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# **THE EFFECTIVENESS OF AID DELIVERY**

## **A COMPARATIVE STUDY**

A thesis presented in partial fulfilment of the requirements for the degree of  
Master of Philosophy in Development Studies  
at Massey University

by

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## **DEDICATION**

Dedicated to the memory of Aiden Jack Beveni

1953 - 1994

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## **ABSTRACT**

This study sets up a process for the systematic evaluation of the effectiveness of aid agencies in aid delivery through evaluating the projects and programmes that they are implementing. It evaluates and compares five different aid agencies comprising of a bilateral aid donor, non-government organisation, community based organisation, development bank and multilateral aid donor. The common ground for comparison is that these agencies have all been providing assistance to, or working in, the forestry sector in the Solomon Islands over a relatively long period.

The study found that it is possible to apply a systematic comparative evaluation process to aid agencies, and the projects and programmes that they were implementing, despite seemingly large differences in aid philosophy and aid management among them. By applying systematic comparative evaluations such as the one set up in this study it is possible to learn from all agencies how to enhance the effectiveness of aid delivery for the ultimate benefit of donor and recipient alike.

The study found that none of the agencies reviewed in the study were necessarily more effective than any other agency in aid delivery. There was likewise no evidence that any one theoretical position on development, or any particular approach to aid delivery was necessarily any more effective when it came to implementing aid projects or programmes. There are too many variables affecting the implementation of projects and programmes for any one approach to aid delivery or theoretical position to be the most effective in all cases.

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Tim Thorpe  
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## **ABBREVIATIONS**

ACP - African, Caribbean and Pacific

ADAB - Australian Development Assistance Bureau

AIDAB - Australian International Development Assistance Bureau (formerly ADAB)

CD&W - Commonwealth Development and Welfare Funds

CDC - Commonwealth Development Corporation

CFI - Commonwealth Forestry Institute

CIDA - Canadian International Development Agency

CSIRO - Commonwealth Scientific and Industrial Research Organisation

DSE - Development Services Exchange

EC - European Community (formerly the EEC)

EDF - European Development Fund

FAO - Food and Agriculture Organisation

FD - Forestry Division (of the Ministry of Natural Resources)

FRIS - Forest Resource Information System

ICVA - International Council of Voluntary Agencies

JICA - Japanese International Cooperation Agency

JOAA - Japanese Overseas Afforesting Agency

KFPL - Kolombangara Forest Products Ltd

KTC - Komuniboli Training Centre

MERT - Ministry of External Relations and Trade

MLENR - Ministry of Lands, Energy and Natural Resources

MMC - Monopolies and Mergers Commission

MNR - Ministry of Natural Resources

MOU - Memorandum of Understanding

MTM - Mobile Team Member

NFAP - National Forestry Action Plan

NFRI - National Forest Resource Inventory

NGO - Non-Government Organisation

ODA - Overseas Development Assistance, but British Overseas Development Administration

OECD - Organisation For Economic Cooperation and Development

OSB - Overseas Service Bureau  
PCC - Project Coordinating Committee  
SFO - Senior Forest Officer  
SI - Solomon Islands  
SIDT - Solomon Islands Development Trust  
SIG - Solomon Islands Government  
SIPL - Solomon Islands Plantation Ltd.  
STABEX - Stabilisation of Export Earnings  
TCUP - Timber Control Unit Project  
TDRI - Tropical Development Research Institute  
TOR - Terms of Reference  
UK - United Kingdom  
UN - United Nations  
UNDP - United Nations Development Program  
UNIDO - United Nations Industrial Development Organisation  
US and USA - United States of America  
USAID - United States Agency for International Development



*Yes, development fashions have changed over the last three decades, and that is why gradually the files, the archives, the case-books of the development establishment - which consists of the multi - and bilateral development and financing agencies, with their supporting theorists in the universities and the foundations , never forgetting their protégés in the planning ministries of the underdeveloped world - have come to resemble the private cemetery of a fantastic zoo, a cemetery stuffed with the corpses of wild geese, lame ducks, red herrings, white elephants and dead horses.*

(Jack Westoby, *The Purpose of Forests*)

# CHAPTER 1

## INTRODUCTION

Chapter 1 backgrounds this study and looks at ways of providing aid assistance to underdeveloped countries and communities. The chapter reviews the major theoretical positions on aid, considers approaches to aid delivery, discusses the main aid agencies involved and outlines a forestry perspective on aid. Chapter 2 provides a background to the Solomon Islands, including the forestry sector, and the aid agencies under review in this study. Chapter 3 outlines how the agencies, projects and programmes involved in this study were chosen, and the evaluation process and criteria used to evaluate them. Chapter 4 presents the results of the study comparing the projects and programmes against the criteria developed for the study. Chapter 5 summarises the results and draws conclusions from them.

## BACKGROUND TO THE STUDY

Aid to developing countries in the form of transfer of finance, resources, and skills from developed countries has undergone spectacular growth since World War II. There are now a multitude of agencies which are actively involved in, and in fact exist solely to carry out, the business of aid. These include multilateral and bilateral aid donors, non-governmental organisations, development banks, churches, individuals and organisations. Increasingly organisations which have not otherwise been involved in aid, such as conservation groups, are being drawn into the area as they pursue their specific interests in an international arena.

Just how effective are these aid agencies in their aid delivery? Much comment has been made that non-government organisations are more effective than bilateral or multilateral donors because of their management flexibility and because bilateral aid has too many vested interests. And yet empirical comparative studies focussing on the effectiveness of a range of agencies down to the ground level within the same sector and socio-geographical location are rare or non-existent. Where comparative studies have been undertaken they tend to rely on evaluation reports of projects and programmes with little or no reference to field work.

This study seeks to explore the effectiveness of aid agencies in their aid delivery. Its main objective is *to compare and evaluate the effectiveness of the aid delivery of aid agencies*. The

study systematically evaluates five aid agencies working in forestry in the Solomon Islands consisting of a bilateral aid donor, multilateral aid donor, community based organisation, non-government organisation and development bank. The study establishes a framework for comparative analysis, applies this to a range of projects and programmes at the ground level and then compares the results.

The study draws a distinction between the effectiveness of aid delivery and effective aid, that is the distinction between the ability of aid donors to carry out their aid projects or programmes, and whether or not they should be carrying out these activities. This study is not concerned with the latter. Effectiveness has largely been analysed from the recipients point of view which, depending on the project concerned, may be government, village, or community.

The value of the research lies in firstly setting up a systematic framework by which aid delivery can be evaluated and secondly comparing agencies' effectiveness in aid delivery and drawing conclusions from this. It is hoped that the results of the study could be used to assist in further evaluations of its kind and potentially lead to improvements in the effectiveness of aid delivery. As the British Overseas Development Administration (ODA) points out:

*Lack of dissemination of knowledge between organisations of all forms of information has resulted in repetition of work by different agencies both in the execution and evaluation of various forms of assistance. The possibility of sharing common experiences would undoubtedly be of use throughout the development community* (ODA in Cameron and Cocking, 1993, para. 5.9).

Forestry has, in recent years, become an important component of development assistance to the Solomon Islands, in common with increasing interest in forestry worldwide. The study thus has potential to assist the implementation of development in an important sector of the Solomon Islands economy.

## **DEFINITION OF TERMS**

Development, underdevelopment, aid, aid delivery, and effectiveness are all terms that are an essential part of this study and are defined below. Because it is integrally related to the others the term development is defined first.

Development is a term that is as much subjective as objective. While the term suggests movement, and progression it can equally be described as an end and a means towards an end. In the first decade following World War II development was equated with economic growth at a national level evidenced by a rise in Gross National Product. Theories and aid strategies that arose at that time expounded this view. It was argued that if macro-economic growth targets could be achieved then development would have taken place. Such arguments, however, did not consider the means by which this growth took place, nor the distribution of it. On deeper analysis the benefits of national economic growth proved to be profoundly skewed so that many people were actually worse off. It became apparent that in social terms economic development of this nature was not working for a large number of people. Clearly development was more than just economic growth.

For this study development at the macro level is conceived as having two major elements - economic growth and social advancement. In terms of the former development is defined as *self-sustaining economic growth within the capabilities of a country for the benefits of the majority of its people, without unwanted over-reliance on inputs from other countries*. In social terms development means *improvements in the standard of life of most people, with equal opportunities for involvement in political, economic and social spheres in the country*. These definitions, with appropriate modifications, for example, replacing 'country' with 'community' apply equally to the micro level.

'Underdeveloped' is a term applied to countries and communities in which *there is much room for progress towards a developed state*. In the context of this study it is used inclusive of the term undeveloped, in which little or no development has taken place. Underdeveloped is, of course, basically a relative term. When and how satisfactory development has been achieved - as either means or ends - is very much a matter of debate. Esteva for example states :

*January 20th, 1949 was a momentous day for human society. This was the day that President Truman, in his inaugural address, called for '... a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas'. In a mere instance two billion people became 'underdeveloped', stripped of their dignity and the richness of their cultural diversity, homogenised and redefined in terms of what they were not (Esteva, 1992:66).*

Aid is a term that is normally applied to *the resources, such as capital in the form of grants or concessionary loans, and technical skills, that are transferred from developed to underdeveloped nations to assist in the process of development*. A distinction should be drawn between short term disaster type aid and longer term development aid, also known as development assistance. This study does not concern itself with the former. Aid delivery, the basis of this study, is *the strategies, means or mechanisms by which aid is transferred*.

The Collins Dictionary definition of effectiveness is *productive of or capable of producing a result* (Collins, 1988:316). Some commentators define effectiveness in terms of achieving the objectives of an aid donor, programme or project (ODA, 1983:21; OECD, 1986:Annex). The assumption is that as there are no standard norms to measure an organisations effectiveness it is only possible to judge an organisation on its own objectives. Not all commentators agree:

*Others think that there are objective measures and standards of effectiveness that by and large apply across a spectrum of organisations* (USAID, 1988:3).

This study takes the latter view that it is possible to define standards across agencies that will measure effectiveness, notwithstanding that one of these standards may be the agencies abilities to meet its own objectives. Effectiveness then, for this study, is defined as *progress towards achieving results to attain development, as defined by a standard set of criteria*.

## **AID AND AID DELIVERY**

Aid and development are terms synonymous with assistance to regions, countries and communities which are considered underdeveloped in relation to their developed counterparts. This section looks at ways of providing aid assistance to the underdeveloped particularly since the beginnings of 'modern aid' post-World War II. This is not to say that aid did not occur prior to World War II, particularly between colonisers and their colonies, but that aid as we know it today had its origins largely in the post World War II period.

World War II was a turning point in the history of the world as we know it today. Countries such as India or the Solomon Islands, the latter which hitherto had been isolated from contact with the wider world, often under a regime of colonialism, found new opportunities for self

expression as they became - not always willingly - caught up in the maelstrom of war. At its conclusion much of Europe had been left devastated by the war, and indeed the scars of war were deeply felt in many parts of the world.

The end of World War II was a time of reflection, and a time for rebuilding. In Europe the Marshall Plan was the means by which rebuilding was to take place. The plan provided for the massive transfer of resources - technology and capital - from the United States to Europe to help rebuild war torn economies. It was in many respects successful. The influx of external assistance to European countries as war had left them led to a relatively rapid recovery of their economies.

Elsewhere in the world rebuilding of a different sort - nation building - was taking place. Many colonies found that the time was right for them to strengthen their claims towards independence. During the period 1945 to 1965 no less than 40 countries, about one-quarter of the world's population, reached independence.

Growing nationalism post-World War II, and the onset of the cold war between the United States of America (USA) and the Union of Soviet Socialist Republics (USSR) led the USA to look for support for its policies from the newly independent countries. Independence often meant weakening colonial trade preferences and opened up market opportunities for the US. Aid was one mechanism that it used to assist this process. Encouraged by the perceived success of the Marshall Plan the USA sought to adopt the same system of injections of capital, know-how and technology to encourage development in 'underdeveloped' countries. These ideas were soon adopted by the rest of the Western Community and were given theoretical support from the first major set of development theories known as modernisation theory.

In essence modernisation theory looked within the First World to determine why developed countries were developed, and how this could be applied to the Third World. Rostow, perhaps the greatest proponent of modernisation theory, argued that all countries take the same road to development passing through various stages of growth as they do so. By identifying what stage an individual country is at it is possible to assist them to move onwards along the road (see, for example, Rostow, 1953 and 1960).

Assistance was largely based on the example of the Marshall Plan - transfer of capital - private or aid, technology, and skills. Success in Europe presumed similar success in

developing countries, without considering that in Europe the process that was being undertaken was rebuilding not building. Traditional societies were usually regarded as impediments to development slowing down the process of 'modernisation'; secular thinking was necessary if a country was to develop along the right lines. Through capital investment and the transfer of technology and skills economies would reach the stage of 'take-off' where economic sustainability - and hence 'development' - would be satisfied.

Modernisation theory held much favour among development theorists during the 1950's and early 1960's. In the 1960's however an alternative theory of development theory arose out of Latin American experiences that challenged the validity of modernisation theory on empirical and theoretical grounds (see, for example, Frank, 1971). Essentially 'dependency theory' located the reasons for Third World underdevelopment in the First World, in particular the exploitative relationships between the First and Third Worlds. Dependency theory also noted that exploitative relationships did not just occur between countries but also within, as for example in urban - rural relationships or between social classes.

While based partly in Marxism dependency theory branched in a number of different directions in its attempt to portray why some countries are developed and some less so. Dependency theorists were particularly concerned about the social and humanitarian aspects of development (for example Seers, 1970) and sought ways to mitigate the exploitation that they saw occurring. Socialist, as opposed to capitalist, forms of government were promulgated. One of the major arguments espoused by the theory (see, for example, Frank, 1966; and as recorded by Harrison, 1988:98 & 151) is that because of the exploitative relationship between developed and underdeveloped countries the latter achieve their greatest development when the links with developed countries are weakest.

Dependency theory itself was not always able to explain why development was in fact occurring in certain parts of the world where exploitative 'capitalist' relationships were seemingly still in place such as the Newly Industrialised Countries of Asia. Similarly the failure of socialism to affect equitable development in newly independent states in, for example, Africa weakened its arguments. Like modernisation theory before, it too succumbed to increasing criticism through the 1970's and 1980's. Indeed as Booth puts it:

*The dominant feature on the horizon of radical development theory today is undoubtedly the decline and threatened, but never quite realised,*



*disappearance of the dependency perspective as a widely accepted approach*  
(Booth, 1985:762).

Both sets of theories fell down particularly when applied beyond their areas of origin. It was apparent that the challenge of developing and applying theories of development that could readily explain, and indeed assist, development throughout a diverse and ever changing world was not a simple one. The challenge to theorists has been to develop theory which not only reveals causes of underdevelopment, but can produce a model for solutions.

Today writers such as Booth (1985), and Sklair (1988) acknowledge that the debate about development theories has reached something of an 'impasse'. Both authors suggest new areas for research - Sklair for example towards the question of gender in the study of development. Among other issues that post-modernisation and post-dependency theorists are having to tackle are environmental, sustainability, growth, equity and free market considerations. However both modernisation and dependency theories had a major influence - consciously or otherwise - on the way in which aid was delivered.

Not all aid agencies or aid personnel will acknowledge that their approaches to aid delivery have their origins in any particular theoretical perspective. Needs for example comments:

*Until the early 1970's aid was shaped by principles laid out in the Marshall Plan. However, neither this, nor the more abstract theoretical underpinnings of the plan, were acknowledged. Indeed, aid agencies dismissed theory as ideological. This made any sustained critique of aid strategies and philosophy difficult* (Needs, 1988:5).

Schneider too comments:

*Although it is possible to carry over 'ideology' into currents of thinking (about development), it can nevertheless be seen that there are no common sources of inspiration. Each association, each organisation, has its own terms of reference...*(Schneider, 1988:85).

Nevertheless there are certain approaches to aid delivery that can be identified with the two major school's of theory. The first of these is the 'top down' or 'trickle down' approach which



clearly identifies with modernisation theory. In this approach the development of the economy through the transfer of resources - technology, capital, and skills - to governments and leading sectors of growth in developing countries is eventually expected to provide benefits to a whole country. A trickle down process would ensure that the growth that would ensue would lead to other areas benefiting as resources were dispersed.

Unfortunately the results of the trickle down approach to aid delivery did not always result in equitable development for a majority of the population. This was largely because the benefits of whatever development that did occur became concentrated in the hands of an advantaged few. It was adherents of the dependency theories who emphasised the need for attention to be given to an equitable share of development, and drew attention to the political and economic connections in development. They argued that while growth through development was important the benefits of such growth was not acceptable if they were not evenly distributed. Too often the poor and rural peoples were not benefiting from the results of development.

In the 1960's and 1970's new approaches to aid were promulgated through considering equity and participation issues in development. If 'top down' was not going to work then would 'bottom (or 'trickling') up' in which people's needs at the grass roots are the basis on which development is built (as described by Oliver, 1983), 'participatory' ie active and popular participation in development projects and programmes (as summarised by K. Clark, 1991:Chapter 2) or 'basic needs' in which equitable and just development are paramount (as described by Harrison, 1988:154). This has not been necessarily so according to Korten and Soedjatmoko. As the latter comments:

*The top-down approach to development has been thoroughly discredited by hard experience. Its failure has led to the search for alternative development theories including the bottom-up approach, the participatory approach, and the basic needs approach<sup>1</sup>. None of these constitute a full-fledged development strategy: all require enabling national policy frameworks and institutional structures for them to be effective (Korten, 1987:9 & 22).*

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<sup>1</sup> I would argue that Korten's 'approaches' are not 'alternative development theories'. The 'approaches' that he has identified tend to have their origins in the theories discussed above.

'Projects', large scale 'programmes', and 'technical assistance' have also become synonymous with aid delivery among donors<sup>2</sup>. Under the influence of modernisation theory aid tended to be concentrated on large, capital intensive and expensive projects. The management of these could become so absorbing, and technically interesting that they often lost sight of what they were trying to achieve. Schumacher, the author of 'Small is Beautiful', commented in 1967:

*Today most economic planners think in terms of 'projects' - a dam here, a great industrial plant there, or a bit of new infrastructure somewhere else. In other words they think primarily in terms of things rather than people. If they learned to think about people, that is, about mobilising the labour power of the ordinary people all over the country, all their thinking about projects would become fundamentally different and would begin to make sense* (Schumacher, 1967:3).

Korten and associates (Korten 1980, 1987) propose a method of carrying out development based in part on the lessons learnt from previous approaches which they call 'community-based resource management' or 'community management' for short. This method seeks to focus more attention on the capabilities of the community to affect its own development, while recognising the contribution that the state can offer to assist this. In effect a combination of top down, bottom up, and participatory approaches.

## THE ROLE OF AID AGENCIES IN AID DELIVERY

There are broadly speaking four different categories of development agency - multilateral, bilateral, non-government organisation and investment institution. Interlinkages also occur, for example, bilateral agencies contribute resources to multilateral agencies and investment institutions can also be multilateral institutions.

Multilateral organisations are those set up by more than one donor, often through the United Nations, thereby in theory more neutral in the aid process. The European Community (EC),

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<sup>2</sup> 'Projects' are discrete activities under a unified form of management and identified resources, set up to achieve given objectives within a certain location, over a certain time period. Several interrelated projects may make up a 'programme', which will tend to be broader in scope and in fact may encompass a whole sector. 'Technical assistance' refers to the provision of experts, training scholarships and fellowships to developing countries. Equipment may also be part of a technical assistance package.

discussed in this study, is an example of a multilateral which is also known as a 'multinational' because it represents an exclusive group of countries, as opposed to those with broader membership.

Bilateral donors have a direct one-to-one relationship with recipients often through official aid programmes. Bilateral donors may work together with other donors on certain projects, but these relationships are usually on an *ad hoc* basis. The Australian International Development Assistance Bureau is the example of a bilateral donor used in this study.

Official bilateral aid programmes have been very much dominated by political, geographical, strategic and historical links with recipient countries. The contribution of bilateral donors to development assistance has stagnated at around 0.33 per cent of GNP for many years, with vast differences between donor countries. Because of increasing demands on aid budgets actual levels of bilateral aid to individual countries are forecast to decline (ICVA/EUROSTEP, 1993:62).

Non-government organisations is a broad term 'commonly used to mean any organisation that is both non-government and non-profit' (Korten, 1990:94). This includes a wide variety of organisations that have little in common with one another. There are, however, some common themes which speak of a NGO approach to aid and development - community, self-help (or self-reliance) and partnership (Porter and Clark, 1985:7). The Solomon Islands Development Trust and Komuniboli Training Centre are examples of non-government organisations analysed in this study.

In 1991 NGO's gave US\$5.2 billion in voluntary aid they received in addition to money they received through official aid programmes, making them the fifth largest aid donor in the world (ICVA/EUROSTEP, 1993:64).

The term 'investment institution' refers to a category of institution which is set up to carry out financial assistance to developing countries on concessional terms, effectively development banks. Much of this type of assistance is in fact part of multilateral aid such as the European Development Fund (EDF), and World Bank. The example of an investment institution used in this study is the Commonwealth Development Bank (CDC), itself a part of the overall bilateral aid of the United Kingdom although with a marked degree of independence about its activities.

The relative importance of the four types of aid agency, multilateral, bilateral, NGO, and investment institution has had a marked influence on aid delivery. In the beginnings of modern aid - post World War II - it was largely bilateral aid donors, led by the United States amongst the Western Community, who were involved in aid programmes. In the 1960's the newly emerging developing countries pushed for multilateralisation of aid relations, particularly from the United States. This was seen as a means of lessening the political dependence of developing countries on single donor countries and of making aid more effective for them.

Multilateral agencies were expected to be impartial in the way that they administered their aid, providing and administering objective aid more suited to the needs of the recipient country, than the donor. However as time progressed even the multilateral agencies were found to have their own interests at heart:

*Multilateral as well as bilateral agencies were being used for all kinds of salesmanship. Among the participants in development assistance there were no uninterested parties. ... Indeed, the programming process was another means for ministers, agencies, experts, consultancy firms, manufacturers and government to take care of their needs and interests. (Galli, 1992:62).*

In the 1970's the pattern of development assistance changed significantly, with the United States no longer dominating bilateral or multilateral development assistance. The biggest change came with the entrance of private bank capital. The investment of private commercial and investment banks in Latin America, Asia and Africa far exceeded the combined lending of bilateral and multinational agencies (Galli, 1992:63). Later, however, in the 1980's private lending declined markedly as developing countries faced loan repayment difficulties, and development assistance was left to cope as best it could.

During the 1980's while major bilateral donors were trying to ensure that the private lending institutions were kept solvent, the World Bank and International Monetary Fund were also actively involved in trying to restore some sense of order. This they did by setting up new funds and facilities and introducing austerity measures and structural adjustment programmes on debtor countries.

The World Bank, largely dominated by the United States, has been aligned with modernisation theory since its formation. Indeed Harrison contends that 'in North America it

would appear that modernisation theory has continued as if it had never come under attack' (Harrison, 1988:111). Bilateral donors aligned with the Western Block have usually mirrored the approaches of the United States and World Bank while socialist states, if they have become involved in development at all, have tended to adhere to dependency theory.

Over the last 20 years NGO active involvement in development, more prominent initially in the North, then more latterly in the South, has been increasingly evident (Schneider, 1988; J. Clark, 1991). The NGO sector, through their increasing concern for the social aspects of development have largely espoused the theoretical stance of the dependency school. Neo-Marxists, who note that some development can still occur under capitalist regimes, have been particularly influential. Schneider for example states:

*At the present time neo-marxism (eg Francois Perroux, Gunnar Myrdal, and Raoul Prebish) is the current which inspires the development doctrines of many NGO's. (Schneider, 1988:85)*

Despite ideological and theoretical differences there are signs that similar approaches to aid delivery have in fact been adopted. Popular participation and grassroots approaches, for example, have been advocated by NGO's and the World Bank alike. Similarly project and programme management techniques are used extensively amongst a broad range of development agencies. Harrison argues quite forcefully that:

*There is no assertion that we are faced with 'incompatible world views and a consequently unbridgeable communications gap' (Foster-Carter, 1976:176). Despite competing ideologies and divergent definitions of development, there is a limited commensurability across perspectives. In the end, there is a common approach to empirical data. (Harrison, 1988:171)*

## FORESTRY AND DEVELOPMENT

The role of forestry in development since the 1950's has been broken down by several authors into two distinct periods (see, for example, Westoby, 1987; Douglas, 1983; Kengen, 1987). First was a period based on an industrialisation approach to the development of the forestry sector such as large scale plantation development and associated processing facilities and second was a later social approach based on concepts of rural community forestry, village

level industry, and other smaller scale rural forestry activities. The theoretical approach to forestry in development has undergone a radical change as a consequence of this, in line with changes in development theory generally.

Westoby, perhaps the greatest thinker on forestry's role in development, originally wrote his 1962 seminal paper 'The Role of Forest Industries in the Attack on Economic Underdevelopment' (in Westoby, 1987) following the thinking of the modernisation theorists of the time. However his 1978 speech to the 8th World Forestry Congress in 1978 clearly embraces dependency theory:

*The underdeveloped countries are not underdeveloped because they started late in the development race. They are not underdeveloped because they lack resources. They are not underdeveloped because they lack know-how. They are not underdeveloped because they are overpopulated. They are underdeveloped as a consequence of the development of the rich nations. The development of the latter is founded on the underdevelopment of the former, and is sustained by it (Westoby, 1979:109).*

Douglas, although agreeing with Westoby in his analysis that the industrialisation approach to forestry has not worked believes that Westoby has perhaps misinterpreted the reasons for this. Westoby for example claims that rich countries running short of wood have exploited the forest reserves of the poorer nations. Douglas asks:

*This is probably so, but to what extent are continuing overall wood shortages a reality, and what advantages and disadvantages does (this) imply for LDC's (Least Developed Countries) (Douglas, 1983:88).*

Furthermore Douglas argues that the fact that industrialisation did not aid socio-economic development was not because the industries that were set up did not try to make a profit, but that they failed to make one. This is because they weren't the most appropriate industries in the first place. Douglas is equally critical of the Food and Agricultural Organisation (FAO) which had been ambivalent about the establishment of forest industries during this period for reasons of lack of involvement of the poor in the sector. While this may or may not have been a feature of industrialisation in the past it did not necessarily mean that it could not be incorporated into future industrial forestry efforts:



*One thing we will attempt to show...is that the project planner and the development theorist alike must understand the sociological and cultural causes of poverty, as well as the macroeconomic parameters of it, if their prescriptions to alleviate it are to succeed (Douglas, 1983:96).*

The professional forestry sector in developing countries has largely been dominated by government activity, and industrial concerns. In the last two decades, however, an increasing range of aid agencies - the international aid agencies, and multilateral banks - have had important roles to play. Even more recently NGO's have begun to be involved in forestry matters, assisting in shaping forestry policies and programmes (Korten, 1992:3). Each of these group of agencies has its own perspective on forestry, but there are signs of cooperation:

*The traditional forestry sector institutions - government, industry and academia - are increasingly interacting with a new group of players, the NGOs. In some cases the relationship is tense, as long held approaches are opened to scrutiny. In others it is amicable, creating innovative solutions to previously neglected problems (Korten, 1992:10).*

Sustainable income growth and redistribution to the rural sector, poverty alleviation and social and environmental development are all areas in which forestry can have a role in development assistance. However just because the potential is apparent does not by itself guarantee the results.

*It is also important to recognise that the mere orientation of forestry activities towards rural development ends is no guarantee that all - or indeed any - of the general benefits (listed above) for it will eventuate. Problems of inappropriateness in the techniques implemented; inadequacies of the management and administrative structure; and, importantly of unaccounted for socio-cultural phenomena cutting across the project benefit stream from the project, are all very real possibilities (Douglas, 1983:116).*

## SUMMARY

The aid agencies under review in this study, described in more detail in Chapter 2, are all examples of the four main types of aid agency involved in development assistance - multilateral and bilateral agency, investment institution and non-government organisation. This chapter has outlined the theoretical positions that these type of agencies have tended to align to with regard to development assistance - notably dependency and modernisation theories - and the aid delivery mechanisms that are associated with these. The chapter has shown that dependency and modernisation positions on aid delivery have also effected forestry's role in development assistance. An understanding of these factors has assisted with the development of methodologies for this study and, in turn, with the analysis of each agency in the summary and conclusions to this study in Chapter 5.



## **CHAPTER 2**

### **BACKGROUND AND CONTEXT**

This chapter backgrounds the aid agencies chosen for this study and their links with the Solomon Islands, particularly in forestry development. The chapter begins by briefly describing the Solomon Islands, the state of the forestry sector and aid to forestry.

#### **THE SOLOMON ISLANDS**

The Solomon Islands archipelago comprises some six main islands and a host of smaller ones making internal communication and transportation difficult and expensive. Rugged terrain in some areas adds to the difficulties. The Solomon Islands economy is constrained by a number of factors including small geographical area, low population (335,000), a wide variety of social and economic systems from semi-subsistence to market economy, a high population growth rate of 3.5 percent and a relatively small economy with a Gross Domestic Product of around \$200 million<sup>1</sup>. The distance of the Solomon Islands from its major markets is also a constraining factor with Australia, for example, some 1,800 kilometres away.

Macro economic activity is dominated by export-oriented commodities production particularly fish and fish products, forestry products, and agricultural products including palm oil and copra. Consequently economic performance is strongly influenced by changes in the external terms of trade and the availability of foreign exchange. At the micro level the subsistence agricultural sector provides the main source of livelihood for some 90 percent of the population living in rural areas.

#### **FORESTRY**

Approximately 2.5 million hectares or 88 percent of the country's land area is under forest cover or woody vegetation. Of this about 250,000 hectares is considered to be commercially viable for logging the balance being on ground too steep or otherwise inaccessible. Logging operations, of which more than 90 percent is currently occurring on customary land, clear

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<sup>1</sup> All dollars quoted in this report are Solomon Islands dollars unless otherwise stated.

around 10,000 hectares a year. Replanting averaged approximately 900 hectares a year from 1981 to 1991, totalling approximately 26,000 hectares by the end of 1992.

Forests have long been a vital resource to the people of the Solomon Islands. At the time of first settlement of the archipelago the forests provided most of the daily needs of the people - food, firewood, building materials, shelter, medicines, canoe, carving and other specialist materials. Even today the majority of Solomon Islanders depend on the forests for their day to day existence.

In 1991 forestry was the second major export earner for the Solomon Islands, earning some \$55 million from log and timber exports. For the past decade it has been among the top three export earners along with fish, and fish products; and agriculture. However there is increasing concern, reflected in part in official forest policy, about the environmental and social costs of logging to the Solomon Islands<sup>2</sup>. There is also mounting evidence that at current commercial rates of exploitation, coupled with agricultural expansion of the cash and subsistence sectors, available commercial forests will not last longer than the next ten to fifteen years.

