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IMPLEMENTATION COMPLETION REPORT
(PPFI-P9590; IDA-29200)

ON A

CREDIT

IN THE AMOUNT OF SDR15.0 MILLION (US$21.5 MILLION EQUIVALENT)

TO THE

REPUBLIC OF HAITI

FOR THE

FOREST & PARKS PROTECTION TECHNICAL ASSISTANCE PROJECT

12/30/2002

Caribbean Country Management Unit
Environmentally and Socially Sustainable Development Sector Management Unit
Latin America and the Caribbean Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective December 2001)

Currency Unit = Gourde
1 HTG = US$ 0.03
US$ 1.0 = 26.06

FISCAL YEAR
October 1 September 30

ABBREVIATIONS AND ACRONYMS

ASSODLO	Haitian Association for Water and Soil Assessment in the Rural Sector *(Association Haïtienne pour la Maitrise des Eaux et des Sols en Milieu Rural)*
BZSIF	Buffer Zone Small Investment Facility
BME	Bureau of Mines and Energy
CARE	(US based Non Governmental Organization)
CAS	Country Assistance Strategy
CECI-FIDEL	Canadian Center for International Studies and Cooperation - Investment Center for Local Development (*Centre canadien d'Étude et de Coopération Internationale - Foyer d'Investissement pour le Développement Local* (FIDEL)
CRDA	Agricultural Research and Development Center (*Centre de Recherche et de Développement Agricole*)
DRN	Natural Resources Directorate (*Direction de Ressources Naturelles*)
FAES	Social and Economic Assistance Fund (*Fond d'Assistance Economique et Sociale*)
FPPTA	Forest and Parks Protection Technical Assistance Project
GOH	Government of Haiti
IDA	International Development Association
NEAP	National Environmental Action Plan
NGO	Non Governmental Organization
MARNDR	Ministry of Agriculture, of Natural Resources and of Rural Development (*Ministère de l'Agriculture, des Ressources Naturelles et du Développement Rural*)
MOE	Ministry of Environment
SPNS	National Parks and Natural Sites Service
SRF	Forest Resources Service
PAPIZ	Support Program to Small Investments in Buffer Zones (*Programme d'Appui aux Petits Investissements dans les Zones Tampon*)
TPTC	Transport, Communications and Public Works (*Travaux Publics Transports et Communications*)
USAID	United States Agency for International Development

Vice President:	David De Ferranti
Country Manager/Director:	Marco Mantovanelli/Orsalia Kalantzopoulos
Sector Manager/Director:	Maria Teresa Serra/John Redwood
Task Team Leader/Task Manager:	Elizabeth Monosowski

HAITI
FOREST & PARKS PROTECTION TECHNICAL ASSISTANCE PROJECT

CONTENTS

	Page No.
1. Project Data	1
2. Principal Performance Ratings	1
3. Assessment of Development Objective and Design, and of Quality at Entry	2
4. Achievement of Objective and Outputs	3
5. Major Factors Affecting Implementation and Outcome	7
6. Sustainability	12
7. Bank and Borrower Performance	13
8. Lessons Learned	15
9. Partner Comments	16
10. Additional Information	16
Annex 1. Key Performance Indicators/Log Frame Matrix	17
Annex 2. Project Costs and Financing	18
Annex 3. Economic Costs and Benefits	20
Annex 4. Bank Inputs	21
Annex 5. Ratings for Achievement of Objectives/Outputs of Components	23
Annex 6. Ratings of Bank and Borrower Performance	24
Annex 7. List of Supporting Documents	25
Map IBRD 28001	

Project ID: P007326	*Project Name:* FOREST & PARKS TA (TAL)
Team Leader: Elizabeth Monosowski	*TL Unit:* LCSEN
ICR Type: Core ICR	*Report Date: December 30, 2002*

1. Project Data

Name: FOREST & PARKS TA (TAL)

L/C/TF Number: PPFI-P9590; IDA-29200

Country/Department: HAITI

Region: Latin America and Caribbean Region

Sector/subsector: Central government administration (38%); Forestry (33%); Micro- and SME finance (15%); Agricultural extension and research (14%)

KEY DATES

			Original	*Revised/Actual*
PCD: 09/15/1995		*Effective:*	03/17/1997	08/29/1997
Appraisal: 01/22/1996		*MTR:*	02/15/2000	02/22/2000
Approval: 09/17/1996		*Closing:*	12/31/2001	12/31/2001

Borrower/Implementing Agency: GOVERNMENT OF HAITI/MINISTRY OF ENVIRONMENT

Other Partners: Natural Resources Directorate (DRN) of the Ministry of Agriculture, Natural Resources and Rural Development. Mines and Energy Bureau (BME) of the Ministry of Works and Communications (TPTC).

STAFF	Current	At Appraisal
Vice President:	David de Ferranti	Shahid Javed Burki
Country Manager:	Orsalia Kalantzopoulos	Paul Isenman
Sector Manager:	Maria Teresa Serra	Jonathan Parker
Team Leader at ICR:	Elizabeth Monosowski	Daniel Moreau
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2. Principal Performance Ratings

(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HL=Highly Likely, L=Likely, UN=Unlikely, HUN=Highly Unlikely, HU=Highly Unsatisfactory, H=High, SU=Substantial, M=Modest, N=Negligible)

Outcome: U

Sustainability: HUN

Institutional Development Impact: N

Bank Performance: S

Borrower Performance: U

	QAG (if available)	ICR
Quality at Entry:	S	U
Project at Risk at Any Time:	Yes	

3. Assessment of Development Objective and Design, and of Quality at Entry

3.1 Original Objective:

The overall objective of the Haiti Forest and Parks Protection Technical Assistance Project was to initiate interventions for the protection of critical remnants of Haiti's forest ecosystems and to slow the pace of degradation of its natural resources. The project was designed to support the establishment of the institutional, policy and financial foundation for the Government of Haiti (GOH) to promote protection of critical ecosystems on a national basis. The specific objectives of the project were to:

(i) provide institutional and technical support to the Ministry of Environment (MOE) and related services within the Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) to strengthen the Government ' s capacity to develop, monitor and implement a national forest and parks protection system;

(ii) initiate key activities to protect and manage the *La Visite* and *Pic Macaya* National Parks, and the Pine Forest National Forest Reserve; and

(iii) reduce pressure on the above-mentioned protected areas by increasing on-farm productivity and off-farm employment options, and enhancing the management capacity of local organizations in the buffer zones of the three targeted protected areas.

