in February 1998;
- 3.8 Prior to departing from the field, prepare a summary of the findings to serve as the basis for a debriefing for representatives of CIDA and PEP Partners (as appropriate). The summary of findings will be transmitted to CIDA HQ to the CIDA Project Team summarizing observations and preliminary recommendations from the mission;
- 3.9 Debrief Project Team in Canada; and
- 3.10 Prepare a Final Report in form and content as agreed to with CIDA.

4.0 ISSUES FOR DISCUSSION AND ANALYSIS AND INCLUSION IN FINAL REPORT

4.1 General

- 4.1.1 review lines of accountability among PEP partners and CPO;
- 4.1.2 review lines of authority within the PEP program;
- 4.1.3 review the role and progress of the CPO in terms of program delivery and implementation of its obligations under its contract with CIDA;
- 4.1.4 clarify the position of the PEP-funded staff, particularly in the Government units, in terms of their assignment to project related activities on an exclusive basis;
- 4.1.5 locate the program in the evolving context of the NCS and assess the effectiveness of linkages to NCS stakeholders;
- 4.1.6 review the impact of the support of other Government institutions on the delivery of the program;

- 4.1.7 review effectiveness of program governance structures such as PEP Partners meetings in providing direction to the program. How is the PEP affected by Government policies and procedures?
- 4.1.8 determine effectiveness of self-evaluation and monitoring procedures;
- 4.1.9 determine the extent to which gender issues have been addressed in program to date;
- 4.1.10 to the extent practicable (either by briefings and/or review of existing reports) review the enabling environment (political/economic/institutional setting) within which PEP Partners must operate; and
- 4.1.11 recommend improvements to the objectives, operations, design and management of the program.

4.2 Efficiency

- 4.2.1 provide an explanation of under-disbursement by the GOP units to date;
- 4.2.2 determine the timeliness and appropriateness of the inputs provided by IUCN and CPO towards achievement of program objectives. The MTR should review the evolution of the relationship among PEP partners and the role IUCN Pakistan has played, as executing agency, to co-ordinate and manage the PEP in accordance with the terms/conditions of the contribution agreement with CIDA;
- 4.2.3 assess outputs delivered to date against targeted delivery by activity (by selecting a sufficient sample of activities to support an analysis);
- 4.2.4 to the extent practicable, provide a summary and explanation of key outputs not delivered;

4.3 Results

- 4.3.1 On the basis of an appropriate selection of results to measure, assess what progress has been made towards achievement of results at the **output, outcome and impact** (consistent with the "Big Picture") levels. One of the key documents to consult is the **"PEP Results Based Matrices (RBMs), July 1996-June 1999 report** which was compiled with the assistance of the CPO's PMA. During the preparation of the MTR workplans, the Consultant should consult with the CPO's PMA when the methodology is being prepared regarding assessment of results;
- 4.3.2 Assess the effectiveness and appropriateness of the **Performance Indicator Tracking System (PITS)** as a tool for performance measurement for the project; and
- 4.3.3 Identify constraints to achieving intended results.

4.4 Sustainability

- 4.4.1 Evaluate the prognosis for sustainability of each component of the program where sustainability is defined by the Organization for Economic Co-operation and Development (OECD) as "the ability to deliver an appropriate level of benefits for an extended period of time after major financial, managerial and technical assistance from the donor is terminated";
- 4.4.2 List and describe the major constraints to "sustainability"; and
- 4.4.3 Identify plans and strategies that are in place to ensure sustainability of PEP initiatives.

4.5 INSTITUTIONAL ISSUES

- 4.5.1 Is the current management structure of PEP responsive to the needs and interests of the PEP Partners. What are the procedures for consultation (e.g.; workplanning/budgeting among others), feedback and grievances?
- 4.5.2 What is the frequency and form of contact between Executing Agency personnel, CPO and the PEP Partners?
- 4.5.3 What evidence is there of commitment to achieving the results of the PEP by each PEP Partner? The MTR should review the roles and responsibilities of each Partner in the context of their mandates and constraints faced by each Partner in contributing to PEP objectives. The role of IUCN Pakistan as the executing agency should be reviewed to determine what measures have been instituted to facilitate PEP implementation by all Partners.
- 4.5.4 Are there clear job descriptions for each position related to the project?
- 4.5.5 Non-GOP personnel are working in staff positions in the GOP Units. What are the long-term consequences of this action, and who is responsible for their work assignment and supervision?
- 4.5.6 How is workplanning carried out for each unit of the project? Who participated in the preparation of the workplans? How is work assigned to individuals within the project units and do the units monitor the activities to be undertaken in accordance with the workplans?
- 4.5.7 Does each unit of the project have a Strategic Plan? If so, who participated in the preparation of these Plans?
- 4.5.8 Does each PEP Partner have a Human Resources Development Strategy? Determine the level and appropriateness of on-the-job-training and coaching by the Executing Agency?
- 4.5.9 What interventions have been targeted to enhance management development of the PEP Partners? As part of this exercise, the MTR should (assuming baseline data/scenarios exist) compare the present

status of each PEP partner with their situations at the beginning of PEP. Efforts regarding institutional strengthening and capacity development by the Partner itself or by IUCN Pakistan as the Executing Agency should be examined.