## **AID TO THE SOLOMON ISLANDS, PARTICULARLY TO FORESTRY**

Total 'official' aid flows to the Solomon Islands, including offshore expenditure have fallen in real and in nominal terms over the last few years and in 1992 were estimated to be about 20 percent of Gross Domestic Product (World Bank, 1993:38). Nevertheless aid assistance in the form of grants and other technical assistance is likely to be necessary for some time. Aid flows in 1992 were directed towards economic infrastructure 9 percent, social services 34 percent, productive sector 26 percent, with the remaining 32 percent in either administration or unable to be further categorised. Australia, EC, and Japan were the main contributors in 1992 with shares of 28 percent, 19 percent and 12 percent respectively.

Constraints to developing an effective aid programme include differences between donors and Solomon Islands Government which have led to strained relationships and the cessation of some forms of aid. Other problems are the management capacity of the Solomon Islands Government to administer and absorb aid funds, inadequate counterpart funds, human resource development factors, fragmentation of planning activities within Government, inadequate aid

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<sup>2</sup> *Forestry Policy Statement*, Forestry Division, Ministry of Natural Resources, August 1989.

coordination between Government departments, and practical factors such as land issues, or natural disasters.

From 1952 to 1969 aid funding to the Solomon Islands for forestry was under British Colonial Development and Welfare funding, and from 1970 until 1982 the British aid programme (Forestry Division Annual Reports, see Appendix 1). There has been a steady increase in the amount of interest devoted by donors to forestry in the Solomon Islands since that time. This can be seen in the increased level of activity detailed in Appendix 1. It can also be seen in the increase in the amount of money that is being offered by aid donors to the government for forestry. From Independence in 1978 to 1989 the aid contribution to forestry increased from \$677,875 to \$4,903,000, a seven fold increase<sup>3</sup>. Aid in 1989 contributed 94% of Forestry Division's total budget compared with 20% five years previously<sup>4</sup>.

In addition to assistance to forestry at the government level there has been considerable interest also expressed amongst non-government organisations in the forestry sector. Most of this interest has been in the environmental aspects of forest management, often encouraged and supported by overseas agencies.

## AUSTRALIAN INTERNATIONAL DEVELOPMENT ASSISTANCE BUREAU

The Australian International Development Assistance Bureau (AIDAB) is the semi-autonomous government agency directed to implement Australia's official aid programme, reporting to the Department of Foreign Affairs and Trade. The aid programme is the responsibility of the Minister for Development Cooperation and Pacific Island Affairs, one of three Ministers responsible for Australia's foreign affairs and trade.

The aim of Australia's aid is:

*To promote sustainable development through international cooperation. Our development assistance is not charity - it is in our own interest to help our poorer neighbours to help themselves. As they grow we both benefit - from greater security in our region; from their increasing ability to buy our goods*

<sup>3</sup> Source: Forestry Division Annual Reports 1972 and 1989. Estimates for 1990 indicate a thirteen fold increase from 1978 to 1990.

<sup>4</sup> Sources: Forestry Division Annual Reports and 1985/6 Statistical Yearbook (1987).

*and services; and from a general acceptance that Australia is a good world citizen taking up our fair share of international responsibilities (AIDAB, 1991/92?).*

The total aid programme over the five years 1988/89 to 1992/93 has averaged A\$1.25 billion per annum.

AIDAB like most international aid agencies provides aid in a number of ways. Aid may be directed to multilateral aid organisations, to NGO's, through various schemes such as the Development Import Finance Facility and finally through direct bilateral government to government aid. The AIDAB forestry projects under review in this study are part of the bilateral aid programme.

The method of delivery of bilateral aid has changed over the years. In the last ten years delivery has been largely contracted out to the private sector, administered by AIDAB. Prior to that aid had been managed by accountable cash grants to recipient governments for smaller projects, and employing 'experts' (advisers) who worked in developing countries directly administered by AIDAB. Traces of these approaches still remain but accountable cash grants were often not accounted for adequately by recipient governments, and management of 'experts' was time consuming. This plus successive Australian government policies of reducing the size of the public sector led to the more recent change to appointing private sector 'Management Services Agents' to assist with aid delivery.

Country Program Managers and Program Managers responsible for management of the aid programme to the Solomon Islands are located in Pacific Islands I Section (PAC 1) of AIDAB. Very few if any have technical knowledge of the projects that they are working on and technical input is provided by the AIDAB Centre for Pacific Development and Training based in Sydney, where a team of specialists provide guidance to Program Managers at request.

As well as officers at AIDAB Headquarters in Canberra and Sydney AIDAB also places staff in certain overseas posts. AIDAB officers located in posts are able to provide an alternative opinion on a project to that of the implementing consultants if required by AIDAB. They are also able to maintain day to day contact with consultants as required, dialogue with recipient governments, and keep an overall eye on projects. Ultimate responsibility for a project however resides in Canberra with the Country Programme Manager.

Australia has provided development assistance to the Solomon Islands for over 20 years. Bilateral aid provisions for the 1992/93 year stand at \$A10.8 million. The current objective of the Australian aid programme to the Solomon Islands is:

*To promote sustainable economic and social development in accordance with the national development policies, objectives and priorities of the Solomon Islands Government.*

The main target sectors for Australian aid agreed to between the Solomon Islands Government and AIDAB are forestry, human resources development (including institutional strengthening) and public infrastructure.

The aim of AIDAB's assistance to the Solomon Islands forestry sector in 1992 was:

*To improve economic returns in the short term while promoting environmentally sound management of the natural resource base for the longer term.*

In 1992 there were three forestry projects outlined in AIDAB's aid programme for the Solomon Islands. The three projects were the National Forest Resource Inventory (NFRI), the Timber Control Unit Project, and the Allardyce Reforestation Project. The Allardyce Project was in its earliest appraisal stages, while the other two projects were under implementation.

## **COMMONWEALTH DEVELOPMENT CORPORATION**

The Commonwealth Development Corporation is a United Kingdom based public corporation reporting to the Secretary of State for Foreign and Commonwealth Affairs. CDC's present purpose, expressed in statute, is 'to assist overseas countries in the development of their economies'. In 1992 it was empowered to operate in 68 territories and developing countries, and was active in 50 of these.

CDC differs from other development banks in that not only does it invest in projects, through both loans and equity arrangement, but it also provides management and other support services, including consultancy services to these projects. Additionally it has an extensive network of offices overseas, a capital structure almost wholly based on debt finance, and close involvement in the projects in which it invests occasionally through board membership.

CDC has in effect two objectives - one financial and the other developmental. It is obliged to operate in developing countries thereby opening it up to greater risks and uncertainties financially and otherwise than if it was operating in the developed world. It is not however, required to maximise profits although it is required to act in a commercial manner including covering costs.

CDC has invested in two plantation projects in the Solomon Islands. These are Solomon Islands Plantations Ltd (SIPL), a oil palm and cocoa plantation and processing project, since 1972 and Kolombangara Forest Products Ltd (KFPL) since 1989. Its long standing experience in the Solomon Islands undoubtedly contributes to the ease with which it is able to work with the Solomon Islands Government. KFPL is the project which is analysed further in this study.

## EUROPEAN COMMUNITY

The European Community member country's are the world's largest providers of aid, and have been so since the end of the 1960's when they overtook the United States. From 1986 to 1988 some 36 percent of the world's official development assistance was provided by the EC.

It is the role of the European Development Fund, to which all EC members contribute, to finance projects and programmes according to conventions agreed to between the EC and its collective aid recipients, referred to as Lomé I - IV (after the capital of Togo). The Fund is renewed each time a new convention is signed. The bulk of EDF is divided among the African Caribbean and Pacific (ACP) countries and regions for their national or regional development programmes. Each country and region is allocated a fixed amount at the start of each convention. The remainder is used for more circumstantial assistance such as STABEX transfers<sup>5</sup> or emergency funds.

Directorate General VIII in the EC Commission is responsible for the EC aid programme. The EC in-country delegations are in theory administrators of aid, although in practice they are more than this.

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<sup>5</sup> STABEX (Stabilisation of Export Earnings) funds are designed to compensate for losses in export earning from primary products, including timber.



Aid to the Solomon Islands from the EC began on Independence in 1978, and has continued to date. It has mainly been in the form of grants under Lomé's I - IV as well as from STABEX. Additional aid has come from EC Pacific Regional programmes, and from the European Investment Bank. In total the EC provides the largest development assistance of any of the donor countries to the Solomon Islands. Total direct development assistance to the Solomon Islands since 1978 amounted to \$375m in 1992 (Gwyer, 1992:45).

The focus of this study is on two forestry projects the Viru Reforestation Project situated on government land on the island of New Georgia in the Western Province of the Solomon Islands, and a Forestry Sector Mission carried out in 1992. While the EC has funded other reforestation projects similar to Viru in the Solomon Islands the Viru project was the longest running of these, and best serves as an example of the EC's aid to plantation forestry.

## **KOMUNIBOLI VILLAGE**

Residents of Komuniboli Village run the Komuniboli Training Centre (KTC) based in Aola Ward, North Guadalcanal some 60 kilometres east of Honiara. KTC carries out training in various aspects of forestry and is one of the projects and programmes evaluated in this study.

The Komuniboli village is made up of some 32 people comprising thirteen males (nineteen females), and twelve adults (greater than fifteen years old). There are twenty villages associated with Komuniboli from within the Aola Ward, and other nearby wards. By far the majority are Catholic in persuasion, with only three villages being Seventh Day Adventist. Church, custom, and formal government systems mix easily in the wider community with each having recognised leaders. A custom court sits at the nearby village of Koilotumuria.

Land ownership is matrilineal. The senior women of the family do not reside in Komuniboli, having married and shifted to other areas. However they still retain decision making authority over the land, and are referred to for important decisions. Males can buy rights to the land, through feasts and other custom means. Apparently there are no disputes over land at Komuniboli. The land is not registered with the Ministry of Agriculture and Lands, although survey and mapping of the area has been carried out by Forestry Division.

There are a number of structured activities present in Komuniboli and the wider community in addition to the KTC. These include an eelfish project, sago palm project, timber milling,

sports club, women's group, youth group, and Komuniboli Community Development Committee.

## SOLOMON ISLANDS DEVELOPMENT TRUST

Solomon Islands Development Trust (SIDT) is probably the most widely known indigenous development NGO in the Solomon Islands. Its activities are also increasingly becoming known abroad in the Pacific and beyond.

The 'Statement of Resolve' for SIDT, written in 1982, outlines SIDT's role:

*The role of SIDT will include questioning the conventional development wisdom, raising the consciousness of both development donors and recipients concerning local development issues and creating conditions where alternate development visions and actualities can take place.*

SIDT approach was to implement programmes rather than projects as reflected in the Statement of Resolve:

*The programme approach to project development will also be most helpful in fulfilling our special mandates. ... Most importantly this approach puts the village person on notice that development is fundamentally an internal growth process of the person and the community and less a change in material well being.*

SIDT's field activities are carried out by Mobile Team Members (MTMs) who live and work at the village level. MTMs are accountable to their Team Leaders who in turn report to a provincial Field Officer and from there to the Field Director in Head Office. Field offices, or resource centres, have been set up around the country to act as a base for local activities. Some eleven centres were in place by the end of 1992, including one in Honiara. Provincial Field Officers, and sometimes Training Officers are usually located at these centres.

There has been strong growth in the size of SIDT in recent years with over 300 MTMs in the field in 1992. In 1990 and 1991 respectively mobile teams carried out approximately 450 population awareness and resource workshops and special workshops, reaching some 36,000



and 20,000 people.<sup>6</sup> Workshops are usually only for a maximum of three days, with follow up some two to three months later. Several visits may eventually be paid to one village, depending on the nature of the issue being discussed.

To help MTMs operate in villages SIDT has developed a number of development tools. These include the 'Village Quality of Life Index', the 'Past, Now, Future' exercise, and the 'Development Wheel'. SIDT also produces a monthly awareness raising magazine called 'Link', and occasional comic strips on specific issues called 'Komiks'. A theatre group called SEI! also travels to rural areas delivering messages through the use of drama.

Total expenditure over the period 1990 to 1992 averaged \$800,000 per annum<sup>7</sup>.

SIDT had two forestry activities at the time of this study in 1992. The first is educational awareness activities, particularly specialist workshops, that SIDT has developed about logging and resource management issues. The second is a specific Social Reforestation Project which commenced in 1991.

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<sup>6</sup>From SIDT's 1990 and 1991 *Summary Report's*. Special workshops included logging and resource reviews, kitchen gardens, women's interest, raising village quality of life, communal education, leadership courses, reforestation and special political awareness.

<sup>7</sup> *SIDT Summary Reports 1990 - 1992*.

## **CHAPTER 3**

### **RESEARCH METHOD**

Chapter 3 outlines the research method used in this study including the process by which the agencies, projects, and programmes involved were selected, and where information was obtained. It looks at evaluation as a means of determining effectiveness, considers the role that evaluation has in development, different types of evaluation and the major factors to consider in carrying out evaluations. The specific evaluation process for this study is also outlined.

The author is a forest manager by training and profession. At the time of pursuing this study I was living in the Solomon Islands working on a forestry project funded by New Zealand aid called the Customary Land Reforestation Project. Given my background and location I decided to focus on the forestry sector in the Solomon Islands as the working example for this study. Data for the study mostly refers to a period ending in 1992 when the author left the Solomon Islands.

#### **SOLOMON ISLANDS GOVERNMENT STUDY REGULATIONS**

Solomon Island Government (SIG) regulations state that foreigners who wish to carry out research activities in the Solomon Islands require permission through the Research Officer in the Ministry of Education and Human Resource Development before visas are issued, and study commences. My own case was somewhat different in that I was already resident in the Solomon Islands, and therefore did not need a study visa. I still, however, needed formal approvals which ultimately I received from the Commissioner of Forests, the Permanent Secretary of Ministry of Natural Resources - twice because of changes to this position, the Solomon Islands Public Service Commission with whom I was officially employed, and the Permanent Secretary of the Ministry of Education and Human Resource Development - twice due to changes to this position. This latter permission was verbal, and given in the absence of the Research Officer, with whose office I had lodged formal letters requesting permission on two occasions.

As a Public Servant I was allowed automatic right to non-confidential SIG files.

Permission was also sought from New Zealand's Ministry of External Relations and Trade (MERT - now Ministry of Foreign Affairs and Trade) to carry out research as I was under contract to them at the time and this was one of the conditions of the contract.

## **SELECTING THE AID AGENCIES FOR THE STUDY**

The criteria used to select the aid agencies evaluated in this study were that they had a track record in development activities and forestry in the Solomon Islands over the longer term, as opposed to those agencies with only peripheral interest in development, forestry, and the Solomon Islands. It was felt that agencies selected under these criteria would have more material available for analysis and a wider range of projects or programmes to choose from of relevance to the study. Another criteria was that a broad range of types of aid agency should be represented in the study. The ability to be able to compare a diversity of institutions makes this study all the more valuable.

Eventually the Solomon Islands Development Trust, Komuniboli Village, European Community, Commonwealth Development Corporation, and Australian International Development Assistance Bureau were chosen for the study.

There are other agencies who could equally have been chosen. New Zealand Official Development Assistance could have been chosen instead of AIDAB for example, however this would have left the author in the precarious position of commenting on projects in which I had a personal involvement. British ODA<sup>1</sup> were no longer active in forestry in the Solomon Islands at the time of this study, despite major involvement previously and were not selected on this basis. Soltrust/Lumi Nao Together Holdings could have replaced SIDT as the indigenous NGO, however, prior to my study they had been the subject of two major reviews<sup>2</sup> and proved to be extremely sensitive to these so the timing was inappropriate. The Food and Agriculture Organisation could have replaced the EC, however their involvement in Solomon Islands forestry has been largely confined to one off type studies, training, or regional activities, as opposed to Solomon Island specific activities.

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<sup>1</sup> Note that British official aid is run by the 'Overseas Development Administration'. This should not be confused with 'Official Development Assistance', a common name for official aid to developing countries.

<sup>2</sup> By the German Catholic Development Agency 'Misereor', and USAID .

Apart from practical considerations no other criteria were considered for choosing the forestry projects and programmes in this study. There has been, for example, no bias towards choosing 'difficult' projects and programmes rather than 'successful' ones for evaluation as has been the case with some aid donors (AIDAB, 1991(a):9; MMC (on CDC), 1992:90). All the forestry projects and programmes that were being implemented, or had recently been implemented by the agencies involved in this study were analysed, a total of nine overall. The information that was collected then is current, or at least as much as it can be after due process of writing and editing this study. This is deliberate so that the results of this study might be immediately useable.

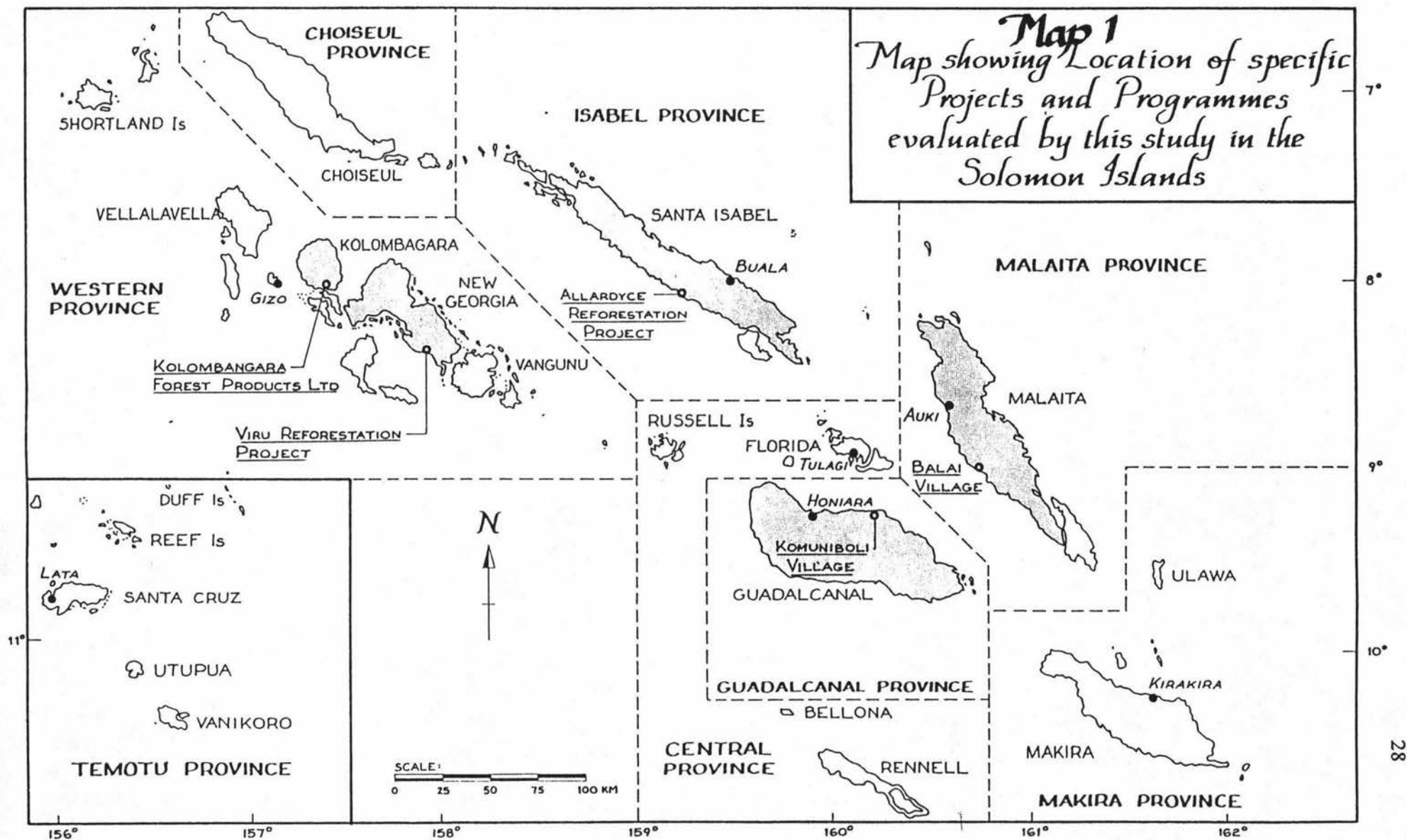
The projects and programmes involved are: Australian International Development Assistance Bureau - Allardyce Reforestation Project, National Forest Resource Inventory, Timber Control Unit Project; Commonwealth Development Corporation - Kolombangara Forest Products Ltd; European Community - Viru Reforestation Project, Solomon Islands Forestry Sector Study; Komuniboli Village - Komuniboli Training Centre; and Solomon Islands Development Trust - Logging Awareness Raising activities, Social Reforestation Project. Specific locations are shown on Map 1 where applicable.

Having selected the agencies contact was made with all of these to request permission from them to be included in the study. There was, in fact no need to directly approach the agencies for this as the study could have gone ahead anyway, however their support was useful towards gaining research permission from the Solomon Islands Government. KFPL, Komuniboli, and SIDT provided blanket approvals for full access to information that they might have. EC and AIDAB gave similar approvals, however during the course of the study full approvals were subsequently withdrawn for reasons of confidentiality and sensitivity.

The abrupt turnaround of both AIDAB and the EC with regard to availability of information was of only minor concern as full access was available to SIG files and relevant AIDAB/SIG and EC/SIG documents. The sensitivity of some donors to their aid programmes is not new and F.R. Mwambaghi's advice becomes relevant in this regard:

*A robust personality may be a greater asset to a project evaluation than competence in sophisticated statistical techniques (Deboek, and Kinsey, 1980:50).*

**Map 1**  
*Map showing Location of specific  
 Projects and Programmes  
 evaluated by this study in the  
 Solomon Islands*



All information collected from non-written sources was treated as confidential, so that in this study no names have been assigned to material in quotes, unless specific permission was obtained. Interviews were usually, but not always, taped with the permission of the interviewee<sup>1</sup>, and notes were also taken. Tapes were later transcribed and relevant comments used in the study.

In addition to information collected in the Solomon Islands, a trip was also made to Australia in mid-1993 to obtain information from AIDAB, and other relevant agencies located in Canberra and Sydney. The exact mix of people talked to and the sources of information are outlined against each agency in Appendix 2. All locations involved in this study, with the exception of the AIDAB Allardyce Reforestation Project, were physically inspected usually on more than one occasion.

It is difficult to estimate exactly the amount of time that was spent on collecting data, as much of it was collected *ad hoc* over the three years that I lived in the Solomon Islands. Some was even available from my first work related visit there in 1987. Much of the groundwork that other researchers need to put into place before commencing their studies was already available to me. Suffice to say that the longest concentrated period of time directly collecting information was four weeks toward the end of 1992, and one week in 1993.

## EVALUATION

The Development Assistance Committee of the Organisation for Economic Cooperation and Development has defined evaluation of development assistance in the following way:

*An evaluation is an assessment, as systematic and objective as possible, of an on-going or completed project, programme, or policy, its design, implementation and results. The aim is to determine the relevance and fulfilment of objectives, developmental efficiency, effectiveness, impact and sustainability (OECD, 1991:5).*

This definition is not necessarily used by all aid agencies and standard operational methods to carry out evaluations are also not consistent:

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<sup>1</sup> Some 26 hours in all.

*The fundamental problem in the evaluation of technical co-operation is the absence of an agreed and widely used methodology (OECD, 1989 quoted in K. Clark, 1989:10).*

The Development Advisory Committee outline their reasons for carrying out evaluation as:

*To improve future aid policy, programmes and projects through feedback of lessons learned and to provide a basis for accountability, including the provision of information to the public (OECD, 1991:5).*

Cassen *et al* distinguish a developmental perspective from other motives - political or strategic - that donors or recipients may have for being involved in development. From this perspective they suggest two main reasons for wanting to study the effectiveness of aid:

*One is for reaching judgments about how worthwhile aid is: governments, the public, and aid agencies need to know whether and how far aid succeeds and therefore deserves support. The other is to assist aid management (Cassen *et al*, 1986:10).*

This study, as has already been outlined, does not seek to question 'how worthwhile aid is'. Its focus is on the effectiveness of aid delivery, and from this perspective its considerations are more oriented toward how to improve aid management and the accountability of aid agencies.

Porter and Clark discuss the role of evaluation in development since World War II noting the relationship between management and evaluation. They ask:

*While at one level, few would disagree with the need to improve management or the necessity of project evaluation, there are however a number of questions one needs to ask. First, are the primary obstacles to development managerial? Second, will evaluation understood as a management tool, improve aid effectiveness? (Porter and Clark, 1985:6)*

This study recognises that in practice that there are factors beyond managerial control, both human and non-human influences, which will also affect developmental effectiveness. It is also



the view of this study, and of most donor agencies reviewed for this chapter that evaluation has a definite role in assisting aid effectiveness.

In considering the evaluation of effectiveness a related question is the effectiveness of evaluation.

*But generally (evaluation) identifies problems only after the fact and has little influence on decisions or on careers. Too often evaluation, if done, is done with reference to the initial conception of the problem - how well and timely did the organisation do what it set out to do - rather than deal with the effectiveness of solving priority problems as they became more evident from the accumulating experience (Korten and Uphoff, 1981:10).*

## EVALUATION PROCEDURES USED IN THIS STUDY

The OECD have this to say on evaluation methodology:

*Difficulties in collecting adequate data present greater obstacles to doing impact studies than methodological problems...It is important to design data collection strategies which are appropriate to the situation even if they sacrifice some rigour, and to avoid the common problem of collecting more data than can be analysed (OECD, 1986:10).*

There are several basic procedures to carrying out an evaluation. The point made by the OECD (in K. Clark, 1989:10 (above)) is particularly pertinent, that is to say there are no hard and fast rules about how to carry out an evaluation. In effect there is the potential for each evaluation to be different. Nevertheless there are some basic guidelines, and pitfalls of which six factors are outlined below:

The first relates to the level at which an evaluation will be operating. A broad distinction can be drawn between the microeconomic evaluation of projects and programmes, and the macroeconomic assessments of aid's impact commonly referred to as the macro-micro distinction (see Mosley, 1987; White, 1992).



The distinction between macro and micro evaluations is important. It has led to what Mosley (1987) has called the 'macro-micro paradox'. Essentially this states that while summaries of micro-level evaluations have been in the main positive (eg Cassen *et al*, 1986), macro level studies have at best been ambiguous, largely according to White (1992) due to methodological differences.

Further distinctions can also be made:

*The question is where emphasis should be placed at a specific time in a specific country between ex ante, periodic, or mid-term, ex post, or broader gauged sector and impact studies (OECD, 1988:15).*

*Ex ante* (appraisal), periodic (mid term), and *ex post* evaluations are usually carried out on projects and programmes at the micro level. These have been well described in the literature for projects in what has come to be called the 'project cycle', of which the OECD distinctions are one part (see for example Rondinelli, 1983; Baum and Tolbert, 1985). Programme cycles, while using the same concepts, have been less well defined. An additional type of evaluation is *ad hoc* single purpose evaluations. These are used to rectify unforeseen problems, or to assist in particular areas.

The evaluations carried out for this study very much fit into Mosley and White's micro economic level of projects and programmes rather than the macro economic level of aids impact. In terms of the project or programme cycle the evaluations undertaken cover the spectrum of the OECD's evaluation stages. Two of the evaluations - the EC Forestry Sector Study, and the AIDAB Allardyce Reforestation Project are *ex-ante* carried out during the setting up phase of a project or programme. The majority however have been undertaken while a project or programme is still being implemented falling into the OECD's periodic or mid-term category. One evaluation, for the EC Viru Project, is an *ex-post* evaluation. The evaluation procedures developed in this study have been applied equally to all projects and programmes with only minor variation due to their stage of implementation.

The second factor is methodology. Differing methodologies can make comparisons between the results of evaluations difficult, even impossible. Techniques have been developed, evolved, and discarded or substantially modified as they have proven unequal to the task for which they

were developed. The classic example of this is probably cost benefit analysis, a major evaluation tool at the micro level and to a lesser extent the macro level.

There are numerous methods for acquiring information in the evaluation process. Chambers for example describes the following:

*... available information, learning from rural people, identifying and using key indicators, adaptations of Hildebrand's 'Sondeo', ad hoc local research, direct observation, key informants, group interviews, informal interviews, and aerial inspections and surveys (Chambers, 1986:404-410).*

A combination of one or more methods is probably the case for most evaluations. In some cases two or more methods will be used to try to gather the same sort of information in a verification or 'triangulation' process.

The methods used will in themselves influence the information obtained and are a major factor to consider in evaluation. Porter and Clark stress that:

*... far from being technical and neutral, the methods and techniques of conventional evaluation can in practice have political implications not at all in keeping with what most NGO's profess in their development perspective (Porter and Clark, 1985:13).*

Honadle similarly notes:

*Emerging from the growing experience with rapid reconnaissance methods is the realisation that different data collection approaches should be judged on more than just the data collected (Honadle, 1982:634).*

Several of Chambers methods were used in this study - available information, rural people, key indicators, local research, direct observation, key informants and informal interviews. The questionnaire used for interviews in this study is referred to by Schneider (1988) as 'semi-structured', that is to say, the criteria were developed as a basis against which to collect information, without having a formal set of questions to ask. While key informants were targeted for information, occasionally their unavailability meant that secondary informants

were approached. Cross referencing of sources of information meant that this did not unduly effect the results obtained. Appendix 2 sets out the major sources of information for this study.

The independence and neutrality of this study could be open to question because there is only one individual carrying out the evaluations. This is not to say that teams of evaluators are immune to bias. Hopefully any major criticisms have been mitigated by avoiding those areas most likely to leave the author open to comment, for example avoiding the evaluation of aid projects in this study with which I had major direct involvement. The evaluation criteria, and presentation or results in this study have also been designed in such a way that any bias in the authors approach would be minimised.

There was opportunity for any of the agencies involved to be selective in the information that they provided, deliberately or otherwise. This is particularly so for SIDT and Komuniboli Village from whom written information was very limited, and means of verifying verbal information difficult. Cross referencing of information was used to help mitigate against this.

The third factor in evaluation is evaluation criteria, the standards which the evaluation is using as a yardstick. If an evaluation is to measure effectiveness, there must be some way of stating 'effective compared with what criteria'. An evaluation may be asked to focus on any of managerial, technical, economic, environmental, socio-cultural, political, and organisational matters for each of which standards must be determined.

Usually each evaluation will have certain objectives or 'terms of reference'. These will determine the areas which an evaluation team will investigate, and sometimes the methods they will use to go about this. In most cases effectiveness will be considered against project and programme objectives. While most projects will have fairly well defined objectives, this may not be case for programmes. Even with well defined project or programme objectives evaluators may still wish to use additional criteria in determining effectiveness depending on the circumstances they are operating under.

Krishna Kumar, from the US Agency for International Development made an important point when in 1989 he said:

*Evaluators tendency to focus on different impact areas, depending on the nature of the project, the data available, and their own disciplinary*

*orientation, has come in the way of synthesising the findings of various evaluations.... While some differences in focus among different evaluations are unavoidable, and even necessary, assessments should focus on a set of standardised core areas common to all evaluations (Kumar, 1989:A-2).*

While Kumar's focus was directed toward agriculture and rural development projects his observations hold true for this study. The range of agencies, projects and programmes that are analysed in this study is such that some might say that it is not possible to compare them using the same set of criteria. However while the agencies, projects and programmes do differ there is enough common ground that criteria can be set up by which comparison can proceed.