The project objectives were adequate as the first necessary steps in a long-term process, and served to address the development priorities outlined in the CAS, by preparing projects to protect and rehabilitate the environment in Haiti, while finding alternative solutions to the exploitation of forests as an income generating option available to peasants.

3.2 Revised Objective:

There were no changes in the original project objectives.

3.3 Original Components:

Project objectives were not formally revised and remained consistent with the 1996 CAS for Haiti, which focused on: (i) redirecting the public sector to deliver basic social services; (ii) assisting the government in implementing its economic reform program; and (iii) developing a workable system of safety nets.

The project consisted of three major components:

(1) Institutional Strengthening and Reform. *(US$6.2 million)*This component was designed to: (a) strengthen the Ministry of Environment (MOE) through policy development and establishment of an appropriate administrative framework for natural resources protection; and (b) provide basic conservation training to park personnel, Government staff and local advisory committees;

(2) Support for Management of Forests and National Parks. *(US$3.3 million)* This component was to provide support for: (a) the development of a sustainable management system for the existing Pine Forest National Reserve and the strengthening of the Forestry Service; (b)

the protection and sustainable management of the *Pic Macaya* and *La Visite* National Parks and the Pine Forest National Reserve; and (c) strengthening of the Forest and Parks Service;

(3) Support for Buffer Zone Development. *(US$7.8 million)* This component was designed to reduce pressure on the reserves, diversify sources of local household incomes and enhance environmental benefits in the buffer areas, through (a) provision of agro forestry, soil conservation and agricultural extension services to farmers living in or near the reserves to rehabilitate natural resources and boost productivity; and (b) provision of technical assistance and financing to assist farming communities with the design and implementation of small investment subprojects through a participatory planning process.

3.4 Revised Components:
N/A

3.5 Quality at Entry:
The project objectives were sound and consistent with the general objectives of the Country Assistance Strategy and overall development aims for the country. The design of the project was also focused on achieving the stated objectives, with a special emphasis on promoting the decentralization of park management to local institutions. The project would also pilot decentralized approaches for a larger proposed rural development project to follow. Nevertheless, there was a disconnect between the modest development objectives that recognized the difficult process of policy shift in Haiti, and the over ambitious expected outputs in light of the severe institutional constraints, absorptive capacities and governance issues in Haiti. For example, the key political decision to move both the Park Service and the Forest Service from the Ministry of Agriculture to the Ministry of Environment was only taken by the second year of project implementation. The project design also neglected to include adequate measures to address: (a) the lack of capacity within the MOE and the Agricultural Research and Development Center (CRDA) to work in an effective participatory manner with local community organizations and NGOs in the implementation of buffer zone development and resource management activities; and (b) the unrealistically high levels of counterpart funding expected from the GOH. Finally, the project could have approached more systematically the issue of rural development in the buffer zones around the parks. Therefore, the Quality at Entry is rated unsatisfactory.

4. Achievement of Objective and Outputs

4.1 Outcome/achievement of objective:
The overall outcome of the project is rated unsatisfactory, as ultimately the overall project objectives were not achieved. Nevertheless, there was good progress in project implementation up until the mid-term review, in spite of the increasing political disturbances that the country faced.

Although the project was able to initiate interventions for the protection of critical remnants of Haiti's forest ecosystems, there is no evidence that it had slowed the pace of degradation of its natural resources.

(i) the specific objective of strengthening the Government's capacity to develop, monitor and implement a national forest and parks protection system was partially met during the project implementation, but this capacity seems to have eroded rapidly after the project closure. The project failed to achieve the establishment of a comprehensive legal and organizational framework related to the management of protected areas in Haiti specifying the role of local communities, civil society and the Government;

(ii) key activities to protect and manage the *La Visite* and *Pic Macaya* National Parks, and the Pine Forest National Forest Reserve were initiated under the project, but there is no evidence that they have continued after the project closure; and

(iii) the specific objective of reducing the pressure on the protected areas by increasing on-farm productivity and off-farm employment options, and enhancing the management capacity of local organizations in the buffer zones of the three targeted protected areas was partially met; given the limited implementation of some of these mechanisms, there is no evidence that a critical mass has been reached that could promote sustainable changes in the behaviors of farmers in the buffer zones.

Despite these shortcomings, the project managed to produce several positive results. The main positive outcomes of the project included the following:

(i) execution of fourteen studies elucidating various issues related to the management of protected areas, including, environmental, social and institutional assessments that provided guidance on priorities for project implementation and contributed to the National Environmental Action Plan of Haiti;

(ii) preparation of a new legal and institutional framework for the co-management of protected areas; although not yet adopted formally, this framework oriented pilot actions in the protected areas and buffer zones;

(iii) introduction and establishment of the concept of participatory management of natural resources at the local as well as at the national level as a project implementation tool;

(iv) establishment of the geographical boundaries of the forest reserve and two national parks under the project;

(v) establishment of community-based surveillance systems for protected areas to complement Government surveillance;

(vi) implementation of NGO activities in the buffer zones to deliver relevant development services to local communities and individual investors;

(vii) development and dissemination of a management, monitoring and evaluation system to the various stakeholders of the project; and

(viii) provision of the necessary logistics for the relevant government administrations and NGOs in the form of office buildings, information technology equipment (computers, phones, faxes) and means of transportation (cars, motorcycles) to facilitate and strengthen their performance.

While the results attained are for the most part satisfactory, their overall applicability and contribution to the achievement of project development objectives can be questioned. In addition, given the impossibility of carrying out field visits to assess project results, the overall benefits accruing to beneficiaries from the project could not be verified. Moreover, the PCU provided mostly quantitative evidence of implementation of some of the key activities, without providing more qualitative information on outputs and outcomes which would have assisted in the process of evaluating the degree to which project objectives were achieved.

4.2 Outputs by components:
The components were designed to address technical assistance, technical and policy studies, training, equipment, limited works and incremental operation costs required to achieve the objectives of the project. Specific outputs by component included the following:

(i) Institutional Strengthening and Reform. (Satisfactory) This component produced concrete outputs, including: (a) a study on the legal and administrative framework of the project, resulting in the design of new institutional arrangements for park management, and the development and amendment of a legal framework for the co-management of protected areas; (b) capacity building in the sector, through training of 58 agro forestry extension agents in environmental conservation and management, mid-career courses for agronomists and technicians, and organization of bi-national workshops with the Dominican Republic on the management of protected areas. Also, three scholarships to initiate studies for masters degrees were also delivered. In addition, all extension agents of the project received training in GPS and database management.