4.5.10 Are management/administration systems in place and followed? Are procedural manuals available in all PEP Partner institutions and, if so, are they useful/followed?

4.6 Prudence and Probity

4.6.1 Is financial information complete, accurate, and reliable? Are financial resources being used economically? Issues to consider include:

4.6.1.1 How sound are financial management policies and procedures, including budgeting, accounting and reporting systems/practices;

4.6.1.2 Are there adequate strategies and practices which respond to the nature and level of risk to project funds and assets? and

4.6.1.3 Is contracting and contract management in accordance with sound contracting policies and practices?

APPENDIX B

CONTACTS MADE IN PAKISTAN AND CANADA

GOVERNMENT AGENCIES: CANADIAN

Government of Canada

Canadian International Development Agency

Mr. Peter Berkeley, Project Team Leader

Ms. Angela Patterson, Education and Training Specialist

Ms. Judi Allen, (former) Environment Specialist

Ms. Wendy Miller, (former) First Secretary (Development) at CHC in Islamabad

Mr. Gobarshan Singh, Performance Review Division.

Mr. Bob Odeh, Country Programme Analyst

Environment Canada

Mr. Ed Norrena, Dir-Gen., Technology and Industry Branch

Canadian High Commission, Islamabad

Mr. Victor Carvell, Head of Aid

Ms. Peggy Florida, First Secretary (Development)

Mr. Samiullah M. Malik, Programme Officer (Development)

CIDA Programme Support Unit

(in addition to the two members of the MTR team — Mr. Tariq Qurashi and Mr. Athar Ali Khan)

Ms. Rukhsana Rashid, Manager, Gender Programme

GOVERNMENT AGENCIES: PAKISTANI

Government of Pakistan

Ministry of Environment, Local Government and Regional Development

Mr. Sikandar Hayat Jamali, Secretary

Mr. Mahboob Elahi, D-G (Env't)

Mr. S.M. Junaid, formerly Deputy Secretary (NCS Unit)

Col. Retd. Muhammad Javaid Noor, Joint Secretary (NCS Unit)

Mr. Asad Sibtain, Deputy Secretary (NCS Unit)

Mr. Mohamunad Asif Sahibzada, Project Plg. & Monitoring Specialist

Mr. Irfan Us Sami, NGO & Private Sector Specialist

Mr. Tahir Malik, Database Mgr.

Mr. Rafiq Ahmad, Dep. Inspector General of Forests

Mr. Abdur Rauf Gandapur, Section Officer, Plg.

Mr. Nadeem Malik, Section Officer, NCS 1

Pakistan Environmental Protection Agency

Mr. Asif S. Khan, Director-General

Mr. Zia-Ul-Islam, Director

Dr. S.S. Tahir, Deputy Director

Enercon
Mr. Arif Allauddin, Managing Director

Planning Commission
Mr. Malik Muhammad Saeed Khan - Member
Mr. A. Aziz Qureshi, Chief, Env't Section, Plg. & Dev't Division
Mr. Muhammad Farooq, Ass't Chief, Env't Section, P&DD
Mr. Masood Anjum Khan, Env't Ass't Specialist, Env't Section P&DD
Mr. Saadat Ali Khan, Natural Resources Specialist

Ministry of Population
Mr. G.M. Samdani, Secretary (former Secretary, MELGRD)

Ministry of Health
Dr. Sohail Karim Hashmi, National Health Programme Manager, Environmental Health Unit

Ministry of Education
Mr. Syed I.J. Bukhari, Science Education

WAPDA
Mr. Wali Waheed, Deputy Director, Env't Cell.
Mr. Bushra Waheed, Research Officer (Env't), HEPO.
Mr. Ahmed Kamal, Senior Engineer (Floods).

Province of Punjab
Mr. Malik Muhammad Khan, Conservator of Forests

NON-GOVERNMENTAL ORGANIZATIONS

IUCNP
Ms. Aban Marker Kabraji, Country Representative, and Project Director
Dr. Asif Zaidi, Manager, PEP.
Ms. Stella Jafri, Head, Karachi Office
Mr. Muhammad Rafiq, Prog. Directorate
Ms. Nikhat Sattar, Prog. Directorate
Dr. Imtiaz Alvi, Prog. Directorate
Ms. Saneeya Hussein, Communications Unit
Mr. Umer Afridi, Communications Unit
Mr. Dhunmai Cowasjee, Communications Unit
Mr. Saqib Hanif, Communications Unit
Ms. Nargis Alavi, Education Unit
Mr. Ali Raza Rizvi, Education Unit
Ms. Maheen Zehra, Education and Communications Units
Ms. Nadia Loan, NGO/Community Support Unit
Mr. Aijaz Nizamani, NGO/Community Support Unit
Ms. Nelma Akhund, B'ness & Law Unit
Mr. Haider Ghani Mian, B'ness & Law Unit
Mr. A.L. Rao, Head, Strategies Support Unit
Mr. A.S. Bokhari, Strategies Support Unit
Mr. Javed Ahmed, Dir. ERNP
Mr. Mahmood Aktar Cheema, ENRP

