The Ministry of External Relations and Trade and Overseas Development Assistance in the Forestry Sector

Ben Everts

The responsibility for planning and implementing New Zealand's external aid lies with Development Assistance Division (DAD) of the recently formed Ministry of External Relations and Trade (MERT). Most people will remember the now historical External Aid Division and the Ministry of Foreign Affairs, which the new structures have replaced. Changes at the ministry level have been significant, with MERT integrating the old Ministry of Foreign Affairs and the Trade Policy section of the Department of Trade and Industry. As a result of the reorganisation, DAD will gain a trade aid officer, and take responsibility for the Pacific Islands Industrial Development Scheme (PIIDS).

Predating the name changes, and as part of a more complex reorganisation of what was the External Aid Division, was the establishment of an Appraisal, Evaluation and Analytical Support (AEAS) unit. The primary aim of the unit is to strengthen the ability of DAD to appraise new projects, evaluate existing ones, and generally provide analytical support to the individual country assistance programme managers. The unit consists of two MERT employees and four sectoral experts employed on contract. One of the contract positions is a forestry adviser, the first ever in-house forestry expertise in New Zealand's official external aid organisation. Whilst the position partly replaces the free services lost to the division with the disestablishment of the New Zealand Forest Service, in the current climate of retrenchments and budget cuts it is seen as a positive affirmation of the role forestry plays in New Zealand's official development assistance (ODA).

New Zealand's ODA in 1987 totalled about $146 million, of which about 74% was spent on the bilateral (or Government to Government) programme, 23% on New Zealand's contribution to the multilateral agencies (such as FAO, IBRD, ADB and international relief), and the balance on administration. Whilst some of the multilateral contributions may indirectly contribute to forestry programmes, most of New Zealand's forestry assistance comes under the bilateral programme. The focus of New Zealand's bilateral activities is the Pacific, and currently there are reforestation and timber utilisation projects under way in Fiji, Tonga, Papua New Guinea, Western Samoa, the Solomon Islands and Vanuatu.

The main aim of the bilateral programme is economic and social development within the recipient countries. ODA is given in response to requests from recipient country Governments, and in accordance with their development priorities and New Zealand's capacity to help. Regular meetings with recipient countries are held in order to determine which projects that country's allocation of New Zealand bilateral funds are spent on.

Once a suitable project, for example a reforestation project, has been identified, it is subjected to a detailed appraisal based on a Project Appraisal checklist prepared by DAD. The responsibility for arranging appraisal lies with the Programme Manager for the particular recipient country, and the appraisal may be done in-house using the AEAS unit, or by outside consultants. Major aspects of appraisal are:

A. Objectives - are they clearly specified?
B. Selection criteria - does it fit into the recipient country's development priorities, and New Zealand's ODA guiding principles?
C. Project design
   - is it technically feasible?
   - is it economically viable?
   - is it socially desirable?
   - is it culturally acceptable?
   - is it environmentally acceptable?
   - have the beneficiaries and those adversely affected been identified and considered?
D. Management - who will manage it, are the skills available, is training needed?
E. Marketing - have markets (local and/or export) been identified?
F. Impact on women - a special checklist is used.
G. Environmental effects.
H. Benefits and costs - who will benefit and how is this measured?
I. Risks and sensitivity analysis - what are the major risks?
J. Reporting - how will the project be reported and monitored?

Where outside appraisal consultants are required, consultants known to DAD are typically approached to express an interest in undertaking the work. A consultants' register is kept for this purpose. Consultants submit proposals to undertake work based on DAD's "Guidelines For Consultants", a copy of which is available on request. Competing proposals are evaluated using a transparent and detailed scoring system. The same system is used to select consultants or managers used by MERT to provide technical assistance or project implementation management.

Typically longer-term projects such as afforestation projects are also evaluated during implementation to check on progress, achievement of objectives, and unforeseen difficulties. In addition, a post project evaluation is seen as desirable for learning lessons for future projects. Evaluations may also be done in-house or by outside consultants, but clearly it is inappropriate that an individual involved in the design or management of a project is also involved in evaluation. Wherever possible representatives of the recipient country's Government are included in the evaluation team.

To date the Ministry of Forestry (MOF) and its predecessor (the New Zealand Forest Service) has played a very significant role in the delivery of New Zealand's ODA in the forestry area, in particular in the area of setting up plantation afforestation schemes and providing technical advisers. During the days of the Forest Service, however, much of the costs involved was covered by the Forest Service budget. Since the introduction of user pays policies by the current Government, MERT has had to fully fund its own forestry activities. In order to continue to provide services in this field, MOF has set up its own Overseas Forestry Assistance section, and in the year ended March 31, 1988, bilateral forestry work undertaken on behalf of MERT made up a very significant part of MOF's consulting income of $1.6 mil-
Expanding role for Forest Research Institute’s Wood Technology Division in tropical forest utilisation

Tony Haslett

The Wood Technology Division of the Forest Research Institute has expanded its work in tropical forest utilisation and associated activities. In the past 12 months division staff have completed assignments in Western Samoa, Tonga, Fiji, Vanuatu, the Solomon Islands and Malaysia. In the near future further assignments in South East Asia and the Indian sub-continent are anticipated.

The bulk of the work carried out by the division has involved evaluating the wood properties and processing characteristics of exotic plantation-grown tropical species. Work of this type commenced in the 1970s. Some of the most comprehensive data anywhere in the world for several of these species is now available from the Wood Technology Division. The division has also been involved in the fields of timber engineering, sawmilling studies, reforestation project evaluation and timber dryer design. Some of this work is described below.

Wood property evaluation of plantation hardwoods

Faced with declining availability of indigenous logs and plantation forests nearing utilisable age, many tropical countries now require advice on the wood properties of plantation species. In the past, species choice was often made on the basis of tree form and growth rate, and little thought was given to wood properties. Thus species like Octomeles sumatrana (erima) and Anthocephalus chinensis (cadamba) were widely planted, but wood from these plantations has only been used to a limited extent.

The Wood Technology Division has comprehensively evaluated over 12 different tropical plantation species, including Pinus caribaea, Eucalyptus deglupta, Tectona grandis (teak) and Swietenia macrophylla (mahogany). A comprehensive data bank on physical and mechanical properties, as well as on the sawing, drying, treatment, working, gluing, finishing, peeling and pulping properties of these, and several other tropical plantation species is now available.

Sawn timber production

The combination of small logs and growth stress makes the choice of correct sawing equipment and strategies critical if acceptable recoveries of plantation grown tropical hardwoods are to be achieved.

Using similar techniques to those applied to softwood sawmill simulation by the recent Conversion Planning Project Team, Wood Technology staff have been able to provide advice on sawing patterns, machine demand calculations, mill optimisation and sawmill dynamics. As well as conducting numerous sawing studies in the course of species evaluation, the division has also worked in Fiji determining the effect of log quality and sawing strategy on Swietenia sawn timber recoveries.

The total ODA vote for the 1988/89 financial year is about $140 million, which is about 0.24% of GNP. The Government plans to increase this as the fiscal situation improves. It can be expected that forestry-related activities will increase correspondingly.