

**Third Party Evaluation FY 2006
The Ministry of Foreign Affairs of Japan**

**Evaluation on Japan's Assistance for Forest
Conservation and its Contribution to Global
Issues**

Summary

March 2007

Preface

This report is the summary of the evaluation results of “Japan’s Assistance for Forest Conservation and its Contribution to Global Issues” which was carried out by the External Advisory Meeting on ODA Evaluation at the request of the International Cooperation Bureau of the Ministry of Foreign Affairs.

Japan’s ODA Charter attaches priority on “addressing global issues”, and incorporates “pursuing environmental conservation and development in tandem” as a principle of ODA implementation. In this connection, Japan addresses various global environmental issues through its ODA. Japan’s ODA projects cover global environmental issues ranging from global warming prevention, countermeasures against environmental pollution, and the conservation of natural environment. This evaluation study focused on forest conservation. Forest conservation is not only important as measures against global environmental problems such as global warming and desertification, but is also regarded as a contributing factor to the improvement of living standard and poverty alleviation in rural areas where many inhabitants are impoverished.

This study intended to carry out comprehensive evaluation on Japan’s assistance for forest conservation through ODA including its effectiveness on global environmental issues and poverty alleviation. Moreover, from the evaluation results, the study drew lessons and came up with recommendations for more effective and efficient assistance for forest conservation in the future. The evaluation study focused on aspects of the forest conservation assistance implementation process such as policy dialogues with aid recipient countries, coordination of different assistance schemes, and utilization of Japan’s experience and expertise. To collect necessary information, the study team carried out questionnaire surveys to Japanese embassies and Japan International Cooperation Agency (JICA) that are responsible for the relevant forest conservation projects, and conducted detailed field surveys in India and China.

The External Advisory Meeting on ODA Evaluation is an informal panel of the Director-General of the International Cooperation Bureau of the Ministry of Foreign Affairs to enhance objectivity of ODA evaluation. At the request of the Bureau, the Meeting devises evaluation methods, carries out evaluation, writes reports on evaluation results, and submits the reports to the Bureau for consideration. Mr. Katsuya Mochizuki, a Meeting member and Director in Charge at the Inter-disciplinary Studies Center at the Institute of Developing Economies, served as the chief evaluator.

We take this opportunity to express our profound gratitude to Dr. Misa Matsuda, associate

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The views expressed in this report do not necessarily represent those of the Government of Japan or any other organizations.

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Contents

Preface

Summary

Chapter 1 Methodology of Evaluation	1
1.1 Background and Objectives	1
1.2 Scope of the Evaluation	1
1.3 Methodology of Analysis	1
1.4 Methodology of Evaluation	2
Chapter 2 Assistance for Forest Conservation and Contribution to Addressing Global Issues	2
2.1 Multiple Functions and Roles of Forests	2
2.2 Assistance for Forest Conservation and Measures against Global Issues	3
Chapter 3 Results of Evaluation on Japan's Assistance for Forest Conservation and its Contribution to Addressing Global Issues	3
3.1 Relevance of Policy	3
3.2 Appropriateness of Assistance Process	5
3.3 Effectiveness of Achievements	8
3.4 Contribution to Addressing Global Issues	8
Chapter 4 Case Study 1: Japan's Assistance in India	9
4.1 Evaluation Result: Relevance to the Higher Policies	9
4.2 Evaluation Result: Appropriateness of Cooperation Process	10
4.3 Evaluation Result: Effectiveness of Achievement	11
4.4 Evaluation Result: Contributions to Addressing Global Issues	12
Chapter 5 Case Study 2: Japan's Assistance in China	13
5.1 Evaluation Result: Relevance to the Higher Policies	13
5.2 Evaluation Result: Appropriateness of Cooperation Process	13
5.3 Evaluation Result: Effectiveness of Achievement	15
5.4 Evaluation result: Contribution to Addressing Global Issues	15
Chapter 6 Lessons Learnt	17
6.1 A Successful Case in Collaboration of Technical Cooperation, Grant and Loan Assistance in China	17
6.2 A Successful Case of Grant Aid in China	17
6.3 Realization of Benefit to Local Residents in Forestry Projects	17
6.4 Cautious points regarding JFM	18
6.5 Considerations for Japanese Loan Assistance	18
6.6 Correlation between "Global Issues" and Local Needs	18

Chapter 7 Recommendations	19
7.1 Recommendations for Successful Forest Projects	19
7.2 Recommendations for Further Strengthening of Bilateral Cooperation in the Field of “Global Issues”	19
7.3 Recommendations for Better Use of Forestry Technologies	20
7.4 Recommendations for Effective Monitoring and Evaluation	22

Summary

Chapter 1 Methodology of Evaluation

1.1 Background and Objectives

Japan has placed the assistance for the conservation and management of forest and the sustainable use of forest resources as one of the priority areas in its ODA policy and provided assistance proactively. As concerns about global issues grow, the number of projects related to conservation and management of forest has increased in recent years. Such projects include global warming prevention through absorption of carbon dioxide and biodiversity conservation through forest conservation and sustainable management. However, diverse effects of Japan's ODA for forest conservation have not been properly evaluated. This study was, therefore, conducted to evaluate Japan's ODA on forest conservation including its multiple effects. The study intended to draw lessons and recommendations for more effective and efficient ODA management and implementation in this area. It also aims to fulfill accountability to the public by disclosing the evaluation results.

1.2 Scope of the Evaluation

This evaluation study covers Japan's ODA policy, programs and projects of forest conservation (loan aid, grant aid, and technical cooperation) that were commenced between FY1999 and FY2005. Japan has implemented forest related assistance in a broad range of projects. However, in order to evaluate ODA assistance in the forest and forestry sector at policy level, focus should be on projects that have a well-defined connection with forests and those whose main activities are forest conservation and management. Accordingly, this study focused on the projects whose main objectives are forestation and forest management. Consequently, projects whose main objectives are agriculture, rural development and biodiversity conservation, and forestry engineering projects are excluded from the scope of this study, even if they include activities regarding forestation or forest conservation. China and India were selected as case study countries because Japan has implemented a number of projects in these countries.

1.3 Methodology of Analysis

As mentioned in the "ODA Evaluation Guideline, 3rd Edition" (2006), this study adopted an evaluation framework based on three viewpoints, namely "relevance of policy," "appropriateness of process," and "effectiveness of achievements," and, in addition to these viewpoints, "contribution to addressing global issues" described in Chapter 2 is also taken into account. More specifically, (1) "relevance of policy" consists of three criteria, namely a) position of forest conservation in higher-level policy, b) changes in ODA policies relating to forest conservation, and c) consistency with development policies and needs of recipient countries; (2) "appropriateness of process" consists of five criteria, namely a) appropriateness

of policy consultation with recipient countries, b) collaboration and cooperation with other donors, international organizations, and NGOs, c) cooperation based on broad and comprehensive frameworks, d) application of Japan's experience and scientific technology, e) monitoring and evaluation system for project implementation; (3) “effectiveness of achievements” consists of two criteria, namely a) achievements of Japan’s ODA inputs in the forest sector, and b) achievements to planned results from projects; and (4) “global issues” focus on two international issues, namely global environmental problems and poverty. In terms of measures against global environmental problems this study focuses on three areas, namely a) global warming prevention, b) combat against desertification, c) biodiversity conservation, while measures against poverty include d) rural livelihood improvement/poverty reduction. The evaluation team examined the contribution of forest conservation to these four measures, including subsidiary effects of projects.