Ten factors were ultimately chosen from criteria used by a number of organisations and individuals in the development field (AIDAB, 1991(a); CIDA, 1991; Commission of the European Community, 1992; CDC in MMC, 1992; MERT, 1990; Thomas, 1987). These are objectives; set up and structure; management; environmental/social/economic factors; technical forestry; cost effectiveness; sustainability; replicability; empowerment, and equity. The range is deliberately broad so as to accommodate the strengths and weaknesses of each project and programme. There is no weighting given to these criteria, that is to say, no one criteria is deemed to be more important than any other. While each agency under review will place emphasis on different criteria the study is endeavouring to take a more holistic overview.

Not all potential criteria have been included in this study. New Zealand's Ministry of External Relations and Trade for example lists the strengthening of market forces as one of its evaluation criteria (MERT, 1990:2). As the effectiveness of market forces are a highly debatable issue for any economy they were not considered in this study. There were other potential criteria, such as commercial factors, that were also not included in the final list for reasons of conciseness and overall relevance.

The criteria were developed in general terms before the study began and finalised once fieldwork had begun. One of the objectives of this study was to develop mechanisms that could be used for any evaluation of effectiveness. Collecting general information in the first instance which the author was then able to analyse led to the development of criteria that would be relevant to all the agencies under study and for future similar studies. Due to the length of the authors stay in the Solomon Islands it was possible to collect additional information if necessary against new criteria. The criteria are described in detail below.

Objectives are assessed by exploring whether a project or programme is meeting its objectives as defined in relevant documentation, or by project and programme implementors. No comment is made on the objectives themselves, that is to say whether they are relevant or beneficial to the recipients. In effect the objectives are considered as a yardstick against which to compare progress, not whether or not they should be replaced by another yardstick.

The setting up and final structure of a project or programme is explored. 'Setting up' covers the development of a project or programme through to the stage it was at when this study was undertaken. Analysis of this criteria has included an historical summary of a project or programme, including adherence to an agency's project or programme implementation process if this is appropriate.

Management of a project or programme is considered in relation to the agency implementing it. It includes analysis of the relationship between the implementors and recipients, as well as investigation of the way in which implementors actually handle a project or programme. Management begins once implementors, or resources have arrived in the Solomon Islands to begin projects or programmes. Prior to this a project or programme is still in the 'setting up' phase.

Technical forestry. Some of the projects and programmes under scrutiny went beyond the author's specific areas of expertise. The AIDAB projects are the best example of this because of the wide range of technical issues that they were addressing. In these cases opinions were obtained from others more familiar with the issue under consideration, but who were not directly involved with a particular project or programme under scrutiny and who would, in theory, be unbiased in their comments.

Economic/social/economic factors. Technical forestry matters are important but there are a range of other technical factors that are also important. These include environmental, social and economic factors. As with 'Technical Forestry' above the author does not consider that I have the necessary skills or time to analyse these three areas in any depth, and indeed separate theses could be written on all three areas. The approach taken has been to consider whether these issues have been addressed by the aid agencies themselves in developing their projects and programmes.

Within this group of criteria are a series of sub-criteria which have not been separately itemised. These include 'cross cutting' issues such as poverty alleviation, and women in development; risk analysis, cultural factors and political considerations. These 'sub-criteria' while considered important have been coalesced under one or other of three main headings - environment, social, and economic - for sake of conciseness in this study.

Cost is an important part of any criteria that looks at the effectiveness of a project or programme. This study is no exception. The study concentrates on the costs involved in running projects and programmes, particularly management costs, not the costs in setting these up.

An important criterion in this study is that of the sustainability of the projects and programmes under review, sustainability in the sense of the projects and programmes being able to continue with minimal or no assistance from the aid agency that was assisting in their implementation. Sustainability takes into account both the resources, especially financial, and personnel aspects of project and programme implementation. Recurrent cost implications are an important part of the financial aspects. Human resource development is an important part of the personnel aspects.

The next criterion that is considered in the study is the replicability or 'transferability' of the project or programme under consideration. By this is meant the ability of the lessons learnt from a project or programme to be utilised elsewhere, not whether a project or programme *per se* can be used elsewhere. While 'developmental knowledge' can be used beneficially elsewhere a project or programme itself may not be so easily transferable, because of the widely different circumstances under which they will operate in different locations.

Closely allied to sustainability is the question of empowerment. Empowerment is considered with respect to the ability of those directly effected by a project or programme to participate in it. This includes the opportunities to manage a project or programme.

Equity is a social issue that is considered in terms of 'do the people affected by this project or programme have the potential to benefit equally from it', not do they actually benefit equally. There is a large gulf between the ability of a project or programme to set up the means for people to gain benefits, and the actual results that may occur.



In Chapter 4 'Results' each criterion has been ascribed a weak, neutral or strong rating with appropriate comments. The ratings are a means by which a picture can be developed of a particular project or programme to gauge its overall effectiveness. In Chapter 5 'Summary and Discussion' the ratings have been summarised in tabular form against the criteria for each project and programme. The ratings have been used to analyse strengths and weaknesses in the implementation of projects and programmes by individual agency's, compare these with other agencies and draw lessons from this.

An effective project or programme meets most or all of the criteria and thereby the definition of development used in Chapter 1 which, paraphrased, reads as self-sustaining economic growth, improvement in the standard of life, and equal opportunities. An ineffective project or programme will meet few or none of the criteria. A neutral project or programme may be effective against some of the criteria, but ineffective against others.

Analysis of projects and programmes in a comparative sense is not new. British ODA has done this with a number of their projects since 1988, rating them highly successful, successful, partially successful, and unsuccessful as the case may be (see for example Higginbottom, 1990). Many agencies also do evaluations across a wide range of their projects and programmes to learn from lessons that can be gained in the process (eg AIDAB, 1991(b); MERT, 1993). What is new in this study is evaluations of projects and programmes across a wide range of agencies to draw lessons and for comparative purposes .

The fourth factor is target audience. This will in the first instance usually be the donor and the recipient. Sometimes the audience is, in theory, wider:

*Evaluation reports are not confidential. Evaluation teams are expected to draft their reports in a style which will facilitate wide discussion and provide criticism which is constructive and factual* (Ministry of Foreign Affairs, 1985:39).

Consideration of the target audience of an evaluation will undoubtedly influence the way in which information is collected and presented. For this study the primary audience is first and foremost the academics who will read and mark it to judge its worth against academic standards. Secondary audiences include the aid agencies who are implementing the projects and programmes discussed within it and the recipients of the aid. Tertiary audiences include the

wider academic and development community. The usefulness of the information *per se* is probably most relevant to the secondary and tertiary audiences. As has already been explained this study aims to be as timely and relevant as is possible.

The fifth factor is the availability of resources to carry out an evaluation. This includes the personnel available to carry out an evaluation, and the time available in which to complete it. This aspect very much ties in with the question of methodology mentioned above.

Resources, expertise, and timing will greatly influence the methodologies used. They will also influence the credibility, impartiality, and usefulness of the evaluation. Some agencies, such as the World Bank, carry out evaluations on all their projects and programmes, others, for example the European Community, do not. The World Bank has therefore developed the capacity and expertise to carry out extensive evaluations, which the EC has not to the same extent.

The resources and amount of time available for this study have already been outlined above. Studies of this nature can never be undertaken by more than one individual which by itself constrains the process. In this instance the ability of the author to carry out the study has been enhanced by my long term association with all of the projects and programmes and most of the individuals and organisations involved in this study, certainly longer than most other evaluators could be able to hope for.

Feedback of evaluation findings, and thereby the usefulness and relevance of an evaluation is the sixth and final factor to consider in carrying out an evaluation.

OECD regard this feature as an essential part of the evaluation process. 'In sum if information does not get through, evaluation is of little value' (OECD, 1988:21).

Chambers stresses that:

*Decision makers need information that is relevant, timely, accurate, and useable. In rural development, a great deal of the information that is generated is, in various combinations, irrelevant, late, wrong, or unusable anyway. It is also costly to obtain, process, analyse and digest (Chambers, 1986:399).*



Without feedback an evaluation makes little sense. However the means for generating feedback are not always part of the evaluation process, or are hindered in some way. Credibility and other factors will influence the way in which an evaluation is viewed, and hence the ability of managers and others to accept the outcomes of a evaluation.

Feedback is in fact a two way street. As well as the evaluation feeding back to managers and aid recipients, there should also be feedback on the evaluation. Such feedback is essential not only to the individual evaluation but also for the art of evaluation as a whole to move forward.

As has already been commented on previously this study has the aim of providing feedback to those involved in the study as soon as is practical so that the study can be timely and relevant. Copies of the final report will be forwarded to the agencies involved in the study and several of the agencies have already provided comment on early drafts.

## **SUMMARY**

This chapter has summarised the research method used in this study. It outlines the reasons why the relevant aid agencies, projects and programmes were selected for this study, and discusses the evaluation techniques adopted. Later chapters describe the agencies and their projects and programmes in more detail, and present the results of the evaluation process.

## CHAPTER 4

### RESULTS

#### AUSTRALIAN INTERNATIONAL DEVELOPMENT ASSISTANCE BUREAU

##### ALLARDYCE REFORESTATION PROJECT

The Solomon Islands Government made a formal request to AIDAB for a design study of the Allardyce Reforestation Project on 17 January 1989 (Shedden Agribusiness, 1990:1). Terms of reference were prepared by AIDAB and SIG for an appraisal mission in 1989 but which in fact did not take place until April/June 1990. The lead consulting firm chosen for the mission was Shedden Agribusiness. The appraisal team included specialists in forestry, sociology, forest ecology, engineering, economics and project design. It included five Australians and one Solomon Islander, with a number of Solomon Island counterparts.

The aim of the project to be appraised was:

*To assist in sustaining timber production in the Solomon Islands by reforestation at Allardyce on Santa Isabel of about 2,000 ha of degraded forest. The study team will also investigate whether enrichment of a further 2,500 ha of forest planted from 1964-1976 is necessary* (Shedden Agribusiness, 1990:Terms of Reference:1).

The principal objective of the study was 'to prepare a project design document for consideration by the Australian and Solomon Island Governments' (Shedden Agribusiness, 1990:Terms of Reference:2). The actual terms of reference for the mission ran to a lengthy twelve pages. In the event the mission found that:

*The field investigations identified a number of difficulties with the proposed reforestation project, primarily relating to the opportunities for local participation, environmental damage from the initial logging operation, the lack of proven technology for plantations under Allardyce conditions and economic viability. These problems dictated that the project design process examine options for technology and institutional arrangements to facilitate local participation (Shedden Agribusiness, 1990:2).*

and came out with a project design vastly different from that first envisaged.

The type of project that the Forestry Division of Ministry of Natural Resources (MNR) had envisaged was plantation and/or enrichment planting of government land at Allardyce. The type of project that the mission recommended was rainforest management of the natural forest using the Queensland Forest Service polycyclic logging system, and portable sawmills. The portable sawmills were to be run by local business contractors and would feed into a central processing, marketing and servicing centre. Additional project components would provide extension, training and management services to the project, and community support through a number of sub-projects. Reforestation had been reduced to a series of 'commercial evaluation plantation plots'.

The proposed project was rejected out of hand by Forestry Division. In its first comments the Division stated that 'Forestry Division has had some difficulty evaluating the proposed project because of its size and complexity'<sup>1</sup>. Later comments were more biting:

*FD (Forestry Division) has already commented on a draft executive summary of the report. We have yet to receive any feedback from AIDAB. The Draft Final Report...apparently ignores inputs made and concerns raised by FD. There are inconsistencies between the working papers, numerous errors, and unsubstantiated conclusions. The consultants have not fulfilled their TOR (terms of reference)<sup>2</sup>.*

<sup>1</sup> 'FD Comments on Executive Summary of the Draft Report by AIDAB Consultants For The Allardyce Reforestation Project', 11 June 1990.

<sup>2</sup> Letter from C. Turnbull (Senior Forest Officer) (SFO) to Commissioner of Forests, 10 September 1990 'Allardyce Reforestation Project - Consultants Report for AIDAB'.

On 10 October 1990 AIDAB wrote to Forestry Division acknowledging their concern's over the Draft Final Report, and stating that funds were not available to rework the document. 'Alternatively we have asked Sheddens for their comments to your criticisms and/or to commence a design revision which would be prepared at their own cost. A reply to date has not been received from them but we are confident something concrete can be obtained'<sup>3</sup>.

Little progress was made with the project over the next year. In mid-1992 the mid-term review of the National Forest Inventory Project asked the Inventory team to review the Allardyce forest area, but the results were inclusive<sup>4</sup>. The project as described by Shedden Agribusiness was finally laid to rest by AIDAB in 1993.

## CRITERIA

### 1. Objectives. (Rating - weak)

As has already been outlined above while the overall objective of the consultancy was to prepare a design document for consideration by the Australian and Solomon Islands Governments', the consultants actual terms of reference ran to some twelve pages which is too lengthy to reproduce here. The consultants did produce a design document, but this was rejected by Solomon Islands Government, and with some hesitancy AIDAB.

Forestry Division felt strongly that the consultants had not met their terms of reference. AIDAB officers that I spoke to felt that although Shedden had gone beyond their terms of reference, it was in fact difficult to hold them to the original terms of reference because of the environmental concerns that they raised. What Shedden did was to raise concerns about the project that they were asked to appraise and then offer another project. Given that there were some very credible people on the consultancy team AIDAB felt that it was difficult to refute what they were saying - 'they threw enough mud'.

Comment was passed by senior staff in Forestry Division that the project that the consultants were describing for the Solomon Islands had not in fact been tried elsewhere. In other words the Solomons Islands would be the guinea pig. Certainly the use of portable

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<sup>3</sup> Letter from R. Kennedy, AIDAB to Commissioner of Forests, 10 October 1990 entitled 'Aid: Solomon Islands - Allardyce Reforestation Project Design'.

<sup>4</sup> Letter from T. Fearnside (Team Leader, NFRI) to Commissioner of Forests, 5 November 1992.

sawmills as the basis of the project described by Shedden is untested elsewhere and somewhat suspect. There may well have been problems in designing a plantation project as requested by Forestry Division, however the project prepared by Shedden Agribusiness was by no means a suitable replacement.

## 2. Set Up and Structure. (Rating - weak)

Forestry Division's reservations about Shedden Agribusiness's project proposals have already been noted. These ultimately led to the project not being implemented. That it took three years for AIDAB to drop the project, whereas Forestry Division had done so as soon as they received the consultants report, must raise serious doubts about AIDAB's ability to handle some situations. AIDAB staff did comment that it took time for a decision to be worked through with the Solomon Islands Government. According to them AIDAB do recognise that there is a time to walk away from a project, despite the money invested, because of the risk of further 'good money being poured after bad'.

Nevertheless AIDAB were able to accept a report from Shedden despite this being rejected categorically by Forestry Division which went beyond its terms of reference, and was badly researched. Forestry Division had a much clearer idea of what the Solomon Island Government wanted, and a far greater understanding of forestry in the Solomon Islands than the consultants yet it seems that AIDAB were not able to accept this.

AIDAB were 'really rocked' by Forestry Division's rejection of the report, according to one consultant who was involved in the study. 'It is difficult for AIDAB when they are set up to implement a report which is acceptable to them, the donor, to find it rejected by the recipient'. Certainly there was a long period of silence from AIDAB on the project after the report was turned down by Forestry Division.

## 3. Management. (Rating - weak)

Some sympathy can be accorded the consultants in trying to work to detailed and long terms of reference. However the manner in which they conducted the consultancy raises some questions. A senior Forestry Division staff member commented:

*The consultants who came were very high powered who found it very difficult to adapt to the local situation. Their recommendations may be alright for other countries, but are not relevant to the Solomon Islands at this time and there is no experience in the Solomon Islands with them. When you have a particular way of doing things you are bound to defend it. They have experience with their approach, we don't. Perhaps this is a blatant example of consultants not listening.*

Shedden Agribusiness did apparently consult widely during the appraisal mission, including residents and senior government officials from the island of Isabel, on which Allardyce is situated. The proposals put forward by Sheddens found more acceptance amongst some of these groups of people than Forestry Division. However Forestry Division's opinion, as the lead agency with whom Sheddens were working, was largely ignored leading to the demise of their final project proposals.

#### 4. Technical Forestry. (Rating - weak)

It is not the intention to comment on specific technical forestry issues within Shedden's report. These have already been well documented by Forestry Division in lengthy correspondence with AIDAB. Suffice to say that the report had major technical deficiencies:

*Our main concern is how the Allardyce Project can now proceed. This depends on what further inputs AIDAB are prepared to make. ... It should be made clear that FD does not wish the current report to be finalised. Many of the reports findings are potentially damaging to FD and are not based on adequate field work and investigation. If made available to aid donors and other potential investors in forestry the report could have a negative affect on the further development of the forestry sector<sup>5</sup>.*

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<sup>5</sup> Letter from C. Turnbull SFO (Planning) to Commissioner of Forests, 10 September 1990 'Allardyce Reforestation Project - Consultants Report for AIDAB'.

## 5. Environmental/Social/Economic Factors. (Rating - neutral)

AIDAB's sensitivity towards environmental and social matters must be kept in mind, when reviewing the work of the consultants. The increasing inclusion of environmental concerns into AIDAB's aid programme is a notable feature of Australia's aid programme.

The consultants terms of reference specifically stated:

*Australia has considerable experience in the environmentally sound management of forest lands and the design team should consider using this project to specify better forest management practices which could be applicable elsewhere in the Solomon Islands* (Shedden Agribusiness, 1990:Terms of Reference:8).

Given the physical differences between the two countries and the state of sustainable forest management in Australia it is in fact extremely doubtful whether Australia does have the immediate relevant environmental experience for Allardyce. Be that as it may Shedden Agribusiness overplayed the environmental and social factors to such an extent that they let themselves down severely in describing a forestry project that would accommodate these and be technically, economically and managerially sound.

## 6. Cost Effectiveness. (Rating - weak)

The costs of the project are both the direct costs of engaging the consultants - Shedden Agribusiness, and the indirect costs of AIDAB delaying a decision over the project as presented by Shedden. An additional cost was the cost of the inventory work undertaken by the Inventory project at Allardyce. This latter cost can, to some extent, be charged to the Inventory rather than the Allardyce project as a training expense.

The total dollar costs are not known directly but can be estimated from secondary sources. Total days input into the appraisal by the consultants runs to 262 for the Australian consultants and 48 for the Solomon Island consultant (Shedden Agribusiness, 1990:Terms of Reference:11). Assuming \$A700/day (fee plus *per diem*) for the Australian consultants this equates to A\$183,400 in total plus an unknown amount, possibly \$A5000, for the Solomon Islander. Add on to this airfares from Australia and within the Solomon Islands, plus additional



expenses and the total cost comes to around \$A220,000. On top of this are the costs of the Inventory which ran to some A\$48,000 (AIDAB, 1992(b):Appendix 3), and indirect costs.

In all the total cost of the Allardyce appraisal must have run to in excess of \$A250,000. The benefits of the appraisal are zero, although the Inventory project benefited from some 'training' in connection with the Allardyce inventory.

#### 7. Sustainability. (Rating - not applicable)

Unable to be tested as the project did not in fact proceed. Suspected to be nil.

#### 8. Replicability. (Rating - not applicable)

The replicability of the Allardyce Project is not able to be tested as it was never implemented, although it is suspected to be not replicable. The replicability of the consultancy assignment *per se* is however able to be commented upon.

While AIDAB could be criticised for failing to pick suitable consultants for the assignment, on paper the credentials for the consultants were very good. Somehow though the consultants failed to deliver anything tangible and AIDAB allowed themselves to be drawn in to supporting them.

The selection of the consultants for this assignment were similar to other AIDAB assignments. Where the weaknesses lay in this case were the consultants attitude to their work, and AIDAB's management of the assignment. It would appear in this instance that AIDAB were prepared to put more credibility on the input that they are receiving from the Australian consultants rather than from their counterparts in the Solomon Islands.

#### 9 & 10. Empowerment and Equity. (Rating - not applicable)

Empowerment and Equity were two criteria that were not able to be applied to the Allardyce Project. The consultants did appear to consult widely during their mission presumably with the aim of ensuring that these issues were addressed. Unfortunately their ability to listen was not always apparent, as is noted in the quotes above.



## NATIONAL FOREST RESOURCE INVENTORY

The first real attempt at describing the forest resource in the Solomon Islands occurred in 1945 and 1946 (Walker, 1948). Later estimates of the resource occurred over the next three decades in localised surveys by Forestry Division and logging companies, and in a broader based land resource survey (Hansell and Wall, 1974-76). It was not however possible to use the results of these surveys with any confidence on a wide scale. Logging nevertheless proceeded apace. In 1985 Groves and Byron noted:

*Small wonder the Division of Forestry regards a reliable inventory as its first priority (for aid)! At this stage the Division simply has no reliable estimate of how much wood could be made available and accessible for commercial exploitation (Groves and Byron, 1985:8).*

A national forestry inventory for the Solomon Islands was discussed over many years. First mention of it in connection with Australia was by the Chief Forest Officer in 1981<sup>6</sup>. It was not until January 1987, however, that a Commonwealth of Scientific and Industrial Research Organisation (CSIRO) mission finally came up from Australia to prepare the first in what was to be a series of project planning documents for the Inventory (CSIRO, 1987).

A number of missions and reports from then on led to a team of specialists headed by the consultancy firm of ACIL arriving in Honiara in October 1990 to implement the Inventory project. The overall objective for the project in the Memorandum Of Understanding (MOU) between AIDAB and SIG was:

*To provide the Government of Solomon Islands with the basic data required to effectively plan and manage utilisation of the country's forests on a sustainable basis.*

There were four phases to the project with a project inception phase being the means by which procedures for the remaining phases would be tested and modified. The entire project was due to take two years, and cost the Australian Government A\$2.3 million, and SIG SI\$125,000 respectively.

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<sup>6</sup> Letter from Sam Gaviro, Acting Chief Forest Officer to Head of Planning, 24 September 1981, entitled 'Australian Aid'.

At the end of the inception phase some changes were made to the project's goals and components. The goal as finally outlined in the implementation document was:

*Through a Forest Resource Information System to improve the capacity of the SIG to determine reliable short and long term strategies for forest development planning for commercial and non-commercial uses including conservation. (King, 1991:15)*

Project activities were divided into six components viz develop a computerised Forest Resource Information System (FRIS), timber inventory, non-wood inventory, resources planning, training, and project management and reporting.

A mid-term review of the project took place between 4-17 May 1992. The mid-term review recommended additions to the Inventory for example the detailed inventory of the Allardyce Project area, and an extension of time for the Inventory to be carried out. The issue that most concerned the mid-term review was the degree to which SIG could carry on with the technologies being implemented by the Inventory:

*In its current state the work could be completed on time but the depth of training and skill left with SIG personnel would be too superficial to give any confidence in the sustainability of the technology being provided (AIDAB, 1992(b):11).*

## CRITERIA

### 1. Objectives. (Rating - neutral)

There are a large number of goals, purposes, outputs and activities for the Inventory project<sup>7</sup>. There should have been only one goal for the project at any one time. In fact there seems never to have been a single uniform goal that can be identified at any one stage of the project. Differences have occurred between documents being used concurrently for example the contract agreement between AIDAB and ACIL, and the project MOU; and within the same

<sup>7</sup> The mid-term review contains one goal, ten purposes, nineteen outputs and 114 activities (AIDAB, 1992(b):Appendix 2:2-19).

document for example the implementation plan<sup>8</sup>. This has not set the stage for good project implementation.

The mid-term review report details progress against the various purposes, outputs and activities and comments:

*(The six components) are close to schedule, although there are over-runs with the aerial photo interpretation and the development of the Information System. These have been due to the tight schedule set for the implementation and an unexpected demand for support services to the field surveys. There is a legitimate need to relieve the project of this schedule. (AIDAB, 1992(b):16).*

There was still some way to go in finishing the Forest Resource Information System and training SIG staff in its use. The timber inventory was pretty much to schedule, despite reduced field time due to delays in project implementation. Some major problems had surfaced in the non-wood inventory which are commented on further below (see 'Environmental/Social/Economic Factors'). Little progress had occurred with resources planning, and no Forestry Division staff had been specifically allocated to this task. Counterpart training had been limited (see below) and problems were still occurring with project management and reporting (see 'Project Management' below).

## 2. Set Up and Structure. (Rating - neutral)

The number of reports produced by the Inventory, the number of purposes and activities outlined in the logframe and changeframe<sup>9</sup>, and the number of specialist consultants that worked on the project give the impression that the Inventory is a very complicated project. In fact it is not, although there are some quite 'complicated' technical elements within it. The set up, structure and indeed management of the project have led to its confused image, not helped by lack of a clear project goal as noted above.

<sup>8</sup>Seven different goals were found for the project in project documentation.

<sup>9</sup> The 'Logical Framework Matrix' (logframe) has been used by AIDAB since the mid-1980's for the setting up and monitoring of projects (see Appendix 3 for an outline of a logframe). All reporting on projects by consultants or AIDAB staff is compared against the logframe. Changes to a project are carried out using a 'changeframe', of similar structure to a logframe.

The project took some time to be set up, nine years in fact from the first request to AIDAB in 1981 to the first consultants arriving in Honiara in October 1990. There were several reasons for this - inadequate appraisals by project identification missions, difficulties in timetabling the project into AIDAB funding cycles, changes in SIG aid priorities, disagreement over project priorities and bureaucratic delays. There are several areas in the final project set-up and structure for which further comment is worthwhile.

The first area is with regard to the scope of the project. In the first instance the type of project that Forestry Division asked for was a timber inventory project. The first CSIRO mission, however, proposed a land resource inventory, which would have taken a far longer time to implement. Modifications were carried out to this design by a second CSIRO mission, at Forestry Divisions request, and a project more or less to mutual satisfaction was agreed upon.

Somehow, however, AIDAB still managed to squeeze into the project 'add-ons' in the form of sociological and environmental components without any written form of discussion with Forestry Division. The MOU between SIG and AIDAB makes no mention of these components, yet strangely the contract agreement between ACIL and AIDAB does, despite the MOU being signed one day after the agreement. Lack of consultation on this matter between SIG and AIDAB and lack of full consideration of these components by AIDAB has led to these components being severely compromised in the Inventory itself. This is discussed further below.

The second area worth comment is with regard to the structure of the project, and its effect on project management. The project approach was the correct one to use for the Inventory. This is because an Inventory is a discrete activity that can be carried out in a defined time period which lends itself to the project approach. However the type of project approach actually adopted was not satisfactory because AIDAB had not appreciated the management capabilities of Ministry of Natural Resources, nor the Solomon Islands procedures that the project would be working under.

The inability of Forestry Division to see, or be involved in, the financial aspects of the project was a major concern. Project finances were handled by the consultants outside the Solomon Island bureaucracy, as the bureaucracy was seen as an impediment to the

implementation of the project<sup>10</sup>. The location of the funds was less of concern to Forestry Division than to be involved in the management of them. To put this in perspective it must be remembered that all forestry aid projects administered by MNR prior to the Inventory - including British ODA projects, New Zealand Malaita Pilot Reforestation Project, and to a lesser extent EC projects - had been largely controlled, financially and managerially, by Forestry Division.

The third area worthy of comment is to do with implementation of ACIL's contract. Neither AIDAB nor ACIL had appreciated that under the 'outputs' contract arrangement ACIL and MNR staff would be working to different time schedules making implementation difficult. AIDAB themselves did nothing to assist this matter by bureaucratic delays of contract amendments.

Delays in contractual procedures between AIDAB and ACIL affected the project in more than one instance. The latest example was in mid-November 1992, some time after the mid-term review had recommended changes to the project when ACIL warned of the 'probable closure of this project (because) there is no sign of amendment of the contract between ACIL and AIDAB. This has led to difficulties in executing the project'<sup>11</sup>.

A fourth area for comment is to do with the Project Coordinating Committee (PCC). While all ACIL project personnel were expected to have Solomon Islands counterparts, including joint project managers this did not lead necessarily to joint management. The Project Coordinating Committee somewhat confused the issue.

Originally the PCC was set up to act as a coordinating, monitoring and policy body able to recommend to the two Governments changes in programme, budget and future development<sup>12</sup>. In fact the PCC was a rubber stamping committee suiting neither the consultants nor MNR. The former did not feel that they were receiving enough feedback through the PCC, and it was not practical to use the PCC for coordination of project personnel and oversight of project

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<sup>10</sup> The Solomon Islands Government is aware of its own limitations in this respect, and has in fact responded to requests by other projects eg the Customary Land Reforestation Project for streamlined accounting arrangements within the Solomon Islands Government system.

<sup>11</sup> 'Probable Closure of the Project', fax from T. Fearnside (ACIL) to R. McGregor (AIDAB Honiara), 15 November 1992. It should be noted that SIG had only acknowledged the acceptance of the mid-term review recommendations in mid-October.

<sup>12</sup> From the project MOU.

operations. The latter felt that their management responsibilities were taken away from them even further by the PCC.

The last area for comment is the mid-term review. Officials in MNR generally felt that the mid-term review was very useful, and that good consultation was achieved during the mid-term review process although not all the consultants though felt the same. Both MNR and AIDAB personnel commented that the mid-term review was essential for their own understanding of where the Inventory was at because of the specialist areas involved in the project.

The mid-term review noted weaknesses in quality control of the project:

*In general due to lack of experience on the part of the Inventory Supervisor, quality control procedures have faltered, resulting in short-cutting and the development of poor survey habits. ... It is clear that the pace of the project is negatively impacting the amount of time given to feedback and evaluation with major consequences for quality assurance (AIDAB, 1992(b):37).*

and recommended a number of procedures to overcome this.

### 3. Management. (Rating - weak)

The Inventory did not get off to a good start. Bureaucratic delays by AIDAB occurred in starting the Inception and Implementation Phases putting pressure on field teams to get work underway and completed before the onset of the rainy season. 'Differences' also occurred between some members of the Australian contingent partly as a result of the priorities set for the project:

The pilot phase had in fact been designed to:

*...refine methodology and field survey techniques. It would also provide the opportunity to resolve any difficulties with the management of the project, and to establish good rapport between the project staff involved in different components of the project (Fearnside, 1991:1).*



The 'differences' among the Australian specialists in fact lingered throughout the project and were picked up by Solomon Islands counterparts.

Other factors combined to make it difficult for the project to get off the ground as well as it might. The first of these was the way in which the Inventory was implemented with seemingly all power held in the hands of the consultants. Vehicles and equipment were purchased and utilised by the consultants often without being available to Forestry Division staff to use, specialists came and went from Australia on their various missions with bewildering frequency, and money was spent without Forestry Division staff being involved or being able to account for it. In addition the Inventory staff distanced themselves through the approach that they adopted - using their own letterhead notepaper, rather than MNR letterhead for example, publishing reports under their own Inventory series of reports rather than the Forestry Division report series, and not following standard MNR procedures in all cases such as with regard to publicity of the project over the radio.