(ii) Support for the Management of Forest and National Parks (*Forêt de Pins, Parc La Visite and Parc Pic Macaya*). (Partially satisfactory) The outputs of this component, while limited, provide the basis for future operations in managing protected areas in Haiti. They included the design of environmental management plans for each of the parks and the forest reserve; boundary delimitation and mapping of each of the three protected areas; the creation of forest protection teams and advisory councils to monitor forest regeneration activities; and the installation of fire prevention systems.

(iii) Support for Buffer Zone Development. (Unsatisfactory) The outputs of this component in terms of poverty alleviation and its environmental impacts are less tangible. Nevertheless, several specific outputs can be cited:

> (a) A **social assessment of communities in the buffer zones** of the protected areas was conducted. Five advisory councils were created and remained operational until the subsequent unilateral suspension of project activities by the government (April 2001). The project contributed to the creation of the association *Organization Destination Djondjon* to boost eco-tourism in national parks and forest reserves in Haiti. Selected representatives from farmers' associations were trained in eco-tourism and made a study tour to the Island of Guadeloupe. Hiking trails were established in each of the protected areas. In addition, the cottages of the Pine Forest National

Reserve were renovated to receive tourists; and

(b) A development fund established for the communities in the buffer zones of the protected areas had limited success in meeting the targets set by the project: only 123 sub-projects were implemented, representing roughly 25% of the funds allocated for this purpose. The fund financed six programs in: (a) environmental management (55 environmental management subprojects including soil conservation, plantation of fruit trees and coffee plants); (b) physical infrastructure (14 physical infrastructure projects, among others, road rehabilitation and provision of potable water to local communities); (c) agricultural production (10 agricultural subprojects focusing on the transformation and preservation of agricultural products); (d) animal husbandry (4 animal husbandry subprojects aimed at improving breeds); (e) agricultural research and development (8 subprojects) and (f) micro-credit (32 micro-credit subprojects to strengthen productive investments by local groups). The socio-economic mitigation measures planned to enhance the livelihoods of local communities in the buffer zones, however, could not efficiently reduce social pressure on the protected areas as the benefits derived from the illegal cutting of pine trees often exceeded potential benefits of alternative income-generating projects.

4.3 Net Present Value/Economic rate of return:
N/A

4.4 Financial rate of return:
N/A

4.5 Institutional development impact:
The institutional development impact of the project is rated Negligible. There was no permanent institutional development impact, in spite of some positive contributions to the in-country technical capacity for managing forests and protected areas. The major beneficiaries of the project were the Park Services under the Ministry of Environment and, to a lesser extent, the Ministry of Agriculture, Natural Resources and Rural Development.

Positive features in institutional development were:

(i) strengthening of technical and administrative capacity of individuals at the national and local levels;

(ii) hiring of competent staff by the Project Coordination Unit (PCU) to implement the project;

(iii) involvement of NGOs, the private sector, national and local authorities in participatory management of protected areas; and

(iv) support for the creation of an association that focuses on the valorization of Haitian ecosystems through the promotion of eco-tourism.

Despite these positive contributions, it is worth noting that the limited institutional capacity overall could hinder the sustainability or implementation of these features. Of particular concern were the following limitations to overall institutional development impact:

(i) lack of sustained cooperation between MOE and partner institutions/NGOs in executing project activities;

(ii) government's failure to meet its contractual commitments with NGOs, which had to finance ongoing project activities with their own funds and were neither paid nor reimbursed following suspension of IDA disbursements in January 2001, leading to significant weakening of their financial and operational capacities;

(iii) firing of staff following the project's suspension in June 30, 2001 and, thus, any technical know-how developed during project implementation has not been absorbed by the key implementing agencies;

(iv) lack of accountability on the allocation, use and maintenance of the equipment and vehicles provided for the project; and

(v) potential loss of the project institutional memory due to poor conservation and archiving of the documentation produced.

5. Major Factors Affecting Implementation and Outcome

5.1 Factors outside the control of government or implementing agency:

During preparation of the project concept document (PCD) and at appraisal, the political changes and instability that would affect Haiti and the ramifications for project implementation could not be foreseen. Indeed, the project counted with significant political support, being the only new Bank-funded activity approved by the Parliament since the early 90s, in July 1997. Shortly thereafter the parliament stopped functioning.

Two years after effectiveness, political unrest took hold of Haiti disrupting social cohesion and deteriorating the security situation. The entire Haiti portfolio was affected by instability, civil unrest and political crisis. There was a significant reduction in new external assistance, particularly from international financial institutions whose credits and loans must be ratified by parliament. The political stalemate following the May 2000 contested elections brought the country to a virtual halt and compounded the weak economic situation of Haiti. The deterioration of the security conditions affected the field work and limited IDA supervision missions.

5.2 Factors generally subject to government control:

Factors that limited project performance include:

Ownership by the Government: The loss of the strong ownership which characterized the early implementation phase due to frequent changes in MOE's key positions had a major negative impact on the project implementation. Initially, the project preparation had a strong support of the recently created Ministry of Environment (MOE), which saw in it a major opportunity for consolidating its existence and for building its capacity. Although the Ministry of Agriculture, Natural Resources and Rural Development (MARNDR) was in charge of the Park Service and of the Forest Service at the time, it has never given support to those units and was not involved in project preparation. Nevertheless, MARNDR resisted pressures from donors and the Prime Minister to transfer these functions to the MOE. This transfer finally took place two years down the project implementation with the support of a coalition that included MOE, technical levels at MARNDR, civil society and the private sector (This coalition would later become a real constituency for the decentralized management of parks in Haiti).

Frequent changes of leadership: the political instability produced constant changes at the head of the MOE, thus weakening the original commitment of the institution to the project objectives and design, creating discontinuity in the process of establishing strategic partnerships with the administration and limiting access to institutional memories. During project implementation, the Ministry of Environment was led by five ministers, plus two interim ministers, contributing to a dramatic erosion of ownership from the MOE. In March 2001, the Minister of Environment decided for the unilateral suspension of all project activities while an evaluation commission prepared an internal report, and announced his intention to promote major changes in both the project substance and management without adequate consultation with IDA, and despite the proximity with the closing date.

Failure of government to fulfill its financial commitments: The generalized failure of the Central Government to fulfill its financial commitments affected negatively the project since the beginning, with constant delays in implementation due to the lack of counterpart funding. The situation became critical in January 2001, when IDA suspended Haiti's rights of withdrawal under IDA credits due to non-payment of outstanding IDA arrears. This fact, combined with the unilateral suspension of the project activities by the MOE for an undetermined period, led to IDA's decision to suspend all project activities until the project's closure on December 31, 2001. In June 2001, IDA approved a partial cancellation of the SDRs 3,412,021 million affected by the referred suspension. The PCU was accordingly instructed to stop all project activities, close the project's office, transfer all the project assets and documentation to the Director General of the Ministry of Environment by June 29, 2001. IDA requested MOE to provide immediately a final progress report, a final statement on the special account funds and the destination of the project assets (vehicles, equipment), to meet the pending commitments with its consultants and providers, and to proceed with the final project audit. In spite of several efforts to contact the MOE, those requests went unanswered to date.