1.4 Methodology of Evaluation

The evaluation team adopted five procedures, namely a) formulation of evaluation framework, b) domestic survey, c) questionnaire survey on appropriateness of process, d) field surveys in the two case study countries, and e) documentation of a report. The questionnaire survey was conducted by means of questioning Japan's diplomatic establishments abroad (20 countries) and overseas JICA offices. Since the questionnaire survey was not possible with overseas JBIC offices, the team obtained information required during field surveys. The team was able to collect valid responses from 16 diplomatic establishments and 13 JICA offices abroad. The team also contacted local consultants in China and India where case studies were held, to collect information on projects that the team was unable to visit in the field survey.

Information obtained through these surveys was organized and analyzed to evaluate Japan’s ODA performance based on the aforementioned four viewpoints, namely “relevance of policy,” “appropriateness of process,” “effectiveness of achievements,” and “contribution to addressing global issues.” Based on the results of the evaluation, the team drew lessons learned and recommendations as reference for more effective and efficient cooperation in the future.

Chapter 2 Assistance for Forest Conservation and Contribution to Addressing Global Issues

2.1 Multiple Functions and Roles of Forests

A variety of functions of forests are called “multiple functions of forests.” Promoting forestation and management is meant to preserve and restore many of these functions. Benefits that the multiple functions of forests bring about are classified into two categories, namely “environmental benefits” such as sediment disaster prevention, soil conservation, and cultivation of water resources; and “economic benefits” relating to economic activities, such as production of timber and non-timber forest products and rural community development. Moreover, “multiple functions of forests” play an important role in not only local communities but also in the international community. With globalization

of societies and economies, global environmental problems have been increasingly recognized as threats to mankind. Environmental and economic functions of forests have been emerging as a means of global warming prevention, combat against desertification, biodiversity conservation, and poverty reduction, all of which address global problems. In other words, environmental and economic functions of forests are expected to play a major role in solving such problems in regions, countries, as well as throughout the world. Japan, as a member of the international community, is expected to contribute to addressing these global issues through continued assistance related to forest conservation.

2.2 Assistance for Forest Conservation and Measures against Global Issues

Among several global issues, this study focuses specifically on global environmental problems and poverty. Global environmental problems in general refer to problems whose sources and effects spread beyond national boundaries. Among these problems, this study examined Japan's ODA for "global warming prevention," "combat against desertification," and "biodiversity conservation," all of which have a close relationship with forestation. In addition, effectiveness of Japan's ODA for "rural livelihood improvement/poverty reduction," which is also closely associated with forests, is also evaluated.

When the connection between the four global issues mentioned above and "multiple functions of forests" is taken into account, "global warming prevention," "combat against desertification," and "biodiversity conservation" are expected to play greater environmental functions, while "rural livelihood improvements/poverty reduction" is rather expected to play economic functions. In evaluating the contribution of forests to addressing global issues, it is required to examine which functions of forests the projects intended to utilize and whether the efforts brought about the benefits. On the other hand, when the relationship between the four global issues, namely "global warming," "desertification," "loss of biodiversity" and "rural livelihood/poverty" and the efforts to tackle these global issues is taken into account, it reveals that their causes, results and efforts are inter-related in a broad range of levels, from macro (international), to meso (governmental), and to micro (regional). Hence, it also seems important to examine the significance of the differences in the levels when taking into account the contribution of forest conservation to addressing global issues.

Chapter 3 Results of Evaluation on Japan's Assistance for Forest Conservation and its Contribution to Addressing Global Issues

3.1 Relevance of Policy

Japan's assistance for forest conservation was overall relevant to the ODA policy of Japan. Japan's assistance for forest conservation and its contribution to global issues were consistent with the development policies and needs of recipient countries as well.

3.1.1 Whether Japanese Assistance for Forest Conservation was relevant to ODA Policy of Japan

Forest conservation is clearly defined as one of the important issues of natural environment protection in Japan's Medium-term Policy on Official Development Assistance (Medium-term ODA Policy) and EcoISD (Environmental Conservation Initiative for Sustainable Development), and thus, Japan's assistance could be considered consistent with higher-level policy. Although Japan's country assistance programs have been formulated based on Medium-term ODA Policy, their consistency with EcoISD and other higher-level environmental policies are not necessarily high. Consistency is maintained between Medium-term ODA Policy and Japan's basic policies on, for example, international treaties on global issues ("Kyoto Protocol Target Achievement Plan," "National Strategy for Biodiversity Conservation," and Japan's policy and measures described in a national report on "Convention to Combat Desertification"). One of challenging issues lies in the need for the establishment of well-defined mechanism that incorporates the concept of EcoISD and Japan's basic policies on international conventions into Japan's ODA country assistance programs.

JICA's FY2006 Operation Plan and JBIC's Medium-Term Strategy for Overseas Economic Cooperation Operations consider forest conservation and natural resources management as one of the priority areas, and thus the plan and strategy can be considered relevant to higher-level policy, though JICA's FY 2006 Operation Plan does not include any concrete measures against global warming.

Japan's assistance was in line with the international trend in comparison with other bilateral donors and international organizations, but there were slight differences. Such differences include the fact that the World Bank attaches more emphasis on rural livelihood improvement/poverty reduction than Japan does.

3.1.2 Whether Changes in ODA Policies Related to Forest Conservation were Appropriate

When Medium-term ODA Policy was revised in 2005, the sentence "Japan will actively address environmental problems...by making use of its ODA based on...EcoISD, the Kyoto Initiative" was added, which ensured the consistency between assistance for forest conservation and higher-level ODA policy. During 1999 and 2005, which this study defines, two "country assistance programs" was revised. However, there was no high level discussion found that any Japan's environmental policies such as EcoISD and the Kyoto Initiative to be envisaged in the program, although there seemed to be working level discussions. This is attributed to the fact that Japan has not established a well-defined mechanism that incorporates the policies such as EcoISD and the Kyoto Initiative into country assistance programs, while country assistance programs are in consistency with higher-level policies such as the ODA Charter and Medium-term ODA Policy.