Mr. Kent Jingfors - Biodiversity Unit, Natural Resources
Dr. Parvaiz Naim, Env't'l Ass't Service
Mr. Gul Najam Jany, IUCNP-SPCS Unit
Mr. Hamid Afridi, IUCNP-SPCS Unit
Dr. S. Sajidin Hussein, Environmental Rehabilitation Programme
Mr. Abdul Qaiyum Sheikh, Environmental Rehabilitation Programme
Mr. Tahir Qureshi, Coastal Ecosystems Unit
Mr. Julian Inglis, Balochistan Conservation Strategy Unit
Mr. Albert Heatherly, Head of Administration
Mr. Manik Wijeyeratne, Director, Finance and Operations

SDPI

Dr. Shahrukh Rafi Khan, Ex. Dir.
Mr. Haroon Ayub Khan, PEP Coordinator
Dr. Shahid Zia, Res. Fellow, (Agric.)
Dr. Jennifer Bennett, (Sust. Human Dev't)
Brig. Mohammad Yasin, (Info. Communications Trg.)
Ms. Musarrat Bashir, (Policy Advice)
Ms. Kiran Nazir Ahmed, (Networks & Advocacy)
Ms. Saba Khattak, (Gender)
Ms. Dina Shahban

SUNGI

Ms. Mishka Zaman, Advocacy Support Unit

Teacher's Resource Centre

Ms. Seema Malik, Director

PIEDAR

Mr. Syed Ayub Qutub, Executive Director

NGO Resource Centre

Mr. Qadeer Baig, Programme Coordinator

PRIVATE SECTOR

Federation of Pakistan Chambers of Commerce and Industry

Mr. Mahmood Ahmed, Vice President
Mr. Raja Amir Khan, Deputy Secretary

Oil and Gas Development Company Ltd.

Mr. Rais Ahmed, Chief (Pet. Chem.) Env't'l Protn. and Safety Dep't
Mr. Ziauddin Ahmed Khan, Chief, Env't'l Protn. and Safety Dep't
Mr. Mohiuddin Siddiqui, Deputy Chief, EPSD
Mr. Muhammad Ismail Laghari

PROFESSIONAL SERVICES

Mr. Zahid Hamid, Advocate, High Court

MEDIA

Ms. Azra Syed, Reporter, THE NEWS
Mr. Bhagwandas, Reporter, DAWN
Mr. Muddassir Rizvi, Editor, News Network International
Mr. Zafarullah Khan, President, Green Press
Mr. Masroor Mohsin Gilani, Secretary, Green Press

INTERNATIONAL DEVELOPMENT AGENCIES

AUSAID

Mr. Shoaib Tayyab, Sr. Programme Officer

DFID (UK)

Mr. Eamonn Taylor, Head of Aid

European Union

Mr. Constandinos Vardakis, First Secretary
Mr. Mohammad Imran Ashraf, Agronomist

NORAD

Mr. Alf Arne Ramslein, Counsellor
Mr. Mohammad Arshad Gill, Adviser, Dev't

Royal Netherlands Embassy

Mr. Emil C. Kengen, First Embassy Secretary (Adviser Env't)

Swiss Agency for Development and Cooperation

Dr. Gerolf Weigel, Res. Rep.
Mr. Sohail Malik, Programme Officer

UNDP

Dr. Chaudhry Inayatullah, Sustainable Dev't Adviser
Mr. Jakob Rogild Jakobsen, Programme Officer

World Bank

Mr. Najib Murtaza, Env't and Natural Resource Specialist

CANADIAN PARTNER ORGANIZATION

Ms. Wendy Quarry, Manager
Mr. François Bregha, Linkages Adviser
Mr. David Cressman, Technical Assistance Adviser
Dr. Phillip Rawkins, Institutional Strengthening Adviser
Dr. Rodger Schwass, Training Adviser
Mr. Ian Smillie, Performance Measurement Adviser
Mr. Bernard Woods, Asia Branch Office Manager, MIS Specialist

INDIVIDUALS

Dr. John Davies, Director, Social Marketing Pakistan (Guarantee) Ltd.