5.3 Factors generally subject to implementing agency control:

Tensions between the PCU and MOE: The decision to establish a separate PCU stemmed from the fact that at project effectiveness the MOE was not yet fully established (i.e. did not have its organic law) nor had the formal mandate over the parks and forests (still under the MARNDR jurisdiction). Admittedly, there where conflicts of interest and tensions between various government bodies regarding the management of the project. An independent PCU could equally serve both Ministries and possibly help them to strengthen their coordination. However, the PCU never developed a strategic partnership with any Ministry. Moreover, its lack of interaction with the beneficiary institutions contributed to a sense of alienation, in particular with respect to the MOE. The emphasis of the PCU on decentralizing the parks management clashed with the priorities of the Ministers, unwilling to relinquish power to the local authorities and focused rather on building the central administration capacities. Pressures increased to use project resources to support routine MOE activities out of the project scope, including hiring of political appointees, personal use of project vehicles, displacement of equipment, etc. The lack of commitment from the last administration of the Ministry of Environment to resolve differences with the PCU led to the abrupt decision from MOE to suspend all project activities and disbursements until an internal review could be carried out, against the advice of the Bank team.

Project complexity: The nature and complexity of the project was not fully understood by all the partners. As an institutional reform project, there was a difficulty in foreseeing, during the project preparation phase, the reforms and institutional adjustments that would be necessary for its implementation. This contrasted with the lack of long-term perspective within the Ministry of Environment and other Government agencies, that generally considered the project as a single-standing, five-year operation. An example is the failure by the Forest Resource Service (SRF) and the National Parks and Natural Sites Service (SPNS) to establish efficient and economically viable organizational arrangements for the management of protected areas. The arrangements proved to be more expensive than what the budget could cover, as the cost for salaries became significant and could not be covered by Government's budget after project implementation.

Poor administrative capacity: The project involved a large number of project implementing agencies without consideration of the poor administrative capacity to coordinate their activities and supervise the quality of outputs. The lack of strong coordination lead to fragmentation in a decentralized program with local actions executed by diverse independent executing agencies and stakeholders. Inadequate monitoring and supervision of project activities was fostered by the deterioration of the security situation, which constrained the ability of both the PCU and Bank teams to carry out field visits. The Government-sponsored surveillance system for protected areas was inefficient, tainted by allegations of corruption and unable to coordinate with the local communities.

Slow disbursements: A complex system for distribution of project funds combined to the lack of familiarity with Bank procedures by the PCU led to constant delays in the disbursement of project funds. Procurement was also slow: for example, contracting out extension services with local NGOs took much longer than expected. Second, the project met resistance from MARNDR about the transfer of the buffer zones development fund to a third party *(Fonds d'Assistance Economique et Sociale-* FAES-), as the Ministry wanted to manage such fund in-house. Breakdown of communications among agencies fostered by personal animosities were frequent, slowing down project implementation and requiring continuous mediation from the Bank team.

Unclear role of FAES/PAPIZ as a pilot for a more ambitious rural development fund: The creation of a demand-driven rural development fund under FAES had the objective of broadening FAES scope into rural development funding. At the time FAES had a positive record in managing urban infrastructure projects, but no experience with rural projects. The PAPIZ would allow to build FAES' capacity in this domain while providing incentives for the conservation and sustainable use of the buffer zones, thus reducing the pressures on the forests and parks' resources. However, the identification and preparation of such projects was at the charge of the NGOs providing the extension services, with no clear mechanism to establish a significant pipeline of small environmental projects. Moreover, there have been constraints to disbursement from the PCU to FAES/PAPIZ, caused by lack of documentation of previous expenses by PAPIZ and irregularities on managing the FAES special account. This situation took a long time to be sorted out between FAES, the PCU and the Bank, and new deposits to the FAES Special account remained suspended meanwhile, thus limiting the investment capacity on sub-projects. The issue was finally resolved shortly before the suspension of Bank disbursements in January 2001.

Other factors that limited project performance include:

(i) costly management plans which exceeded budget provisions. The implementation of these plans involved contracting many services and increased expenses related to the salary component of the budget, thus reducing resources for other components such as monitoring and supervision of services for operations executed;

(ii) a large number of sub – contractors, some of whom tried to assume functions that did not match their organizational structure, while others did not have the social capital to execute their terms of reference;

(iii) a procurement arrangement which forced NGOs to cover their expenses against reimbursements had an adverse effect when the government was unable to meet its commitments and pay the NGOs for their services after the suspension of disbursements in January 2001; and

(iv) failure to establish financial mechanisms that would ensure continuity in the management of protected areas beyond the project period.

Factors that had positive impacts on project implementation include:

(i) the initial political will and commitment of the Government (mostly from the Ministry of Finance, and Ministry of Environment) to execute the project;

(ii) the national pride associated with the two parks and the forest reserve fostered the constitution of a real constituency for their protection and management;

(iii) an independent Project Coordination Unit (de-linked from the MOE) provided a certain level of political neutrality, independence and efficiency;

(iv) the appointment of technically qualified and committed project management staff;

(v) the participation of NGOs and local communities in park management and administration, as well as extension activities;

(vi) reliance on the Social and Economic Assistance Fund (FAES), an institution with capacity to manage funds and deliver them through activities in the field, particularly with regard to the buffer zone component; and

(vii) the satisfactory performance of the financial management system and the procurement capacity of the PCU, which benefited from contracts with two specialized foreign staff. This represented, however, high costs to the project and had limited impact on fostering local skills in these areas.

5.4 Costs and financing:

Total project costs were estimated during appraisal at US$22.5 million (SDR 15 million equivalent), of which US$21.5 million would be funded from IDA credits, US$0.5 million from Government counterpart financing, and US$0.5 million from beneficiaries. See Annexes 2(a) and 2(c) for a break-down of costs and financing. The project disbursed a total of SDR11.8 Million, and about SDR3.21 million were cancelled in June 30, 2001. The amount of SDR552,772.41 corresponding to the deposits on the special account remains unaccounted for, to date.