In addition project staff were having difficulty communicating with their Solomon Islands counterparts, which the seemingly complex and confusing nature of the project itself did little to allay. Of concern also to Forestry Division were some of the comments that crept into reports prepared by the consultants:

*The (ACIL) forest ecologist completed the identification of plants collected in Guadalcanal and assisted in re-training of (environmental) survey team members. His presence at the herbarium has had a positive impact - there is an ambience of more efficiency there nowadays<sup>13</sup>.*

There was real concern that such comments could give a bad impression, mislead, or be misquoted.

Some of these factors gained major status in the early stage of the project, particularly the use of vehicles, requiring the intervention of the Australian High Commission. In other cases moves were made to bring project procedures in line with normal MNR procedures.

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<sup>13</sup> 'SI National Forestry Resource Inventory Project. Progress Report for the Month of April 1992', ACIL.

The project implementors, ACIL, must be given credit for trying to carry out as many of the project activities as possible in the Solomon Islands, rather than some of these in Australia as had been first envisaged. This greatly assisted the transfer of skills across to Solomon Island counterparts. Problems, however, did occur as a result of using mostly short term rather than longer term consultancy assignments.

The use of short term consultants did not allow for the continued on-the-job training of Solomon Island staff that is crucial to this type of project. It also caused great difficulties when at least one consultant was not able to give his time to the project as and when required. ACIL recognised this problem, and made some attempt to overcome this by, for example, changing the computer specialist input from a series of short term assignments to a long term assignment. It was less difficult to deal with individual consultants whose commitment to the project seemed to be in doubt, but were partners in one of the consulting companies making up the ACIL consulting venture.

#### 4. Technical Forestry. (Rating - strong)

Despite some problems with the quality of the data collected in the earlier stages the timber side of the Inventory has not been a concern overall. This is hardly surprising given that most of the projects resources were devoted to this area.

The data collected for the timber inventory was only ever going to be suitable for national, and provincial general planning not local or detailed planning. It has compared well with data collected by private logging companies.

#### 5. Environmental/Social/Economic Factors. (Rating - weak)

Serious concerns were raised by specialists approached by the author about the social and environmental components in the Inventory in particular the quality of the data collected, and some of the interpretations that have been made from them. AIDAB was not able to assess adequately these aspects of the Inventory in the mid-term review team that was sent up to review the project. This is due to the type of expertise possessed by members of this team, and the time that they had to allocate to the review. This is crucial as the mid-term review was carrying out the review on behalf of both AIDAB and MNR, the latter who otherwise had no in-house expertise to assess these aspects of the project.



The resources allocated to the sociological and environmental components of the Inventory were inadequate. Sociological and environmental data is far more time consuming to collect than timber inventory data and ultimately it was not possible to carry out as much sampling as for the timber inventory. It was, for example, only possible to carry out ten village interviews on Malaita 'a less than reliable number on which to draw reliable inferences'<sup>14</sup> (SI National Resources Inventory, 1992:30).

One of the consultants commented:

*The sociological side of things was meant to gather some evidence - some background information to get a better understanding of sociological conditions. It was never intended that you have a total survey. If you want that information you don't do it through a timber inventory, you do it through a special thing. What has happened is that the sociological side of things has expanded and expanded - 'wouldn't it be nice if we just did this'.*

Problems of field supervision for the sociological side of the project led to problems with data quality including missing data. This problem was rectified as much as possible by the consultant sociologist but some doubts must still remain.

The environmental side of the Inventory looked at forest composition, bio-diversity, and other related ecological forest management issues. The flora aspects of the project, which was the major component, were reasonably well catered for. There were, however, some concerns about the projects' ability to carry out faunal surveys and analyse the information.

The environmentalist consulted by this study had real concerns about the accuracy of some of the information collected; the competency of some of the relevant consultants in this area; the ability of ACIL to manage this component of the job and the ability of AIDAB to effectively manage and review this aspect of the project. Undoubtedly the collection of data early on in the project was not well done, due to lack of supervision. Management problems also led to inconsistent input from the environmentalists into the project as is commented on in 'Management' above.

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<sup>14</sup> This amounts to about one percent of all villages on Malaita (my estimate).

Economic factors were not a major consideration for this project and are not commented on accordingly.

#### 6. Cost Effectiveness. (Rating - weak)

The costs of running the Inventory have been estimated in two parts - stage 1, or the inception (pilot) stage, and stage 2, the implementation stage as outlined in Table 1.

TABLE 1 - INVENTORY BUDGETS

Stage 1 AIDAB Inception Costs	A\$	
Fees:	475,000	(82%)
Reimbursable In-Country Expenses:	104,680	(18%)
TOTAL Stage 1:	579,680	(100%)
Stage 2 AIDAB Implementation Costs		
Monthly Reports 9 @ 100,000	900,000	
Maps and Inventories 6 @ \$51,000	306,000	
Programme of Activities Report	32,300	
Monthly Reports 5 @ 61,300	306,500	
Maps and Inventories 4 @ 31,500	126,000	
Final Report	<u>22,000</u>	
Total Fees:	1,692,800	(78%)
Family Fares	8,000	
Aerial and Satellite Photos	332,000	
Reimbursable In-Country Costs	<u>150,000</u>	
Total Miscellaneous:	490,000	(22%)
TOTAL Stage 2:	2,182,800	
TOTAL Stages 1 and 2:	2,762,480	

Source: Contract agreement between ACIL and AIDAB.

Table 1 shows that 80 percent of overall project expenditure was spent on consultants fees, with 20 percent spent on miscellaneous items. It is safe to assume that most of the fees and additionally a significant proportion of miscellaneous expenditure such as satellite photos were not spent in the Solomon Islands. Probably less than 20 percent of total project expenditure would have been spent in the Solomon Islands, the majority being spent in Australia.

Estimated costs of fees paid to the individual consultants are contained in the mid-term review of the project. These range from A\$500 to A\$960 per day, with a weighted average of A\$705. In addition to these are *per diems* of A\$160 per day, airfares, and other miscellaneous costs. From information presented in the Project Implementation Document (King, 1991:66) and from the total fees for Stage 1 (above) the actual payments for consultants were \$A475,000/435(days) or A\$1091 per day. Stage 2 comparisons for actual payments from the Project Implementation Document (King, 1991:76), mid-term review report (AIDAB, 1992(b):20), and total fees (above) are \$A1,692,800/1512(days) or A\$1119 per day.

The Inventory project was always going to have a high fee component because of the specialist expertise input needed. Overall however if the question was asked was the Inventory project cost effective at a net fee of around A\$705 (gross A\$1100) per day the answer would have to be no. For that sort of money the project should have been better managed by the consultants, and for that sort of money the project should have been better structured and monitored by AIDAB.

An estimate has been made of the cost of the corporate overheads of the project's consultants. This amounts to all the costs of the project director and half of the project managers costs. In total 16 percent of total project costs were calculated as being in corporate overheads, in addition to the costs of AIDAB administration.

#### 7. Sustainability. (Rating - neutral)

By December 1992 it did not appear that the appropriate transfer of skills to Solomon Island counterparts had in fact taken place, nor would do so in the time allocated to the project. As far as the information system was concerned, however, one of the consultants commented that he was 'quietly confident' that transfer would be sufficient over the lifetime of the Inventory, despite having doubts earlier.

While sustainability of the project was a major concern of the mid-term review it was treated casually. Money was provided for 'hotline and support services post project' including provision for phone calls, software upgrades, and visits by an information system specialist over five years, estimated at A\$33,500 (SI\$70,000) per annum (AIDAB, 1992(b):67). However Solomon Islands recurrent costs of operating and maintaining the Information System, estimated by the mid-term review at SI\$157,000 per annum were regarded as:

*...not excessive....There are (qualified) opportunities for cost recovery with the establishment of a user pay system.. and ... real cost savings are likely from the day the FRIS is completed. This will come from quicker map productions, much faster access to data and a more educated capability in decision making' (AIDAB, 1992(b):26).*

This statement is surprising given the cash shortages that were occurring in the Solomon Islands Government at the time. Direct 'real-cost' savings are also unlikely to occur in the way that the mid-term review expected given the nature of the Solomon Islands Government bureaucracy.

There were no provisions by the mid-term review to assist SIG with recurrent costs.

#### 8. Replicability. (Rating - strong)

AIDAB has sponsored several forest inventory projects in the South Pacific previously, notably Vanuatu and Papua New Guinea. The Solomon Islands project was, however, the first time in which most project activity was carried out in-country, rather than large sections of the analysis being carried out in Australia. This approach did lead to some extra difficulties in project implementation, although the benefits in terms of skills development and technology transfer to Solomon Islands participants were greater. It would be preferable if this sort of approach to the implementation of inventory projects could be used in all cases.

Reservations regarding project structure, management, sustainability and certain of the components within it have already been noted. These aspects of the project should not be replicated elsewhere, although no doubt lessons have been learnt which would be taken into

account if similar projects were to be implemented. The timber component and setting up of the information system are replicable.

#### 9. Empowerment. (Rating - neutral)

There were, as has already been noted above, difficulties in the management of the project partly as a result of the structure of the project, and partly because of the approach of the consultants. This compromised the ability of Forestry Division staff to manage the project. Similarly concerns over the sustainability of the project above have also weakened the projects ability to empower Solomon Islands counterparts.

In the projects favour, however, was the decision to carry out most of the Inventory work in the Solomon Islands, rather than large sections of it in Australia as previously discussed. This undoubtedly created difficulties for the project team for logistical and other reasons nevertheless this approach created far more opportunities for the transfer of skills and knowledge.

There were limited opportunities for interested parties, such as logging companies, NGO's, and landowners to be involved in the project.

#### 10. Equity. (Rating - neutral)

It would be fair to say that the Australian Inventory personnel were more enthusiastic about the potential benefits of the Inventory than most others. Nevertheless there were genuine attempts by the project to promote the Inventory to the benefit of end users. The Inventory tried to set up a user's group of private and public sector organisations to assist in how the data might be made more relevant and available, with limited success. Towards the end of 1992 the Inventory was also setting in place a process whereby the data collected from villagers and on forests was to be taken back to the villages by extension agents to discuss with villagers.

Other potential beneficiaries in the Inventory were the landowners whose land the Inventory was surveying and end users such as logging companies, other government departments, teaching institutions, and NGO's. Some of these were in fact beginning to request access to data from the Inventory.

## TIMBER CONTROL UNIT PROJECT

AIDAB reports by Groves and Cameron (1983), and Groves and Byron (1985) contained several recommendations that were eventually to lead to the setting up of the Timber Control Unit Project (TCUP). These included 'strengthening the regulatory and control functions of the Division of Forestry by funding a greatly expanded Timber Control Unit' (Groves and Byron, 1985:ii). Groves and Byron commented on the very great importance of the forest-based industries to the Solomon Islands economy, particularly the export of logs and that because of shortages of staff and facilities Forestry Division 'exercises rather little control over this exploitation'.

A project was discussed further in 1988 at a Solomon Islands Forestry Workshop in Sydney, and a formal request was made by SIG for the project on 12 January 1989. The main items to be funded under aid were an expatriate adviser for two years, additional local staff to man the unit, capital items including accommodation in logging areas, survey equipment, and vehicles and two years of recurrent costs including travel, fuel, and possibly housing rental in Honiara<sup>15</sup>.

At the start AIDAB took rather an usual 'design as you go' approach to the TCUP:

*We know a unit exists and it needs strengthening and slightly restructuring. If we had all the figures on staff and organisation then the job's done before it starts. I believe we should give the adviser the freedom to strengthen and restructure in consultation with SIG<sup>16</sup>.*

During 1989 further refinement of the project took place with AIDAB constantly aware of 'the political and commercial sensitivity of the TCUP' (Pacific Regional Team, 1990:1). Eventually in October 1990 a design document was prepared for the project by AIDAB (Pacific Regional Team, 1990). The TCUP was to be extended to a three year project to make it fully sustainable with two terms of reference:

*To improve SIG's capacity to monitor logging operations throughout Solomon Islands to ensure that environmental damage is minimised in*

<sup>15</sup> Letter from D. Davis (Senior Planning Officer (Resource Development) Ministry of Economic Planning) to I. Millar, Australian High Commission of 12 January 1989, entitled 'Timber Control Unit'.

<sup>16</sup> Letter from G. Hunter (Natural Resources Adviser, AIDAB) to D. Baker (SI Country Programme Manager) of 2 February 1989, entitled 'AID Solomon Islands Timber Control Unit - Assessment'.

*logging practices; that wastage is minimised and licensing agreements adhered to; that information on the utilisation of the resource is regularly and reliably updated and that information on production and revenue and the invoicing on manifests is correct.*

*To train and assist custom landowners to ensure that they negotiate logging contracts on a more informed basis; that they have a better awareness of the environmental dangers of logging and that they are able to monitor logging operations on their own land.*

These in fact became the objectives for the final project.

There were four components to the TCUP - Timber Inspectorate Unit deployment, in service training, research and development of procedures and landowner extension and advisory services. The project was to include the establishment of five Inspectorate Field Units which would be responsible for monitoring logging activities in the provinces and provide training and support to customary landowners.

Drawn into the project were 'sawmill training' and 'development of grading rules and standards' that had previously been separate project requests to AIDAB. Like the Inventory project there would be integration of short term consultants to help out in specialist areas such as the establishment of timber grading rules.

As a comparison with the Inventory project the TCUP had one goal (Inventory - one), four (ten) purposes, and 22 (nineteen) outputs (and Inventory 114 activities).

To quote from the justification for the project:

*The SIG is in urgent need of assistance to control logging of its forests. It is working to strengthen its legislation but does not have the capacity to police the legislation in the field. In the absence of any control loggers are abusing their agreements and entering into agreements with landowners for their own benefit. The Project should turn this situation around so that agreements are negotiated fairly, landowners will be negotiating from a more informed position and loggers will be monitored to ensure they comply*



*to all matters under their licence. With this in place the Forestry Division will be in a better position to plan for a sustainable industry* (Pacific Regional Team, 1990:21).

According to the MOU the project was to run for three years, and cost the SIG SI\$77,000 and AIDAB A\$1.2 million respectively. With changes to the project during implementation the total cost to AIDAB was A\$1.8 million.

## CRITERIA

### 1. Objectives. (Rating - strong)

Overall this project has run well against its objectives. On a component by component basis Timber Inspectorate Units had been set up in Western Province (2), Malaita, and Guadalcanal with staff appointed to them; in service training had commenced with a number of visits from short term consultants including one which looked at institutional and training requirements for the project (Constantini, 1991); research into standards, procedures and legal requirements had been undertaken as had research into log export prices, and the structure of the industry; and landowner extension and advisory services were making good progress.

Interestingly not all the consultants spoken to felt that the project was as sensitive as had been thought previously. They noted that the TCUP was working within a system already in place, as opposed to setting up a new one, and that there were benefits from the project to all concerned including the logging industry. The logging standards that the industry were working to, apparently, were the minimum that other countries would accept, and costing the industry money in terms of efficiency. Even basic levels of improvement, which the TCUP could provide, would assist these companies.

### 2. Set Up and Structure. (Rating - neutral)

Forestry Division noted that, like the Inventory project, they had been caught out once the project documents had been signed by the type of management structure that the project called for. The TCUP, like the Inventory, was a project that Forestry Division wanted. However once it arrived they were not prepared for the way it was implemented. Forestry Division had concerns about the setting up and use of the Project Coordinating Committee, access and use of



project vehicles, financial matters, movements of project staff, and overall project management under the control of the consultants.

A pertinent comment was made by one of the consultants who said that the structure that had been used for the TCUP was indeed imposed 'although SIG had the chance to negotiate over this before signing the MOU. (The structure was) more suitable for taking the administrative load off Forestry Division than to leading to good communication with them'.

In general Forestry Division staff felt that they had the management capabilities to run the TCUP, provided that they had access to the money and resources that were provided to the consultants, FORTECH. They pointed out that the Timber Control Unit had been operating for some time before the arrival of FORTECH, and that certain elements of the project were underway well before the project was set up. This included field inspections, monitoring of log exports, introduction of timber grading rules and amendments to legislation.

The consultants working on the project did not necessarily have the same opinion. One interviewed did not feel that Forestry Division had the management capability to run the project although 'it is easy to underestimate the expertise of local staff'. Another said that he personally didn't know, but that 'AIDAB comments on Solomon Islands' management of other AIDAB projects suggests that local capacity in this area is weak'.

Based on their previous experience in the Solomon Islands AIDAB clearly favour the consultancy implementation agent approach. Given the time span of AIDAB budget cycles, and the perceived urgency of the situation regarding 'uncontrolled' (my quotation marks) logging in the Solomon Islands there is some justification for this. However for full integration of the project into the Solomon Islands Forestry Division, and full management and technology transfer benefit to accrue to the Solomon Islands the use of an adviser reporting to Forestry Division would have been preferable. Under the TCUP as it stands there is an adviser, but he reports to FORTECH and AIDAB in the first instance, not Forestry Division.

At December 1992 the project overall was running to schedule. A mid-term review of the project took place at this stage but release of its report had been delayed for 'de-sensitising' because of reference to certain contentious issues such as ways of monitoring log transfer pricing by the project. The final report was released to the Solomon Islands Government in mid-1993, six months or more after the review took place.

### 3. Management. (Rating - neutral)

In implementing the TCUP FORTECH adopted a conciliatory style. They noted that:

*The project will face considerable difficulties in implementation. This has been anticipated by all concerned and underlies the essential need for the project. Project management will adopt the philosophy and approach that 'everyone will win' and endeavour to ensure a better economic, social, and environmental outcome for all concerned: SIG, Provinces, industry and landowners<sup>17</sup>.*

In setting up the project FORTECH had targeted the younger Forestry Division staff in the first instance. These staff members had responded to the opportunities that the project was able to make available to them, but older staff members had not been as quick to react. Some of the consultants questioned were concerned by the apparent lack of enthusiasm shown by older staff members. Older staff in turn expressed their disquiet at the management aspects of the project and the ability of the Solomon Islands Government to be able to handle the procedures that were being set up by the TCUP.

The 1992/93 TCUP Annual Plan in fact comments that the project had been set up in three phases - one year to set up the project and create credibility with landowners, SIG and industry; the second year to implement the bulk of procedures; and the third to fine tune procedures and institutionalise them (FORTECH, 1992:7). Under this strategy FORTECH felt it had been necessary to concentrate on more junior officers in the first instance, then more senior staff later on.

The use of consultants as overall managers and the presence of a Project Coordinating Committee meant that local counterparts did not feel fully involved and thereby committed to the TCUP. A pertinent comment by one senior Forestry Division officer in reply to the question 'Do the consultants understand the Solomon Island Government system?', was 'I don't know. Do they want to know?' A comment was also passed by a junior level Forestry Division officer that the consultants had been 'used' by junior staff in one instance because of their lack of understanding of Solomon Islands Government systems.

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<sup>17</sup> 'SI TCUP Quarterly Progress Report No. 1 July-September 1991', FORTECH.

Communication problems between the consultants and Forestry Division did lead to some difficulties in implementing the project. Some of the reasons for this are outlined in the comments above. Consider the patronising nature of this statement from one of FORTECH's earliest reports on the project:

*The counterparts assigned to the Timber Control Project are senior members of the Timber Control Section and are of the highest calibre. The level of cooperation between counterpart staff and project consultants has been excellent and the relationships are firmly in place. No problems with continued support and cooperation are envisaged at this stage<sup>18</sup>.*

Communication difficulties were of concern to both the consultants and SIG and were in fact equally due to structural problems in the project as management difficulties. The TCUP was not hampered by any 'differences' among the project consultants such as had affected the Inventory. Through personal rapport building the TCUP did make some progress towards resolving communication problems.

The Project Manager found himself more and more involved in day to day in-line activities of the Unit than he might have preferred. This is commented on in the fourth quarterly report:

*As time goes on, the Project Manager is increasingly getting involved with the day to day work of the Forestry Division. This is happening as work loads increase and (SI) staffing levels remain constant. If this trend is allowed to continue without a long-term plan, the potential to leave a void at the end of the project exists<sup>19</sup>.*

From discussions with the consultants it was plain that some of this was a case of the project manager doing work unnecessarily for the counterpart. He was not alone in carrying our work beyond his brief. One of the short term consultants manipulated an in-line decision with regard to the placement of Solomon Islands counterparts without realising the repercussions of doing so.

<sup>18</sup> 'SI TCUP Quarterly Progress Report No. 1 July-September 1991', FORTECH. FORTECH's ability to pat-itself-on-the-back is apparent in this and other reports.

<sup>19</sup> 'SI TCUP Quarterly Progress Report No. 4 April-June 1992', FORTECH.

#### 4. Technical Forestry. (Rating - strong)

Logging, training, sawmilling and timber grading and utilisation were the main technical forestry issues involved in the TCUP. Of these training and logging were the most important and well within the expertise of the consultants. Training had progressed well following the report by Constantini already mentioned and another study by Baines on training Forestry Division staff for extension activities (Baines, 1992).

Information on sawing, timber grading and utilisation was prepared by the project and presented to the industry but it was reputedly of very limited value. One comment from an industry representative was that consultants had taken a lot of information from individuals within the industry without acknowledgment, and patched in existing information from other countries. There was little original thinking in the material presented - some of it was 'dreadful' and a 'bloody nice swan' for the consultants concerned.

Both FORTECH and AIDAB must take responsibility for any poorly performing components within the project particularly given Forestry Division's lack of technical expertise in these matters.

#### 5. Environmental/Social/Economic Factors. (Rating - neutral)

Environmental aspects were important in relation to logging and sawmilling operations and were addressed well with regard to the former if not the latter. Social issues took into account the social setting in which logging was being undertaken and the context in which extension activities would be carried out. These were well covered in Baines report and in extensive consultation with landowners.

The environmental emphasis coming through the Australian aid programme also found its way into the TCUP in the form of a sustainable forest management component under 'Landowner Extension and Advisory Services'. Given that sustainable forest management is not routinely practiced in Australia, and certainly not in the Solomon Islands where little or no research has been done in it, it was at best very brave of AIDAB to consider teaching landowners about this issue. FORTECH had made no real effort to instigate this aspect in the project before the end of 1992 for these reasons.

Economic factors *per se* were not of major importance to the project although a marketing study looking at log prices in nearby South Pacific countries and issues of transfer pricing was undertaken in 1992.

#### 6. Cost Effectiveness. (Rating - strong)

The total, amended, cost of the TCUP at August 1992 was A\$1.8 million as is outlined in Table 2.

TABLE 2: TCUP BUDGET

Item	\$A	%
Professional fees	717,470	41
Allowances Individual	338,923	19
Other Project Related Costs - Training	40,550	2
Other project related Solomon Islands costs	650,978	37
<b>TOTAL</b>	<b>1,747,921</b>	<b>100</b>

Source: Contract agreement between AIDAB and FORTECH

Approximately 60 percent of the AIDAB budget, or A\$1.1 million, is going to the consultants in fees and allowances. The majority of these fees and allowances would not be being spent in the Solomon Islands. Similarly not all project-related training and in-country costs are paid in-country. Possibly a minimum 60 percent of project costs were not spent in the Solomon Islands, most of it being spent in Australia.

Fees on a daily basis for the short term consultants range from \$A385 - \$739 per day exclusive of all costs or a weighted average of A\$522<sup>20</sup>. For the long term consultant the average monthly fee is A\$10,900, or A\$519 per day assuming 21 working days per month. An average rate of \$A520 per day is assumed for this study. This is middle of the road as far as consultancy fees go, certainly not excessive<sup>21</sup>. The question remains as to whether TCUP were giving value for money.

<sup>20</sup> From the Agreement between AIDAB and FORTECH.

<sup>21</sup> Based on my own experience over a number of years in consultancy work.

The benefits of the project in direct dollar terms have been identified by the TCUP as additional returns to the Solomon Islands Government from increased revenues through correct measuring and reporting of log exports and, through market research and other means, requiring companies to pay appropriate market prices for logs and preventing companies using transfer pricing. Returns from these activities were estimated to increase potential revenue generation to SIG by approximately 15 percent, more than sufficient to cover the costs of ongoing Timber Control Unit activities<sup>22</sup>.

Other benefits include training of MNR staff, establishment of procedures in Forestry Division, setting up infrastructure, providing resources, research, educating landowners, environmental and social benefits through better logging practices, and better landowner management of their forest resources.

In terms of cost effectiveness for A\$520 per day the project as it has been set up is effective from a fees point of view. However the project could have been set up in other ways as discussed previously in 'Set-Up and Structure' for similar or lower costs with, on balance, wider development benefits. Total corporate overheads, calculated on the same basis as the Inventory project, are approximately 21 percent of total project costs. These are in addition to the costs of AIDAB administrative overheads.

#### 7. Sustainability. (Rating - strong)

Serious consideration was being given by MNR and Ministry of Finance to placing a levy on logging and sawmilling activities which would be held in a trust account to run the Timber Control Unit. This idea had not been firmly acted upon by December 1992. Certainly if it was enacted it would generate enough money to cover Forestry Division activities in this area provided that the money raised was not diverted to other government activities. Other project activities mentioned above, if implemented, were also expected to generate enough revenue to sustain the project.

Training of staff was well underway through formal courses and on-the-job training.

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<sup>22</sup> 'SI TCUP Quarterly Progress Report No. 3 January-March 1992', FORTECH



#### 8. Replicability. (Rating - strong)

With some reservations about project set-up and management, and certain of the technical issues mentioned above, there is no reason why this project could not be implemented elsewhere. The project management philosophy of 'win-win' in what could otherwise have been a sensitive project to implement is particularly transferable. The mix of long term 'adviser' and short term consultants is useful, and the structure of provincial field units for timber control is also commendable particularly tied in with the landowner extension programme.

#### 9. Empowerment. (Rating - strong)

Comments on the ability of Forestry Division to manage the TCUP have already been made in 'Management' above. Others directly effected by the project are the forest industry, and landowners. These two groups have had the opportunity to participate in the project through training workshops and field activities. However, their ability to take part in the project otherwise has been restricted. There are for example no members of either the forest industry or landowners on the PCC. This is not surprising with regard to the landowners as there is no group that would be able to represent them all. However a, moribund, Forestry Industry Association was in existence that could have been represented on the PCC.

Some forest industry personnel were concerned that they would be left out of the consultation process when it came to implementation of some of the activities from the TCUP. Consultation with the TCUP had in fact been good, however, should consultation lapse 'any corporate citizen has the right to resort to the political process if necessary'.

#### 10. Equity. (Rating - strong)

The major direct beneficiaries of this project have been Forestry Division, the forest industry including loggers and wood processors, and landowners. The project philosophy of 'win-win' created a good climate for dialogue and the potential for all parties involved in the project to gain from it.

There was some negative reaction from logging companies to what they perceived as stricter monitoring of their logging practices although some suspicion of a new project of this nature

could always be expected. There were also benefits to these companies from the project through improving their logging practices and hence their profitability. From the landowners point-of-view real benefits have been gained from the project in terms of understanding their rights with regard to logging operations, and learning about technical forestry issues. Forestry Division staff were also gaining significantly from the project through the training that was taking place, and other opportunities that the project was providing.

## COMMONWEALTH DEVELOPMENT CORPORATION

### KOLOMBANGARA FOREST PRODUCTS LTD

Kolombangara Forest Products Ltd is based at Ringgi Cove on the island of Kolombangara in the Western Province of the Solomon Islands. It is a joint venture forest replanting and processing project of whom the original shareholders were to have been the Commonwealth Development Corporation, and the Solomon Islands Government. In 1992 SIG was replaced as shareholder by the landowners of Kolombangara in a process during which land on which the project was operating, formerly alienated by the Government, was returned to the indigenous landowners.

Between 1984 and 1989 CDC carried out a number of feasibility studies of the potential for developing a large scale plantation project on previously logged over land on Kolombangara. A 1986 feasibility study proposed:

*The development of 10,100 ha as a fast grown hardwood production plantation, planted over a 10 year period and dedicated to an integrated sawmill and wood chip plant to be located at Ringgi Cove by 1997/98. ... The aim is a commercially viable venture, based initially on the export of hardwood chips and sawn timber, together with some cocoa. A scientific package of research and development will be of fundamental importance to the development and diversification of the projects hardwood species (Mulholland et al, 1987:ii).*



To which a re-appraisal in 1988 noted:

*Finally, and most arguably the most important component to the overall economic analysis, this project has a pioneering role. A new concept in forestry - the fast growing hardwood, the development of a commercial forestry sector based on a sustainable resource, the introduction of forest management and the transfer through training and example of technological skills, and the demonstration value of this project all speak for themselves when considering the overall 'worth' of this project to the Solomon Island's economy<sup>23</sup> (Bullen, 1988:80).*

Much of 1988 was taken up by negotiations between SIG and CDC in developing the structure of KFPL and by unsuccessful attempts to tempt third parties to invest in the project. Private companies approached expressed greater enthusiasm for investing in the processing stage of the project, rather than the plantation stage, and the World Bank and Asian Development Bank expressed concerns about the distortionate impact that the project would have on the overall economy of the Solomon Islands. This followed from the feasibility study's findings that KFPL would eventually provide as much foreign exchange earnings to the economy of the Solomon Islands as did the entire forestry sector in 1988. Concerns were also expressed about the market prospects of KFPL's products<sup>24</sup>.

Despite reservations by other potential partners SIG and CDC decided to continue with the project. On 10 January 1989 agreements between CDC and SIG setting up KFPL were signed. The project was totally a 50:50 joint-venture between SIG and CDC in the first instance. However the option was left open for a third party, with an interest in the processing end of the project, to be offered a shareholding later on. Later, in 1990, the agreement had to renegotiated due to the Solomon Islands Government being unable to supply its equity contribution in cash and its wish to transfer alienated land back to the people of Kolombangara. Work commenced at Ringgi Cove on 1 February 1989.

## CRITERIA

<sup>23</sup> An interesting statement in light of the 21,000 hectares of hardwood forest that Forestry Division had already planted by 1988 throughout the Solomon Islands, from which KFPL was to learn many valuable lessons, and from which they were later to draw away many staff.

<sup>24</sup> So much concern has been expressed about the use of the main species *Gmelina arborea* over the course of the project that KFPL have felt obliged to put together a paper specifically outlining the reasons why they are planting *Gmelina*.

## 1. Objectives. (Rating - neutral)

KFPL's objectives have both a commercial and developmental nature to them, in line with CDC's own objectives. In the earlier stages of the project the commercial objectives were the most clearly defined as laid out in the Shareholders Agreement and included establishing a major commercial export-oriented company, establishing research trials, creating employment, and establishing necessary infrastructure (Brook *et al*, 1990:4). After a short period of implementation more developmentally inclined objectives were being mooted with added emphasis on social and environmental aspects of the project such as a training and localisation programme, and protecting the environment from adverse change<sup>25</sup>.