3.1.3 Whether Japan's Assistance was Consistent with Development Policies and Needs of Recipient Countries

India and China have considered forest conservation and restoration as one of the national priority issues. The evaluation team observed that Japan held policy consultations with India and China on their development policies and needs and reflected the results of the consultations in the country assistance programs. Japan's country assistance programs were formulated after holding policy consultations with all the recipient countries surveyed in this evaluation. Furthermore, Japan held consultation with approximately a half of the recipient countries surveyed on forest conservation and restoration, the results of which were reflected in respective Japan's country assistance programs. Consequently, the team found that Japan has paid enough attention to ensuring consistency of Japanese assistance with the development policies and needs of the recipient countries.

However, the team observed neither policy consultations that encouraged proactive efforts of recipient countries for environmental conservation nor policy consultations to comprehend the needs of developing countries in order to formulate projects in terms of global warming prevention. In particular, when the present situations of developing countries are taken into account, it is unlikely that they take precedence over global warming prevention when requesting assistance. Japan has adopted the "request-basis principle," under which it provides a recipient country with assistance in response to a request from the country. However, unless Japan makes substantial efforts to have the active policy consultations even before requests one made, it is difficult to determine concrete needs and to formulate new projects related to global warming prevention through bilateral assistance.

3.2 Appropriateness of Assistance Process

In terms of assistance process, collaboration with other donors, application of Japan's experience and scientific technology and project monitoring can be considered appropriate, although cooperation based on broad and comprehensive frameworks¹ and the establishment of long-term monitoring system are inadequate, and policy consultation fails to urge recipient countries to work on environmental conservation proactively.

3.2.1 Whether Policy Consultation with Recipient Countries was Appropriate²

All of the Japanese diplomatic establishments abroad to which the evaluation team conducted the questionnaire survey implemented policy consultation with the contact agency of recipient countries prior to formulating country assistance programs. In addition, Japan shared the contents of country assistance programs with recipient countries by translating them into the respective languages, distributing the copies of translation, introducing them at seminars and other opportunities, and

¹ Middle-term Policy: 3. (3) (d) Cooperation based on broad and comprehensive frameworks: In order to solve regional and global environmental problems, Japan will implement its cooperation based on broad and comprehensive frameworks that effectively combine various methods of cooperation.

² Policy consultation refers to coordination between Japan's assistance policy and the development policy of the recipient country, or consultation with the parties concerned of the recipient government about priority areas, policies and institutional issues from medium- and long-term viewpoints, which are mainly conducted by country-based ODA task force. Policy consultation does not refer to the consultation with the implementation agencies of recipient countries to determine concrete development needs and formulate projects.

explaining the programs to the relevant authorities. JICA's country programs and JBIC's country implementation guidelines are also shared appropriately with relevant authorities of recipient countries by means of, for example, explaining these programs and guidelines to the authorities. According to the result of questionnaire survey, Japan conducted such policy consultation that focused on the forest and forestry sector, with more than half of recipient countries surveyed in this study. The consultation topics include whether they should set forest issues as a priority issue of the national policy or which areas of the forest sector should be given priority. Consequently, Japan's policy consultation with recipient countries is considered generally appropriate when formulating Japan's country assistance programs. There remain, however, inadequate aspects in the policy consultation, such as failure to urge recipient countries to proactively work on environmental conservation as described in EcoISD.

3.2.2 Whether Collaboration and Cooperation with Other Donors, International Agencies and NGOs were Appropriate

Officials of Japanese diplomatic establishments and JICA offices abroad, when necessary, contact other bilateral donors, international agencies and NGOs for collaboration and cooperation. Consultations with other donors are, in general, on a case-by-case basis. This type of occasional consultation led to many successful cases of actual collaboration and coordination such as the prevention of duplication of project area. However, it is suggested that Japanese government should make more organizational efforts for promoting collaboration and cooperation, including making a manual of the procedure, although the abovementioned occasional consultation led to a certain success.

3.2.3 Whether Cooperation was Implemented based on Broad and Comprehensive Frameworks

There were relatively plentiful collaboration examples between grant aid and technical cooperation, and on the other hand, there were a few examples of collaboration between loan aid and technical cooperation or between loan aid and grant aid. Although the necessity for collaboration among different schemes was recognized, no system has been established to promote such collaboration, and no sector level work for such collaboration has been conducted. It is, therefore, important for relevant agencies to hold consultation among themselves on cooperation based on broad and comprehensive frameworks.

Responses to a question about broad and comprehensive cooperation in the questionnaire survey implied that many of Japan's diplomatic establishments and JICA offices abroad kept in mind the type of collaboration that concurrently promotes multiple projects in different schemes. However, there could be a different type of collaboration that could cover a chronological development program that ranges from the development of a technical model to its implementation and dissemination. This type of collaboration includes a program in which the result of a technical cooperation project is succeeded to the implementation of a grant aid project and finally to a loan aid project that utilizes a series of results in the preceding projects. In this case, coordination of the timing to adopt projects and to input necessary resources will become more flexible. In other words, "different procedures and schedules by scheme" that many of Japan's diplomatic establishments abroad pointed out in their responses to the questionnaire survey seems not to be the decisive problem that hinders the cooperation based on broad

and comprehensive frameworks. Medium-term ODA Policy points out the importance of effective collaboration with different assistance schemes and requires the relevant agencies to make efforts to form concrete model projects for combining different ODA schemes in recipient countries. However, in practice, the relevant agencies seem to be too much sensitive to the difference among schemes, and as a result, only limited collaboration among different schemes is realized.

3.2.4 Whether Japan's Experience and Scientific Technology were Applied

The evaluation team confirmed that the application of Japan's experience and scientific technology were taken into account in almost all the countries surveyed in this study. When the team looked into the details of the personnel actually assigned, most of them were officials of the relevant ministries and agencies or scholars working at universities. Most of them worked as members of JICA or JBIC mission or as short-term experts. Concerning the question on whether assistance projects utilized knowledge and experience of private enterprises and NGOs, some of the responses in the questionnaire survey pointed out that the issue of payment had to be cleared prior to the assignment of personnel working for private enterprises. The issue needs more in-depth examination in the future in order to intensify all Japan efforts including private enterprises.

Another point is the issue on how to apply Japan's experience and scientific technology to recipient countries. Many of Japan's forestry technologies are not directly applicable to recipient countries unless they are adapted. Most of the experience and knowledge of Japanese experts require an adaptation process according to the situation and need of the recipient country. Meanwhile, a member of the staff of State Forestry Administration of China clearly stated that Japan's techniques regarding project management and supervision of forestation were effective in China. This is likely to draw a conclusion that Japan has the advantage in terms of project management and forestation supervision.

3.2.5 Whether Monitoring and Evaluation System were Appropriate

Each project was monitored and evaluated by JICA and JBIC, the project implementation agencies of Japan, in accordance with their guidelines. In over a half of the countries that responded to the questionnaire survey, the results of project monitoring and evaluation were utilized as reference to other projects. Project monitoring and evaluation were, therefore, considered generally appropriate.