It was not possible to establish a complete picture of the project's financial situation at its closure, as the GoH did not respond to repeated Bank requests that a final audit be immediately undertaken at project closure. Moreover, no final SOE was provided on the subsequent use of the funds deposited in the special account at the time of suspension of disbursements to Haiti. Project records and documentation were turned over to the Director General of the MOE by the PCU coordinator in July 2001, once the PCU offices were closed.

Throughout the project period, the GoH consistently failed to deliver its financial counterpart funding to the project. Moreover, the project did not succeed in establishing a financial mechanism that would have secured mid- and long-term coverage of recurrent costs of biodiversity protection initiated by Bank funding. Upon the project's suspension and following closure, the GoH failed to meet its contractual commitments. Three NGOs provided extension services to the project ¯ CARE, ASSODLO and CECI-FIDEL ¯ under contracts that required them to use their own resources and later be reimbursed by the project, an arrangement which proved to be detrimental to the NGOs. They suffered major financial losses upon the GoH's refusal to recognize its debt. This situation resulted in a substantial reduction of their financial capacities, to the extent of compromising their very survival as institutions. Successive requests from the Bank to the Government to fulfill its contractual obligations and proceed with the payments for the NGO's services went unanswered.

Two graduate students (MS) whose studies were being financed by the project ended up stranded in the USA, as the GoH did not honor their subsistence and fellowship payments upon the project's suspension. In the Bank's notification of the suspension of disbursements to Haiti, provisions were made to create an exception for such cases. However, the MOE did not react to the Bank's several requests for authorization to proceed with the direct payment of the students' repatriation expenses, thus allowing them and their families to return to Haiti. There was no further information about the fate of these two students.

6. Sustainability

6.1 Rationale for sustainability rating:
Sustainability of the activities undertaken through this project is highly unlikely. The key impediments to the sustainability of project impacts were the suspension of the project by the Government, its sudden closure and the absence of a financial mechanism to ensure the continuity of local management of parks. Furthermore, some of the institutional and co-management arrangements proved to be difficult to sustain in the absence of government ownership and constant Bank supervision.

The strengthening of social capital through the training of 58 agro-forestry technicians (extension agents), as well as specific interventions of NGOs in communities could potentially have made a positive contribution to the sustainability of the project concept by consolidating a common understanding among stakeholders of the need for decentralized, participatory management of parks and forests and of the potential benefits to the populations involved In the long run and under different political conditions, this might prove to be an useful and lasting outcome of the project.

The project's positive impacts on the protection of the areas is likely to be short-lived, because no financial arrangements were made to sustain operations after the project's closure. Furthermore, there is no evidence that suggests that the practices promoted in the buffer zones and protected areas aimed at deterring deforestation would be carried out by the beneficiaries after project closure. The gains made in institutional strengthening could only be productive if the trained professionals were provided opportunities to practice their skills by participating in the future management of the three protected areas. However, in the absence of sustained operations, the gains made in institutional strengthening are likely to fade away.

Given the pilot nature of the FPPTA as an institutional reform project, the lessons learned on approaches to addressing natural resource degradation in Haiti might become a more useful asset than sustainability in terms of pilot operations and pilot impacts.

6.2 Transition arrangement to regular operations:
Despite the fact that at one point in time the Minister of Finance expressed his interest for a Bank financed follow-up operation to the Forest and Parks Project, the deteriorating circumstances in the latter part of project execution hampered any sustainability and basic conditions for subsequent interventions. Given the sudden closure of the project and the difficult security situation in Haiti, no completion arrangements nor transition arrangements were established. Continued dialogue with the GoH will be needed on the part of the Bank, USAID, the NGO *Organisation Destination Djondjon*, CARE, ASSODLO, CECI-FIDEL and other stakeholders to ensure long term investments in the sector. To the extent that the project strengthened the institutional capacity of stakeholders, there is a modest social capital on which future operations could be built.

7. Bank and Borrower Performance

Bank

7.1 Lending:

Bank performance during project preparation is considered satisfactory. During project identification and preparation, the Bank's task team provided strong analytical skills in reviewing the history of protected area management in Haiti, assessing gaps, identifying the institutional shortcomings. It also supported consulting with key stakeholders. The team suggested an adequate project design based on the strengthening of the social capital and the physical infrastructure, and in line with the CAS. In particular, the Bank task team recognized the negative synergy between protection of biodiversity and poverty and responded by adding a social component to the project, aiming at enhancing the livelihoods of the buffer zone populations in and around the *Parc La Visite*, the *Parc Pic Macaya* and the *Forêt de Pins*. The continuous presence of the task manager in the field during project preparation and the contacts he developed while living in Haiti was extremely important in providing an enabling environment that allowed for the implementation of preparatory activities and for facilitating institutional coordination. Still, the project was over-dimensioned for the implementation capacity of GOH thus requiring an unsustainable level of supervision once the Task Manager left Haiti for Washington DC.

7.2 Supervision:

Although the task manager was able to sustain a high level of supervision through his network of Haitian contacts, the Bank presence in the country eroded through time. Starting in 2000, Bank performance became progressively hindered by the increasing security constraints to conducting adequate supervision and the lack of viable alternatives to respond to a deteriorating situation.

Following project effectiveness, the Bank team engaged in intensive supervision, which contributed to the satisfactory implementation of the project: from August 1997 to January 2001, ten full supervision missions were conducted. The frequency of these missions was usually scheduled to assist the FPPTA to address operational issues efficiently and in a timely fashion. In addition, the Bank task team was particularly innovative in its advice to strengthen the social capital of the sector by initiating the organization of a bi-national workshop between Haitian technicians of protected areas and technicians from the neighboring Dominican Republic, and by initiating the study visit of Haitian farmers to Guadeloupe to get acquainted with eco-tourism.

The commitment of the Bank team to continue supervision despite a deteriorating security situation provided critical support to project management staff, thus contributing to maintain progress in project implementation in a difficult political environment. The Bank task team carefully monitored and appraised the effects of these political disruptions on project operations and provided strategic and operational advice to minimize adverse impacts as possible. However, further deterioration of the security conditions made it impossible to undertake field visits after January 2000, and all non-essential missions to Haiti were suspended after November 2000.

During supervision missions, the Project benefited from a good skills mix of specialists including expertise on institutional development, management of protected areas, trust funds, agricultural extension and rural development funds. Their knowledge and recommendations, particularly during the midterm review, provided the basis for the necessary adjustments in project design and funding allocations.