Dr. Arthur Hanson, President, International Institute for Sustainable Dev't

Mr. Peter Morgan, Consultant

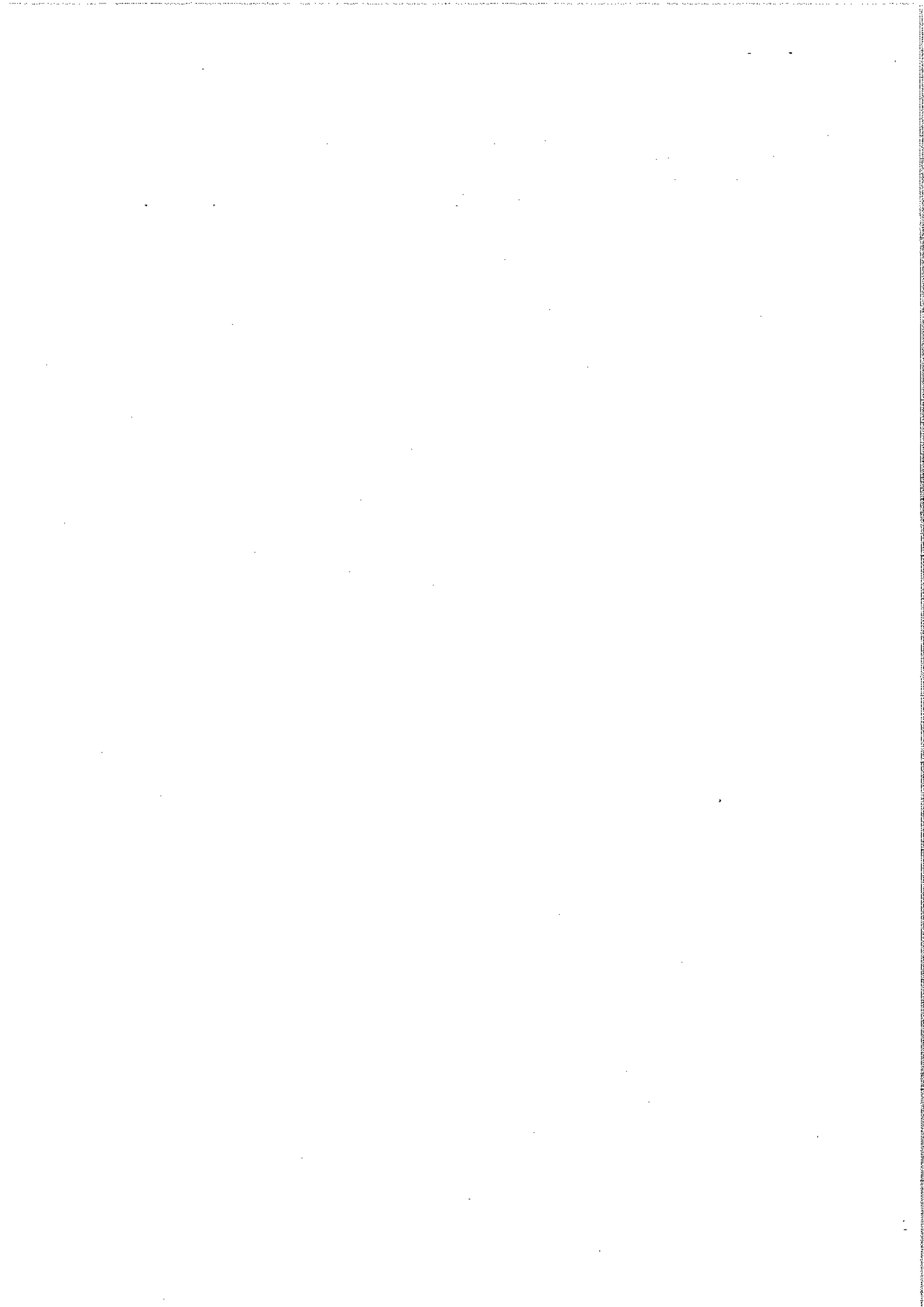
Dr. G.M. Khattak, retired university professor

Mr. Zafarullah Khan, former Additional Secretary, Ministry of Environment, current
Managing Dir., Overseas Pakistanis Foundation