However, medium- and long-term monitoring and evaluation are required in order to evaluate multiple functions of forests more appropriately. In addition, since the growth of forests is widely susceptible to meteorological conditions and other natural conditions, projects should be monitored and evaluated, taking changes in the natural conditions into account. At present, an institutional system has not been established yet that monitors and evaluates projects after sufficient time, which is necessary for the growth and development of forests, elapses. It is, therefore, necessary to develop a flexible monitoring and evaluation mechanism according to the characteristics of each project.

3.3 Effectiveness of Achievements

ODA disbursement in the forest sector remains a certain level, though the total amount of ODA has been on the gradual decline. The evaluation team was unable to observe a clear change in the disbursement corresponding to changes in higher-level policies. Planned outputs were generally achieved when projects were completed. No critical delay was observed in the schedule of project implementation. Although it is difficult to grasp the impacts of Japan's assistance on global issues at present, “effectiveness of achievements” will be overall ensured

3.3.1 Were ODA Inputs in the Forest Sector Effective?

Although the evaluation team was unable to confirm the effectiveness of Japan's assistance for the forest sector, the ratio of the forest sector to the entire ODA has been on the increase, and thus the importance of the forest sector has been increasing. Japan’s contribution to the international frameworks is regarded considerably high since Japan has made substantial financial contributions to international organizations and treaties. Although changes in higher-level policy were observed, the team was unable to confirm clear changes in ODA inputs.

3.3.2 Whether Planned Outputs of the Forest Projects were Achieved Effectively

Among the projects surveyed in this evaluation study, projects already completed achieved most of the planned outputs, and thus, these projects were considered effective. The evaluation team observed no critical delay in the ongoing projects. However, the team was unable to confirm the impacts of the projects, and 10- to 20-year or longer period of monitoring was necessary to evaluate it.

3.4 Contribution to Addressing Global Issues

3.4.1 To What Extent Did the Forest Projects Contribute to Global Warming Prevention?

The total area of forestation by the projects surveyed in this study was 1,742,708 ha (planned value). However, the evaluation team was unable to measure the direct effects on global warming prevention because planted tree species and the conditions of forestation areas were diversified; many projects were under implementation; and their actual performances were unknown. Although a number of projects surveyed in this study included activities that promoted capacity development in diverse areas of forest conservation, the projects, except the “Demonstration Study on Carbon Fixing Forest Management in Indonesia”, offered no capacity development activities to contribute to global warming prevention, such as training of enhancing the capacity to measure carbon fixation by tree planting. Thus the evaluation team was unable to determine the extent of contribution to global warming prevention under this evaluation study.

3.4.2 To What Extent Did the Forest Projects Contribute to Combating Desertification?

Many of the projects surveyed in this evaluation study define forestation in wasteland and desert land as their main objectives. However, since many of them were still ongoing, the evaluation team was unable

to grasp the actual achievements of forestation and their effects. Furthermore, there are many projects that promote technology transfers of forestry techniques and the management skills of forestation in dry and deserted land. Although a certain level of contribution can be expected in this regard, the team was unable to confirm whether the projects contributed to combating desertification. Japan's forestry techniques are not directly applicable to regions where natural conditions are far different from those of Japan. However, technology transfer through joint research and development activities seems to have achieved reasonable results. In conclusion, the team was unable to grasp precise degree of contribution to combat against desertification although a certain contribution was expected.

3.4.3 To What Extent Did the Forest Projects Contribute to Biodiversity Conservation?

Considerations for biodiversity conservation in planting trees were taken into account as much as possible, though the effort was limited. Those efforts include the adoption of indigenous species for trees planted. The evaluation team hardly found projects that proactively contributed to the human resources development in terms of biodiversity conservation. Furthermore, the number of indices and data that described the improvement of the forest quality was extremely limited. Thus, the team concluded that the forest conservation projects surveyed in this study that focused on soil preservation and poverty reduction made poor contribution to biodiversity conservation.

3.4.4 To What Extent Did the Forest Projects Contribute to Rural Livelihood Improvement/Poverty Reduction?

Of the 56 projects surveyed in this study, the evaluation team observed that 30 projects included the component of livelihood improvement of local people. Loan aid projects on forestation in India have adopted an approach of the “Joint Forest Management (JFM)” that the Government of India promoted. This approach clearly relates forest conservation to rural livelihood improvement. Therefore, these projects can be considered as contributing considerably to rural livelihood improvement/poverty reduction in India. In China, some loan and grant aid projects incorporated the plantation of fruit trees and other commercial forests to contribute to increase in income of local people. The projects also employed local farmers for tree planting activities. Although employment of farmers for tree planting leads to increase in income in the short run, the team has serious reservations about the long-term contribution to rural livelihood improvement. Furthermore, in China, a number of projects intend to reduce negative impacts on farm products by tree and grass planting to settle mobile dunes and reduce blown sand. In Indonesia there is a project that intends to reduce forest fires. It is, however, difficult to grasp the extent of contribution to reduction in the damages by blown sand and forest fires.

Chapter 4 Case Study 1: Japan’s Assistance in India

4.1 Evaluation Result: Relevance to the Higher Policies

Japan’s assistance for forest conservation in India was highly relevant to the ODA policy of Japan. Country Assistance Program for India was well consistent with Japan’s ODA Charter and the

Medium-term ODA Policy. Basic policies of JICA and JBIC for their assistance to India were in line with the Country Assistance Program for India. Furthermore, aforementioned policies of Japan were consistent with the policies and needs of India. Assistance for the forest sector was positioned in the section of “Improvement of the Poverty and Environmental Issues”, one of the priority targets of Country Assistance Program for India. In India, “National Forest Policy” makes clear linkage between forest and local communities. India’s “10th Five-Year Plan” defines forest conservation and restoration as one of the national priority issues. JFM, which the Government of India promotes to achieve forest conservation and restoration, aims at both sustainable forest management and provision of alternative earning means for local people who depend on forests. Both India’s and Japan’s policies pursue the improvement in the environment and poverty through forest conservation.

Japan translated its Country Assistance Program for India into English, and distributed the English copies to the relevant Indian authorities. JBIC also translated its assistance plan in the forest sector, and distributed it to the Ministry of Environment and Forests of India so that the ministry can understand Japan’s assistance policies and that it can request projects which are consistent with Japan’s assistance policy. These efforts are one of the main factors that enable projects to be in line with the policies of both Japan and India.

4.2 Evaluation Result: Appropriateness of Cooperation Process

Cooperation process in India was found to be generally appropriate because “policy consultation for formulating the country assistance program” and “application of Japan’s experience and scientific technology” were appropriate, though efforts such as “cooperation based on broad and comprehensive frameworks” were inadequate. An example of the policy consultation includes the official policy consultation held in July 2003 between the “Country-based ODA task force” and the Ministry of Finance of India when formulating the Country Assistance Program for India. Preliminary draft, which had been prepared in the official policy consultation, was followed by a series of policy consultations. Furthermore, in October 2004, the “Tokyo Task Force” of the Ministry of Foreign Affairs of Japan visited India to have a consultation with India on “Country Assistance Program for India.”