A major setback was the long inactivity gap in project supervision when the task team leader departed in January 2000. A new TTL was designated in April 2000, but did not benefit from a clear handover process. The security situation in Haiti deteriorated significantly with the elections of May 2000 and the violence that ensued, all but eliminating the possibility of field visits. Next, even visits to Port-au-Prince became hazardous according to the UN security system, which suspended all non-essential missions to the country with increasing frequency. The suspension of disbursements of January 2001 and the breakdown of dialogue with the GOH were extremely detrimental to the project implementation, and hastened the suspension of all project activities and the PCU closure in June 2001.

The preparation of this ICR was also hampered by the political violence and general insecurity in Haiti, which prompted the suspension of all non-essential missions to Haiti since August 2001. Faced with the impossibility to visit the country for the ICR preparation, the team has relied on the information gathered by local consultants and available at IDA headquarters. Other constraints in assessing the outcomes to this project included the absence of the final financial audits, lack of project files and proper documentation, and the breakdown in communications with the MOE, which did not respond to several requests on progress reporting and fiduciary matters.

7.3 Overall Bank performance:
The Bank performance is rated satisfactory given the positive performance during project preparation and through most of the supervision process.

Borrower
7.4 Preparation:
Borrower commitment and involvement during preparation was satisfactory. Initially, the project enjoyed strong support from the Ministry of Agriculture, the Ministry of Finance and the Ministry of Environment. The three Ministries saw the Project as the Government's key initiative in environmental management and a pilot for rural development. There was a significant involvement of local specialists in the 14 preparatory studies, interacting with international consultants.

7.5 Government implementation performance:
The Government's performance was highly unsatisfactory, despite the initial strong political support expressed by three Ministries. Indeed, the Project was executed under a period of national political disruptions in Haiti which entailed constant changes at the top of the executing institutions. For example, five Ministers of Environment were nominated during the first three years of project's implementation, and there was an inadequate flow of counterpart funds for the Project. Consequently, the PCU had to "sell" the Project to each new administration and its Minister. That process resulted in decision making setbacks and delays in the execution of project operations. Ongoing tensions due to the autonomy of the PCU and political differences between the Minister and the PCU led to unilateral project suspension.

Finally, the impact of the political turmoil and the economic crisis, combined with the lack of ownership and commitment by the GoH led to the decision to suspend the project's operations in

June 2001, six months earlier than the original closing date of December 2001. Since then, the GoH has not responded to several attempts by the Bank team to conduct an orderly closure process and consistently failed in its fiduciary and contractual responsibilities. In particular, there was no response to the Bank several requests that the GoH proceed with the project's final audit and for a full accounting of the US$700,000 from the special account. Furthermore, the lack of payment for services provided by contractors and NGOs has created a reputational risk for the Bank.

7.6 Implementing Agency:
The performance of the PCU was satisfactory. The unit succeeded in performing well despite the recurrent political turmoil and the frequent changes in the MOE political leadership. The PCU benefited from a highly competent staff with a solid professional culture. Likewise, its field staff proved to be very professional and committed to implementing the project. The NGOs contracted were also highly qualified and showed solid professionalism in executing their tasks. The financial and the administrative project monitoring system set up by the PCU and the MOE, produced an effective management of project resources, although as stated above, keeping highly qualified foreign staff to monitor the financial management and procurement systems of the project had a very high cost.

However, the PCU failed to communicate with the technical staff and middle management of the beneficiary institutions and to adjust the project tasks to fulfill their specific needs. There is a perception that the Bank seemed to have more control on the work of the PCU than the Haitian authorities.

7.7 Overall Borrower performance:
The overall Borrower performance is rated unsatisfactory.

8. Lessons Learned

(1) Management of Protected Areas and Poverty Alleviation

The correlation between poverty and environmental degradation was and still is very clear in Haiti, particularly since more than 70% of the population live in rural areas. The poor live off the land and depend on the extractive use of natural resources for their subsistence. Success of projects concerned with the management of protected areas is contingent on improving the livelihood of the local communities living in and around the protected areas. However, while the Bank's objectives have been consistent with Haiti's major economic problems, the failure to solve the political and governance issues undermined the possibility of sustained change in specific sectors. Thus, IDA and other donor interventions in the agricultural and environmental areas have failed for the most part to curtail environmental and natural resource degradation.

(2) Institutional framework

The building of social capital in a sector should be supported by the financial engagement of the Government. Although defined as units serving the government, project management units should be "politically solvent" institutions designed to fulfill project objectives. To translate this lesson into project preparation and project design is not easy, but the concept of politically solvent project management units could at least be negotiated during project preparation. If everything else fails in the implementation of project operations, strengthening the social capital could assure continuity and correct past mistakes.

(3) Staffing

Successful project implementation requires highly qualified and committed staff. Project staff, whether temporary or permanent should be hired on their professional merits and on their demonstrated commitment to addressing environmental issues. A core group of qualified "permanent" staff should be hired to constitute the backbone of the project, particularly in countries with a history of recurrent political disturbances. However, there should be mechanisms for ensuring that the technical knowledge and skills would be eventually absorbed by the staff in the executing agency. Consultants may come in to give an injection to enhance project performance, but the daily challenges must be addressed by a "permanent" staff till the closure of the project.

(4) Participatory Approach

Local communities, NGOs, private sector and state partnership can be successful when the role of each actor and their spheres of convergence are well specified. The partnership in FTTPA strengthened the project's collective ownership at the local level and made project implementation more efficient. Also, it became evident that external financial support was a very important factor in facilitating the partnership. In the absence of external financial partners, NGOs should not be encouraged to pre-finance their work with their own resources, because the risk of losing their financial capacity is substantial.

(5) Sustainability

Government counterpart funding and support is imperative for the ownership and sustainability of the project. The abrupt unilateral closure of the project by the Government of Haiti without consulting the Bank demonstrated the need for accountability and the risk involved in piloting institutional reform projects in a shaky political situation. The financial set-up established by the project was unsustainable in the long term, in the absence of a proposed private trust fund for protected areas to be created with GEF support and that finally did not materialize.

9. Partner Comments

(a) Borrower/implementing agency:
No Comments from the Borrower were received.