Ms. Aneesa Mumtaz, Principal, St. Patrick's College of Education

Mrs. Mansoorali, Teacher, St. Patrick's College of Education

Mr. Sanjay Lashand, Consultant

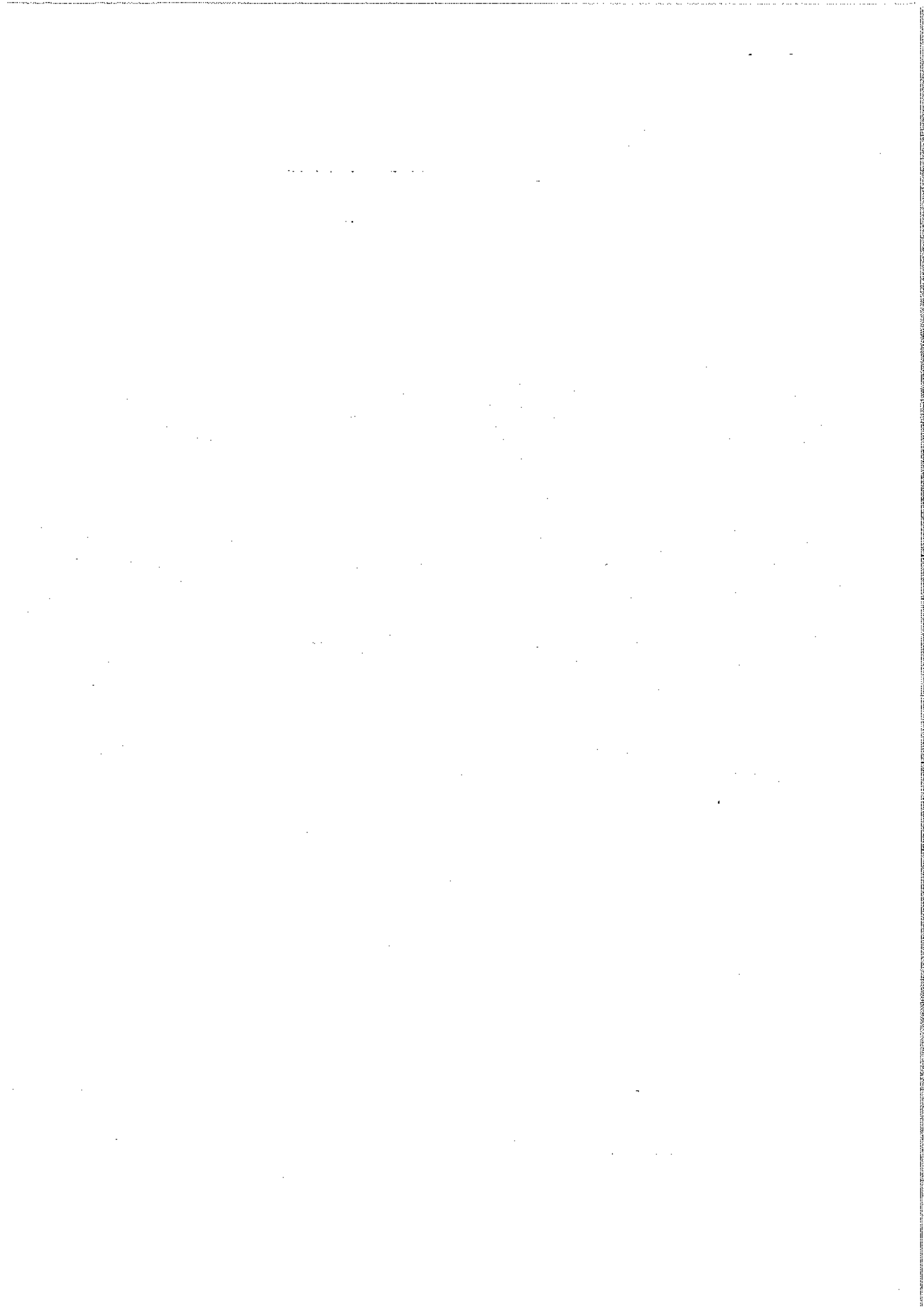


APPENDIX C

PEP LOGICAL FRAMEWORK ANALYSIS

Project: PAKISTAN ENVIRONMENT PROGRAM
Date: July 25, 1994

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	MEANS OF VERIFICATION (MOV)	CRITICAL ASSUMPTIONS
<p>Goal To improve Pakistan's capacity to achieve environmentally sustainable forms of economic and social development.</p>	<p>OVI - For Goal Achievement</p> <ul style="list-style-type: none"> - Strengthened environmental management capacity in GOP & private sector. - Increased emphasis on environmental factors in GOP economic plans and decisions and in private sector investment decisions. - Increased public awareness of environmental issues. 	<p>MOV - Goal</p> <ul style="list-style-type: none"> - Decisions of the National Economic Council & its Executive Committee - GOP position statements in regional and international fora; - Content of national development plans - Development of legislation & reg's. 	<p>Assumptions - For Goal Achievement</p> <ul style="list-style-type: none"> - Public and private sectors will continue commitment to the MCS; - No major political or economic crises divert attention from the MCS; - Continued donor support for MCS implementation;
<p>Purpose To enhance the performance of 4 key institutions (*) in providing effective leadership, technical support/analysis, coordination services and catalyst input needed for the implementation of Pakistan's National Conservation Strat. (* EUAD, FPC, SDPI and IUCN-P)</p>	<p>OVI - For Purpose Achievement</p> <ul style="list-style-type: none"> - Effective action by GOP, NGOs & private sector to reduce resource degradation and rehabilitate & manage natural resources in a sustainable manner. - Implementation of priority MCS recommendations. - Increased effectiveness of environmental NGOs & policy institutions. 	<p>MOV - Purpose</p> <ul style="list-style-type: none"> - Policy and legislative actions of the Environmental Protection Council/EPA - Fiscal expenditure on environment; - Actions of Cabinet Committee on MCS implementation; - Number of initiatives & successes. - Increased donor involvement. 	<p>Assumptions - For Purpose Achievement</p> <ul style="list-style-type: none"> - Target institutions remain committed to environment and the MCS. - Continued GOP support for environment NGOs and policy institutes - IUCNP and SDPI able to develop good working relationships with Government units at all levels, other NGOs and private sector representatives.