The evaluation team could not find concrete examples of collaborations between Japan and other aid agencies or NGOs in India, although the team found some examples of information sharing to find potential projects and to prevent area duplication. One of the main reasons that such collaboration is hardly found in India is attributed to the fact that the ownership of handling assistance projects is well established in India, and the Government of India is not proactive for the collaboration among donor agencies. Such ownership seems to be the factor that hinders collaboration and cooperation among donor agencies. On the other hand, the Government of India has relatively high capabilities in formulating and implementing forest policies. Taking into considerations the basic principles of Japan's ODA Charter, namely “support for self-help efforts of developing countries, respect for ownership, and placement of priorities on their own development strategies,” it is not always appropriate to promote

proactive collaboration and cooperation among donor agencies.

The evaluation team could not find any concrete examples of cooperation based on broad and comprehensive frameworks. This is because most of Japan's assistance to India has been implemented in the form of loan aid and India has requested only a small number of technical cooperation projects. Policy consultation, which intends to promote cooperation based on a broad and comprehensive framework utilizing schemes other than loan aid, has been inadequate. In this regard, the Embassy of Japan in India stated that Japan was consulting with India on a broad and comprehensive cooperation, indicating improvement in the future.

A number of loan aid projects that utilize technical resources of Japan were observed. For example, experts working for the Prefectural Government of Akita and Akita University were assigned as short-term experts to "Orissa Forestry Sector Development Project (loan aid)." They provided technical recommendations on afforestation that would reduce damages caused by tsunamis and tidal waves. Furthermore, SOMNEED (Society for Mutual Aid, Networking, Environment, Education & Development), a Japanese NGO, undertook project formation and follow-up surveys of "Tamil Nadu Afforestation Project (II) (loan aid)" and "Karnataka Sustainable Forest Management and Biodiversity Conservation Project (loan aid)" on consignment from JBIC.

Monitoring and evaluation of projects were conducted by JICA and JBIC according to their respective guidelines. In particular, the evaluation team found that findings of JBIC's monitoring and evaluation of projects were used for formulating new loan aid projects.

4.3 Evaluation Result: Effectiveness of Achievement

Actual input for forest projects in India during the evaluation period seems to be sufficient enough to achieve planned objectives of the projects. The number of loan aid projects in the forest and forestry sector during FY1999 to FY2005 was 5, summing up to 45.4 billion yen. This accounts for 7 % of total loan aid to India, which follows the economic infrastructure such as power, transportation and water and sewage sector.

The evaluation team could not see the final results of the projects since all five projects in India surveyed in this evaluation study were still ongoing. However, the projects can be expected to achieve planned objectives because the team found no critical delay in the implementation schedule and the past assistance projects in the forest sector had achieved almost all planned objectives. Japan's assistance to India in the forest sector supports JFM that the Government of India has been promoting. JFM aims to increase the forest coverage rate and improve the livelihoods of the local poor who depend on forests. All the projects set two types of evaluation indices, namely those directly related to forestation such as forestation area and survival rate of planted trees, and those related to community development/poverty reduction such as the number of forest management committees and self-help groups and employment

creation. Judging from these two perspectives, it is reasonable to conclude that Japan's assistance to India in the forest sector is effective.

It needs examination by long-term monitoring at both state and field levels to judge whether the state forest department and JFM committees can continue to develop their operation after the JFM was successfully introduced and implemented with the assistance of Japan's loan aid. It seems useful to draw lessons for new projects by implementing long-term monitoring of forest projects, including completed ones.

4.4 Evaluation Result: Contributions to Addressing Global Issues

The Government of India considers that the multiple functions of forests contribute to addressing a variety of global issues, and that the forest is an asset offering various benefits for the future even though their benefits may not be able to be assessed from economic perspectives.

The Government of India does not seem to be greatly active for global warming prevention. The officials of Karnataka and Tamil Nadu state governments, however, stated that the created forests contributed to global warming prevention through carbon dioxide absorption. Although it is difficult to measure the amount of carbon fixation by the created forests, the government of Tamil Nadu conducted the rough estimation of the amount of carbon fixation, using research results in the state, based on the area of created forests.

The Government of India has been proactively working on combating desertification as one of national priority issues. The government implemented a number of projects that aimed to restore vegetation in deserted land and wasteland. Japan also made contribution to its effort in combating desertification since Japan implemented forestation projects in desert land of the northern region.

The forest projects surveyed in this evaluation study implemented a number of efforts to conserve biodiversity, including the planting indigenous species. However, the evaluation team could not confirm the direct effects of the projects on biodiversity conservation, indicating limited effects in the short run. Much time is necessary for a forest to grow enough to sustain a variety of fauna and flora. Thus, the forest projects could contribute to biodiversity conservation under the condition that the forests are properly managed in the future.

All projects adopting JFM approach, which aims to distribute forest products among local people and to reduce poverty, aim at improving the livelihood of local people. At present, although the evaluation team found no evidence indicating the impacts and outcomes after the completion of the projects, these projects are expected to contribute to the livelihood improvement of local people.

Meanwhile, in terms of gender perspectives, the basic objectives of "National Forest Policy (1988)" of India states that "Creating a massive people's movement with the involvement of women, for achieving

these objectives and to minimise pressure on existing forests” in its basic objectives. In practice, the projects take into gender perspectives considerations by efforts such as putting both male and female members from each household into a forest management committee, and establishing many self-help groups of women.

Chapter 5 Case Study 2: Japan’s Assistance in China

5.1 Evaluation Result: Relevance to the Higher Policies

Japan’s assistance for forest restoration and conservation in China during the evaluation period was reasonably relevant to the ODA policy of Japan. Japan’s “Economic Cooperation Plan for China” is well consistent with the policy of Japan’s ODA Charter and the Medium-term ODA Policy. Basic strategies of JICA and JBIC for their assistance to China were in line with “Economic Cooperation Plan for China” as well. Environmental protection and conservation is one of the priority issues of the “Economic Cooperation Plan for China,” and it mentions that Japan should promote its assistance in water resource management, and afforestation and forest conservation. Another priority area is poverty reduction, especially emphasizing its challenge of assisting rural development in the resource-poor inland area of China. JICA and JBIC follow this overall cooperation policy to China. JICA shows its intention to promote afforestation and forest conservation projects as part of its assistance in the environmental sector, and rural development and livelihood improvement projects for poverty alleviation. JBIC puts environmental protection as a priority issue for its assistance to China as well. Its focus is also on the rural areas in the inland China, and JBIC promotes projects to prevent loss of farm land and degradation of living environment caused by the Dust and Sandstorm (DSS) and severe soil erosion.