(b) Cofinanciers:
N/A

(c) Other partners (NGOs/private sector):
N/A

10. Additional Information

N/A

Annex 1. Key Performance Indicators/Log Frame Matrix

Component	Indicator	Target (appraisal)	Target (actual)
Institutional Strengthening	Number of agencies effectively using strategic planning and budgeting	4 associate agencies	0
	Number of persons trained by category	60 new forest and park technicians;	58 agro-forestry extension agents trained in forest/park management and GPS/ database management;
		10 natural resource management specialists (MS)	mid-career courses for agronomists
Forest and Parks Management	Percentage of boundaries established	100%	100%
	Number of advisory councils functioning effectively	3 councils	0 (up to five were established but all were non-functioning by project closing)
	Number of park and forest ranger teams functioning effectively	3 teams	0
Buffer Zone Development	Technology adoption rate	4,050 farms with agro forestry configurations	3,874 farms with agro forestry configurations
	Number of subprojects financed and successfully functioning	2,050 farms using soil conservation techniques	2,583 farms using soil conservation techniques
		1,050 farms introduce crop diversification	1,891 farms introduce crop diversification
		250 subprojects functioning effectively	Six programs/123 subprojects funded

Annex 2. Project Costs and Financing

Table 1: Project Cost by Component (US$ millions equivalent)

Project Component	Appraisal Estimate	Actual *
Institutional Strengthening	7.5	Not available
Forest and Parks Management	3.9	Not available
Buffer Zone Development	9.1	Not available
Project Preparation Facility	2.0	Not available
Total	**22.5**	Not available

*Information on actual costs by component is not available.

Table 2: Project Cost by Procurement Arrangements (Appraisal Estimate and Actual)
(US$ million equivalent)

Expenditure Categories	Procurement Method Appraisal Estimate					Procurement Method Actual *				
	ICB	NCB	Other	NBF	Total	ICB	NCB	Other	NBF	Total
1. Goods			1.8 (1.8)		1.8 (1.8)					1.1
2. Works			0.5 (0.5)		0.5 (0.5)					0.5
3. CS and Training			12.9 (12.9)		12.9 (12.9)					6.1
4. Project Unit Op. Costs			2.6 (2.1)		2.6 (2.1)					2.0
5. Mgt. Service			4.7 (4.2)		4.7 (4.2)					3.6
6. Refunds										1.2
7. Unallocated										0.0
Total			22.5 (21.5)		22.5 (21.5)					14.5

*Information on actual costs by procurement method is not available. Actual costs only reflect IDA credit disbursements. In addition, the project's Special Account currently has a balance of approximately US$0.8 million , which has not been documented.

Table 3: Project Financing by Category (US$ million equivalent)

Component	Appraisal Estimated			Actual *			Percentage of Appraisal		
	IDA	**Gov.**	**Benef.**	**IDA**	**Gov.**	**Benef.**	**IDA**	**Gov.**	**Benef.**
Goods	1.8			1.1			61.1		
Works	0.5			0.5			100.0		
CS and Training	12.9			6.1			47.3		
Project Unit Op. Costs	2.1	0.5		2.0			95.2		
Management Services	4.2		0.5	3.6			85.7		
Refunds				1.2					
Unallocated				0.0					
Total	**21.5**	**0.5**	**0.5**	**14.5**					

* Information on government and beneficiary project financing by component is not available.

Annex 3. Economic Costs and Benefits

N/A

Annex 4. Bank Inputs

(a) Missions:

Stage of Project Cycle	No. of Persons and Specialty (e.g. 2 Economists, 1 FMS, etc.)		Performance Rating	
Month/Year	Count	Specialty	Implementation Progress	Development Objective
Identification/Preparation				
05/95	1	1 ECONOMIST		
06/95	1	1 TASK LEADER		
07/95	6	1 TASK LEADER, 1 ECONOMIST, 1 FORESTER, 1 PARK MNGMT. SP., 1 AGRO ECOLOGIST, 1 ENERGY SP.		
09/95	4	1 TASK LEADER, 1 ECONOMIST, 1 SOCIOLOGIST, 1 RURAL SP.		
10/95	1	1 BIODIVERSITY SP.		
12/95	1	1 TASK LEADER		
01/96	6	1 TASK LEADER, 1 COUNTRY STAFF, 2 AGRIC. ECONOMIST; 1 INST. DEV. SP., 1 PROCUREMENT SP.		
Appraisal/Negotiation				
04/96	5	1 TASK LEADER, 1 ENERGY SP., 1 SOC. SCIENTIST, 1 ECONOMIST, 1 AGRONOMIST		
Supervision				
03/07/1997	3	TASK MANAGER (1); FORESTRY (1); BIO-DIVERSITY (1)	S	S
06/27/1997	3	TASK MANAGER (1); FORESTRY SPECIALIST (1); ENVIRONMENT SPECIALIST (1)	S	S
12/15/1997	4	TASK MANAGER (1); ENVIRONMENT SPECIALIST (1); SEN. AGRICULTURIST (1); AG. ECONOMIST (1)	S	S
04/17/1998	1	TASK MANAGER (1)	S	U
10/29/1998	4	TEAM LEADER (1); FORESTER (FAO) (1); LEGAL SPECIALIST (FAO) (1); AG. ECON. (TRUST FUND) (1)	S	S

12/06/1998	1	TEAM LEADER (1)	S	S
05/28/1999	4	TEAM LEADER (1); ANTHROPOLOGIST (1); SR. AGRONOMIST (1); AG. ECONOMIST (1)	S	S
11/06/1999	3	TEAM LEADER (1); RURAL DEVELOPMENT (1); INSTITUTIONS/FINANCE (1)	S	S
09/29/2000	2	TASK LEADER (1); ENVIRONMENTAL SPEC. (1)	S	S
01/22/2001*	1	TASK LEADER (1)	U	S
06/12/2001*	1	TASK LEADER (1)	S	S
08/01/2001*	1	TASK LEADER (1)	U	U
ICR				
06/28/02	2	INSTITUTIONAL SPECIALIST (1); AGRICULTURAL SPECIALIST (1)		

* Date of PSR only (no associated site visit)

(b) Staff:

Stage of Project Cycle	Actual/Latest Estimate	
	No. Staff weeks	US$ ('000)
Identification/Preparation	257	433
Appraisal/Negotiation	118	226
Supervision	105	320
ICR	5	37
Total	485	1,016

(Identification/Preparation took place from 1992-96)

Annex 5. Ratings for Achievement of Objectives/Outputs of Components

(H=High, SU=Substantial, M=Modest, N=Negligible, NA=Not Applicable)

	Rating				
☐ *Macro policies*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Sector Policies*	○ *H*	○ *SU*	○ *M*	● *N*	○ *NA*
☐ *Physical*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Financial*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Institutional Development*	○ *H*	○ *SU*	○ *M*	● *N*	○ *NA*
☐ *Environmental*	○ *H*	○ *SU*	● *M*	○ *N*	○ *NA*
Social					
☐ *Poverty Reduction*	○ *H*	○ *SU*	○ *M*	● *N*	○ *NA*
☐ *Gender*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Other (Please specify)*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Private sector development*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Public sector management*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*
☐ *Other (Please specify)*	○ *H*	○ *SU*	○ *M*	○ *N*	● *NA*