Progress towards the original objectives has been patchy. While reasonable progress had been made towards meeting planting targets, management difficulties led to large areas needing to be replanted. In August 1991 John Eccles the Chief Executive of CDC found major problems with several areas in KFPL particularly with regard to set up and structure. His solution was to shed expatriate staff, sell excess capital equipment, refocus thinking on planting trees rather than on their utilisation, combine Solomon Islands Plantation Ltd and KFPL administrative systems as much as possible, and appoint a new overall manager to KFPL and SIPL.

## 2. Set up and Structure. (Rating - neutral)

The appraisal procedures that led to the setting up of KFPL were reasonably thorough technically and generally followed CDC's planning, appraisal and evaluation guidelines. Areas that were not well covered were risk analysis and social considerations (see 'Environmental/Social/Economic Factors' below).

Some criticism was made by SIG officials over the length of time that it took for CDC to carry out appraisals and prepare project documentation, but equally there were political delays by SIG that slowed down the implementation of the project. The Monopolies and Mergers Commission (MMC) found that the speed with which CDC generally handled project applications was 'not unreasonably slow' given the numerous factors in setting up projects, many of which were outside CDC's control. No figures were available of length of time from the inception of a project to first disbursement, but it 'must be well over two years' (MMC,

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<sup>25</sup> KFPL Board Paper 2/90 'KFPL Revised Objectives and Phasing'.

1992:71). The first preliminary assessment by CDC of the potential of Kolombangara for forestry took place in 1984, with implementation commencing in early 1989 - a gap of approximately five years.

In light of its long history in project management, and the long appraisal process that KFPL was subject to it is surprising that KFPL ran into the structural and management problems noted by Eccles during his visit in 1991. Other agencies were able to pin point these, and other problem areas from appraisal documents well before implementation took place. In 1987 the New Zealand Ministry of Forestry provided comment to the New Zealand Ministry of Foreign Affairs that the project was top heavy managerially, was over-capitalised, and that *Gmelina* was virtually an unknown species on world markets<sup>26</sup>.

CDC's difficulties in reconciling its financial and developmental objectives are also apparent in this project. Having determined that the project would be commercially and developmentally viable it is surprising that CDC would try to attract ODA, and other donor funding for such aspects as research and training. As one CDC staff member commented:

*CDC having appraised the project should have taken all costs into account and not programmed in aid. It is a bank after all, albeit a development bank. ODA money used for this sort of project is money that might have been better used elsewhere. CDC is basically after cheap money.*

### 3. Management. (Rating - weak)

Three significant management factors affected the project.

The first was the emphasis of the project managers on investigating processing options rather than on establishing the plantation. Lack of focus on plantation establishment contributed to the management changes instituted by Eccles previously mentioned.

The second factor was to do with planting. In early 1992 planting deficiencies which had been drawn to the attention of senior management previously came to the fore. Effectively weak supervision in earlier years, poor weeding and a major push to meet planting targets at the

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<sup>26</sup> Letter from D. Wije-Wardana, Ministry of Forestry, to Ministry of External Relations and Trade, mid-1987.

expense of quality planting meant that large areas of land previously thought to have been planted were found to be inadequately planted or failed. Approximately 450 hectares needed replanting at a total cost of around \$1.2 million. This was a significant proportion of the approximately 2000 hectares otherwise thought to have been established by the end of 1991.

Lack of prompt action by KFPL management with regard to this problem also led to the management changes at KFPL. A fax on this point from CDC, London summarises the situation:

*Having identified the shortcomings and initiated corrective action, did management continue to monitor performance to ensure that improvements (in planting performance) were being achieved? While the symptoms are poor work standards, and failure to achieve technical standards, I suspect that we have a management failure rather than a technical one<sup>27</sup>.*

The third factor is with regard to KFPL making available a loan to a group of landowners who were claiming to be the representatives of the people of Kolombangara. The loan had caused a certain amount of animosity against the company by other landowners, although nothing major had resulted from it by the time of my departure from the Solomons. KFPL put the problems that the loan had caused down to over-exuberance on their behalf, having been advised too late that not all landowners were necessarily represented by this group.

#### 4. Technical Forestry. (Rating - strong)

Technical forestry factors were not a major concern to the project. The combination of previous Forestry Division experience on Kolombangara, technical staff provided to the project and technical adviser visits ensured that technically the project was well in hand. Research activities were in place to further progress any areas of difficulty.

#### 5. Environmental/Social/Economic Factors. (Rating - neutral)

Economic and commercial considerations were always going to be subject to major analysis in KFPL given CDC's financial orientation. Financial evaluations were carried out on a number

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<sup>27</sup> Fax from Spencer Brook CDC, to Martin Collins, KFPL of 27 May 1992, entitled *KFPL Operations Quality Control*.

of occasions during the project's appraisal stages, and during its early implementation, and found to be satisfactory. In 1989 a FAO/World Bank team investigated the proposed project and generally endorsed the findings of CDC with regard to the projects potential financial performance. (FAO, 1989:3)

Assessment of environmental aspects during project appraisal, and inclusion of environmental issues into the project were also well considered, for example with regard to future logging operations. A special report entitled the 'Environmental Working Plan', was prepared by KFPL management (Wooff, 1992). Where CDC let themselves down was with regard to full consideration of social issues.

One commentator summarised the difficulties that KFPL faced as:

*Initially some people had misfeelings with KFPL, because it was a big project and didn't fit in well with the social environment of the Solomon Islands. Part of the problem was that the people of Kolombangara wanted their land back from the Government, and earlier on it was thought that KFPL would get this instead.*

Such issues and comparisons between Levers Pacific Timbers, the logging company formerly based at Ringgi Cove, and KFPL throughout the project led to difficulties that could have meant an early end to the project. In 1990 a group of some 100 landowners marched onto the nursery area at Ringgi Cove intent on ending the project and were only deterred by a staff member wielding a shot gun. The landownership issue was eventually able to be settled somewhat through the political arena and the transfer of land title by central government to Kolombangara landowners.

A socio-economic study was suggested by Baines (Baines, 1989:1) and the CDC representative in Suva in 1989<sup>28</sup>. The manager of KFPL at the time was not supportive stating:

*It would be presumptuous of us to prescribe a socio-economic environment. This is the preserve of governments and they must define and monitor it<sup>29</sup>.*

<sup>28</sup> Letter from Charles Seller, CDC Suva to John Haine of 1 September 1989 on the KFPL Environmental Working Plan.

<sup>29</sup> Reply from J. Haine to Charles Seller of 13 September 1989.

One staff member of CDC put it differently:

*CDC is not interested in people despite what they say at the top. They are interested in dollars. They will not be interested in a social survey because it is not commercial.*

In 1991 KFPL began to take more of an interest in social matters and prepared a draft paper entitled 'Land, Population and Employment on Kolombangara' looking at social and developmental issues on Kolombangara in relation to KFPL.

SIG officials were always realistic about CDC's social role noting that:

*CDC are not aid donors in the sense of helping people. While there are social disadvantages there are also very many advantages such as employment, airfield upgrade, schools and so on.*

In late 1992 the Provincial Secretary of Western Province noted that from his perspective 'the project was good development for the Western Province especially now that landowners as an association have more say'. Certainly by the end of 1992 the project was achieving much greater social acceptance by the people of Kolombangara, than had occurred in its first few years.

#### 6. Cost Effectiveness. (Rating - weak)

Over the six year period 1986 to 1991, and accepting enormous variation between projects MMC found that the overall return to CDC on projects to which it not only lent money but provided management as well was slightly better than for CDC's projects overall (MMC, 1992:78). It is doubtful if in its first few years of operation KFPL would fall into this category.

The cost effectiveness of implementing KFPL has been heavily tempered by the costs of overcapitalisation and excessive expatriate management noted by Eccles, and the need to replant the 450 hectares of plantation. No estimate has been made by KFPL of the costs of the additional capital and expatriate staff, but the figure is probably over \$500,000, assuming at



least one unnecessary expatriate manager over three years. Costs of replanting were estimated by KFPL at around \$1.2 million but even ordinary planting costs were also over budget<sup>30</sup>.

The early capital structure of the project and the expatriate staffing were as outlined in project documents and thus would not have caused the project to be over-budget. Even so the project could hardly claim to be cost effective in its first few years. As one CDC staff member said:

*As long as projects are making profits (meeting budget) CDC has not tended to see if it could do better.*

#### 7. Sustainability. (Rating - neutral)

One of the first internal KFPL plans that the project set up in 1989 was a 'Manpower, Training and Localisation Plan'. The plan looked at the labour requirements of the project, training necessary to meet project management requirements and steps towards localisation of expatriate positions. The plan was to have been updated regularly however disruptions caused by SIG's withdrawal from the project, and the management changes by Eccles caused the updates to fall by the wayside. Nevertheless these areas were under constant review by project staff, and progress was being made toward ensuring that the project would be sustainable technically and managerially by Solomon Islands staff by the end of the plantation phase.

The financial appraisals carried out have all indicated that the project is financially viable which in theory should mean sustainable. There are question marks about certain aspects of the project that place it at risk, not the least of which is the dominance of one species *Gmelina arborea* in the plantation programme, a relative newcomer to the market place.

Funding for the processing phase of the project was still being sought by CDC in 1992, which would be a constraint on the projects sustainability if a joint venture partner could not be found.

#### 8. Replicability. (Rating - strong)

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<sup>30</sup> Actual planting cost per hectare was \$12,200 in 1992 compared with the budgeted amount of \$10,700. (KFPL 1992 *Annual Accounts*, p3). By comparison costs per hectare for the Viru Reforestation Project were \$2700 in 1989, although the figures are not directly comparable (see 'Cost Effectiveness' under European Community 'Virus Reforestation Project' for further details).

The plantation model used by CDC at KFPL differs little from models applied elsewhere in the forestry world. Similar plantation projects have been set up by Forestry Division, albeit with no processing stage. With due consideration to some of the management, infrastructural, and social factors noted above there is no reason why this type of project could not be instituted elsewhere in the developing world.

#### 9. Empowerment. (Rating - strong)

The 'Manpower, Training and Localisation Plan' considered empowerment of Solomon Islands staff in some depth through appropriate placement within the project, and training. The management changes instituted by Eccles left some KFPL staff feeling that localisation might be proceeding too quickly. However it was recognised that this approach would allow Solomon Islands staff to assume responsibility in the first instance, and if problems arose cater for these as required.

The people of Kolombangara were also being brought into the project through Government initiatives including returning alienated land and providing a place on the board of KFPL for Kolombangara representatives. At a local level various committees, such as women's groups were being formed, with assistance from KFPL management.

Small business development was also encouraged by KFPL, such as running local stores, and setting up contract gangs to provide labour to the project.

#### 10. Equity. (Rating - neutral)

The people directly effected by the project were the people of Kolombangara, although indirectly the project had the potential to effect a larger number of people through its influence on the Western Province, and Solomon Islands economies. The people of Kolombangara had several opportunities to gain from the project at a macro level through the return of their



previously alienated land and inclusion on the project board, and at a micro level through employment and small business opportunities.

Additionally KFPL had made some steps towards assisting landowners to plant their own trees for potential future sale to KFPL through outreach programmes.

KFPL itself cannot lay claim to having provided all the potential benefits described above. The participation of the people of Kolombangara in project management through the board, and the return of the alienated land were initiatives of SIG. Nevertheless the project did act as the catalyst for these developments.

## EUROPEAN COMMUNITY

### VIRU REFORESTATION PROJECT

From 1976 to 1980 some 6100 hectares were established at Viru using British ODA funds. In 1981 no further planting was carried out but a combination of SIG and ODA funds was used to maintain existing plantations. That same year the European Development Fund began contributing to reforestation in Santa Cruz and the Shortlands Islands under Lomé I and an appraisal was prepared by Forestry Division for EC funding of reforestation at Viru.

The appraisal document described the Viru project as:

*The project comprises the reafforestation of 875 hectares of logged, government land in the Viru Harbour area of New Georgia. Being spread over four years from 1982, when fully operative 250 hectares per year will be planted, consisting of a total of 350 hectares of Mahogany (Swietenia macrophylla), 350 hectares of Terminalia brassii, and 175 hectares of Gmelina arborea (MNR, 1981:i).*

The appraisal document noted that approximately one thousand people lived in the Viru area, the majority of whom had been employed in the ODA funded project, or by the local

logging company<sup>31</sup>. If the project did not go ahead some of these people would lose their employment. The reforestation programme itself would be carried out on unoccupied and uncultivated Government land, and therefore not adversely effect the local population (MNR, 1981:13).

The project had a projected financial rate of return of between 6 and 6.5 percent. Benefits of the project were seen to be:

*A total of 200,000 cu. m. of timber being produced over the period 1998 to 2011, valued at \$6 million (1981 prices) net of harvesting costs. The project will create around 40 job opportunities and provide other benefits in the form of acquisition of skills, improving the raw material base for the local timber processing industry, distributing income to rural areas and improving social infrastructure. The reafforestation programme will have a positive effect on the environment by reducing soil erosion and improving water quality.*

*The main benefit of the project relates to the whole rationale of reafforestation. With the logging/timber industry a major employer and export earner, replacement of the resource is required if the industry is to sustain its role in the Solomon Islands' economy into the twenty-first century (MNR, 1981:i).*

The appraisal document sought the use of EC funds under Lomé II (1,400,000 ECU<sup>32</sup>) to continue reforestation at Viru from 1982 to 1985.

The Viru project was due to have been completed by the end of 1986. At that stage actual planting had exceeded target by 234 hectares, but expenditure was only 60 percent of original targets. A major factor contributing to this was the depreciation of the Solomon Island dollar against the ECU. A request was made by the Solomon Islands Government to continue the project for three years to utilise the residual funds left over from Lomé II. This was finally agreed to in August 1988. During the intervening period SIG funds were used for the project.

<sup>31</sup> 2221 people lived in the immediate project area in the 1986 Census (MNR, 1987:11)

<sup>32</sup> EC unit of currency.

Funding for the Viru project under EDF Lomé funds finished part way through 1989. SIG continued funding the project using STABEX monies until the end of 1990.

In 1989 the new SIG reviewed its priorities for aid and STABEX funding. For this and other reasons severe delays occurred in the transfer of 1988 and 1990 STABEX funds to SIG, which did not take place until the end of 1991<sup>33</sup>. During this time Forestry Division encountered major problems in funding the Viru project and had to lay off staff, and to concentrate on maintenance rather than development of the programme. As a consequence of this and major cash flow problems generally SIG began talks with CDC to see if they would be interested in becoming involved in Viru. By the end of 1992 little progress had been made with these talks.

## CRITERIA

### 1. Objectives. (Rating - neutral)

The objective for the Viru Reforestation Project as outlined in the 1981 appraisal document was:

*To establish economically viable forest plantations on areas of cut over natural hardwood forest in the Viru Harbour area of New Georgia (MNR, 1981:1).*

The project had been approved by the Solomon Islands National Planning Council and was in line with the Governments Programme of Action.

The appraisal envisaged the establishment of a total of 875 hectares of plantation. By the end of 1986 the target of 875 hectares had been well surpassed with substantial savings against budget. Ministry of Natural Resources prepared another project appraisal in 1987 to use the residual funds for a further two years, with the objective of:

*To continue the planting programme at Viru and to maintain existing plantations (MNR, 1987:2).*

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<sup>33</sup> Solomon Islands did not qualify for a STABEX transfer in 1989.

Target planting was 700 hectares of logged over forest. In fact the project planted 1100 hectares in 1989 alone<sup>34</sup> making a total of 2139 hectares planted within the period 1983 to 1989.

While part of the project objective - to plant plantation forest - had been achieved by 1989, its economic viability was by no means fully explored or assured. Economic viability was addressed in the 1981 appraisal document, when financial rates of return were estimated at between 6 and 6.5 percent, but not revisited in the 1987 appraisal or other reports. Market prospects for the species planted at Viru were noted in 1987 as too early to assess 'except on a very general level' (MNR, 1987:10), although in 1988 it was noted that 'log prices have increased in recent years with increasing restrictions being made on log exports from South East Asian Countries'<sup>35</sup>.

In terms of meeting the other benefits outlined in the 1981 appraisal report these are summed up in the conclusion to the 1989 project Annual Report:

*1989 saw a successful completion of the third EDF reforestation project managed by the Forestry Division of MNR. These projects were successfully implemented and completed. They contributed greatly towards the aspirations of sustaining the forest resources. Also more importantly these reforestation projects contributed towards improving the environment after logging by stabilising soil and preventing soil degradation and erosion.*

*The project have advantageous social impact in providing wage employment and other services to large numbers of Solomon Islanders. They are worth while projects<sup>36</sup>.*

The EC regard Viru as a good project, perhaps one of their best in the Solomons, and they would be quite happy to continue funding it. This is particularly because it was easily quantifiable, with good indicators of progress, and reasonable accountability.

<sup>34</sup> Some STABEX funds had to be used to reach this target as EDF funds finished part way through the year.

<sup>35</sup> Letter from A.J. Beveni, SFO (Management) to EC Delegation of 8 September 1988, entitled *Viru Reforestation - Project Summary to Sept 1988*.

<sup>36</sup> Letter from A.J. Beveni SFO (Management) to EC Delegation of 20 February 1990, entitled *Project No. 5100.36.66.002 Viru Reforestation Annual Report 1989*.

## 2. Set Up and Structure. (Rating - neutral)

The Viru project started with very little obvious appraisal by the EC itself, although there must have been some overview of the project in Brussels<sup>37</sup>. To some extent this is not a surprise as the project had already been successfully funded by British ODA, who still maintained a strong presence in Forestry Division in the early 1980's. At no stage was the project ever visited by a technical EC forester, except three years after its conclusion in the 1992 Forestry Sector Mission. There was no mid-term review, nor end of project review, although various EC visitors from Brussels and Delegation staff visited the project site in the company of Forestry Division officers.

A new 'Integrated Approach to Project/Programme Cycle Management' clearly shows the progress that the EC has made with regard to bringing its appraisal and management of development projects in line with international thinking (Commission of the European Community, 1992:1). With the Viru project it is clear that project appraisal and monitoring was not as strict as is now proposed under the 'Integrated Approach'. The 'Integrated Approach' notes that there had previously been serious weaknesses in the management of the project and programme cycle.

A major difficulty that faced Forestry Division with regard to management of Viru was that the EC only pay 50 percent of annual allocated funds up front, and then require SIG to fund the balance for the remaining of the year, before reimbursement. At times SIG did not have the money to cover for the second half of the year, and project implementation was delayed accordingly. Similarly delays in finalising agreements between the SIG and EC led to problems in project funding.

Other delays occurred because of the tied nature of EC aid. One example of this is that in August 1984 Forestry Division wrote to the EC requesting clearance from the Delegate to purchase equipment of 'non-EC origin', specifically a Japanese outboard motor<sup>38</sup>. Approval was finally given in a letter from the Resident Adviser dated 15 October 1984 noting that:

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<sup>37</sup> The 1981 and 1987 project appraisals were carried out by Forestry Division.

<sup>38</sup> Letter to Resident Adviser from SFO (Management), dated 23 August 1984, entitled *EDF Project 5100:37.66.002 - Viru Reforestation Purchase of Outboard Engine*.

*It is of course worrying to learn that the engine purchased only in 1982 is not reliable, and it might be worthwhile investigating which of the makes and models available in Honiara is really giving best value for money.*

MNR officers did not find it easy to understand EC procedures, particularly those associated with EDF, as opposed to Stabex, funding. This is partly complicated by SIG internal procedures, but nevertheless procedural requirements of the EC do cause confusion. So much so that one senior officer told me that he would rather use funds from sources other than the EC, such as Australia or New Zealand, if he had a choice. Where good understanding of EC procedures had been grasped by SIG staff things have run more smoothly.

### 3. Management. (Rating - neutral)

EC administration of the Viru project could be classified on the one hand as remarkably flexible, but on the other as remarkably petty. The strongest element that comes across from the Solomon Islands perspective is the major difference that a new Delegate can make to the aid programme compared with other donors. This is largely because of the level of responsibility that the EC Delegate has in the EC aid programme.

The set up of the project meant that its management would never be entirely in the hands of the Forestry Division. Consider the following from the original Programme Estimate:

*3.1.1 - Wherever possible, the vehicles and equipment purchased must have their origin in the EEC (now the EC), in Solomon Islands, or in another ACP state. Derogation from this rule will require prior approval from the Commission Delegate.*

*3.1.2 - The Project Management (Forestry Division) shall consult local suppliers of vehicles and equipment (listed separately) and shall propose the most advantageous supplier of each item to the Commission Delegate for approval. (MLENR, 1982:2-4).*

The EC's strong leaning towards relying on technical assistance with its projects was mentioned by several EC and Solomon Islands commentators. Technical assistance wasn't felt necessary at the start of the Viru project because of the presence of British advisers in Forestry

Division, but came close to being a major factor in the project later on. Given the responsibility for project management that rests with each Delegation, and the range of projects that they are involved in, it is not surprising that input from advisers helps put Delegates minds at rest regarding individual projects.

It is clear from discussions with Forestry Division staff that there is some discomfort at the approach used by the EC with regard to management of projects. In particular there is frustration at the management requirements imposed by the EC over project reporting and management. This includes the tied nature of EC aid back to EC countries for project resources unless dispensations can be given<sup>39</sup>. There is also concern about the lack of understanding of the Solomon Islands by EC personnel who come from the other side of the world with little experience of conditions in small island countries.

The project management style of the EC has to be put into perspective with that of British ODA who previously funded the Viru project, and continued funding other projects such as forestry research well into the mid-1980's. The reporting requirements on, and use of ODA funds were a lot more straight forward than EC, and frequent visits by technical specialist's meant that a good rapport was able to be developed between ODA and Forestry Division.

#### 4. Technical Forestry Factors. (Rating - strong)

Technical forestry factors were not an issue with the Viru Reforestation Project due to Forestry Division's long experience with plantation reforestation. While there were minor problems with the project, the overall planting programme was well over target, and maintenance was reasonably up-to-date.

#### 5. Environmental/Social/Economic Factors. (Rating - neutral)

While no specific environmental assessment was carried out environmental factors were of concern to both the original and 1987 project appraisals who noted that the proposed project would have a 'positive' effect on the environment in that 'it will seek to re-establish hardwood forests on areas depleted by logging operations' (MNR, 1981:5). Project progress reports nearly all comment on environmental matters. One area of potential concern was with regard to the

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<sup>39</sup> I believe that there has been some freeing up of EC procedures in this respect for EDF funds, although Stabex might have tightened up.



use of arboricides to kill unwanted trees during forest clearing for planting. Originally riparian strips were used to prevent the spread of these chemicals into water courses, later their use was discontinued altogether.

Social factors were similarly considered in the appraisal and progress reports, although no specific social assessment was carried out. The 1981 appraisal report noted that the local people would benefit from job opportunities and hence cash incomes (MNR, 1981:13), while the 1987 appraisal report noted that:

*Direct benefits in terms of wages and salaries, accommodation, school, clinic etc will accrue to forest workers and their families (approximately 330 people) ... and ... maintenance of infrastructure eg roads and bridges will encourage transporting and marketing of produce from gardens and other small projects (MNR, 1987:11).*

Both appraisals noted that there would be no obvious adverse social effects as there were no people currently living on or utilising the land that was proposed for planting. Because the Viru project was already well underway there is some justification in the EC not considering the social and environmental aspects of the project more than they did so.

Economic factors have already been commented on under 'Objectives' above. Suffice to say that although an economic appraisal was carried out in the 1981 project appraisal there was no follow up to this in subsequent reports. One Forestry Division staff member was moved to note in 1981:

*... there seems to be a 'hedging a bets' leaving the decision until nearer the harvesting date (on whether to fell for sawlog or pulp/chip markets). I feel that this is a decision fraught with problems for the Forestry Division<sup>40</sup>.*

Today question marks still remain over the project's small size, species composition and location in relation to potential markets. These factors have not been well appraised over the life of the project. CDC's current reluctance to involve itself in the project reflects the thinking

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<sup>40</sup> *Progress Report on Forest Projects. 1981. Kolombangara and Viru Plantations Establishment and Maintenance*, by Jim Sandom, 1981.



of one agency who are good at economic aspects of project appraisal and obviously have some concerns in this respect over Viru.

#### 6. Cost Effectiveness. (Rating - strong)

The total project cost was well within budget, largely due to the depreciation of the Solomon Islands dollar against the ECU. There is no reason to believe that the project has been more expensive than any comparable Forestry Division reforestation project, in fact if anything far less expensive.

Analysis of actual total expenditure and total planting figures for Viru for 1987 to 1989 show on average a rate of \$2700 per hectare<sup>41</sup>. Over the same period at Poitete on Kolombangara the figure is \$4700 per hectare. In 1992 costs of establishing the KFPL project were \$12,200 per hectare, which compares favourably with Viru despite inflation since 1989 of approximately ten percent per annum (M. Powell *pers comm* in Thorpe, 1990:4). It is not possible to directly compare these projects as detailed breakdowns of these figures is not available. Nevertheless the figures indicate that expenses at Viru were not excessive.

Despite occasional requests from the EC for Ministry of Natural Resources to get its costing in order there was never any suggestion from the Delegation or from an EC Court of Auditors visit in 1988 that project expenditure was anything other than planned.

#### 7. Sustainability. (Rating - weak)

Financial sustainability was never given a great deal of consideration in the project. Aid funding, both British ODA and EC, has always been necessary to implement the project and this remained the case at the projects end. At times when SIG has had to fund reforestation at Viru from its own resources because of slow disbursement of funds from the EC it has had extreme difficulty in doing so. Recent steps by SIG to attract CDC and other investors to buy into the project have been unsuccessful.

Project sustainability through human resource development was not a major objective of the project either, and there were no funds specifically allocated to training. The 1981 appraisal document noted:

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<sup>41</sup> Forestry Division Annual Reports 1987 to 1989.

*The project will not directly sponsor the training of staff. Nevertheless it will provide the opportunity for on-the-job training of the staff and workers employed in the project, as well as experience of the planning and organisation required for efficient operation (MNR, 1981:10).*

Forestry Division did have access to other sources of funds for human resource development, including non-project EC funds.

#### 8. Replicability. (Rating - strong)

The project is a standard forestry plantation model easily transferable to other potential plantation sites, other things being equal. The management of the project, where the EC maintained a fairly hands-off approach, might not be easily transferable where the donor did not have confidence that the implementors could adequately manage the project. Even with Viru the EC at times had concerns about Forestry Divisions ability to manage the project, as has been previously noted.

#### 9. Empowerment. (Rating - strong)

Forestry Division were fully empowered to run the project subject to reporting conditions to the EC. While the EC did at times have concerns about Forestry Divisions ability to manage the project these never resulted in changes to actual project implementation.

#### 10. Equity. (Rating - strong)

The EC involvement in the project came after some six years of project implementation by Forestry Division using British ODA and SIG funds and the EC funding merely maintained the status quo in terms of equity issues.

The beneficiaries of the project were largely those employed by the project, plus those who stood to gain from the project such as shopkeepers, and other small business owners. Landownership was not in dispute at Viru<sup>42</sup> and there was no pressure from nearby landowners

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<sup>42</sup> Bennett notes however that in the mid-1960's there were 'disputes among people in New Georgia about who had held rights in the Viru land bought by the Government' (Bennett, 1994, unpublished)

for further involvement in the project other than through employment and business opportunities.

## THE SOLOMON ISLANDS FORESTRY SECTOR STUDY

The EC Delegation took a wide interest in forestry and provided money for SIG personnel to attend international seminars on forestry, and encouraged requests from SIG for other forestry projects such as the development of rattan plantations<sup>43</sup>. The Delegation's interest in forestry reflected the EC's wider concerns about forestry issues which resulted in an ACP-EC Assembly on Tropical Forests in February 1992. The Assembly expressed 'its concerns about the slow progress of the negotiations on worldwide agreements on the protection and sustainable use of forests' and recommended that:

*Studies be carried out ... which should examine the various aspects which could affect worldwide regulation of the use of forests* (Delegation of the Commission of the European Communities, 1992(a):6).

In July and August 1992 a study of the Solomon Islands forestry sector was carried out by EC consultants. This study was prompted not only by the ACP-EC Assembly but also by a direct request from Soltrust to the EC for financial assistance towards its portable sawmill eco-forestry programme.

## CRITERIA

### 1. Objectives. (Rating -weak)

The consultants terms of reference were to use the EC's 'Integrated Approach' guidelines to:

*Appraise proposals for alternative harvesting methods put forward by Soltrust, with the intent of obtaining better returns to landowners, and better conservation of resources.*

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<sup>43</sup> This project made little headway partly because SIG could not decide if rattan was a forest or agriculture crop and therefore which Ministry should look after it.

and;

*Consider the consequences of current rates of exploitation of the forestry resource on export earnings in relation to the rate of replanting, and made suggestions for projects of forestry activities to be financed from the EC Budget Line 'Actions in Favour of Tropical Forests' (Delegation of the Commission of the European Communities, 1992(b):4).*

The consultants were also asked to 'in particular inspect and report on replanted forests financed by the EC under the fifth EDF and replanted forests being maintained with STABEX funds'<sup>44</sup>.

The consultants report identified nine project proposals including plantation establishment, natural forest management, enhanced extension forestry activities, research, training, institutional strengthening, logging control and a National Forestry Action Plan (NFAP) (Agrar-Und Hydrotechnik and Cowiconsult, 1992).

Critics of the report noted that there was a lot of overlap with existing projects that was not clearly explained. Comments by one EC funded Technical Adviser were:

*The Draft (Final) Report should have been structured in a format which would address the specific issues in the terms of reference whilst the project proposals should have been dealt with in the (appropriate) format using the Logical Framework approach. This has not been done, with the result that it is generally poorly structured and neither meets the requirements of the terms of reference, nor the detailed analysis required for each project within the Logical Framework* <sup>45</sup>.

Forestry Division also questioned 'the extent to which the consultants fulfilled the terms of reference'<sup>46</sup>. Suffice to say that the report was rejected by Forestry Division, and even the EC noted that it had 'inadequacies'.

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<sup>44</sup> Terms of Reference for 'SI Forestry Study'.

<sup>45</sup> Comments by D. Abbott attached to a letter from G. Gwyer, Head of EC Delegation, to Commissioner of Forests, of 18 November 1992, entitled *Solomon Islands Forestry Study*.

<sup>46</sup> Internal Forestry Division memo of September 1992, entitled *Comments on Draft Report 'Solomon Islands Forestry Study'*.

One of the Delegation staff informed me that:

*The consultants report has to be seen in its political context. The report, despite its inadequacies, will be useful to gain access to Budget Line funds, although subsequent follow up missions might be necessary.*

What is surprising is that less than one year earlier a British ODA mission had carried out a comprehensive forestry sector study which had covered much the same ground as the EC report, with not dissimilar recommendations (Hunting Technical Services/Natural Resources Institute, 1992). The need for a repeat of this study in less than ten months is questionable, particularly since the United Kingdom is also part of the EC and the report was freely available.