The abovementioned Japan’s assistance policy to China was in line with the forest policy of China. Chinese “10th Five Year Development Plan (2001-2005)” describes significance of sustainable resource use and ecosystem protection, and the restoration of natural environment. “National Eco-Environment Construction Plan (1999)” clarifies the protection of forest, prevention of soil erosion, and prevention of desertification as its priority areas.

Japan translated its “Economic Cooperation Plan for China” into Chinese and distributed the Chinese copies to relevant Chinese authorities in order to create a fundamental mutual understanding on project formulation policy. In line with this Japanese effort for the mutual understanding, JICA prepared an “Operational guideline for JICA’s technical cooperation” to explain JICA’s policy and its process of project formulation.

5.2 Evaluation Result: Appropriateness of Cooperation Process

Each step of the operations of the cooperation including policy consultation, project selection, project

planning, and others during the evaluation period was found to be appropriate. Two countries actively participated in the policy consultations frequently. Joint meeting called “Country-based ODA task force” was held monthly. The Ministry of Commerce and the Ministry of Science and Technology of China attended the meeting. Responsible authorities of ODA in China are different according to cooperation schemes. Loan, grant, and technical cooperation are handled by the Ministry of Finance, the Ministry of Commerce, and the Ministry of Science and Technology respectively. In order to avoid bureaucratic ineffectiveness, JICA and JBIC were holding regular meetings with the respective ministries. Because of this effort, personnel in charge of Japanese ODA in the respective ministries of China have good understanding on Japanese ODA policy and procedure, resulted in constructive discussions between the two parties.

The evaluation team could not find evidence of active collaborations with other donor agencies or NGOs. However, the team found several cases of relationship with other aid agencies. They include prevention of area duplication, use of lessons obtained by other aid agencies to formulate projects. JBIC made contract with a Chinese local NGO for project supervision and follow up for “Forestry Project in Ocher Plateau of Shanxi Province.” JICA also held information sharing meetings with local NGOs to exchange opinions and to utilize the NGO’s knowledge and experience for training materials.

Bureaucratic sectionalism of Chinese government is one of the obstacles in strengthening integration and holistic approach of Japanese assistance to the country. Despite such difficulties, Japan succeeded in realizing some examples including attendance of loan project official members to a training course organized by another technical cooperation project, and cross visit by different projects of different aid schemes of Japan. Projects of the all three aid schemes, loan aid, grant aid and technical cooperation, were implemented in Shanxi Province, and the team found a fact that State Forestry Administration guided Forestry Department of Shanxi Province, which is responsible for loan and grant projects, to utilize findings and lessons of a technical cooperation project in the province.

Since Japanese cooperation with China has been quite active in private sector, a substantial number of human resources are available among Japanese NGOs and other private organizations. JICA and JBIC invited those people as members of their official missions. There was a more active case that JICA contracted a NGO called “Green Earth Network” to conduct a study on the situation of forest in Ocher Plateau.

Monitoring and evaluation of projects were conducted by JICA and JBIC according to their respective guidelines. The evaluation team found evidence that findings from the monitoring and evaluation were actually used for new project formulation and implementation. On top of this, JICA conducted a study of “Direction of Japan’s Cooperation to China for Ecosystem Protection and Restoration (2004),” and JBIC did “Mid-term Evaluation on Forestry Loan Projects in China (2006).” Both studies aimed at clarification of policy implications from their past experience by evaluating the assistance at the sector level.

5.3 Evaluation Result: Effectiveness of Achievement

Actual input for forest projects in China during the evaluation period seems to be sufficient enough to achieve planned objectives of the projects. ODA to China include all the aid schemes of loan, grant and technical cooperation. Assistance for the environmental sector in China is the biggest among all, accounting for 80.3% of the loan disbursement, and all of the grant aid in FY 2005. The Number of loan projects in the forest sector during the evaluation period between FY 1999 and FY 2005 was 10, summing up to 76.4 billion yen, which is 8%³ of total loan disbursement during the same period. Total grant aid was 3.2 billion yen (13%⁴), and there were 6 technical cooperation projects (30%).

Due to the fact that most of the projects surveyed in this evaluation study were still ongoing and only a few years passed after the completion in terms of completed projects, the evaluation team found that it was too early to judge the effectiveness of their achievements. JBIC conducted a mid-term review study for its forestry projects in China in February 2006. They did not find any problems in progress of the projects, and found average survival rate was over 90%. They concluded that efficiency of the project implementation was high. The evaluation team did not find any problems such as critical delay of implementation schedule, and thus it is reasonable to conclude that the target projects would achieve their objectives as planned.

5.4 Evaluation result: Contribution to Addressing Global Issues

Chinese government officials consider that the multiple functions of forests are important for addressing global issues, and that the forest is an asset offering various benefits for the future, even though they may not be assessed based on economic perspectives.

The Government of China does not seem to be greatly active for global warming prevention. However, China recorded five to six million hectares of tree plantation annually since 1990, achieving the greatest afforestation area in the world. Therefore, China may be considered to have made contributions to global warming prevention through carbon fixation by the created forest⁵. The area of newly created or restored forests by Japanese assistance is limited and many are still underway, therefore, the extent of contribution to global warming prevention⁶ could not be evaluated at the time of this evaluation.

Combat against desertification is one of the main aims of Chinese “Six Priority Forestry Programs.” The programs mention the prevention of desertification and soil erosion, and Japan provided much

³ Amount of total pledge based on E/N (Exchange Note).

⁴ Amount of total pledge based on E/N (Exchange Note).

⁵ According to the FAO's evaluation of “Global Forest Resources Assessment 2005”, an average of 98 million tons of carbon was absorbed yearly in China during the period of 2000-2005 by the tree-planting activities, indicating that China is the country that absorbs the highest amount of carbon by the forest in the world.

assistance for these issues through loan and grant aid. the evaluation team could not conclude that their actual degree of contribution to the prevention of desertification because most of the target projects of this evaluation study are still ongoing; only a few years elapsed after the completion in terms of completed projects; and the total area of forestation by the projects is relatively small. However, it is reasonable to expect that they would realize some contributions in coming years.

Consideration for biodiversity conservation was taken into account as they tried to use indigenous tree species for forestation. However, in general, planting indigenous tree species in desert land is technically difficult, and therefore, this attempt was not widely practiced. The evaluation team could not find any evidence that the projects in China surveyed in this study actually contributed to biodiversity conservation. The Chinese government used to simply regard that increase of forest cover would result in increase of biodiversity in the past, however, it has changed its recognition and more efforts have been made under its “Native natural forest management” including mixed plantation of broadleaf trees and conifer trees. This recent change of the government policy would open better possibility that future forestry project would have better contribution to biodiversity conservation.