Annex 6. Ratings of Bank and Borrower Performance

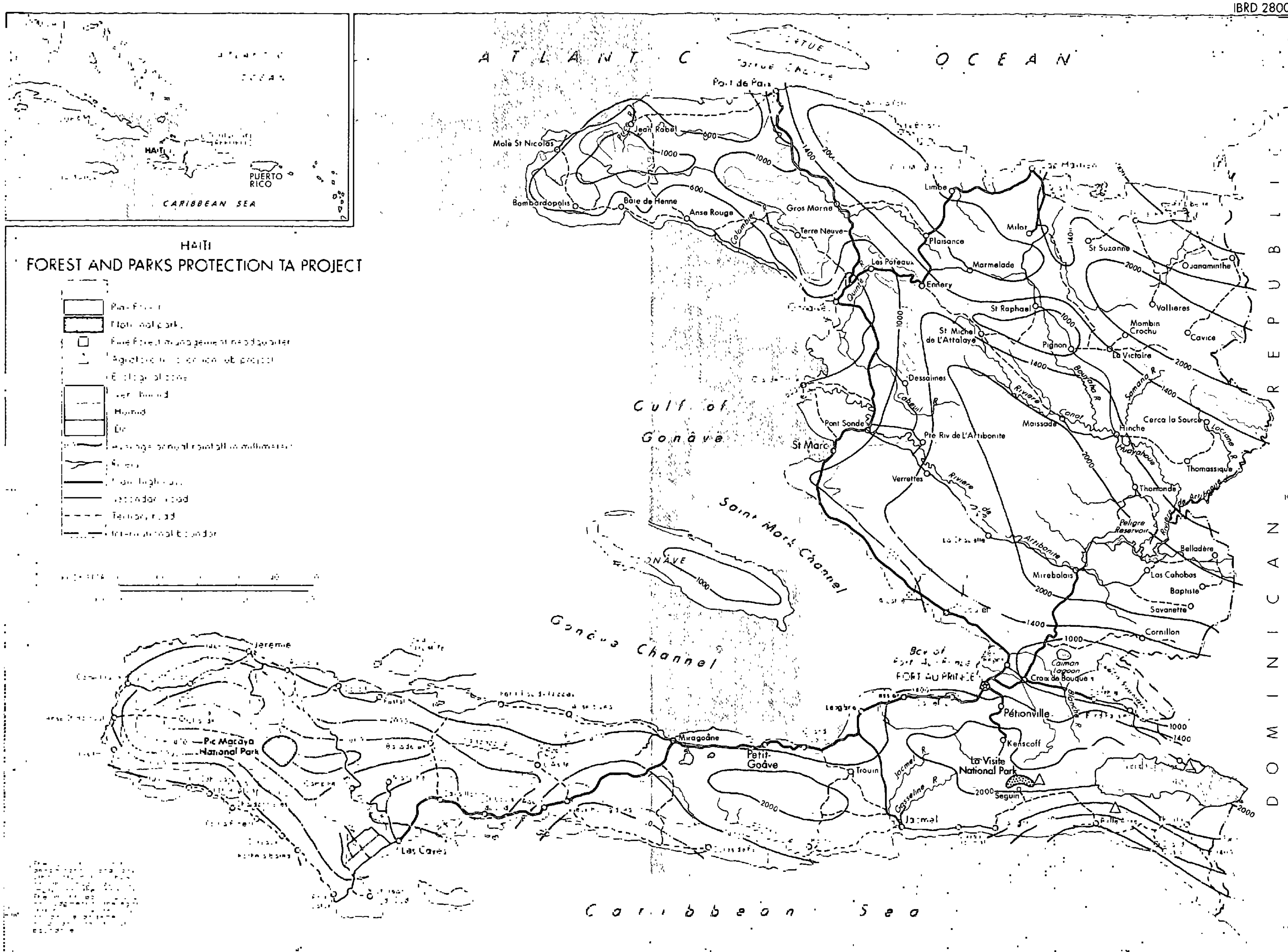
(HS=Highly Satisfactory, S=Satisfactory, U=Unsatisfactory, HU=Highly Unsatisfactory)

6.1 Bank performance	*Rating*
☒ *Lending*	○ *HS* ○ *S* ○ *U* ○ *HU*
☒ *Supervision*	○ *HS* ○ *S* ○ *U* ○ *HU*
☒ *Overall*	○ *HS* ○ *S* ○ *U* ○ *HU*

6.2 Borrower performance	*Rating*
☒ *Preparation*	○ *HS* ○ *S* ○ *U* ○ *HU*
☒ *Government implementation performance*	○ *HS* ○ *S* ○ *U* ○ *HU*
☒ *Implementation agency performance*	○ *HS* ○ *S* ○ *U* ○ *HU*
☒ *Overall*	○ *HS* ○ *S* ○ *U* ○ *HU*

Annex 7. List of Supporting Documents

1. Memorandum of the President and Technical Annex
2. Legal Agreement
3. Aide-Mémoires
4. Forms 590 and Project Supervision Reports
5. Letters to the Government
6. Back-to-Office Reports
7. Mid-term Review
8. Project Evaluation, Ministry of Environment
9. ICR Consultant Reports



IBRD 28001
HAITI
FOREST AND PARKS PROTECTION TA PROJECT
PUERTO RICO
CARIBBEAN SEA
HAITI
ATLANTIC OCEAN
Port de Paix
Jean Rabel
Mole St Nicolas
Bombardopolis
Baie de Henne
Anse Rouge
Gros Morne
Terre Neuve
Limbe
Plaisance
Milot
St Suzanne
Ouanaminthe
Las Poteaux
Marmelade
Ennery
St Raphael
Vallieres
Mombin Crochu
Cavice
St Michel de L'Attalaye
Pignon
La Victoire
Dessalines
Maissade
Hinche
Cerca la Source
Pont Sonde
Pte Riv de L'Artibonite
St Marc
Verrettes
Thomassique
Thomonde
Peligre Reservoir
Belladère
Mirebalais
Las Cahobas
Baptiste
Savanette
Cornillon
Gulf of Gonâve
Saint Marc Channel
Gonâve Channel
Caiman Lagoon
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PORT AU PRINCE
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Seguin
Jacmel
Trouin
Petit-Goâve
Miragoâne
Jeremie
Pic Macaya National Park
Les Cayes
Caribbean Sea
DOMINICAN REPUBLIC

IMAGING

Report No.: 24710
Type: ICR