## 2. Set Up and Structure. (Rating - strong)

In terms of laying the groundwork for the study the EC was particularly innovative in setting up a steering committee to oversee its implementation. The steering committee comprised SIG representatives, EC personnel working in Government Ministries, and the Delegate. The committee vetted the terms of reference of the study and also the consultants who were finally chosen for it. The consultants ultimately reported their findings to the committee, which later made comments on the consultants report.

Consultants had to be chosen from those registered with the EC in Brussels, which effectively excluded those from countries outside the EC or ACP unless special derogation applied. Because of this there were a limited number available with relevant experience and acceptable track records. Eventually a joint venture consultancy group of Agrar-Und Hydrotechnik GMBH and Cowiconsult was chosen. A Solomon Islander chosen by the EC also joined the team to provide a Solomon Island perspective. Once again this is a particularly strong feature of the EC's preparation for the study.

## 3. Management. (Rating - neutral)

While the 'Set Up and Structure' of the report was well organised by the EC the actual management of the consultants was less so. During the consultants visit relevant EC Delegation personnel were absent for some periods, which might have led to some changes in the final

report. However in the final analysis the consultants produced poor work, well underestimating the level of expertise that already existed in the Solomon Islands with whom they would be dealing. This attitude is not inconsistent with those of other consultants coming from abroad to carry out work in the Solomon Islands. It is disappointing that the consultants were not asked to re-do their study by the EC.

#### 4. Technical Forestry Factors. (Rating - weak)

The Forestry Sector Study was not a technical forestry mission *per se* although an understanding of forestry was crucial to it. Nevertheless there were weaknesses with the data presented in the report that call into question its reliability. This includes, for example, the 'review' of the Viru Project. One of the members of the steering committee commented:

*No data is given to substantiate the negative comments concerning the level of past investment in plantations, either through the recurrent budget or donor funded. In the review of the EC/Stabex funded plantations, for example, no expenditure information is given and no assessment of plantation cost/ha.*

*The general lack of data quoted in the report is, therefore, unsatisfactory, the more so since, as noted much data was either given to the consultants directly or they were given clear indications as to where the data could be obtained<sup>47</sup>.*

#### 5. Environmental/Social/Economic Factors. (Rating - weak)

The 'Integrated Approach' contains guidelines on how environmental, socio-cultural, and economic factors should be appraised. As the consultants did not follow the guidelines it is difficult to compare their output with them. Nevertheless the information that the consultants do produce is clearly substandard causing two critics to comment:

*Little attention has been paid to the environmental aspects of forestry eg the National Environmental Management Strategy is not included in the list of references, and nor is the officer in charge of the Environment and*

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<sup>47</sup> Abbott, *op cit*.

*Conservation Division of the MNR listed among the persons met. The social aspects of forestry are not covered<sup>48</sup>.*

and;

*The financial and economic analysis is very superficial and generally poorly done. Graph A6.3 and Table A6.2 show the rotation period for the slow growing species as being the same for the fast growing species<sup>49</sup>.*

#### 6. Cost Effectiveness. (Rating - weak)

Fees paid to the consultants were \$38,872 per month for the EC consultants (equivalent to \$1296 per day for a 30 day month, or \$1851 per day for a 21 'working day' month), and \$444 per day for the Solomon Island consultant who made up the team. While the EC consultancy fee included the costs of producing six copies of the report, these are negligible overall. In addition the EC consultants received \$263 per day per diem to cover accommodation and food expenses<sup>50</sup>.

The daily consultancy rates for the EC consultants are high compared with others reviewed for this study and other consultancy rates. Given that the consultants report was judged substandard by most who reviewed it, it is easy to conclude that the visit was not cost effective.

#### 7. Sustainability. (Rating - not applicable)

As it is unlikely that many of the recommendations in the report will proceed the question of sustainability is largely academic. Nevertheless as Abbott noted:

*Leaving aside the question of the lack of trained manpower to fill any new posts, there is no discussion of the long term sustainability of such (project) proposals in the context of the governments recurrent budget.*

and even where training had been considered by the study;

<sup>48</sup> Comments on 'Draft Solomon Islands Forestry Study', by T. Fearnside, September 1992.

<sup>49</sup> Abbott, *op cit*.

<sup>50</sup> Source: *Terms of Reference : Preparation of Actions in Favour of Tropical Forests*.



*The 'Forestry Manpower and Training Project' is not required as the needs for training and manpower development within the Forestry Division have already been clearly identified. A further study would simply duplicate earlier work and delay the implementation of the actual training. It would be much more useful to put the funds directly into a specific training/scholarship fund to be drawn on as required by the Division* <sup>51</sup>.

#### 8. Replicability. (Rating - not applicable)

As it is unlikely that any of the projects outlined in the report will go ahead they are, in that sense, not able to be tested for replicability. Comments below are provided on the replicability of the consultancy assignment itself.

As has been explained under 'Objectives' above the report had major weaknesses, for which the EC Delegation and the consultants must take primary responsibility. The groundwork was well laid by the EC for the consultancy to be successful through consultation and the setting up of the steering committee. However the final outcome was let down by the results of the mission itself in which the EC is implicated.

The EC's willingness to set up a steering committee to implement the consultancy is highly commendable. In other circumstances where this is not possible some form of consultative mechanism between the EC and the host government is highly desirable. What is not commendable is allowing the consultants to get away with substandard work, and even condoning their efforts for 'political' reasons.

In summary while the EC set up the consultancy well, which could be usefully replicated elsewhere they did not manage it well through to its conclusion.

#### 9. Empowerment. (Rating - not applicable)

Empowerment had not been well considered in the report. As has already been noted critics of the report had strong reservations about human resource development, and institutional

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<sup>51</sup>Abbott, *op cit.*

issues in the report. Even where specific project proposals had been made concerns were raised:

*There is a need for detailed formulation to be carried out, eg terms of reference for the TA (technical assistance) components, clear identification of local counterparts etc<sup>52</sup>.*

As none of the project proposals are likely to be implemented it is not possible to comment on empowerment issues in practice. Nevertheless at the proposal stage the outlook did not look promising.

#### 10. Equity. (Rating - not applicable)

The consultants TOR required that:

*An assessment will be made of the contributions of forest products (including nontimber forest products) to national and provincial government revenues, local community income and national export earnings.*

Unfortunately the consultants did not adequately consider these factors:

*There is no attempt, as specifically required in the t.o.r., to determine income from forestry activities by province or local community... There is no mention of non-timber forest products<sup>53</sup>.*

and;

*The NFAP as outlined is too narrowly focussed on the commercial aspects of forestry. A SI NFAP should also include interactions with agriculture and other social considerations, environmental mechanisms for local people to*

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<sup>52</sup> Abbott, *op cit*.

<sup>53</sup> Abbott, *op cit*.

*resolve grievances and have access to information regarding logging operations, constraints to forestry development that arise from SI land ownership patterns and proposals to overcome these<sup>54</sup>.*

Once again it is not possible to comment on these issues in practice, as the consultants' recommendations were only in the proposal stage.

## KOMUNIBOLI VILLAGE

### KOMUNIBOLI TRAINING CENTRE

Komuniboli Training Centre was established in 1988. The aims of the centre were to help villagers learn about chainsaw milling and to encourage villagers towards self reliance. Courses were free of charge, lasting for two to three weeks and concentrating on how to use a chainsaw and frame. Discussion would also take place on the advantages of small scale versus large scale logging. Six courses were carried out in 1988 mainly aimed at the youth in the Aola Ward. Several of the boys who attended the courses were subsequently employed to carry out chainsaw sawmilling in the local area.

In setting up the course programme for KTC the people of Komuniboli village were able to draw on their experience in dealing with a logging company, Hyundai, that was operating in North Guadalcanal at that time. In 1983 Komuniboli made the decision not to accept large scale logging in favour of chainsaw sawmilling. The villagers' initial experiences with chainsaw sawmilling, without adequate training and with limited abilities to read technical reference manuals meant that it was some time before their operations were commercially successful. Their eventual success led to others in Aola Ward, and later in other parts of the Solomon Islands, approaching Komuniboli for training in chainsawing and how to deal with logging companies.

The Komuniboli Training Centre consists of two dormitories capable of sleeping about 30 people, a classroom, kitchen and a store room. It was totally funded by the people of

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<sup>54</sup> Fearnside, *op cit.*

Komuniboli, led by Sosimo Kuki, through money earned from sawmilling - about \$3000 in actual money spent, or \$20,000 if the cost of 'free' labour and bush materials is included. In subsequent years groups such as SIDT who wanted to use the Centre for training courses contributed items such as water pumps.

In 1989 KTC opened up to other organisations who wished to carry out training. SIDT was the first of these and carried out a workshop at KTC as part of their own campaign about commercial logging companies. Also in 1989 the Ministry of Health held two one-week workshops at KTC, and other groups such as Peace Corps carried out field visits. KTC was also used for private pidgin language training by various organisations and individuals.

In more recent years Komuniboli have considered adding sustainable forest management and wood processing options to the training at KTC. Lack of funding has meant that wood processing has not progressed very far and development of sustainable forest management has been constrained by lack of expertise in this area.

Sosimo himself has made a number of contacts in the wider development network, particularly through Peace Corps, SIDT and more recently the Development Services Exchange (DSE)<sup>55</sup>. Through these contacts Sosimo has travelled abroad to conferences in Africa, Western Samoa, and Tonga. KTC has also joined the Solomon Islands Rural Training Centres Association which has proved useful because of the access to skills training that this enables.

## CRITERIA

### 1. Objectives. (Rating - strong)

The objectives of the KTC in 1987, as described by Sosimo, were 'to help villagers learn about chainsaw milling and to encourage villagers towards self reliance'. From 1990 on these appear to have changed to 'increase villagers control over their customary lands, increase the opportunity for local employment and income generation in rural villages, and to reduce the environmental impact of large scale logging on the Solomon Islands rain forest'<sup>56</sup>. It is likely that these changes are as much due to an increase in sophistication on Sosimo's part with regard to applying for aid funds, as to real changes in the objectives for KTC.

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<sup>55</sup> An umbrella NGO.

<sup>56</sup> From recent funding applications.

There is no doubt that training in chainsaw milling has been the main element of SIDT's activities. By mid-1992 it is estimated that some 200 people had received training through chainsaw demonstrations and courses run by Sosimo and his family throughout the Solomon Islands. Requests have also been received for the family to carry out demonstrations overseas, but Sosimo feels that it is better for these countries to utilise their own resources rather than using an outsider such as himself.

The Komuniboli community has also done much towards achieving self reliance and encouraging villagers towards their own self reliance not only through chainsaw milling but also training in such areas as the natural environment, education, and health.

It is unlikely that KTC will have had much overall effect on the environmental impact of large scale logging. There is anecdotal evidence to suggest that Sosimo may have contributed to the Hyundai Logging Company being unable to continue logging in North Guadalcanal in 1992, and apparently other landowners inspired by KTC have also prevented logging companies from operating elsewhere in the Solomon Islands<sup>57</sup>. Nevertheless large scale logging was on the increase in the Solomon Islands as a whole in the 1990's.

## 2. Set up and Structure. (Rating - strong)

There are probably two major reasons why the Komuniboli village has been successful in its development. One is the undoubted charisma of Sosimo and his influence on the community, and the other is the community's ability to adapt to the demands placed on it. The first of these adaptations is the family's shift from their former residence at Niupote some 10 kilometres from Komuniboli in 1979. Later the use of portable sawmills, and the setting up of KTC have all been changes adopted by the community. The latest development is the increasing links by Komuniboli with the wider Solomon Islands and the aid community.

Sosimo comments that up to now the family has largely gone ahead by itself. Assistance has been provided by individuals such as Peace Corps volunteers on certain occasions and some items such as the water pumps have been provided free. Help has also been obtained to write funding proposals, for example to the Development Bank of the Solomon Islands to purchase

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<sup>57</sup> Source: 1989 SIDT Workshop Report entitled *Logging Effects*.

the first chainsaw and frame. However overall it is the family, through its own endeavours, who have been the main developers of the KTC.

In theory twenty-five percent of sawmilling profits and other community fund raising, are kept for community purposes. Recently this has begun to break down for the sawmilling operations because the chainsaw operators have wanted more returns for themselves. The community has been concerned about this because the competition between sawmill operators has meant that some felling has taken place somewhat uncontrollably.

The aid 'bandwagon' is an area that has concerned one outside commentator who has had a long association with KTC. He saw the increasing interest that the aid world was having in KTC as potentially detrimental to the community who he felt may turn away from doing things for themselves, towards the easier option of trying to extract money from the aid world.

Where change has been imposed from outside it has not necessarily been successful. In 1988 two Peace Corps community development workers tried to set up a 'North Guadalcanal Chainsaw Logging Association' with Sosimo as its first Chairman. The aim was to bring together chainsaw sawmilling operators for mutual assistance in areas such as marketing, transport, and training through the KTC. Since the departure of the Peace Corps workers Sosimo has not been able to find the time to put into this association and attendance at later meetings was poor. Effectively the association is non-functional.

### 3. Management. (Rating - strong)

While Sosimo is undoubtedly the inspiration behind the community's successes his brothers and the wider family are fully supportive of what Sosimo is doing. They are quite happy for Sosimo to deal at the strategic level with government and aid agencies. They themselves are content to get on with the day to day aspects of implementing community activities helping out with the KTC and chainsaw demonstrations when called upon.

The management of the Komuniboli community is not as formal as the management of the other organisations in this study, but it is just as structured and is appropriate to the Komuniboli situation. There are several committees in place to oversee the management of the community's interests, including KTC, and people with recognised responsibilities. When necessary it has

been possible to divide the community into working groups such as with the development of agroforestry at Komuniboli.

The handling and management of funds and revenues from KTC might be a cause of concern if they were applied to other organisations, but arguably it is appropriate to a largely subsistence community such as Komuniboli. The community has in fact progressed far since its earlier years in this respect. They may not have a set of accounts, nor any form of bookkeeping but they do have a savings bank passbook which is protected from abuse in quite a novel way. One person, who is not an account signatory holds the passbook. The actual account signatory is only allowed the passbook for specified purposes with the agreement of the appropriate committee.

Sosimo says that they tried to set up a plan for spending money, but couldn't follow it. They just spend money 'all about'.

*Money is not part of our culture - we weren't brought up to know what to do with it.*

The community are able to pool resources whenever the need arises. In 1987 for example they pooled together to purchase a second hand truck. At the end of 1992 they had decided to put in together for a replacement.

#### 4. Technical Forestry. (Rating - neutral )

During courses and demonstrations KTC try to cover technical, financial and awareness raising issues. Technical issues have previously concentrated on the use of the chainsaw and frame, felling techniques and safety matters. More recently they have begun to cover sustainable forest management although practical experience in this has been limited.

There is no doubt that KTC is well equipped to demonstrate the technical side of chainsawing through their own experiences in this. Where the KTC is weak is with regard to sustainable forestry matters, but here they have called on the Forestry Division and other agencies such as the Australian Rainforest Information Centre to help them. By end of 1992 a nursery was being established and plans were underway to implement selective cutting of the forest as demonstration areas for participants on courses, as well as for local requirements.



Each participant is asked to share with others in their home village what they have learnt from Komuniboli, and today there are fewer people asking for chainsaw sawmill training possibly because of this.

#### 5. Environmental/Social/Economic Factors. (Rating - strong)

The environment is taught as part of sustainable forest management and under awareness raising at KTC. Awareness raising also covers social issues such as personal and village health, and how to deal with logging companies. The importance of the environment in providing for the needs of villagers is a strong point in KTC's courses, and they can point to their own wide ranging activities as examples. The social side is also strong because of Komuniboli's own experiences, particularly the structures that they have been able to develop to cope with increasing demands on the community.

Economic issues relate to how to measure and price a load of timber, and financial management. KTC's abilities at economic matters are probably strong on the former although, from discussion with Sosimo, financial management is possibly a little weak.

#### 6. Cost Effectiveness. (Rating - strong)

Revenue earning activities within Komuniboli include sales of sago palm, eel fishing, sale of bush materials, mats and baskets sold by the women, sales of copra and cocoa to Honiara, sales of garden produce to Honiara and firewood. Additional earnings for the community are from the KTC itself and chainsaw milling.

It is difficult to accurately determine what the Komuniboli community earns from its many and varied activities, although information for chainsaw milling operations was consistent with data obtained from elsewhere (Thorpe, 1992). Suffice to say that information supplied on the KTC from several members of the family at Komuniboli and groups that had attended courses agreed.

Course fees at KTC have always been modest, and free if participants provide their own chainsaws for chainsaw courses. (Timber cut by course participants is regarded as the course fee.) Otherwise the charge is approximately \$5 per head, or \$15 if KTC provides food. The fee

is to a large extent set according to the type of person who will be receiving training. Expatriates, and others who can obviously afford it get charged a higher fee.

KTC is currently returning three sources of income to the community. This includes \$4-5000 accommodation fee per annum for courses, chainsaw sawmilling demonstrations returning about \$1000 per annum, and revenues from the KTC demonstration sawmill of about \$2000 per annum. The latter figure is used to pay Sosimo a wage for running the KTC. Total revenues from the KTC amount to about \$7-8000 per annum.

On a *per capita* basis returns from KTC are about \$250 per head, assuming that Komuniboli is the sole recipient of profits from KTC. While this is substantially lower than the average GDP of \$600 in the Solomon Islands in 1992 (World Bank, 1993:1) it is buoyed by earnings from portable sawmilling.

On average one chainsaw operation can earn about \$500 per cubic metre but spends \$200 so profit is around \$300 per cubic metre<sup>58</sup> (Thorpe, 1992:5). In total the four community chainsawing operations earn around \$10,000 - \$15,000 each per annum or between \$2500 - \$3750 per person operating the saws, assuming four people per saw. Combined earnings from KTC and chainsaw operations are thus significant within the Komuniboli community.

#### 7. Sustainability. (Rating - strong)

The first aspect to sustainability is the financial sustainability of the Training Centre. So far this has not been a problem. Some diversification has occurred with KTC now offering a base for other sorts of training apart from chainsaw sawmilling. This has been necessary because of a decrease in demand for chainsaw sawmilling courses and demonstrations. The use of the KTC training sawmill to occasionally carry out commercial cutting provides additional income. KTC's viability will be enhanced if the proposed joinery workshop could be developed and if other proposed projects such as ecotourism proceed.

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<sup>58</sup> One other commentator felt that my costs were too low, and the figure should increase by \$50 per m<sup>3</sup>. This would lower returns per cubic metre to \$250. This is still the highest of any of the four chainsaw operations analysed by Thorpe in 1992, helped considerably by proximity to Honiara, and also by very low maintenance costs.

In all there is no reason to believe that the KTC's current popularity as a training centre cannot be maintained as its availability becomes more widely known in the Solomon Islands particularly through its links with the Rural Training Centres Association.

The second aspect to the sustainability issue is how long KTC could continue to operate if Sosimo was no longer available to run it. Sosimo is aware of this issue and has started to look for a deputy, to no avail yet. He is not particularly concerned about this as there is enough momentum within the tribe to continue the chainsaw sawmilling operations even if KTC were to fail. The community are also not concerned about the lack of a deputy in the structure of KTC. There is a strong tribal and family structure as previously outlined which would sustain the tribe and community should Sosimo's plans fail to come to fruition, or if he was no longer available as leader. It is likely that with the base that is already in place the success of KTC would continue in most conceivable circumstances, although some outside help might be necessary.

#### 8. Replicability. (Rating - neutral)

The importance of the influence of Sosimo to the setting up of KTC should not be underestimated, nor should the assistance, however minimal, that Komuniboli has received from outside resources. Where these factors are present plus some motivational factor, which for Komuniboli started from Sosimo's reaction to Hyundai's logging proposals, then KTC as a model has potential to be replicated. There are other not-dissimilar training centres that have been set up in the Solomons Islands, for example in North Malaita.

Sosimo warns against trying to recreate one ideal elsewhere, and has turned down requests from other countries to assist with setting up rural training centres stating that such development is best down from within, not from outside.

#### 9. Empowerment. (Rating - strong)

Empowerment would seem to be at its maximum in this project, both for those involved in running KTC, and for those attending courses. The 1988 objective of 'encouraging villagers towards self reliance' has set the scene for this.

To some extent the limited involvement in the project by outsiders, and aid donors has encouraged, even forced Komuniboli to rely on its own resources. Some outside help has been available at crucial times such as sending villagers to Malaita to learn about reforestation on the government's pilot reforestation project. Overall development of skills and structures would seem to be in step with the community's needs. It will interesting to see if it can continue this way.

#### 10. Equity. (Rating - strong)

Not all members of the family or tribe can work at KTC or with the chainsaw operations and the means by which profit sharing is achieved within the community is unknown. The rule that 25 percent of benefits from community projects should go to the community rather than individuals is one means of ensuring that equity considerations are addressed, notwithstanding its more recent breakdown with regard to sawmilling operations.

To all intents and purposes there seem to be opportunities for the wider community, including women, to benefit from KTC financially through working at KTC and through KTC courses. KTC has made its courses particularly available by holding some demonstrations at its own expense and by offering courses at KTC at varying discounts, in some cases free. Employment opportunities also exist from the chainsaw sawmilling associated with KTC and in the wider community.

## SOLOMON ISLANDS DEVELOPMENT TRUST

### LOGGING AWARENESS RAISING

SIDT's overall mission statement is:

*...to empower villagers through development education and political awareness and to strengthen village life through local organisational efforts and village economic viability<sup>59</sup>.*

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<sup>59</sup> From a 1990 SIDT handout called *What is SIDT?*

Logging has not been one of SIDT's special programmes, as for example has been 'Disaster Awareness'. Nevertheless it has undoubtedly been one of SIDT's strongest themes over a number of years judging from conversations with various SIDT staff, LINK issues devoted to logging<sup>60</sup> and the appointment of one of SIDT's Honiara based training officers to specialise in logging and environmental issues.

There appears to be no particular objective for the logging and environmental activities *per se* which is not surprising given that logging is not a specific programme for SIDT. Probably the overall SIDT objective with the most relevance is 'to collect and share through print and other appropriate means the development information and understanding that village people ask for and require'<sup>61</sup>.

In 1992 the logging training officer ran five special logging workshops, and assisted 22 general workshops.

## CRITERIA

### 1. Objectives. (Rating - strong)

Judging the effectiveness of the logging awareness raising programme is not easy, and largely anecdotal. On the one hand a senior staff member with the SIG/AIDAB Inventory Project told me that he was very impressed with the level of understanding on forestry issues of villagers that the Inventory had visited, which he put down to SIDT's efforts at the village level. On the other hand an observer of SIDT in Isabel Province felt that there were not enough mobile teams to do justice to the number of villages that needed visiting, and a logging company manager in the Western Province told me that he was not aware of any activities that SIDT had undertaken about logging in their area of operation.

One observer told me:

*The logging workshop that I was at was poorly organised, and attended by about four old-ladies, a three-legged dog, and an old guy with a pipe. There*

<sup>60</sup> *Logging It Hurts*, Link No. 23, Nov/Dec 1991, SIDT, Honiara.

<sup>61</sup> *Ibid.*

*is no doubt that the organisation could be improved, in management, feedback, and direct help to villagers. On the other hand the ideas of SIDT are all around the province, so they must be doing something good!*

Another observer had this to say:

*The logging workshops are very powerful, however because SIDT has so many themes it is hard for the villagers to keep up. It is too diverse.*

While neutrality is SIDT's stated position on logging there is little doubt that SIDT is generally opposed to large scale logging of the type that is being practiced in the Solomon Islands. Accolades are handed out in their publications whenever a logging company is refused entry by landowners, but not so when landowners accept logging<sup>62</sup>. This attitude must affect their approach to workshops, and production of written material on logging issues.

All in all the logging awareness raising activities will have contributed well to SIDT's mission statement of developing educational and political awareness at the village level, although their ability to contribute to local organisational efforts and village economic viability is doubtful. On this latter point one observer commented:

*SIDT is a success story. It has proven beyond doubt that villagers can work given the right motivation, not necessarily financial motivation. SIDT gives villagers confidence and presents choices. However SIDT needs to consider further its role in development. Having brought people to a certain level of awareness, SIDT needs to empower them in other ways helping them to take control of their resources, and help them set their own development goals..*

The logging awareness raising activities contribution towards the objective quoted above of sharing development information and understanding is quite significant, notwithstanding the biases against logging that affect SIDT's approach.

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<sup>62</sup> For example SIDT's 1992 *Summary Report*, p7; *Link* No. 23, Nov/Dec 1991, p11.

## 2. Set Up and Structure. (Rating - strong)

The strongest push for integrating logging and environment issues into SIDT's activities seems to have occurred in early 1988 when the Australian Overseas Services Bureau (OSB), Conservation Foundation and the Evatt Foundation funded a lawyer to carry out a study into the effects of logging within the Solomon Islands. This information was incorporated by SIDT into their village workshops, and formed the base for their special logging workshops. The setting up of the specialist logging and environment training officer is the upshot of this.

SIDT is very aware that logging is a sensitive issue in the Solomons, and its logging workshops have differences in approach compared with other workshops. SIDT encourage villagers or others who want logging workshops to invite the workshop to come in writing. Letters containing 50 names occasionally act as the basis for a request. SIDT will then arrange a workshop inviting all parties involved in the local area to come including logging companies, politicians and people from surrounding villages.

The length of a workshop is between two to three days for general workshops, and five days for specials. Workshops run in the morning and evening, freeing the afternoon for people to work in their gardens. In logging workshops the training officer explains how logging companies will operate in trying to obtain logging agreements with landowners, and the roles of Central Government, Provincial Government, and Area Councils in negotiations. She also explains SIG's Standard Logging Agreement, individual company structures and backgrounds, and what to do if companies breach agreements with landowners.

Occasionally other organisations have asked SIDT to assist them with their forestry activities such as the SIG/AIDAB Inventory Project. SIDT has had to be a little wary of this because of the additional strain it can place on SIDT's resources. The Director told me that other organisations are 'welcome to come on board, provided they are going in the same direction and carry their own paddle'.

## 3. Management (Rating - weak)

The management of SIDT's logging awareness raising activities cannot be isolated from the management of its awareness activities generally. There is little information specific to the management of the logging awareness activities *per se*.



Management is the one area in which SIDT has its greatest challenge. One long time observer of SIDT at both the Head Office and village level told me:

*SIDT is deeply flawed. There is a vision and a network, but no real management which severely affects the translation of rhetoric into action. There are pockets of real strength, such as South Malaita, but you can expect this as both the Director and Adviser have long associations there. But generally you cannot expect early school leavers to be effective, as they do not have the necessary skills. Most of the people with any talent in the village have already left. The uneducated MTMs in the village are usually not very high in the pecking order. Nowhere is SIDT a truly successful and integral part of village life.*

*SIDT has a good network set up in the field, and very good training in place. This is unfortunately dormant. What it needs is revitalising - the MTMs out there want it, all it needs is for the right decisions to be taken in Honiara.*

Without the enthusiasm and commitment shown by the Director and Adviser which in turn is reflected in SIDT's staff the management lapses that beset SIDT from time to time could cause major difficulties. Witness the following from the 10th Anniversary Celebration Komik Stori:

*1985: Well done to the Temotu MTMs. They worked 9 months without pay. But we paid them in the End! (SIDT, 1991:7)*

Some observers commented that there was enough momentum in SIDT that it would continue comfortably if the Director and Adviser left. However when the Adviser John Roughan actually stepped aside from SIDT in 1990 he became so concerned about the direction of SIDT's management in his absence that he rejoined in mid-1993.

One observer had this to say about SIDT:

*If I had funds in SIDT I would make sure that they were in a bank account where I had control of them. If there is one thing that SIDT has truly to learn about it is accountability of funds.*

The apparently easy availability of funds from the donor community has led to a certain amount of complacency amongst SIDT management according to Roughan. He acknowledges that being able to access money readily can lead to a slightly careless type of management regarding funds, deadlines, and reporting. One observer in a provincial situation told me:

*Under the present field officer, they (SIDT) are virtually inactive, and some money has gone missing. I know its par for the course, but I admit to being disappointed. On the question of follow-up and the removal of this person, there seems to be a lack of movement.*

Roughan noted that they have considered several means of externally reviewing SIDT's management over the years, although none had actually been implemented.

#### 4. Technical Forestry. (Rating - neutral)

Lack of a good understanding about forestry and the environment has caused SIDT some loss of credibility as several letters to LINK complaining about articles highlight<sup>63</sup>. One comment from a provincial observer was:

*There is no doubt that SIDT publications are read at the village level, especially the Komiks. However Link is inaccurate and misleading.*

The training officer is able to source much of her information through a sympathetic lawyer in Australia such as information on company structures, and interpretations of relevant legislation. In March 1992 she was sponsored by AIDAB to attend an 'Environmental Law and Policy' workshop in Australia. Forestry Division also provide information, and attend

<sup>63</sup> Letters from Thorpe (Forestry Division) and O'Leary (Environment and Conservation Division), MNR to LINK in LINK 19, January/February 1991; and from the Managing Director of KFPL in LINK 24, March/April 1992.

workshops at her request. The training officer had on hand copies of several relevant reports on logging, and the environment in the Solomon Islands.

All in all the relevant logging knowledge of the training officer was good, although some inaccuracies were apparent in other aspects of SIDT's work in this area.

#### 5. Environmental/Social/Economic Factors. (Rating - strong)

Environmental factors are discussed under 'Technical Forestry' above.

An understanding of the social and economic conditions in which villagers live is a strong element in SIDT's workshops given SIDT's general understanding of conditions at the village level. The logging and environment training officer commented to me that the main question that villagers ask about logging is 'if the logging doesn't come, where can we get money'. Most villagers ask SIDT for money to start projects. The training officer has to explain to villagers that SIDT doesn't have money, but can help villagers write proposals for projects if they wish. She also outlines to villagers other money earning activities that villagers can do to earn money from forests such as portable sawmilling, honey and ngali (*Canarium species*) nuts.

Having provided the villagers with information on alternatives to logging the training officer is not otherwise involved in the actual decisions that the villagers make. This may mean at times that villagers act contrary to the directions that SIDT might otherwise wish to see them move in.

#### 6. Cost Effectiveness. (Rating - neutral)

Measuring SIDT's cost effectiveness is not an easy task. Quantitatively SIDT are able to produce figures which show the number of workshops that they carry out, and the audiences that they reach, although some of these figures appear a little exaggerated. It is also possible to look at the number of mobile teams in the field, and the structure that SIDT has set up including publications, programmes and action groups such as SEI!. Qualitatively though it is not so easy to determine SIDT's effectiveness. On the one hand are the comments made by observers of SIDT in 'Objectives' above which are generally complementary towards SIDT, on the other hand is the strong criticism of SIDT's management already noted.

One observer felt that ‘donors are wooed by SIDT because of all the good things that they appear to be doing’. It is easy for SIDT to attract funds because of this reason, but it would appear that their management is not always held to account. Indications that some laxity had crept into SIDT management was evident in 1992 when SIDT became critically short of funds for a three month period, because they did not produce (annual) expenditure reports to donors as required.