Japanese loan and grant aid projects in China offered wages for tree planting and free seedling of fruit and other trees. These components aimed at improvement of livelihood and ultimately poverty reduction. However, there is an argument that wages for tree planting and other support from the government do not necessarily lead to poverty alleviation since, in general, the wages and other support cease after the completion of the projects. Another argument is that these projects are ineffective for farmers’ capacity development for forest management. The projects should enhance farmers’ capacity so that they can manage the forest sustainably even after the support from the government ceases, but the evaluation team could not find such efforts in the projects that would enhance the farmers’ capacity.. These facts brought the evaluation team to a conclusion that the Japan’s assistance in China would be able to contribute to the improvement of livelihood in the short term. However, there was shortage of evidences that Japanese assistance was also effective for poverty alleviation in the long run. These two different phases of time period, namely short-term benefit and long-term benefit, should be considered more carefully.

Conversion of degraded farm land to forest land is one of the priority areas of Chinese forestry policy, known as “Conversion of Cropland to Forest and Grassland Program.” Owner farmers are generally cooperative during they receive the compensation from the government. However, there is some concern that they may cut the planted trees after the compensation payment finishes due to their immediate need for income from the farm land. This concern gives some suggestion that plantation on farm land should be combined with support to create alternative sources of income. As mentioned above, some projects supported by Japan included the distribution of fruit tree seedlings to farmers aiming at the creation of new income sources, however, it may be insufficient unless additional support to farmers including marketing training and support for product transportation is given.

With regard to gender equality, the evaluation team observed that women were equally participated in the projects as equal partner.

Chapter 6 Lessons Learnt

6.1 A Successful Case in Collaboration of Technical Cooperation, Grant and Loan Assistance in China

A case in Shanxi Province in China shows a good example of complementing the integration of technical cooperation, grant and loan assistance projects. It started with a technical cooperation to foster human resource development and appropriate technology development. The following grant aid project established project implementation mechanism under the supervision of Japanese experts, utilizing appropriate forestry technology and human resources developed by the technical cooperation. Finally all the achievements of these projects were applied to a loan project. The Chinese side implemented the loan project, making use of the forestry technology acquired through the preceding projects, though Japanese experts were not assigned to it. This example clearly indicates the importance of complementing integration of different cooperation schemes at project finding and planning.

6.2 A Successful Case of Grant Aid in China

A grant aid in China was implemented based on the Japanese standard including the project management system (construction supervision, quality control etc.) and plantation techniques (planting density, spacing etc.), and the Japanese experts directly guided the Chinese local staff members. At the same time, appropriate amount of project budget, in terms of per unit area, was secured by the Japanese assistance. These are considered to be the key success factors for the grant aid. It should be noted that, as discussed in Chapter 5, Chinese officials had deep understanding on Japanese policy of forestry assistance and also on advantages of Japanese standard in forest management. Also, many of Japanese experts had substantial experience of working in China beforehand. These hidden factors also critically affected the success of the case in China. Therefore, application of this lesson to projects in other countries should carefully consider these factors.

6.3 Realization of Benefit to Local Residents in Forestry Projects

It requires long time to materialize the benefits of a forest project including production of timber, non-timber-forest-products, soil conservation effect, and water retention effect. These long-term benefits are usually not enough attractive for the poor residents in the target area of a project. Project components to bring short-term benefits to local people, which improve livelihood of the people, are critical to motivate them for active participation in the project.

JFM in India combines two components. One is plantation, which will realize the long-term benefit to the participants, and the other is formulation of self-help groups and revolving-fund for short-term livelihood improvement. Integration of these two components, which aims at creation of benefit in

different time span, seems indispensable for sustainability of participatory forest management. In this regard, a forest project needs to pay due attention not only to plantation but also to the capacity development of community groups and technical support for income generation activities.

6.4 Cautious points regarding JFM

JFM in India has made substantial contribution to increase in forest cover and realization of sustainable forest management in India. Nevertheless, there are some critics especially on the operational aspects of JFM. Such critics include that there are some projects, in which minority people were excluded from the use of the forest; actual needs of the target community were not well considered; and transparency and accountability of project implementation were not well secured. Japan has respected the sense of ownership of the Government of India, and it is difficult for Japan to jump over the Government of India to come down to local villages to confirm the needs of local people directly. However, minimizing or avoiding any risks against the success of a project is an obligation of a loaner. Therefore, confirmation of local needs to formulate a fair and appropriate project plan should be made at the project formulation stage. It is necessary for Japanese aid agencies to review the operation of JFM through monitoring and evaluation, and to have discussion with the Indian side for the improvement of JFM operation.

6.5 Considerations for Japanese Loan Assistance

Many forest projects, especially plantation, in India and China were successful in general. This is attributed to the facts that 1) they have long history of forest restoration and conservation, and necessary techniques and human resources are available in the countries; and 2) they established a national policy on forest management and they pursued forest conservation and restoration regardless of assistance from abroad. This means that Japanese assistance in India and China effectively supported self-help efforts of these countries. One lesson derived from this is that assistance to countries which have similar characteristics to India and China could achieve similar success on the other hand. Risk of failure would be high if Japan provides loan aid to countries, which are less prepared than India and China.

6.6 Correlation between “Global Issues” and Local Needs

Japanese ODA projects are formulated based on requests from recipient countries. On the other hand, “global issues” are generally borderless issues. The gap between the request-based project formulation and borderless character of “global issues” is difficult to link. For example, the number of projects, which include global warming prevention or biodiversity conservation, was limited. Global issues such as global warming and biodiversity loss are less relevant to the needs of local residents or even to a strategic policy of economic development in a developing country. Under these circumstances, few projects aiming at addressing global issues can be identified through the request-based process. If the Japanese government has strong intention to exercise initiative to address “global issues” in the

international community, while maintaining the “request-based principle,” a new mechanism of project identification and planning will be necessary.

Chapter 7 Recommendations

7.1 Recommendations for Successful Forest Projects

(1) Poverty alleviation component should be emphasized

Wages for tree planting or compensation to farm land alone may not sustain the motivation of local people for long-term commitment to forest management. In this case, whether sustainable forest management is realized depends on economic situations of the beneficiaries, and if they are in a struggle of poverty, there is no other way for them than cutting trees for firewood and opening the forest for more farm land. This indicates necessity of incorporation of income generation activities into forest projects to ensure their long-term sustainability. The evaluation team observed that JFM in India well recognized this idea, but consideration on this point was relatively weak in the cases of China. Although actual projects would be varied according to original requests of the recipient countries and situations of target areas, components to contribute to poverty alleviation such as income generation activities should be properly incorporated into forest projects.

(2) Conditions of the recipient country should be clarified for a large scale plantation project

Assistance for a large scale plantation can only be done by loan assistance, which JBIC has to investigate the repayment ability of the country. As discussed in this report, many plantation projects aim at the prevention of severe soil erosion, recovery of water retention function, and realization of other non-monetary benefits. Therefore, a recipient country of a plantation project by loan assistance should have reasonable experience of forest management, and be capable of taking the ownership of the projects.