<p>Outputs</p> <ol style="list-style-type: none"> 1. <u>Enhanced capacity</u> to act effectively in their respective areas of mandates: <ol style="list-style-type: none"> 1.1 by IUCNP to develop programs for public & private constituencies in support of MCS implementation; 1.2 by EUAD MCS Unit to promote, coordinate & monitor MCS implement'n 1.3 by FPC Env't Section to integrate development & environmental factors into national socio-economic policy. 1.4 by SDPI to do independent research in support of sust. dev. 2. <u>Programs & activities</u> planned and implemented by IUCNP, EUAD MCS Unit with IUCN/P to implement the HLS; 3. <u>Regional initiatives</u> & activities 4. <u>Can-Pak initiatives</u> & activities 	<p>OVI - For Output Achievement</p> <ol style="list-style-type: none"> 1. <u>Capacity indicators</u> re staffing, MRO operating procedures for the four institutions. 2. <u>Program/activity indicators:</u> (to be defined) for the work and project-funded activities of the four participating institutions. 3. Increased cooperation among South Asian env'tal organizations. 4. Increased Can-Pakistani cooperat'n re environmental issues & concerns. 	<p>MOV - Outputs</p> <ul style="list-style-type: none"> - Project monitoring reports - Project evaluation reports - Project progress reports - IUCNP annual reports - SDPI annual reports - PAC reviews/assessments 	<p>Assumptions - For Output Achievement</p> <ul style="list-style-type: none"> - IUCNP continues to be the focal point for GOP, NGO, media, labour & business interaction on sustainable development and GOP continues working with IUCNP to implement the MCS. - All participants able to retain staff - Effective working relationships established among project participants and with Can. Partner Organization.
<p>Inputs</p> <ul style="list-style-type: none"> - CIDA project funding. - GOP Contribution of office facilities, support staff and other resources - IUCN Contribution for project coord'n office facilities, support staff and other resources 	<p>Magnitude of Inputs</p> <p>CIDA Contributions: \$15.0 million for: IUCN-P; SDPI; Regional Activities Canadian Partner Organization Monitoring & evaluation</p>	<p>MOV - Inputs</p> <ul style="list-style-type: none"> - Progress and monitoring reports. - GOP records 	<p>Assumptions - For Providing Inputs</p> <ul style="list-style-type: none"> - Continued availability of human, technical material and other resources available from all sources.