On the whole with respect to its educational awareness programme SIDT has been cost effective. It has identified, and targeted a real development need well. However there are some inherent weaknesses in SIDT, and there are signs that in order to keep pace with the changing needs of villagers SIDT has lost some ground.

#### 7. Sustainability. (Rating - neutral)

The strength and direction that SIDT get from the Adviser and Director should not be underestimated. Roughan commented that data he had read stated that the average life of an NGO in the developed world is eighteen months (*pers comm*). He liked to remain involved in SIDT because ‘like any organisation it could go under’. Given the tremendous personal involvement of the Director and Adviser in SIDT over the years, it is hard to see them letting go easily. Provided that this is the case then SIDT should remain sustainable from a management point of view, if not then there may be some difficulties for SIDT based on current performance.

For the logging awareness raising activities *per se* SIDT currently only has one training officer specialising in this area, who nevertheless has spent some time training up MTMs. While her departure would be a loss to SIDT it is nevertheless expected that a replacement could readily be arranged and trained in logging and environmental awareness.

Financially the logging awareness raising workshops are part of SIDT’s general budgeting for specialist workshops. SIDT has been able to maintain large budgets over the years from aid sources while generating less than ten percent of total budget from its own sources. Roughan comments:

*While occasionally donors let SIDT down, overall budgets have usually been achieved because SIDT represents a success story, and there aren't too many of those around in the development arena.*

There seem to be no reasons why SIDT couldn't maintain its source of funding from aid donors, provided that it maintains its current reputation, and has someone like Roughan who is familiar with how to obtain aid funds.

#### 8. Replicability. (Rating - strong)

The logging awareness raising activities are not dissimilar to other specialist awareness raising activities run by SIDT and there is no reason why these sorts of activities could not be run elsewhere in other development situations, provided similar supporting infrastructure was in place.

As far as SIDT itself is concerned SIDT's success has led to other NGO's using SIDT as a role model. This could be dangerous depending on the level of understanding that these other NGO's have of SIDT, and their own objectives. It would be wrong to underestimate the influence of the two important personalities that have fostered SIDT.

#### 9. Empowerment. (Rating - strong)

Empowering villagers is the main mission of SIDT and logging awareness raising activities are just one of the means of achieving this. As has already been commented on above the information provided by these activities are an important mechanism for empowering the audiences that they reach, albeit that at the level of offering practical solutions to villagers they are weak. Some questions could be asked about the neutrality of the information presented, its depth, and coverage. Nevertheless SIDT is an important source of information to villagers in isolated communities.

#### 10. Equity. (Rating - strong)

The potential is there for all villagers to benefit from the logging awareness raising activities provided that SIDT has a presence in their area, and taking SIDT's biases and weaknesses into account. SIDT particularly aims their activities at the villagers level. For

example the implementation of workshops ensures that they do not interrupt the flow of people's work because of the time of the day that they are carried out. Nobody, adult or child, is excluded from workshops. Similarly *Komik* stories are written specifically with villagers in mind.

There are potential benefits to logging companies, politicians and others who are invited to come to workshops to either learn from the meetings or to present their points of view. LINK magazine is also prepared to publish letters from forestry interests critical of LINK articles, as has been previously mentioned.

## SOCIAL REFORESTATION PROJECT

In October 1989 SIDT asked the Australian NGO Overseas Services Bureau to assist them in obtaining finance for a social reforestation project<sup>64</sup>. In December that year OSB put forward a request to the NGO Section of AIDAB for financial assistance under AIDAB's Environment Initiative Program. The proposal put forward by OSB called for:

*The use of trained mobile teams and OSB volunteer development workers in conducting village education workshops with a special social forestry focus in three areas in Solomon Islands which have been recently impacted by logging<sup>65</sup>.*

There were five goals:

*...to enhance the communal, social, and economic potential of village people; to deepen awareness among villagers that ecologically sound forest practices protect their land resources in the long run; to demonstrate the economic potential of village activity in the re-generation of forests; to enhance villager self-reliance through the use of local resources; and to promote cooperation and collaboration among various Government Ministries at national and provincial levels, overseas funding groups, church*

<sup>64</sup> Correspondence between SIDT and OSB has variously referred to 'programme' and 'project'. I have used 'project' in this study, as I believe that this more closely fits the nature of the activity.

<sup>65</sup> Proposal entitled *Social Re-afforestation Program* attached to a letter from Diane McDonald, Coordinator, Research and Development, OSB to Sally Burnard, NGO Section, AIDAB of 13 December 1989.

*and local development bodies which are concerned with sustaining and improving the physical environment and ecology of the Solomon Islands.*

The project to be implemented included the recruitment of a local social forester to assist the project; specialised training for SIDT mobile team members at the three locations and flow on training to other team members; a programme of growing sustainable garden and cash crops; identifying teams of at least three women in the three locations for more extensive training in tree planting and management; and funding a visit by a Australian consultant social forester adviser.

The project was due to commence in January 1990 for two years. Total budget was A\$38,600 of which the breakdown is as outlined in Table 3:

TABLE 3 - BREAKDOWN OF SOCIAL REFORESTATION PROJECT BUDGET

ITEM	A\$	%
1. Salary Social Forester	3200	8
2. Stipends for three mobile teams	7500	19
3. Training workshops for mobile teams	2300	6
4. Village workshops	7000	18
5. Evaluation workshop	1900	5
6. Development of resource materials - audio visual etc	1000	3
7. Seeds, plants, and tools	2000	5
8. Forest consultant	3600	9
9. Other costs - office space, equipment etc	2800	7
10. OSB costs	<u>7300</u>	<u>19</u>
Total:	38,600	100

Source: OSB *Social Re-afforestation Program* proposal to AIDAB.

The project did not receive approval from AIDAB until mid-1990. On 12 February 1991 OSB wrote to SIDT enclosing a cheque for A\$13,400 being the first payment for the project<sup>66</sup>. OSB reminded SIDT that they should receive six monthly reports and financial statements on the project to forward to AIDAB.

<sup>66</sup> Letter from Diane McDonald to Abraham Baeanisia of 12 February 1991.



## CRITERIA

### 1. Objectives. (Rating - weak)

Three project sites were identified at Balai in South Malaita, Komuniboli in North Guadalcanal, and in Makira at an unspecified location by the end 1992. However overall the implementation of the project has been quite different to what was first envisaged.

A local social forester had not been recruited to assist the programme. Possibly SIDT were relying on Forestry Division's extension staff to assist in this area, which they had done so at Balai, and somewhat incidentally at Komuniboli. There were no Forestry Division extension staff on Makira. Limited specialised training for MTMs at Balai may have taken place but certainly not elsewhere. The programme of growing sustainable garden and cash crops (agroforestry) had achieved little at Balai, and nothing at Komuniboli. Identifying teams of at least three women for more intensive training had occurred in part at Balai and Komuniboli through placement at the Malaita Reforestation Project. These placements were in fact initiatives of Forestry Division, who paid for the Komuniboli placements. A visit by a consultant social forester had not occurred by December 1992.

Physical progress was limited. At Balai an agroforestry garden site had been cleared and vegetables planted. Produce from the garden had been sold at the Auki market, and some money earned. Unfortunately the type of garden established was not truly sustainable, and people had generally lost interest (see 'Management' below). A small logged over area of approximately two hectares had been established in native seedlings which had been tended by village people and were growing quite well. Additional to these developments was the setting up of eco-tourism activities involving the building of a guest house and display centre for local crafts. By the end of 1992 the guest house was nearing completion<sup>67</sup>.

It is interesting to note that according to the Balai landowners they had originally asked SIDT for a piggery project. SIDT suggested that a project based on Balai's forests was more appropriate, and this led to Balai's inclusion in the reforestation project. Balai were after any project really according to villagers.

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A chainsaw sawmill may have been purchased for Balai from project funds in 1993.

At Komuniboli nothing had been achieved apart from the purchase of some tools.

In summary the implementation of the social reforestation project was highly skewed towards Balai and quite different to project objectives. SIDT has not had much experience in carrying out projects and when they stray into this area are in danger of losing their philosophical roots.

## 2. Set Up and Structure. (Rating - weak)

The background to the Social Reforestation Project has already been outlined above. Ongoing monitoring of the project was to be the responsibility of SIDT, with OSB assessing project development during three field visits. OSB were to forward six monthly financial and narrative reports to AIDAB on the project. Mid-term and end-of-project evaluation workshops would be conducted by SIDT and OSB, reports of which would be forwarded to AIDAB. An Australian social forester was also supposed to visit the project to provide assistance.

In June 1993 AIDAB stated that according to their records they had not received a report from OSB about the SIDT Social Reforestation Project since August 1991, despite the requirement for six-monthly reports<sup>68</sup>. SIDT commented that they provided verbal reports to the OSB field officer who passed through the Solomon Islands fairly regularly. OSB on the other hand observed that their role was as a conduit for funds, and that they had no real involvement in the project!

No mid-term evaluation had taken place by end of 1992, nor indeed had any visit taken place by an Australian social forester.

## 3. Management. (Rating - weak)

The management of the project was largely carried out by the Director of SIDT, working with local MTMs only on occasion. Without doubt the Balai project received far more attention from the Director than did the other sites which is not surprising given that his home village is located nearby. A Japanese Overseas Cooperation Volunteer who was recruited by SIDT to work on *supsup* (vegetable) gardens in SIDT's 'Resource Ples' programme spent a great deal

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<sup>68</sup> It is for reasons such as these that AIDAB are considering becoming more involved in the management and monitoring of NGO projects funded by AIDAB.

of time at Balai trying to set up the agroforestry garden there. He made one visit to Komuniboli and did not return.

Difficulties arose at Komuniboli over the payment of villagers for clearing a garden site for agroforestry. Apparently SIDT had told Komuniboli to go ahead with the clearing, with SIDT promising to pay a daily rate for workers. In the event the work was completed but payment was not forthcoming. This meant that the villagers were disgruntled and Komuniboli felt that they lost respect in the wider community. According to Komuniboli SIDT informed them that they had run out of money to pay the workers, but money would be available in the new financial year. This did not happen. Two meetings arranged by Komuniboli for SIDT to explain their side of the story were not attended by SIDT.

At Balai workers took over a year to be paid for their work in the project.

#### 4. Technical Forestry. (Rating - neutral)

Balai is the only site at which any meaningful progress occurred. As already mentioned the agroforestry garden was not a success technically, while the forest replanting was quite successful even if only on a very small scale. Forestry Division provided technical input into both projects, although they themselves were experimenting with a different type of agroforestry.

#### 5. Environmental/Social/Economic Factors. (Rating - weak)

The project goals seem to be strongly oriented along environmental, social and economic themes. The rhetoric however has been somewhat stronger than the application, as already described. As Balai is the only area at which any real progress took place it is the only one on which comment can be made.

The major activities at Balai were agroforestry, replanting and eco-tourism. The latter was not in fact part of the original project. It is difficult to see how the implementation of these projects has contributed to the projects goals of 'enhancing the communal, social and economic potential of village people', or deepened 'awareness among villagers that ecologically sound forest practices protect their land resources in the long run'. While the project's implementation may have raised some awareness amongst villagers of the issues involved, it is

unlikely that the method of implementation will have inspired much confidence in the actual processes used.

Payment of villagers by the project to work on their own land raised some important points that SIDT were struggling with. On the one hand it recognised that villagers needed money and could expect a return for their input into the project. On the other hand it set up expectations, and caused villagers to regard the project as not belonging to them. This was particularly the case at Balai. Once funding had stopped for the agroforestry and tree planting sites little more interest was shown by Balai villagers in the project.

#### 6. Cost Effectiveness. (Rating - weak)

The Social Reforestation Project raises some interesting points. The first of these is the high cost of OSB's management of the project at nineteen percent of total project costs, especially if it was only going to be a 'conduit for funds'. When SIDT administration costs are also taken into account total administration costs run to 26 percent of total budget, ignoring such things as evaluation workshops and a visit by the Australian consultant. This is at the high end of administrative costs compared with for example costs previously calculated for the SIG/AIDAB Timber Control Unit Project and Inventory Project.

The second point is that so little of the project was actually implemented as set out in the original project document. While changes can always be accepted in project designs and the management flexibility available to SIDT's activities is appreciated, the order of magnitude of the changes to this project are difficult to understand.

If the project was not implemented according to the project design, what happened to project funds? According to the SIDT's *Summary Report's 1991 - 1992* \$27,000 was spent on the project in 1992 but nothing in 1991. This seems odd as activity certainly took place in 1991. Undoubtedly most of the expenditure in the project took place at Balai and most of it on the ecotourism venture which was not part of the original project design.

#### 7. Sustainability. (Rating - weak)

The project is not sustainably financially, nor are any of the elements in it except possibly the ecotourism. Even here the location of the guesthouse, access problems, lack of amenities

and shortage of obvious attractions will deter all but the hardiest of tourists. Management of the venture by inexperienced villagers may also cause some teething problems. Probably the major factor in the ecotourism's favour is the extremely low costs of maintaining the project guesthouse and display centre.

The agroforestry site is not sustainable nor is the replanting site at Balai. The type of replanting carried out requires a lot of maintenance (weeding) which on a larger site would be beyond the scope of the villagers. At Balai villagers were already losing interest once payment for the project had stopped.

The villagers at Balai may have learnt some lessons that might be useful to them. However as it is unlikely that these lessons will provide the villagers with any major progress towards self reliance it is unlikely that the lessons could really be regarded as sustainable.

#### 8. Replicability. (Rating - weak)

It is not possible to determine if the project that was originally planned is replicable, because it was never implemented according to plan. While this might suggest that the project was at fault in fact it was not necessarily a bad project but its implementation was poor.

#### 9. Empowerment. (Rating - weak)

Some limited empowerment may have occurred in the project through the training provided to villagers at the project sites and at the Forestry Division's Malaita Reforestation Project, and from the lessons learnt during project implementation. However because the project as implemented has proven itself largely unsustainable it is unlikely that these lessons will be truly empowering.

From a management perspective little will have been achieved at Komuniboli because so little was achieved by the project. At Balai it is not surprising that villagers did not feel particularly motivated by the project. Originally they had asked for a piggery project. They were then paid to implement the project that they did get while having minimal management input because of SIDT's strong oversight.

#### 10. Equity. (Rating - neutral)

At Komuniboli there was limited, indeed no potential for the people to benefit from the physical implementation of the project. At Balai there was potential let down by poor management. The ecotourism venture may yet prove beneficial.

## CHAPTER 5

### SUMMARY AND CONCLUSIONS

#### SUMMARY

The objectives of this study are *to evaluate and compare the effectiveness of the aid delivery of aid agencies* by defining effective aid delivery, setting up mechanisms to evaluate the effectiveness of aid delivery and carrying out comparative studies of aid agencies in aid delivery. Effective aid delivery has been defined in Chapter 1 as *progress towards achieving results to attain development, as defined by a standard set of criteria*. Development has been defined in terms of self-sustaining economic growth, improvement in standards of living and equal opportunities.

Ten different criteria were identified through which the effectiveness of projects and programmes being implemented by specified aid agencies have been evaluated. The evaluation criteria have not been subject to ranking so that each of the ten criteria is regarded as of equal importance for this study. Individual criteria have, however, been assessed as either weak, neutral or strong to build up a picture of the effectiveness of projects and programmes and the agency's implementing them.

Five aid agencies were selected for this study based on their commitment to development activities and forestry in the Solomon Islands over the longer term and their representativeness as different types of aid organisation. These are the Australian International Development Assistance Bureau, Commonwealth Development Corporation, European Community, Komuniboli Village and Solomon Islands Development Trust.

The agencies were evaluated and compared through all the relevant forestry projects and programmes being implemented by them. For AIDAB this meant that three projects and programmes were evaluated, for Komuniboli Village and CDC only one each, and two each for EC and SIDT. No ranking of 'importance' was placed on the projects or programmes so that, for example, the SIDT Social Reforestation Project ranks equally with SIDT's Logging Awareness Raising activities in this study. Arguably Logging Awareness Raising is more important to



SIDT than the Social Reforestation Project however this was not an issue explored in this study.

The results of the evaluation process have been summarised in Table 4.

TABLE 4: SUMMARY OF PROJECT AND PROGRAMME EVALUATIONS

AGENCY	AIDAB			CDC	EC		Komuniboli Village	SIDT	
CRITERIA	Allardyce	Inventory	TCUP	KFPL	Viru	Sector Study	KTC	Logging Awareness	Social Reforest.
1. Objectives	Weak	Neutral	Strong	Neutral	Neutral	Weak	Strong	Strong	Weak
2. Set up and Structure	Weak	Neutral	Neutral	Neutral	Neutral	Strong	Strong	Strong	Weak
3. Management	Weak	Weak	Neutral	Weak	Neutral	Neutral	Strong	Weak	Weak
4. Technical Forestry	Weak	Strong	Strong	Strong	Strong	Weak	Neutral	Neutral	Neutral
5. Environmental/Social/Economic	Neutral	Weak	Neutral	Neutral	Neutral	Weak	Strong	Strong	Weak
6. Cost Effectiveness	Weak	Weak	Strong	Weak	Strong	Weak	Strong	Neutral	Weak
7. Sustainability	N.A.	Neutral	Strong	Neutral	Weak	N.A.	Strong	Neutral	Weak
8. Replicability	N.A.	Strong	Strong	Strong	Strong	N.A.	Neutral	Strong	Weak
9. Empowerment	N.A.	Neutral	Strong	Strong	Strong	N.A.	Strong	Strong	Weak
10. Equity	N.A.	Neutral	Strong	Neutral	Strong	N.A.	Strong	Strong	Neutral
PROJ./PROG. SUMMARY	Ineffective	Neutral	Effective	Neutral	Effective	Ineffective	Effective	Effective	Ineffective

N.A. - not applicable.

The project and programme summary from Table 4 shows that four out of the nine projects and programmes evaluated are effective *viz.* the Timber Control Unit Project, Viru Reforestation Project, Komuniboli Training Centre and Logging Awareness Raising Activities. Two projects were found to be neutral, the Inventory and KFPL projects and three projects or programmes were found to be ineffective - Allardyce Reforestation Project, Forestry Sector Study, and Social Reforestation Project. Each project and programme is reviewed in turn below.

## AUSTRALIAN INTERNATIONAL DEVELOPMENT ASSISTANCE BUREAU

Only one of the three AIDAB projects evaluated has been found to be effective, that is to say the TCUP project. The Allardyce Project is ineffective, while the Inventory Project is neutral. The Inventory is the most expensive of the projects to be implemented by AIDAB so neutral effectiveness must be cause for concern.

The Allardyce project was found to be weak against five of the six applicable criteria, and neutral in one. This was not a project well handled by AIDAB and was rightly rejected by SIG in its early stages. The Inventory project had two strong but three weak elements in it, while the remainder were neutral. AIDAB staff have commented that the project 'Set up and Structure', which was found to be neutral, would be done differently under current procedures nevertheless the 'Management' of the project and its 'Cost Effectiveness' were still weak. The Inventory was found to be strong in 'Replicability' because of the decision to carry out most of the project's activities in the Solomon Islands rather than Australia, contrary to other inventory projects that AIDAB has carried out elsewhere. This assumes that enough lessons have been learnt from this project that the weak elements within it would not be replicated. 'Technical Forestry' the main focus of the project was found to be strong, but 'Environmental/Social/Economic Factors' was weak. The inclusion of environmental and social elements into the project was not well thought through and led to weaknesses in their implementation, not helped by weak 'Management'.

The TCUP project was neutral in 'Set Up and Structure', 'Management', and 'Environmental/Social/Economic Factors' but strong in all other categories. There was little that AIDAB was prepared to do to alter 'Set Up and Structure', although 'Management' was improving as the project proceeded, which will have gone some way in overcoming some of the Ministry of Natural Resources concerns in this area. The sustainable forest management component to the TCUP was not a viable element and caused 'Environmental/Social/Economic Factors' to be marked neutral. Sustainable forest management is a reflection of AIDAB's sensitivity to environmental issues rather than to the practicalities of the project itself.

## COMMONWEALTH DEVELOPMENT CORPORATION

The KFPL project was found to be neutral. Its strong elements were 'Technical Forestry', 'Replicability' and 'Empowerment', although the first and last of these could equally be put

down to the efforts of the SIG as to CDC. As a fairly standard plantation forestry project, despite some claims to be more than this, its 'Replicability' was never really in doubt. Unfortunately KFPL 'Management' was found to be weak, which caused its 'Cost Effectiveness' to be weak. Given this and combined with neutral ratings for other criteria the project could overall only be rated as neutral.

There were signs that the project was turning around, and becoming more effective. Nevertheless some of the problems outlined above should have been identified earlier on in the implementation of the project and this mitigates against the project being rated higher by the study. Given that CDC has significant long term developmental experience in the setting up and management of large scale projects it is disappointing that it was not able to rectify some of the inherent problems in KFPL earlier.

## EUROPEAN COMMUNITY

The Viru Reforestation project has been rated as effective, and the Forestry Sector Study as ineffective. The Sector Study was foundering at the end of 1992, a reflection of its poor performance.

Five of the criteria for the Viru Reforestation project were found to be strong, with weaknesses in its 'Sustainability' and neutral in 'Objectives', 'Set Up and Structure', 'Management' and 'Environmental/Social/Economic'. The projects sustainability ie its viability had not been well considered by the project in economic terms, not unlike many forestry projects in the developing world. It was not asked to consider sustainability in human resource terms. This lack of full consideration of economic issues caused 'Environment/Social/Economic Factors' and 'Objectives' to be neutral. The 'Objectives' of the project were to establish an 'economically viable forest plantation'. While the project had indeed established a plantation forest its economic viability was uncertain at best. The project's 'Set up and Structure', and 'Management' were largely inherited from the previous project funded by British ODA nevertheless the EC imposed structure and management created as many problems for SIG as it did assist the project. EC's setting up of the project was limited at the time by relatively weak appraisal procedures which have improved since, at least on paper.

The Forestry Sector Study was found to be strong in its 'Set Up and Structure', to which credit must be given to the EC, but let down by the EC's 'Management' of it, which was neutral.

Apart from 'Replicability', which was neutral, all other applicable criteria were weak, including 'Objectives' which had been let down by the consultants themselves and their management by EC. The audacity of the consultants in carrying out poor work cannot be mitigated by 'reviewing the report in its political context' as suggested by the EC, especially given the high consultancy fees charged. 'Replicability' has been rated neutral because although 'Set Up and Structure' was strong, 'Management' and other criteria were not.

## **KOMUNIBOLI VILLAGE**

The KTC project was found to be effective.

The only aspects where the KTC was found to be anything other than strong were with regard to 'Technical Forestry' and 'Replicability' which were neutral. For the former of these KTC was able to seek assistance from outside the organisation. Arguably 'Environmental/Social/Economic Factors' could also be rated as neutral because of some weaknesses in the 'economic' (financial) area. However in the context of the social settings in which they are working this was not felt to be a major weakness. 'Replicability' was only constrained by the influence of the main personality that had led to the setting up of KTC and the help that was needed from outside from time to time.

## **SOLOMON ISLANDS DEVELOPMENT TRUST**

The Logging Awareness Raising activities have been found to be effective while the Social Reforestation Project is ineffective.

Awareness raising is SIDT's main *raison d'être* but it is surprising how the Logging Awareness Raising activities as an example of this have not performed as strongly overall as might be expected. Undoubtedly SIDT's 'Management' is the weakest element, and while progress towards 'Objectives' and 'Set Up and Structure' might be strong, there are still some areas of concern in these two areas. 'Cost Effectiveness' is only neutral. 'Sustainability' is found to be neutral due to the dependence of SIDT on aid money and on the Adviser to secure this for them, and there have been some weaknesses in 'Technical Forestry' which also caused it to be rated neutral. The remaining criteria have been found to be strong.

The weaknesses in SIDT management are exposed further in the Social Reforestation Project, where 'Management' and most other elements are rated weak, with the exceptions of 'Technical Forestry' and 'Equity', which are rated neutral. SIDT has not had much experience with implementing projects and still has far to go judging from the results of this study.

## CONCLUSIONS

There are many reasons for not wanting or being unable to carry out evaluations of an agency's effectiveness in aid delivery. The Advisory Committee on Voluntary Foreign Aid to the US Agency for International Development notes that:

*It is difficult to gauge the performance of any organisation or group of organisations because there is no broadly accepted standard of what constitutes effectiveness (USAID, 1988:3).*

Other commentators have noted:

*Although we have data on their financial resources, few NGO claims have been subjected to systematic scrutiny. Across the spectrum of NGOs involved in development there is great variation in what they know about the effects of their assistance... Even those NGO's who employ project officers rarely undertake systematic evaluation. Nor are the results of project visits widely disseminated through the organisations or to the public (Porter, and Clark, 1985:1).*

and;

*At the risk of over-generalising, it does seem that the greatest pressure on those in executive positions in headquarters offices of assistance agencies is to initiate projects - rather than to analyse; to consider priorities; and to devote most time to improving the quality and relevance of assistance. ... The capacity to disburse funds seems to be a more important criterion than the record of effective changes brought about in recipient countries (Douglas, 1983:140).*

And yet progress does seem to be being made in this area with a number of agencies more active in evaluations, including NGO's. In this study alone it was noted that the EC has brought out more comprehensive criteria dealing with project and programme assessment, implementation and evaluation, and that AIDAB was likely to get more involved in the assessment of NGO projects and programmes funded by AIDAB where evaluation weaknesses were apparent.

Certainly it is the contention of this study that evaluation of the effectiveness of aid delivery is particularly useful if an agency is truly committed to assisting developing countries and peoples. While definitions of effectiveness and other terms might be fraught with difficulty, and practical considerations mitigate against full evaluations some form of evaluation is still useful to guide aid agencies towards effective aid delivery. The Advisory Committee certainly thought so. Despite stating above that it is difficult to define effectiveness they proceeded to set up criteria by which they then measured the effectiveness of private voluntary organisations in the United States.

All of the implementing agencies involved in this study rely on aid funding to varying extents as part of their total budgets, for example Forestry Division relied on aid funding for over 90% of its budget in 1989 and SIDT relies on aid for some 90% of its budget. SIDT have deliberately attracted aid money and have no concrete plans to change this situation, whereas Forestry Division have alternate sources of funds through levies and custom duties but are limited by Government decree in the amount that they can access. Whatever the context the effectiveness of aid delivery is an important factor in determining the effectiveness of these agencies<sup>1</sup>.

Effective aid delivery should lead to development as described in the definition above. Neutral aid delivery may or may not be leading towards development, nevertheless its neutral status suggests some need for redirection of a project or programme or transfer of resources elsewhere. Ineffective aid delivery should not be allowed to continue in its current form, for example SIDT's Social Reforestation Project. Rather ineffective aid delivery should be redirected or curtailed such as has occurred with the Allardyce Reforestation Project and the Forestry Sector Study. Evaluation studies provide the opportunity for aid delivery to be assessed and action taken if need be.

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<sup>1</sup> . Conversely part of the effectiveness of these agencies will also be their ability to attract aid, a factor not considered in this study.



The results have shown that it is possible to carry out a comparative study of aid agencies by using a set of defined criteria, despite their obvious differences in aid delivery. The criteria developed have been found to be the most appropriate for this sort of comparison given the type of projects, programmes and agencies under comparison, and the skill and aptitude of the person carrying out the evaluations. It is expected that similar sorts of criteria could be used in other situations, with modifications where required.

The criteria have effectively provided a framework for evaluation and comparison, in much the same way that the USAID logframe (see Appendix 3) provides a framework for project and programme implementation. Without such a framework, and given the diversity of projects and programmes that aid agencies implement it would not be possible to review projects and programmes, or compare them and the agencies that implement them on a systematic basis. In effect this study has developed an 'Evalframe'.

It is dangerous however to extrapolate from the limited number of project and programmes evaluated in this study to state categorically that an agency has particular strengths and weaknesses in one criteria or another such as 'Technical Forestry' or 'Sustainability'. In such situations the criteria can at best only be guides at the agency level, useful for building up a picture of an agency's effectiveness overall not necessarily within a particular criteria.

One factor that does stand out across the agencies involved is the influence of individuals within each agency, project or programme. While this applies particularly to KTC and SIDT, it also holds true for the other agencies. The larger agencies are able to rely more on their institutional structures for their aid delivery nevertheless the difficulties that beset the AIDAB projects and KFPL at times and moves made to rectify these were all dependent on individual initiatives and personalities.

Evaluations of individual projects and programmes provide an understanding of each of these *per se*, but comparative evaluations enable lessons to be learnt from others. Comparative studies are not easy, not the least problem is due to the protectiveness of individual agencies towards the work that they are carrying out. To mitigate against this studies such as this one must be seen to be aiming towards the improvement of aid effectiveness, not censuring the projects, programmes or agencies under study.



The study has avoided judgments on the worthiness of projects or programmes. There could well be opportunity for such judgments to be made with additional evaluation criteria added to the list used in this study. What the study does highlight is that it is not possible to say that any one development agency or group of agencies such as NGO's is more effective than any other without having any systematic basis to judge this on.

The number of projects and programmes evaluated in this study, while not large, is unusual because of their concentration in one sector - forestry, and in one socio-geographic location - the Solomon Islands. They are particularly unusual because of the range of agencies that they have been taken from, and the depth to which the author has been able to go in their evaluation because of his own experiences and contacts in this area. While the actual number of projects and programmes has not been large their diversity has been useful to test out the evaluation criteria developed for this study.

The study has found that on an individual project or programme basis the TCUP, Viru Reforestation Project, KTC and Logging Awareness Raising activities have been effective. For other projects such as KFPL changes are being made to their implementation to improve effectiveness. These projects and programmes span the five agencies involved in this study. Essentially what this suggests is that there can be no pre-conceived notion that any particularly type of aid agency is necessarily any more effective than another in practice. There are too many variables affecting the implementation of projects and programmes for such broad statements to hold true in each case.

If one takes the position that AIDAB, CDC and EC reflect the modernisation school of development theory, with SIDT tending towards dependency and KTC's position unclear, there is nothing that this study has found that leads to the conclusion that one theoretical stance is more effective than another in practice. In fact many of the project and programmes being implemented by aid agencies, including the ones involved in this study reflect a range of developmental perspective's that have arisen through the combined experiences of assistance to developing countries over the years. It might be argued that the Viru and KFPL plantation projects are *prima facie* examples of the modernisation industrialisation form of development. And yet social issues are important parts of these projects, and increasingly so for the two agencies concerned in their implementation, which would seem to reflect a dependency perspective.

SIDT openly refers to ideas from Paulo Freire, a proponent of dependency theory, as contributing to its development (SIDT, 1991:2) and has largely espoused programmes as the main method of operation. Yet it too is having to grapple with projects, once seen as the main preserve of modernisation theorists.

Similarly while this study has not focused in depth on the approaches to aid delivery advocated by each aid agency there is no particularly reason to believe that top down, bottom up, community management, or participatory approaches have worked for the majority of agencies with the possible exception of Komuniboli Village. For Komuniboli it does seem that a participatory approach has had particular benefits, but then this is a cultural phenomenon under which KTC could always have been expected to operate.