In order to avoid unnecessary risk of failure of a loan project, Japanese government should select countries with 1) basic technical background in plantation and forest management; 2) a clear national policy and goals for plantation and forest management; and 3) the strong leadership of the government to promote forest projects. Loan plantation projects in countries without these conditions would have very high risks of failure, and in such cases, technical cooperation and grant aids to foster human resources and to establish an appropriate technology model should be considered first.

7.2 Recommendations for Further Strengthening of Bilateral Cooperation in the Field of “Global Issues”

“Lesson 6.6” described that the gap between the local needs of recipient countries and borderless character of global issues is one of the difficulties in formulating forest projects which contribute to the effort of addressing the global issues. There are two recommendations in this regard.

(1) Strengthening Policy Consultations to Encourage Recipient Countries for Identification of Projects related to global issues

Japan should show its strong intention for addressing global issues to recipient countries, and encourage their efforts to formulate projects that contribute to addressing the global issues. For example, a country which ratified an international protocol or a convention has an obligation to perform its duty under the protocol or the convention. Japan may be able to give necessary support to such countries for their fulfillment of duty performance, and to actively encourage such countries to identify necessary assistance project through policy consultations with them. Especially, Japan presented a strong commitment to United Nations Framework Convention on Climate Change (UNFCCC). Japan was the chair country in the 3rd Conference of the Parties (COP3) in 1997, and presented the “Kyoto Initiative.” Japan has been known to the world as one of the leading country working on the global environmental issues. It is necessary for Japan to actively propose and encourage developing countries to use Japanese ODA in addressing global issues. In order to realize this active policy consultation with developing countries, it is important for Japan to establish a clear mechanism to incorporate Japan’s pledge on the international protocols and conventions into its “Country Assistance Programs” for major recipient countries. Creation of a “priority lane” for the project requests through such policy consultations at project selection stage is another recommendable measure.

(2) Clear Description of the Multiple Functions of Forest in the Project Documents

Many of the biological and social functions of forest relate to global issues. A forest project may not have direct aim to address global issues, but such relationship between global issues and the enhancement and/or restoration of healthy functions of forest should be mentioned clearly in the project documents. As discussed in the Chapter 2, due to the multiple functions of forest, a forest project may have spillover effects to contribute to addressing global issues.

In this section, the evaluation team raised two recommendations only, however, further discussion is necessary to clarify how to link the local needs of recipient countries and global issues.

7.3 Recommendations for Better Use of Forestry Technologies

(1) Collection of existing knowledge and information on forest management according to different types of natural conditions

There are a variety of forest types such as rainforests and conifer forests. Forests are different depending on meteorological, geographical and other natural conditions. Appropriate technologies of forestry vary according to such differences in forest types. In order to expand Japan’s international cooperation in the forest sector, it is necessary to collect data and information of different forestry technologies in the world, and to establish the mechanism to facilitate their effective use.

There is an international working group called “Montréal Process,” based on the “Statement of Forest Principles” adopted in UNCED in 1992. The Montréal Process has worked on the criteria and indicators for the conservation and sustainable management of temperate and boreal forests. One hundred forty nine countries, divided into nine sub-groups according to different forest types, have participated in this work. Achievements and findings of this working group can be one of good information sources.

(2) Collection of data and information regarding socio-economic conditions

Socio-economic conditions of target area are indispensable information to formulate an appropriate forest project. The latest mainstream of the forest sector strategy is “participatory approach.” One example of this approach is JFM in India. Understanding on economic and socio-cultural implication of forest is critical for project planning, and thus collection of data and information regarding this topic is useful for the future expansion of Japanese assistance in the forest sector.

(3) Strengthening technical cooperation for capacity building of forestry administration

Another important area to realize sustainable forest management is capacity building of government institutions to establish effective legislation and to disseminate necessary information. Technical transfer in these areas may be more generally applicable to many countries and regions than that of tree growing or afforestation. It is recommendable to derive lessons that are useful for technical cooperation to developing countries from Japanese experience of forestry administration.

(4) Use of “good practice”

Use or replication of preceding successful examples of countries with similar conditions is effective. Factors that led to success should be derived from the past experience of Japanese ODA, and analyzed and accumulated as shared knowledge. It may be called “good practice,” and use of the “good practice” will be effective for the better preparation and management of projects in the future. One example of the “good practice” is the case in Shanxi Province in China, in which different cooperation schemes played complementing roles to achieve a bigger success.

A “good practice” can be applicable to neighboring countries or other countries with similar conditions. For example, a “good practice” of plantation in desert area may be applicable in similar areas in neighboring countries. Such “good practice” should be actively introduced to potential recipient countries in order to enhance the effectiveness of forest projects. Use of experienced local experts for the application of such “good practice” should also be considered. Successful examples in neighboring countries with similar conditions are more understandable and convincing for the relevant stakeholders of the recipient country, and thus project identification and formulation may become easier. Use of a “good practice” for Japanese support to the “south-south cooperation” is another possibility, and will be effective to raise the presence of Japan in the region.

7.4 Recommendations for Effective Monitoring and Evaluation

(1) Establishment of longer-term monitoring and evaluation system

Materialization of the multiple functions of forest needs many years. No one is able to estimate the effects of a forest project, such as water retention and soil conservation, right after the completion of the project. Long-term monitoring and evaluation is, therefore, necessary if one wants to confirm the real achievements in this regard. JICA and JBIC have already established their systematic monitoring and evaluation procedures. However, such monitoring and evaluation are not longer enough to see the real achievements of forest projects. If budget constraint is the problem, sample investigations may be a more realistic alternative for this purpose. Administrative capacity of a recipient country is one of the important points for the long-term monitoring and evaluation.

One of the important points to keep in mind in terms of the long-term monitoring and evaluation is that there is a risk of unexpected events, which may hinder the achievement of project objectives. For example, after 10 years of project completion, the natural conditions or human activities in and around the project site may be different from what were expected during the project implementation. Careful consideration for such risks should be given to maintain fairness and effectiveness of the monitoring and evaluation.

(2) Preparation of evaluation indicator

Area size of plantation, number of participants in training courses, or number of report produced during a project period are not enough to evaluate the extent of improvement in the multiple functions of forest. Indicators that deal with the quality of forest, including prevention of desertification and economic value to the local residents, should be used for an appropriate evaluation. The Montréal Process mentioned in Section 7.3 has produced 67 indicators such as “extent of area by forest type and by age class or successional stage” and “area and percent of forest land with significant soil erosion” for 7 criteria including “conservation of biological diversity,” “conservation and maintenance of soil and water resources.” Japan has participated in this working group, and is expected to utilize the knowledge and experience acquired from this work for the ODA assistance in the forest sector.