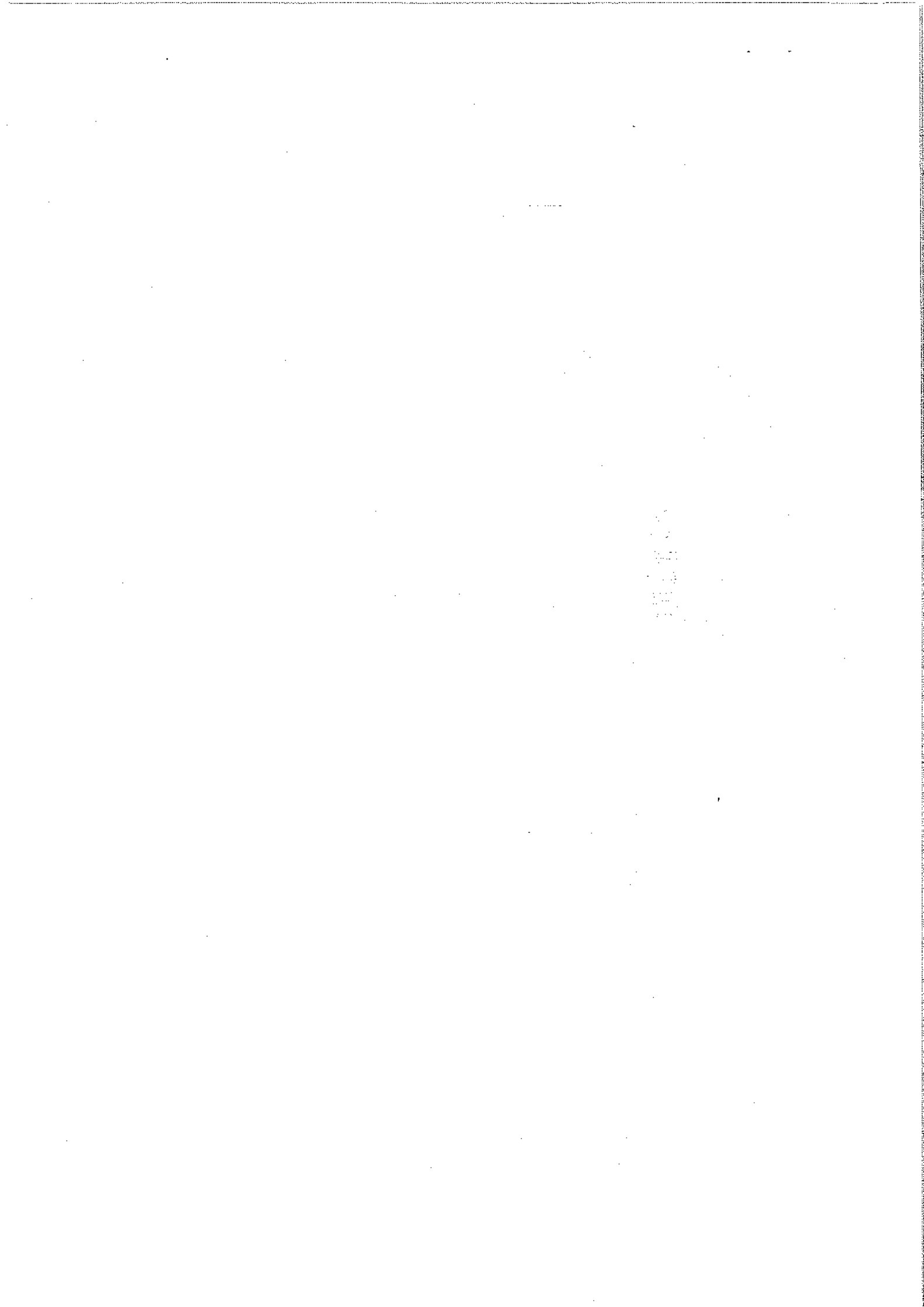


APPENDIX D

PEP ACCOUNTABILITY MATRIX

ITEM OF ACCOUNTABILITY	CIDA				PARTICIPANT ORGANIZATION	
	CIDA	GDP	PAC	IUCNP	ORGANIZATION	
POLICY DIRECTION						
1. Maintain working relationship that reflects respective mandates of participants		XXX	XXX	XXX	XXX	
2. Ensure PEP policies and activities are consistent with GDP policy re NCS/Action Plans		XXX	XXX			
3. Ensure coordination between PEP activities and other NCS implementation actions			XXX	XXX		
4. Specify terms and conditions for use of CIDA funds and monitor adherence to them.	XXX					
DESIGN AND IMPLEMENTATION						
5. Ensure IUCNP has the dev., technical, financial admin and managerial capacity to run the PEP	XXX					
6. Ensure that adequate financial and admin. procedures are put in place so that CIDA funds can be clearly identified and verified.	XXX					
7. Manage the PEP as per CIDA/PEP cont. agreement				XXX		
8. Delivery of planned outputs of PEP components on schedule and within budget				XXX		
OVERALL PROGRAM				XXX		
Measures to strengthen IUCNP				XXX		
Measures to strengthen other organizations CPG & related linkage activity					XXX XXX	
9. Ensure that PEP-funded activities & sub-projects meet agreed upon criteria (re sustainability & other factors)			XXX	XXX		
REVIEW AND ASSESSMENT						
10. Be aware of PEP progress & problems and be able to identify need for & take corrective action as required, at level of: - Overall PEP project - Project components (NCS Unit, Env't Unit, SPO(s))	XXX			XXX		
11. Submission of financial and progress reports on schedule: - Overall project - Project components (NCS Unit, Env't Unit, SPO(s))				XXX	XXX	
12. Determine whether project outputs & purpose are met/being met as per the LFA, for: - Overall PEP project - project components	XXX			XXX		

* Participant organizations include NCS Unit of EUAD
Env't Unit: FPC and SPO1.



APPENDIX E

THE USE AND ABUSE OF LANGUAGE IN AID PROGRAMMES

CIDA, and other donor agencies, need to give a higher priority to the use of simple, clear, grammatically correct language in their work. This is particularly important in aid programme work. One is working with people whose command of, say, English ranges from minimal to excellent. One is often involved in the discussion of fairly complex concepts and phenomena and their applicability, or otherwise, to particular situations. Details of a concept or a particular situation may be important. One is often involved in working with people who, by design, come from a range of backgrounds. The technical language of a profession may not be familiar to them. If one is to be successful in both conveying one's thoughts and ideas to reflect the experience that one wishes to bring to the dialogue, and receive a well thought-out response, then clarity of communication is essential.

Every profession tends to resort to the shorthand of jargon phrases. This is understandable. However, it can be self-defeating when different individuals or groups compete with one another to lend different definitions to the same or very similar terms. The competitors fail to recognize the very simple truth behind their desire to "capture" a term and insist on how it should be used. That simple truth is that any one jargon term, constructed from the combination of two or more words that on their own may be quite familiar to many, may convey very different meanings to different people from different backgrounds. The chances of confusion arising from the construction of such terms tend to be increased when each of the words being combined can, on their own, be used in several quite distinct ways and thus mean different things. Further confusion may arise as a result of the tendency to convert nouns into adjectives. And, finally, the text that is designed to define the term may well be lacking in clarity and using other jargon terms.