As has been commented on in Chapter 1 it is unlikely that any of the agencies will have acknowledged or even be aware of the theoretical position that they will be unwittingly putting into practice, with the notable exception of SIDT. This is particularly true of Komuniboli Village. It can only be a matter of conjecture how it might affect their method of implementing aid if they did acknowledge their position. Certainly, what the results of this study indicate is that in terms of effectiveness of aid delivery theoretical position is no indicator of final results.

This study has not been concerned with the purposes or 'effectiveness' of aid, rather with the effectiveness of aid delivery. Within this context what is needed for the implementation of projects and programmes to be effective is less of a blind adherence to one set of theories or another or a particular approach to aid delivery but a broad understanding of what will work in practice and the impacts that it will have.

For forestry this may well mean an industrial project working alongside small scale developments, or the integration of large scale plantations with extension activities as has for example been talked about for KFPL. It may also mean continued overseas aid investment in forestry provided that potential problems of dependency on aid donors, or inequitable sharing of benefits are addressed.

*Forestry for local needs is not the perfect panacea, nor was industrialisation, for every country, at every time...we argue there is no single blueprint or panacea (Kengen, 1987:1-2).*

This study has shown that it is possible to develop and implement comparative evaluations of the effectiveness of aid delivery in spite of practical or theoretical difficulties in doing so. If the ultimate aim of aid agencies is to assist developing countries, regardless of ulterior motives, then the effectiveness of their aid delivery must be of prime importance. Studies such as this one, which set up and test evaluation procedures, drawing lessons from the results are a guide for agencies to draw upon in their own pursuit of aid effectiveness.

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## APPENDICES

### APPENDIX 1 DETAILS OF AID DELIVERY TO FORESTRY DIVISION 1952 - 1989<sup>1</sup>

#### 1952 - 1956

All activities of the Forestry Department were paid for out of British Colonial Development and Welfare (CD&W) funds.

#### 1. Staff<sup>2</sup>

1952 - Chief Forest Officer - expatriate.

- Local (junior) staff numbers unknown.

1953 - Chief Forest Officer - expatriate.

- Local (junior) staff numbers unknown.

1954 - Chief Forest Officer - expatriate.

- Local (junior) staff - five

1955 - Chief Forest Officer - expatriate.

- Local (junior) staff numbers unknown.

1956 - Chief Forestry Officer and one other expatriate.

- Local (junior) staff - two

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<sup>1</sup> Sources: Forestry Division (originally Department of Forests) *Annual Reports* 1952-1989, otherwise from Forestry Division files.

<sup>2</sup> Does not include labourers.

Total budget in 1952-54 - A£12,518.

Total budget in 1955 - A£5167.

Total budget in 1956 - A£8713.

## 2. Projects

None recorded.

## 3. Other Assistance (1952 - 1956)<sup>3</sup>:

- CSIRO, Australia assisted with wood identification.
- Forest Departments of Papua and New Guinea undertook botanical work, and supplied seed.
- Colonial Products Research Laboratory of the Imperial Institute, United Kingdom (UK) provided assistance in determining the commercial value of seed oil and gum from various tree species.

## 1957

81.5 percent of Department budget (A£8700) met from CD&W funds, remainder from Protectorate budget.

## 1. Staff

- Chief Forestry Officer and one other expatriate.
- Local (junior) staff - six.

## 2. Projects

None recorded.

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<sup>3</sup> Long term training of Solomon Island staff started prior to 1952 in anticipation of a Forestry Department being set up, and continued unabated until 1989. It was funded from a number of sources both aid and Solomon Islands Government, but because it is not always possible to determine the source of funds training is not recorded here. Overseas study tours are likewise not recorded here.



### 3. Other Assistance:

- Mr Breff, and Mr Gordon the latter of the Imperial Forestry Institute, Oxford, drafted the new forestry legislation.

## 1958

79.9 percent of Department budget (A£16,825) met from CD&W funds.

### 1. Staff

- Chief Forest Officer, and one other expatriate.
- Local (junior) staff - four, and four in training.

### 2. Projects

None recorded.

### 3. Other Assistance:

- A.G. Hansen, from the Australian Commonwealth Forestry and Timber Bureau, to study appropriate royalty rates for kauri on Vanikoro.
- CSIRO tests on logs continued.
- Forestry and Land Use Section of the Directorate of Overseas Surveys worked on mapping the occurrence of *Terminalia brassii*.

## 1959

50 percent of Department budget (A£13,800) met from CD&W funds.

### 1. Staff

- Chief Forest Officer, and one other expatriate.
- Local (junior) staff - numbers unknown.

## 2. Projects

None recorded.

## 3. Other Assistance:

- *Terminally brassii* resource maps were received from the Forestry and Land Use Section of the Directorate of Overseas Survey.

## 1960

8.3 percent of Department budget (A£20,763) met from CD&W funds.

## 1. Staff

- Chief Forest Officer, and three other expatriates.
- Local (junior) staff - numbers unknown.

## 2. Projects

Training of junior staff under CD&W funds.

## 3. Other Assistance:

- Visit by the Forestry Adviser to the Secretary of State for the Colonies<sup>4</sup>.

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<sup>4</sup> I strongly suspect that routine visits by UK Forestry Advisers has occurred more regularly than is recorded in Annual Reports.

## 1961

4.6 percent of Department budget (A£19,241) met from CD&W funds.

### 1. Staff

- Chief Forestry Officer, and three other expatriates.
- Local (junior) staff - numbers unknown.

### 2. Projects

- Training of junior officers - CD&W.
- Forestry (capital) development - CD&W.

### 3. Other Assistance

None recorded.

## 1962

37.6 percent of Department budget (A£38,430) met from CD&W funds.

### 1. Staff

- Chief Forest Officer and five other expatriates.
- Local (junior) staff - numbers unknown.

### 2. Projects

- Forest training for junior staff - CD&W.
- Forestry (capital) development - CD&W.
- Forestry Botany - CD&W.

### 3. Other Assistance

None recorded

## **1963**

60.3 percent of Department budget (A£58, 697) met from CD&W funds.

### 1. Staff

- Chief Forest Officers and five other expatriates.
- Local (junior) staff - ten

### 2. Projects

- Forestry training for junior staff - CD&W.
- Forestry (capital) development - CD&W.
- Forestry botany - CD&W.

### 3. Other Assistance

None recorded.

## **1964**

48.6 percent of Department budget (A£45,697) met from CD&W funds.

### 1. Staff

- Chief Forestry Officer and three other expatriates.
- Local (junior) officers - numbers unknown.

## 2. Projects

- Forestry training - CD&W.
- Forestry (capital) development - CD&W.
- Forestry botany - CD&W.

## 3. Other Assistance

- Land Resources Division, Directorate of Overseas Surveys provided in-country assistance in aerial resource surveying, funded by the UK Ministry of Overseas Development.
- Visit by the Forestry Adviser to the Secretary of State for the Colonies.

## 1965

36.6 percent of Department budget (A£51,621) met from CD&W funds.

## 1. Staff

- Chief Forest Officer and eight or nine other expatriates.
- Local (junior) staff - numbers unknown.

## 2. Projects

- Forestry training for junior staff - CD&W.
- Forestry (capital) development - CD&W.
- Forestry botany - CD&W.
- Timber testing (CSIRO) - CD&W.

## 3. Other Assistance

- Second visit by Land Resources Division, Directorate of Overseas Surveys in aerial surveying.
- Visit by an officer of the British Forestry Commission to produce *Pometia pinnata* log volume tables.

- Chief Forestry Officers tour to Malaysia financed by the South Pacific Commission.
- The Silvicultural Research Officer had a study course and overseas tour to unknown destinations funded by the Ministry of Overseas Development.

## 1966

36.9 percent of Department budget (A\$117,803) funded by CD&W.

### 1. Staff

- Chief Forest Officer and six senior staff (expatriates?).
- Local (junior) staff - numbers unknown.

### 2. Projects

- Forestry (capital) development - CD&W.
- Forest botany - CD&W.
- Timber testing (CSIRO) - CD&W.
- Forest Regeneration Pilot Project - CD&W.

### 3. Other Assistance

None recorded.

## 1967

39.3 percent of Department budget (A\$122,700) funded by CD&W funds.

### 1. Staff

- Conservator, and three senior staff (expatriates?).
- Local (junior) staff - numbers unknown.

## 2. Projects

- Forestry development - CD&W.
- Timber testing (CSIRO) - CD&W.
- Forest regeneration pilot project - CD&W.

## 3. Other Assistance

- Forest survey data analysis assistance from the Commonwealth Forestry Institute (CFI), Oxford.
- Visit by M. Gane, Forest Economist, from the CFI - exploratory visit.
- Visit by J. Turbang, Regional Forestry Officer, Asia Pacific Forestry Commission (FAO) to consider means of promoting investment in forest crop production.
- Short term visit by an engineer under the Australian South Pacific Technical Assistance Programme to visit timber companies to plan 'on the job' training of heavy plant operators.
- Visit by Forestry Adviser, UK Ministry of Overseas Development.

## 1968

6.8 percent of Department Budget (A\$115,409) from CD&W funds.

## 1. Staff

- Conservator and six senior staff (expatriate?).
- Local (junior) staff - numbers unknown.

## 2. Projects

- Forestry development - CD&W.
- Timber testing (CSIRO) - CD&W.
- Forest regeneration pilot project - CD&W.



### 3. Other Assistance

- UNDP short term visit to carry out a preliminary marketing study.

## 1969

6.1 percent of Department budget (A\$129,390) from CD&W funds.

### 1. Staff

- Conservator and seven senior staff (expatriate?).
- Local (junior) staff - eighteen foresters, forest rangers, and forest guards.

### 2. Projects

- Forest regeneration pilot project (building costs only) - CD&W.

### 3. Other Assistance

- J. Buchanan carrying out a timber marketing survey for FAO.

## 1970

5.6 percent of Department budget (A\$139,463) from CD&W funds.

### 1. Staff

- Conservator and seven senior staff (expatriate?).
- Local (junior) officers - numbers unknown.

### 2. Projects

- Forest regeneration pilot project (building costs only) - CD&W.
- Project number 37 - not detailed (possibly for timber plantation capital costs, funded under UK aid).

### 3. Other Assistance

- Visit of Mr J. Wyatt-Smith, Forestry Adviser.
- Dr T. Whitmore (previously Solomon Island Forest Botanist 1962-1964) visit for further botanical collections.

## 1971

No breakdown of Department budgets (A\$188,043) is possible.

### 1. Staff

Numbers not recorded.

### 2. Projects

Not recorded.

### 3. Other Assistance

None recorded.

## 1972

78.2 percent of Department budget (A\$189,221) from aid.

### 1. Staff

Numbers not recorded.

## 2. Projects

- Regeneration project capital expenditure - UK aid.

## 3. Other Assistance

- Market analysis study by A.J. Leslie, Chief of the Trends, Studies, and Economic Analysis section, FAO, Rome.
- Study tour by a group from the Japanese Overseas Afforesting Association (JOAA) looking at potential investment opportunities in plantation forestry.
- Dr T. Whitmore began write up of data collected from ecological trials under UK Technical Assistance.
- *Pinus* seed obtained from Commonwealth Forestry Institute, Oxford - UK aid?

## 1973

59.6 percent of Department budget (A\$158,026) from aid.

## 1. Staff

Numbers not recorded.

## 2. Projects

- Regeneration project capital expenditure - UK aid.

## 3. Other Assistance

- Second market analysis study visit by A.J. Leslie, FAO, Rome.
- Dr T. Whitmore completed write up of data collected from ecological trials under UK Technical Assistance.

- New Zealand aid financed a study on the feasibility of pulpwood production in the Solomon Islands.
- Professor Pryor of Australian National University, Canberra provided advice on the potential of various eucalyptus species for the Solomon Islands.

## 1974

No breakdown of Forestry Division's (Ministry of Trade, Industry, and Labour) budgets (A\$183,230) is possible.

### 1. Staff

Numbers not recorded.

### 2. Projects

- Regeneration project capital expenditure - UK aid.
- Japanese Overseas Afforesting Association - pulpwood planting trials on Kolombangara.

### 3. Other Assistance

- Third market analysis study visit by A.J. Leslie, FAO, Rome.
- New Zealand financed study on pulpwood broadened to include timber and timber in conjunction with pulpwood.
- United Nations Development Programme (UNDP) consultative visit to investigate the benefits of local processing.

## 1975

94.2 percent of Forestry Division's budget (A\$236,244) from aid.

### 1. Staff

Numbers not recorded.

## 2. Projects

- Regeneration project capital expenditure - UK aid.
- Japanese Overseas Afforestation Association - pulpwood planting trials on Kolombangara.

## 3. Other Assistance

- A.J. Leslie visit under FAO/UNDP to investigate the most appropriate form of organisational structure for forestry and for appraisal of the benefits of local processing.

## 1976

86.9 percent of Forestry Division's (Ministry of Natural Resources) budget (A\$493,724) from aid.

## 1. Staff

- Numbers not recorded.
- Appointment of first Solomon Islander as acting (later confirmed) Chief Forestry Officer.

## 2. Projects

- Regeneration project - UK aid.
- Japanese Overseas Afforestation Association - pulpwood planting trials on Kolombangara.
- Two aid funded training officers at Poitete and vehicles and equipment for the UK regeneration project provided by NZ ODA.

## 3. Other Assistance

- Japanese International Cooperation Agency (JICA)/JOAA joint mission to investigate possibilities of planting pines on North Guadalcanal.
- UNDP/FAO team to study the most appropriate form of organisational structure for forestry.

## 1977

89.9 percent of Division's budget (\$638,688) from aid.

### 1. Staff

Numbers not recorded.

### 2. Projects

- Regeneration project - UK aid.
- Japanese Overseas Afforesting Association - pulpwood planting trials on Kolombangara.
- Two aid funded training officers at Poitete and vehicles and equipment for the UK regeneration project provided by NZ ODA.

### 3. Other Assistance

- A second JICA/JOAA joint mission to investigate possibilities of planting pines on North Guadalcanal.

## 1978

88.4 percent of Division's budget (\$767,251) from aid.

### 1. Staff

Numbers not recorded.

## 2. Projects

- Regeneration project - UK aid.
- Japanese Overseas Afforesting Association - pulpwood planting trials on Kolombangara.
- Two aid funded training officers at Poitete and vehicles and equipment for the UK regeneration project provided by NZ ODA.
- Cattle Under Tree Project - ADAB (now AIDAB), with Cattle Manager supplied by New Zealand aid.

## 3. Other Assistance

- Entomologist visit to inspect *Amblyopelta* insect attack on *Eucalyptus deglupta*, and *Camnosperma brevipetiolata*, funded by UK aid.
- Visit by UK forestry adviser - UK ODA.

## 1979

47.4 percent of Division's budget (\$195,250) from aid.

## 1. Staff

Numbers not recorded.

## 2. Projects

None recorded.

## 3. Other Assistance

- Entomologist study on *Amblyopelta* insect attack - UK aid.
- Visit by UK forestry adviser - UK aid.
- Cattle Under Tree Project - ADAB, with Cattle Manager supplied by New Zealand aid.



**1980**

47.5 percent of Division's budget (\$1.1 million) from aid.

**1. Staff**

- 40 local staff, and six expatriates (five advisers).

**2. Projects**

- Regeneration project - UK aid.

- Cattle Under Tree Project - ADAB, with Cattle Manager supplied by New Zealand aid.

**3. Other Assistance**

- Consultancy to investigate seed storage of local species - British ODA.

- Visit by UK forestry adviser - UK aid.

**1981**

17 percent of Division's budget (\$1.5 million) from aid.

**1. Staff**

- Numbers not recorded. All line posts held by local staff with the exception of Senior Forest Officer (Research).

**2. Projects**

- Replanting projects Santa Cruz and Shortlands - EDF funds.

- Cattle Under Trees - ADAB.

**3. Other Assistance**

None recorded.

## 1982

87 percent of Division's budget (\$1.4 million) from aid.

### 1. Staff

- 49 local staff and an unknown number of expatriates.

### 2. Projects

- Replanting projects Santa Cruz, Alu and Viru - EDF.
- Forest research - UK ODA.
- Kolombangara and Viru plantation maintenance - UK ODA.
- Cattle Under Trees - ADAB.

### 3. Other Assistance

- One staff member attended a three month's course in Forest Protection (Entomology and Pathology), at the Commonwealth Forestry Institute, UK, paid by UK ODA
- One staff member attended a short course on Reforestation Techniques and Administration, Japan, paid for by JICA
- Four technicians attended a two months course on the Use and Care of Forest Tools and Machines, Papua New Guinea.
- Short term visit by Timber Marketing Adviser to advise on setting up of two pilot gasifiers - EEC.
- A team from South Pacific Bureau for Economic Cooperation/UNDP/Economic and Social Commission for Asia and the Pacific/EEC/East West Centre/Australian National University to assess the merits of construction of a wood and waste fuelled power station for Honiara.
- A short term fuelwood study of North Malaita by K. Gray - South Pacific Bureau of Economic Cooperation.
- Visit by Forest Pathologist Dr I. Gibson - UK ODA.

- Study by K. Marten of the forest resources of Malaita, and reforestation and processing options
- United Nations Development Advisory Team.
- Visit by UK forestry adviser - UK ODA.

## 1983

90 percent of Division budget (\$1.8 million) from aid.

### 1. Staff

- 40 local staff, three expatriates (two advisers).

### 2. Projects

- Regeneration projects Santa Cruz, Viru and Alu - European Development Fund.
- Kolombangara and Viru plantation maintenance projects - SIG/ODA.
- Forest research - ODA.
- Entomological project - UK ODA.

### 3. Other Assistance

- Entomological spraying trials on *Camnosperma brevipetiolata* carried out by the UK Tropical Development Research Institute (TDRI) following completion of entomological project during the year.
- Visit by seed handling specialist Dr P. Tompsett - UK aid?
- Visit by E. Palmer (TDRI) to evaluate a programme to carry out pulping trials of Solomon Islands timbers - UK aid.
- Visit by New Zealand based (Pacific) Regional Forest Officer I. Armitage looking at opportunities for New Zealand ODA assistance.
- Visit by E. Lauridsen DANIDA to assess *G. arborea* international provenance trials, and provide advice and training - Danish aid.
- Mission by K. Groves and D. Cameron to assess opportunities for ADAB forestry assistance.

- Second visit by K Gray to carry out a fuelwood study in North Malaita - South Pacific Economic Commission.
- Visit by UK forestry adviser - UK ODA.

## 1984

88.2 percent of Division's Budget (\$1.9 million) from aid.

### 1. Staff

- 47 local staff, and five expatriates (four advisers).

### 2. Projects

- Regeneration projects Santa Cruz (until mid-year) Viru and Alu - European Development Fund.
- Forest research - ODA.
- Kolombangara and Viru plantation maintenance projects - SIG/ODA.

### 3. Other Assistance

- Malaita landowners tour to Vanuatu, Fiji, and New Zealand, part of the lead up to the Malaita Pilot Reforestation Project - New Zealand ODA.
- Visit by ODA consultant J. Palmer on forest mensuration - British ODA.
- Aerial survey of all major tracts of natural forest - NZ ODA.
- Wood samples of *T. brassii* from plantation grown sources were sent to Dr E. Palmer (TDRI) for evaluation - UK ODA.
- *Swietenia macrophylla* logs were sent to New Zealand for wood quality evaluation.
- Visit by Dr M. R. Bowen, tree physiologist to advise on seed collection, handling and storage and vegetative propagation - UK ODA.
- Pacific regional nursery seminar held at Munda sponsored by New Zealand ODA.
- Literature search carried out for the Munda forestry library by the New Zealand Forest Service.
- One staff member attended the Reafforestation Techniques Administration course held in Japan, sponsored by JICA.

## 1985

85.8 percent of Division's budget (\$1.9 million) from aid.

### 1. Staff

- 50 local staff, and five expatriates (four advisers).

### 2. Projects

- Kolombangara and Viru plantation maintenance projects - SIG/ODA
- Regeneration project Viru - European Development Fund.
- Forest research - ODA.
- Malaita Pilot Reforestation Project - New Zealand ODA.

### 3. Other Assistance

- Short term training programmes in Malaysia for two staff in forest administration, and forest utilisation under the Malaysian Technical Cooperation Programme.
- Three month Commonwealth Forestry Institute course in forest research for one staff member - UK ODA.
- One staff member attended a three week Coconut Wood Utilisation course funded by FAO.
- A log and timber grading course held in Honiara funded by the Commonwealth Fund for Technical Cooperation.
- Second visit by ADAB mission (Groves and Byron) to identify opportunities for ADAB assistance - ADAB.
- Timber testing by Dr E. Palmer (TDRI) continued - UK ODA.

**1986**

85.5 percent of Division's budget (\$2.3 million) from aid.

1. Staff

- 50 local and five expatriates (four advisers).

2. Projects

- Regeneration project Viru - European Development Fund.
- Forest research - ODA.
- Malaita Pilot Reforestation Project - New Zealand ODA.

3. Other Assistance

- Timber grading and scaling course held in Viru harbour funded by the Commonwealth Fund for Technical Cooperation.
- One officer attended a timber marketing course in Malaysia funded by FAO.
- Two officers attended a logging training seminar in Fiji.
- One officer attended a sawmill course at the Timber Industry Training Centre in New Zealand.
- One officer attended a course in agroforestry in Thailand funded by JICA.
- Four staff attended a two week aerial photo interpretation course run by the University of Technology, Lae in Honiara.
- Short term forestry draughting adviser - New Zealand ODA.
- CSIRO mission to prepare an outline for a forest inventory project - AIDAB.
- Kolombangara Ecological Survey assessment carried out by Dr T.C. Whitmore.
- United Nations Industrial Development Organisation consultants visit to report on the forest resource and the utilisation industry, including the possibility of rattan furniture making.
- Various CDC consultancy visits connected with the setting up of KFPL including a feasibility study team.
- UK forestry adviser visit - UK ODA.

**1987**

90.3 percent of Division's budget (\$3.1 million) from aid.

1. Staff

- 58 local staff and four expatriates (three advisers).

2. Projects

- Regeneration project Viru - European Development Fund/STABEX.
- Forest research - STABEX.
- Malaita Pilot Reforestation Project - New Zealand ODA.
- Gizo, Kolombangara, Santa Cruz, and Shortlands reforestation projects - STABEX.
- Maintenance of facilities at Ringgi Cove - STABEX.

3. Other Assistance

- Provision of computer hardware and software, and training in computer use by a short term consultant F. Miller - UK ODA.
- Completion of short term (six months) forestry draughting adviser assignment - New Zealand ODA.
- One officer attended a seed handling course run by CSIRO in Australia - AIDAB funded?
- One officer attended a soil seminar in Vanuatu funded by FAO.
- Dr Ivory on two short term pathology visits, OFI, UK - UK ODA?.
- Bob Thistlethwaite from the AIDAB Pacific Regional Team.
- Short term chainsaw training consultancy by T. Hunt - New Zealand ODA.
- Visit by UK forestry adviser - UK ODA.
- Mid-term review of Malaita Pilot Reforestation Project - NZ ODA.
- UK engineer to install a cold store unit for seed storage at Munda - UK ODA.
- Physiological testing of seeds to determine desiccation rates and long term storage by Dr P. B. Tempsett of Wakehurst Place - UK ODA?



## 1988

89.4 percent of Division's budget (\$3.1 million) from aid.

### 1. Staff

- 49 local staff and two expatriate advisers. Last management position, SFO (Research), localised.

### 2. Projects

- Regeneration project Viru - European Development Fund/STABEX.
- Forest research - STABEX.
- Malaita Pilot Reforestation Project - New Zealand ODA.
- Gizo, Kolombangara, Santa Cruz, and Shortlands - STABEX.
- Maintenance of facilities at Ringgi Cove - STABEX.

### 3. Other Assistance

- Two staff attended courses on Social and Community Forestry in Thailand - ? Aid.
- One staff member attended a three month Forestry Planning and Management course at OFI, UK - UK ODA.
- One further visit by OFI pathologist Dr Ivory looking at *Phellinus noxious* infection of various plantation species - UK aid.
- ADB consultancy team to assess a plantation project at Allardyce, Isabel Province - Asian Development Bank.
- Dr D. Richardson and Dr J. Fingleton to carry out a forest policy and legislation review - FAO.
- A further chainsaw training course - New Zealand ODA.
- A World Bank mission to investigate opportunities for Bank funding of reforestation on Kolombangara, and in institutional strengthening of the Forestry Division - World Bank.
- A mission from the FAO investment centre to prepare a report on a Forestry Development Project - FAO.
- A mission from UN Centre on Transnational Corporations to support the SIG team negotiating with CDC on Kolombangara Forest Products Ltd.

- J. Bellamy (CSIRO) on a short term visit to prepare the phase II report on the Natural Forest Inventory, AIDAB.
- D. Schroeder from CAB International Institute of Biological Control to study biological control of *Mikania micrantha* - UK ODA?
- Tang Hon Tat from FAO preparing a report on regional forestry issues - FAO.
- T. Haslett from FRI, New Zealand to collect samples of *Gmelina arborea* and to train Forestry Division staff in collection and preparation techniques - New Zealand ODA.
- N. Jones tree breeding consultant - UK ODA.
- One staff member attended a mangrove workshop in southern Thailand.
- Visit by UK forestry adviser - UK ODA.
- A CDC mission to hold discussions with SIG in preparation for the setting up of KFPL.

## 1989

94.0 percent of Division's budget (\$5.2 million) from aid.

### 1. Staff

- 65 local staff and two advisers.

### 2. Projects

- Regeneration project Viru - European Development Fund/STABEX.
- Forest research - STABEX.
- Malaita Pilot Reforestation Project - New Zealand ODA.
- Gizo, Kolombangara, Santa Cruz, and Shortlands reforestation - STABEX.
- Maintenance of facilities at Ringgi Cove - STABEX.
- Resource Development (National Forest Resources Inventory)<sup>5</sup> - STABEX.

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<sup>5</sup> The 1989 Annual Report shows expenditure against this project for 1989. The project did not in fact commence until 1990.

### 3. Other Assistance

- Two staff attended three month courses in Forest Planning and Management at Oxford University, UK - UK ODA.
- One staff member attended a forest planning course in Canberra - AIDAB.
- One staff member attended a course on harvesting and utilisation in Rotorua - New Zealand ODA.
- One staff member attended a course on reforestation planning in the Philippines.
- One staff member attended a course on Australian Trees for three months in Australia.
- P. Byrne from the Forestry Training Centre, Gympie assisted with curriculum development at the Poitete Forestry College - AIDAB.
- A World Bank mission visited as part of a World Bank Pacific Rim marketing study - World Bank.
- Dr Ivory made two further visits to investigate *Phellinus noxious* infection of various plantation species.
- M. Gane completed the Forest Policy statement that had been started in 1988 - FAO.
- KFPL agreements signed - CDC/SIG funded.
- Customary Land Reforestation Project appraisal mission - NZ ODA.
- Cooperation with Dr P. Tompsett of Wakehurst Place on desiccation of seed and long term seed storage continued.
- A regional seminar on 'Forest Sector Evaluation and Industrial Planning' run by the FAO 'Asia Pacific Forest Industries Development Group' was held in Honiara.
- Dr J. Fingleton to carry out further work on new forestry legislation - FAO.
- Two World Bank teams investigated the feasibility of Bank assistance to KFPL, and for institutional strengthening of Forestry Division.
- Two missions from CDC visited in connection with setting up and reviewing KFPL.
- Malaita Reforestation Project review mission - New Zealand ODA.
- A World Bank mission prepared a further report on the Forestry Development Project - World Bank.

## **APPENDIX 2 - SOURCES OF INFORMATION FOR EACH OF THE AGENCIES INVOLVED IN THE STUDY**

### **1. AUSTRALIA INTERNATIONAL DEVELOPMENT ASSISTANCE BUREAU**

#### **Solomon Islands**

- Project Managing Service Agents, consultants, and employees
- Forestry Division, and MNR staff at both senior and junior level, and written material
- AIDAB staff in Honiara, and written material
- Project reports
- Two Provincial Secretaries
- Ministry of Provincial Government
- Ministry of Agriculture and Lands
- Specific meetings in two villages
- Industry representatives
- Environmental and sociological observers of the projects.
- Other written material

#### **Australia**

- AIDAB staff in Sydney, and Canberra
- Australian Council for Overseas Aid
- Australian National University
- Other written material

### **2. COMMONWEALTH DEVELOPMENT CORPORATION**

#### **Solomon Islands**

- Industry observers of KFPL
- Members of the KFPL board
- Public sector officials

- KFPL staff at both senior and junior level, and written material
- CDC staff, and written material
- Western Province Provincial Government members, and officials
- Forestry Division, and MNR staff, and written material
- Village meetings on Kolombangara
- Ministry of Agriculture and Lands
- Other written material

### **3. EUROPEAN COMMUNITY**

Solomon Islands

- Forestry Division, and MNR staff, and written material
- Other senior public sector officials
- EC senior delegation staff, and written material
- EC technical assistance advisers
- Other written material

### **4. KOMUNIBOLI VILLAGE**

Solomon Islands

- Several specific meetings at Komuniboli, at both a village and individual level
- Other meetings at KTC
- Two meetings with surrounding villages
- Discussions with observers and those in working relationships with KTC
- Written material (very limited)

### **5. SOLOMON ISLANDS DEVELOPMENT TRUST**

Solomon Islands

- SIDT staff at all levels, including senior Head Office staff, provincial Training and Field Officers, and Mobile Team Members.

- Attendance at an Advisory Council to Management meeting of Mobile Team Members and Head Office Staff
- One Provincial Secretary
- Discussions with observers and those in close working relationships with SIDT.
- Specific meetings at Komuniboli and Balai villages
- Written material

#### Australia

- AIDAB
- Overseas Service Bureau

### 6. GENERAL INFORMATION

In addition to the written material collected from the above sources, information of a more general nature was also collected in the Solomon Islands from:

- University of the South Pacific library
- Solomon Islands National Library
- Solomon Islands National Archives
- Ministry of Finance, Statistics Section
- Forestry Division Library, Munda
- Private collections.

**APPENDIX 3      EXAMPLE OF A LOGFRAME**

Essential Structure of the Log Frame			
Summary Statements of Elements	Verifiable Indicators	Means of Verification	Major Assumptions
Goal			
Purposes of this project			
Objectives			
Outputs			
Activities			
Inputs			

Definitions in Constructing the Log-Frame:

Goal:                    A statement of overall results or processes served by the project, in the broad national, regional or sector context.

Purpose:                The general impact or change to be made by this particular project.

Component:        A set or group or family of activities which achieve specific objectives, which together achieve the overall goal.

**Output:** The material quantities, in particular locations and at particular times which result from each activity.

**Activity:** A task or action which uses specified resources to achieve specified results.

**Input:** A specification of material and human resources which perform specific tasks.

Source: AIDAB, 1991(a):38