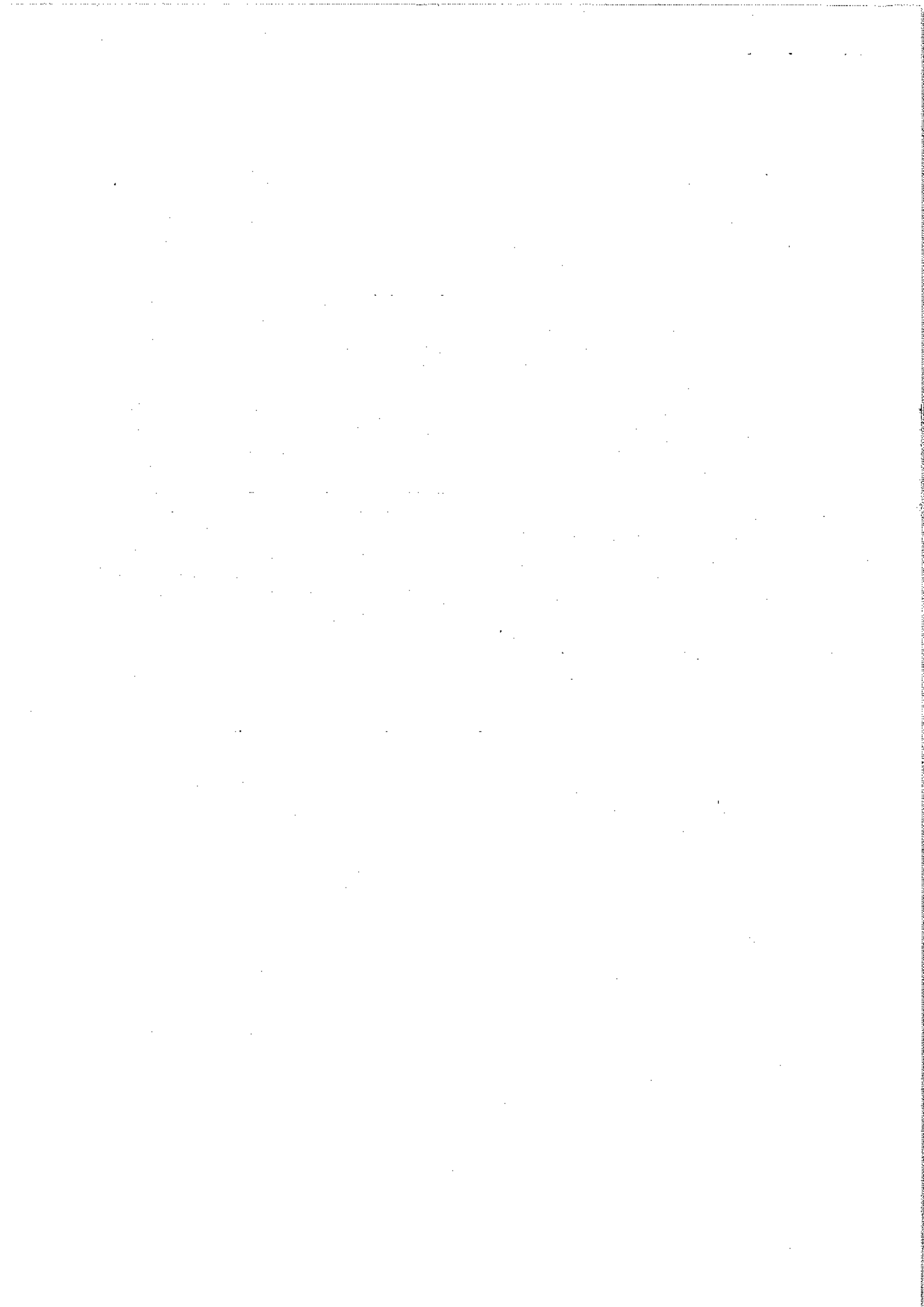
CIDA is as guilty of this as any donor agency. It has confused the world by its misinterpretation of "goal" and "purpose" as they appear in Logical Framework Analyses. "Purpose", in regular English, is a term used to convey a broader meaning than "goal". CIDA's use reverses this.

In the field of institutional development/strengthening/building and capacity development/strengthening/building, there are again signs of a tendency among experts to argue for their definition to be accepted as the definition.

Further problems arise with the confusion between outputs and outcomes and again between outcomes and impacts in the matrices being used in applying Results-Based Management.

In any one project it is desirable to have a set of terms that are clearly defined in ways acceptable to the majority of those having to use them. Any major report should provide a definition of key terms used in that report. This should not, however, close off debate on what is really needed.

CIDA should keep its sights on what is really needed and be prepared to accept that many of the terms in this field may be used interchangeably because many of the words are so used in everyday discourse. This simply means that CIDA should be prepared to elaborate in simple, clear and grammatically correct language what it is striving for in this field.



PROFESSIONAL COPIES

REQUEST FOR DUPLICATING SERVICES

**HEIDELBERG DIGIMASTER
OR
INFOTEC**

NAME: Per Haases DATE: 28/5

COST CENTRE: 4202 EXT.Nº: 269

NUMBER OF COPIES REQUIRED : 2. (x 4 reports)

DATE REQUIRED (AM/PM) : _____

COPIES RECTO/VERSO : SUP

FOR ASSEMBLY: ai STAPLING: _____ WITH PAPER CLIP : _____

COPIES AND ORIGINAL FOR : _____

THE COPIES FOR : _____

COLOUR OF COVER : _____

OTHER INSTRUCTIONS : fast backs.

PRICES:			
A4 = 0,07	A3 = 0,08	IUCN COVERS = 0,60 (SET)	BRISTOL = 0,07
IBICLEAR = 0,22		SPIRALS / FASTBACKS = ACCORDING TO SIZE	

FOR COPY CENTRE USE ONLY:

