

Strategic Review of the Eastern Africa Regional Office (EARO) of IUCN – The World Conservation Union

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Annex 1 Terms of Reference

Terms of Reference Strategic and Programmatic Review of the Eastern Africa Regional Office (EARO) of IUCN

4 July 2005

1. Context and Rationale

1.1 IUCN Cycle of Strategic Reviews

As part of its system of evaluation as set out in the IUCN Evaluation Policy, IUCN undertakes a regular series of Strategic Reviews. These reviews assess a range of key performance criteria including relevance, effectiveness, efficiency, impact and sustainability of an IUCN component programme (regional or thematic) or policy. Strategic Reviews may be conducted as internal peer reviews or be externally led depending on the nature of the circumstances or the preference of those commissioning the review. Until now, Strategic Reviews of IUCN regional and thematic programmes are commissioned by the Director Global Programme, recent changes in senior management functions will shift this responsibility to the Director General.

The IUCN Eastern Africa Regional Office has been included in the 2005 review cycle at the request of the Director General and the Eastern Africa Regional Office. This review coincides with the start of the 2005-2008 programme cycle and the impending departure of the Regional Director and is an opportune time to review the process of the Regional Office in Eastern Africa.

1.2 IUCN Eastern Africa Regional Office

The Eastern Africa Regional Office was the first regional programme for IUCN. IUCN's presence in Eastern Africa stretches back more than 40 years when it first carried out wildlife conservation projects in the region. Membership grew in the 1970s and early 1980s and the range of IUCN activities expanded, such that a programme of work was required and the Eastern Africa Regional Programme was developed in the mid 1980s.

EARO operates in ten countries in Eastern Africa, the Horn of Africa and the Western Indian Ocean, including Kenya, Tanzania, Uganda, Sudan, Ethiopia, Eritrea, Djibouti, Somalia, Comoros and the Seychelles. Recently, EARO has interacted with the IUCN Regional Office for Central Africa to implement additional activities in Burundi, Rwanda and the Democratic Republic of Congo. EARO also interacts with programmes in Egypt, West Africa and Southern Africa in Malawi and Zambia. EARO is also active in pan-Africa processes such as

implementation of international conventions, environmental planning and support to environmental non-governmental organizations.

EARO is also responsible for liaison with UNEP and as such is responsible for delivering on a major portion of IUCN's policy work.

1.4 Audience for the Review

The Review is commissioned by the IUCN Director-General for the purposes of accountability and learning for future improvement. Both the Director Global Programme

3.1 Schedule for the Review

The Review will be carried out between 16 May 2005 and 30 July 2005. A detailed workplan, including the level of effort during those dates for all team members will developed shortly, but it is anticipated that the most intensive period of the review will occur between mid June and mid July 2005.

Key activities and milestones for the review are:

1. Design and start-up of the Review – finalization of Review Team, Evaluation Matrix, design of interview protocols and questionnaires and scheduling of Review Mission will occur between 4 and 10 July. Documentation Review will commence as early as feasible within this timeframe. Interviews of key stakeholders outside of Eastern Africa (HQ and other locations) will occur between 4 and 14 July.
2. Review missions will be undertaken in two phases. The finance team will visit EARO in the first week of July, including a staff debriefing at the end of the visit. The draft findings will be communicated immediately to the Review Team Leader and Director Global Programme and Chief Financial Officer to revise the ToR as needed. The programmatic aspects of the review will be undertaken from 18 to 25 July in Nairobi, with a briefing of EARO staff on 25 July, followed by a briefing of the Director-General, Director Global Programme and the Senior Coordinators on 26 July.
3. Data Analysis and Drafting of Report, Findings and Recommendations between July 22 and 26, with a draft report produced at this time.

The responsibilities, level of effort and costs/source of funding is detailed below:

Team Member	Tasks	Level of Effort	Source of funding
Andrew Ingles	Oversight of review, participate in review mission to EARO and HQ, drafting of review report, findings and recommendations	12 days total	Staff time (in-kind, Asia Region); Travel costs (GPT)
Alex Moiseev	Drafting of TORs, evaluation matrix, evaluation workplan, questionnaires & interview protocols, draft list of documentation, draft list of stakeholders (in collaboration with GPT, EARO).	5 days	Staff-time (GPT)
	Participation in review mission to EARO/HQ; interviews, drafting of report, findings and recommendations	12 days	Staff time and travel costs (GPT)

Annex 2 EARO Review Matrix

EVALUATION ISSUES	QUESTIONS	PROPOSED INDICATORS	PROPOSED DATA SOURCES	PROPOSED DATA COLLECTION METHODS
1. Effectiveness of the EARO organizational model in delivering the EARP	1.1 Describe the current organizational model	Organizational chart, supporting documentation	Document Senior EARO management	Document review, discussions with senior EARO management
	1.2 Is the spread and reach of the current organizational structure appropriate for the region?	Programme stakeholders' satisfaction on the spread and reach of the current structure	IUCN Programmatic staff, IUCN Senior Management, EARO Senior and Technical staff, Members, National Committee Chairs, Partners, Donors	Individual or group interviews
	1.3 Is current organizational model fostering the development of a strong regional programme that is programmatically and financially sound? <very similar to above>	Quality of data EARO produces on cost-effectiveness of Programme activities Programme stakeholders' satisfaction on current network of offices and organizational model	Financial records or EARO Earlier evaluations or audits IUCN Programmatic staff, IUCN Senior Management, EARO Senior and Technical staff, Members, National Committee Chairs, Partners, Donors	Document review Individual or group interviews

EVALUATION ISSUES	QUESTIONS	PROPOSED INDICATORS	PROPOSED DATA SOURCES	PROPOSED DATA COLLECTION METHODS
	1.5 How efficient and effective is the governance of EARO?	Written and anecdotal evidence of efficient and effective governance		

EVALUATION ISSUES	QUESTIONS	PROPOSED INDICATORS	PROPOSED DATA SOURCES	PROPOSED DATA COLLECTION METHODS
	1.9 How does EARO interact with its donors? (responding to changing priorities, negotiating specific types of financial support)	Presence of adequate resources for EARO activities; cost-effectiveness of engagement with donors; presence of up-to-date, accurate and reliable donor intelligence and donor engagement strategy.	Documentation EARO Senior Staff, HQ Donor Relations Staff, Donors	Document review Interviews
	1.10 Are the roles, responsibilities and incentives of programme staff clearly defined with regard to delivering results and learning from experience?	Presence of clear EARO policies and agreements delineating roles and responsibilities; HR policies on incentives.	EARO policies and agreements delineating roles and	

EVALUATION ISSUES

QUESTIONS

PROPOSED INDICATORS

PROPOSED DATA SOURCES

**PROPOSED DATA COLLECTION
METHODS**

EVALUATION ISSUES	QUESTIONS	PROPOSED INDICATORS	PROPOSED DATA SOURCES	PROPOSED DATA COLLECTION METHODS
3. Effectiveness of the Eastern Africa Regional Programme (EARP)	3.1 Are activities and outputs delivered on time, and on budget?	Planned and actual dates of		

Annex 3 Terms of Reference for the EARO Financial Review

EASTERN AFRICA REGIONAL OFFICE PROGRAMME FINANCIAL REVIEW

DRAFT TERMS OF REFERENCE – FINANCE ISSUES

ABC List

1. Prepare a list of ABC projects/proposals over the last four years indicating the following details and assess the conversion from A to B and then from B to C
 - a. Title of project
 - b. Date development of idea/proposal started
 - c. Date proposal submitted to donor
 - d. Name of donor
 - e. Currency of contract and total amount contracted
 - f. Total project amount in USD (ledger currency)
 - g. Date(s) of follow up with donor
 - h. Key issues raised in follow up
 - i. Date proposal rejected
 - j. Date proposal accepted
 - k. Project amount accepted and committed
 - l. Date Project agreement signed
 - m. Retained amount and percentage payable on submission of final report
 - n. Date work commenced
 - o. Duration of original project
 - p. Project extension – date and duration
 - q. Total committed staff time and management fees on project
 - r. Amount of staff time and mgt fees taken in first year of project
 - s. Amount of staff time and mgt fees taken in 2nd year of project
 - t. Amount of staff time and mgt fees taken in 3rd year of project
 - u. Amount of staff time and mgt fees taken in 4th year of project
 - v. Amount of staff time and management fees not taken at time of the extension

Projects in deficit

2. Review all projects in deficit and those for which provisions for projects-in-deficit have been made and identify the true reasons for incurring the deficits and what has been done to recover the funds from donors. In particular establish the person responsible for the deficit and assess why the deficits resulted and whether there was non compliance with the terms and conditions of the project agreement.

Consultants

3. Prepare a list of all consultants used on project work over the last four years and indicate the following details. Establish and record the process followed in awarding consultancy contracts
 - a. Name of the firm
 - b. Name of the lead consultant and the assistants if any
 - c. Project name
 - d. Manager of the project
 - e. Nature of work undertaken by consultant

Staff costs

5. Analyse staff costs by category of persons (i.e. by department or section) and compare the total category costs over the last four years and identify the main reasons for cost changes during this time. Staff members who are contracted directly to projects should not be included. List the following details
 - a. Name of division or section
 - b. List of staff members under each of the division or section
 - c. Total payroll costs by year for the last four years (including benefits and statutory costs)
 - d. Rate of general salary increase (for inflation and/or merit) for each category if different

Disposal of assets

6. List all assets with an original cost of more than USD 1,000 disposed of in the last four years and establish the following details:
 - a. Asset name or description
 - b. Original cost in USD
 - c. Date of original purchase
 - d. Date of disposal
 - e. Net book value at time of disposal
 - f. Net sales proceeds
 - g. Name of person who purchased
 - h. Process used in disposing of the asset

Receivables and advances

7. Review outstanding receivables and advances, prepare an aging analysis and determine whether the amounts that are more than 12 months overdue can still be repaid to IUCN. On this analysis, include both staff loans and travel advances. Check to ensure that there is no expenditure being hidden under advances.

Creditors and accounts payable

8. Prepare an aging analysis of all amounts owed to creditors or accounts payable and establish the reasons for any long unsettled amounts. In particular check to ensure that there is no income or cost recoveries being hidden under creditors.

VAT recoveries

9. Establish the procedures followed for VAT recoveries and assess whether all due amounts were properly claimed and reimbursed by the Revenue Authority. To do this, record the recoverable VAT per year for the last four year and determine the types of purchases that it is based on. Review in total terms such expenditure and ensure that all due amounts have been correctly claimed.

Foreign exchange conversion

10. Review any foreign exchange conversions undertaken and assess the procedure followed to ensure that the best rates are obtained and if there has been any specific negotiation with the bank. In addition, list the bank accounts and record the major transfers between the accounts in the last 2 years and determine reasons for any major ones.

Annex 4 Stakeholders Consulted

Group 1 IUCN secretariat continued ...		
Ibrahim Thiaw	Regional Director	BRAO
Daniel Ngantou	Regional Director	BRAC
James Murombedzi	Regional Director	ROSA

Frederich Mahler		EU Somalia
Walter Knausenberger		USAID
Kiki Nordern		SIDA
Allan Rodgers		UNDP-GEF
Milagre Nuvunga		Ford Foundation

Annex 5 Documents Consulted

Anon., 2005. Pan-Africa Initiative Brainstorming Session, 12 May 2005 (draft)

Anonymous, 2003. Tanga Coastal Zone Conservation and Development Programme: End of Phase III Evaluation.

Anonymous, 2003. Communications strategy discussion paper (unpublished consultants report prepared for EARO)

EARO, undated. Draft EARO Project Approval Process: Guidelines for Development, Review and Approval of Project Concepts and Proposals.

EARO 2005, The state of the union report -- for the years 2004 to 2005; dated 31st of March 2005 (finance unit document)

EARO, 2004. Progress and assessment report, January to December 2004 (internal report to IUCN Gland)

EARO, 2003. Progress and assessment report, January to December 2003 (internal report to IUCN Gland)

EARO, 2004. Business Plan for the 2005-8 Quadrennial Component Programme in Eastern Africa.

EARO, 2003. From Concept to Closure: IUCN EARO Guide to Project Management.

EARO, 2002. EARO Intersessional Plan 2005-2008

EARO, 1997. Managing Biodiversity in Eastern Africa – Planning the Programme of IUCN in Eastern Africa: Strategic Plan

EARO-Technical Programme Group, 2005. Minutes of the Technical Programme Group Meeting, 14-15 April, 2005

EARO-Technical Programme Group, 2005. Minutes of the Technical Programme Group Meeting, 17-18 January, 2005

Gawler, Meg and Christopher Muhando, 2004. Development of Mnazi Bay-Ruvuma Estuary Marine Park: Mid-term Evaluation.

IUCN, 2005. Draft Concept Paper: Pan-Africa Initiative on Drylands: Enhanced

IUCN, 2005. EARO Strategic and Programmatic Review – Briefing by Finance (confidential)

IUCN, 2004. IUCN Progress and Assessment Report for 2004

IUCN, 2003. IUCN Progress and Assessment Report for 2003

IUCN-Environmental Law Commission, 2004. An Introduction to the African Convention on the Conservation of Nature and Natural Resources

Mine Pabari 2004 EARO Strategic and Programmatic Review, 3

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Annex 6 Excerpts from the EARO Situation Analysis

Status	Trends	Pressures	Driving Forces	Opportunities	Responses
Mostly arid and semi-arid with serious droughts and desertification	Climate change already increasing frequency of dry periods and floods	Climate change	Population growth and movement + refugees and returnees	NBSAPs, NAPs (for CCD), PRPSs	Need for IUCN to engage in the area and support national, regional and international processes related to NRM (incl. CBNRM) and biodiversity conservation/management
Major economic activity is pastoralism, limited cultivation which has high risk	Dryland natural resources/biodiversity and pastoralism values increasingly recognised	Population increase and movement + refugee and IDP concentrations	Food security	International conventions - CBD, UNFCCC, CCD, Ramsar as most countries are signatories	
Large areas reserved with consequent increased pressure on land users	Land-use pressures increasing, land availability decreasing, forest and pastures decreasing	HIV-AIDS and human resources	Resource tenure - access to pasture, water, biodiversity, land, etc.	IGAD	IGAD increasingly engaged in NRM, CBNRM, biodiversity
Significant “under development” and continuing conflicts	Armed conflicts continuing with consequent diminishing infrastructures and increasing refugees and IDPs	Global threats of terrorism	Communal lands seen as commons, not under communal management	NEPAD, AU	NEPAD recognition of IGAD and NEPAD Environment Strategy
Significant food insecurity		Habitat loss through land conversion and degradation	Water management and integrated river basin management	UNEP-ROA, UNECA, UN initiative for the Horn of Africa	Increasing economic understanding of dryland (and wetland) values and functions
Water restricted to limited sources but unevenly scattered across the area		Competition for land - between pastoralism, cultivation, forestation, wildlife	Peace process beginning to have effect	Biodiversity hotspots and areas of endemism	
Upstream-downstream potential water conflicts		Human-wildlife conflicts		Decentralization	Civil society movements including the whole area and becoming vocal in sustainable development and environment
Important centers of endemism (on mountains and in drylands + wetter “patches”)	Pressure increasing for rational water use and	Increasing scarcity or NR especially water,	Dryland inhabitants and lifestyles tend to be marginalized	Political stability improving	
				Possibilities for	

TABLE 4. SUMMARY SITUATION ANALYSIS FOR THE HORN OF AFRICA – SUDAN, ETHIOPIA, ERITREA, DJIBOUTI AND SOMALIA

	distribution	forests, biodiversity		mainstreaming environment in development, rehabilitation,	IUCN Drylands
	changing	Most rural energy is biomass-based			
	Biodiversity under valued and diminishing	Invasives species spreading			rehabilitation to
				etc.	and seeing need for environmental perspectives

TABLE 5. SUMMARY SITUATION ANALYSIS FOR EAST AFRICA – KENYA, TANZANIA, UGANDA (+ RWANDA AND BURUNDI)

Status	Trends	Pressures	Driving Forces	Opportunities	Responses
High rural population densities in some areas (low in others) & growth rates still relatively high	Climate change beginning to have impact on patterns of rainfall and water availability	Climate change - more extreme events of drought and flood - less reliability of "weather"			
Poverty widespread throughout	Ecosystems and habitats degrading through over-use and single-usage	Inefficient and unsustainable harvest of NRs ("mining" of forest, woodland, wetland and dryland resources)			
Most people rural and reliant on subsistence farming, livestock, fisheries, forest/woodland products, NR use	Poverty increasing in relative and absolute terms and resulting in unsustainable use of water, soils, biodiversity	Competition for land, water and biodiversity resources (including "wildlife")			
Arid, semi-arid and well-watered lands + significant water storages (lakes) and river systems	Deforestation, woodland conversion, wetland reduction and pasture shortage as cultivation increases and competition for land increases	5te0.001	T7.9(yr)-2.orsitdlo7(i)-4.2(t)	(dl)16lo7Ieno-6.8(a(abl)10.2(e)-1()FJT.0016J0
Water deficiency critical in some areas	Increasing human-wildlife conflicts				
Land-locked countries (UG, RW, BU) reliant on coastal neighbours	Conflicts increasing over land and natural resources				
Biodiversity hotspots, high endemism, forests and wetlands of global biodiversity importance	Decreasing availability of good quality water in some areas - for people, industry, agriculture and environment				
PAs many and widespread but not integrated for general biodiversity conservation	Single-uses of land increasing, communal lands decreasing				
Water, chemical and solid pollution becoming significant	Increasing awareness of the need for biodiversity conservation and sustainable development - but little change in practice to match that awareness				
Inadequate financial and political support of environment, environmental					

TABLE 5. SUMMARY SITUATION ANALYSIS FOR EAST AFRICA – KENYA, TANZANIA, UGANDA (+ RWANDA AND BURUNDI)

Status	Trends	Pressures	Driving Forces	Opportunities	Responses
<p>aspects of development and value of NRs in economic plans</p> <p>International environmental agreements not well understood, managed or domesticated</p> <p>EIA and environmental planning gradually taking hold - but still limited</p>					

TABLE 6. SUMMARY SITUATION ANALYSIS FOR EASTERN AFRICA COAST AND ASSOCIATED MARINE SYSTEMS

Status	Trends	Pressures	Driving Forces	Opportunities	Responses
<p>A long mainland coast (approx 6,900 km) extending along six countries</p> <p>High biodiversity in the Red Sea and significant coral reefs, sea-grass beds and mangroves along most of the coast</p> <p>Significant and diverse fisheries along the coast, off-shore and in the deep ocean</p> <p>Two small island developing states with significant biodiversity, endemism and reliance on NRs - both coastal and terrestrial</p> <p>Large proportion of the regions people living at the coast and</p>					

Annex 7 EARO's Programmatic Evolution

EARO work in the late 1980s and early 1990s was mostly in protected areas – both for wildlife and forests – through large Conservation and Development projects in, e.g., Serengeti, Ngorongoro, TANAPA, East Usambaras, Garamba, Mt Elgon. The ecosystem focus began in 1991 with wetlands, added forests and marine in 2002 then general biodiversity in 2003. By 2005, the emphasis had changed to “working in four key ecosystems” on a range of cross-cutting conservation and NRM issues (e.g. PAs, economics, MEAs, EA and EIA, sustainable development and social issues). In the last ten years this has continued but the emphases have changed as below...

Theme & Location	What we did 5-10 years ago	What we do now	Comment Impact/Rationale
Wetlands – Uganda (also in Tanzania and Kenya)	<ul style="list-style-type: none"> Developed wetland programme (beginning 1989) – inventories on extent and condition Built capacity for wetland management Developed wetland policy and in Wetland Departments in government and wetlands strategies 	<ul style="list-style-type: none"> Handed over to the Ugandan government and two NGOs (continue to) add specific small technical inputs to members and partners in wetland management 	<ul style="list-style-type: none"> Famous across Africa and world-wide Led to Ramsar COP9 in Uganda Stimulated other countries in the region to do the same

Theme & Location	What we did 5-10 years ago	What we do now	Comment Impact/Rationale
Drylands	Began process seven years ago in Somalia and three years ago in Sudan (East and West) Pastoral areas in Kenya,		

Theme & Location	What we did 5-10 years ago	What we do now	Comment Impact/Rationale
Lake Victoria	Nile perch economics and livelihoods	Procedures for CBNRM in Nileperch and beaches Other L.Victoria initiatives Support to shared ecosystems and cross-border management through the East African Community	From a specific focus on Nile perch issues to general fisheries and biodiversity of the lake and its catchment –including shared resources between KE, TZ , UG Support to the Lake Victoria initiatives of SIDA and NORAD and other lake organisations 8.5(e)8.5.8(r)-2nS4 1 Tfen.427 fc() u05 n au Tfth L T
Livelihoods and conservation	Stimulated by Nile perch other ideas of sustainable livelihoods in early 2000/1	8.5(e)8.5.Hs become the mainstay of perch projt 8.5(e)8.5.Very much a prt of mo fore coastal and dryland efforts – linking to livelihood improvement	8.5(e)8.5.Resulted in many (scores) of case studies5 nd policy recommendations at village and sub-national levels; impacted our work with PRSPs
Social aspects of ecosystem management	8.5(e)87(Slow)16.5(sta)9.6(r)2.8(t i)6.6(8.5.2)16.4(1)6.6(4)9.2(4)9.6(1)9.6(9)-3.1(90s))TJ/TT11 1 Tf17.2101 0 TD0 Tc0 Tw<0078>	concerns now throughout the field nd general projects 8.5(e)8.5.EARO becoming know regionally for this aspect of conservation	
EIA	8.5(e)87(1)8.2(9)-4.5(90-2)-4.5(0)8.2(0)-8.5(87)14(5)8.5(2)cap)5(F)7.7(r)-5.4(oac)-3.9(h)7.7(is)-3.9()6.4(b)7.7(u)1.3(ild)7.7(ing))TJ-	scoping, planning, technical inputs nd assessments	

Theme & Location	What we did 5-10 years ago	What we do now	Comment Impact/Rationale
NEPAD and other African Programmes	Entered the arena of NEPAD after WSSD	Focus on the NEPAD	

Annex 8 Presentations

To be added

Annex 9 Data Collection Instruments

EARO

2.7 From the perspective of your programme, what issues would you like to see EARO address in its programme?

2.8 In your opinion, does EARO's Programme meet the key conservation and sustainable development challenges in Eastern Africa?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Yes, absolutely	In some key aspects	In a few instances	Not at all	Don't know

2.9 Comments

3. Programme Coordination and Delivery

3.1 To your knowledge, are activities and products delivered on time?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Always	Usually	Occasionally	Seldom or never	Don't Know

3.2 Comments – examples of late delivery?

3.3 From your perspective, are the products and services of EARO of good quality and credibility?

3.7 (If you answered “marginally” or “not at all” why do you think this is the case?)

4. Reporting (Christian and Sue only)

4.1 In your opinion, what is the quality of EARO’s quarterly and annual reporting?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Very Good	Adequate	Marginally acceptable	Unacceptable	Don't know

4.2 What issues have been revealed by the quarterly reporting?

4.3 How were these issues dealt with?

5. Business Model & Plan

5.1 Are you familiar with the Business Plan or Model of EARO? If not, why not?

5.2 Which elements of the Business Plan appear most sound?

5.3 Which elements of the Business Plan require strengthening?

6. Organizational Model

6.1 Are you familiar with EARO's organizational structure?

If yes, proceed to Question 6.2, otherwise, skip to Question 7.1

6.2 In comparison to other organizational models you have seen across IUCN how effective is the EARO organizational model in facilitating the delivery of its programme?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Very effective	Somewhat effective	Not very effective	Not at all effective	Don't know

6.3 Comments

6.4 In comparison to other organizational models you have seen across IUCN, how efficient is the EARO organizational model in facilitating the delivery of its programme?

☐	☐	☐	☐	☐
Very efficient	Somewhat efficient	Not very efficient	Not efficient at all	Don't know

6.5 Comments

6.6 What advantages do you see to EARO's Programme Coordination structure? (highly centralized programme and project coordination, country offices delivering on the EARP)

6.7 What are the disadvantages?

6.8 What changes would you suggest for EARO's Programme Coordination structure or organizational model?

7. Management of EARO

7.1 How well managed is the Eastern Africa Regional Office as an organization?
(Probe on leadership if offered)

oe	oe	oe	oe	oe
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8. Other Issues

For Commission Focal Points

Can you suggest any key Commission members from Eastern Africa, familiar with EARO, with whom we should speak?

2.2 Comments

2.3 What kinds of activities are you undertaking with EARO?

2.4 From your perspective, does EARO's Programme meet your objectives in Eastern Africa?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Completely	Meets some of our objectives	Meets a few of our objectives	Not at all	Don't know

2.5 Comments

2.8 (2.2) To what extent does EARO help you deliver your programme?

☐	☐	☐	☐	☐
Key Partner	Helps deliver some key results	Helps deliver some activities	Does not help deliver our programme	Don't know or unsure

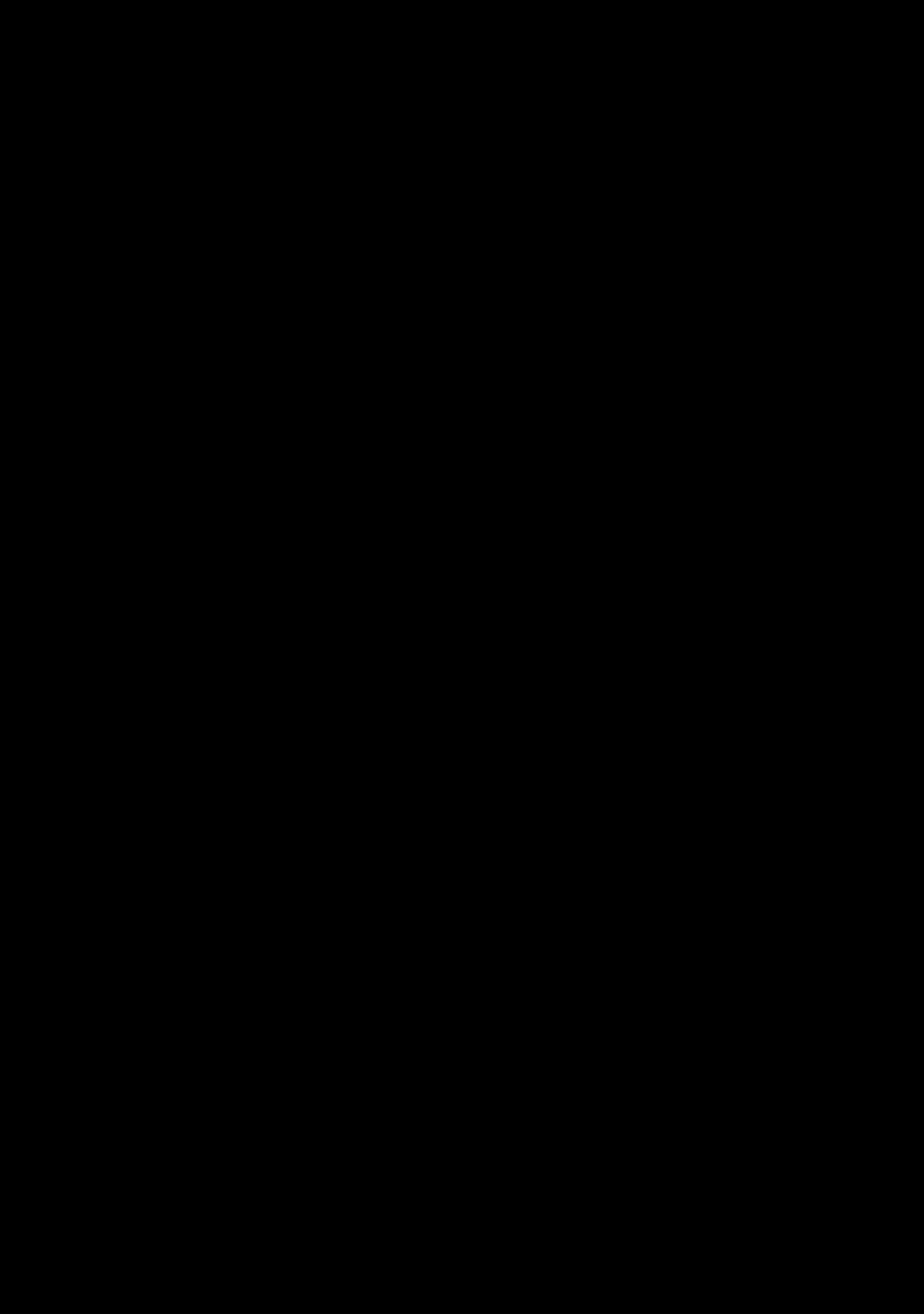
2.9 (2.7) Comments?

2.10 (2.8) In your opinion, does EARO's Programme meet the key conservation and sustainable development challenges in Eastern Africa?

☐	☐	☐	☐	☐
Yes, absolutely	In some key aspects	In a few instances	Not at all	Don't know

2.11 (2.9) On what other issues do you think EARO should be working?

2.12 What do you see as EARO's comparative advantage relative to other organizations you work with?



?

no,

6.1 Are you familiar with the organizational structure of EARO?

6.2 If familiar, how effective do you think EARO's organizational model is in facilitating delivery of its Programme [or perhaps the specific projects being funded]

☐	☐	☐	☐	☐
Very effective	Somewhat effective	Not very effective	Not at all effective	Don't know

6.3 Comment

7.1 How well managed is the Eastern Africa Regional Office as an organization? (Probe on leadership if offered)

☐	☐	☐	☐	☐
Very well managed	Fairly well managed	Poorly managed	Very poorly managed	Don't know

7.2 If you answered "Fairly," "Poorly," or "Very poorly," what changes would you suggest to strengthen leadership at the organizational level?

7.3 How well-managed is EARO's Programme?

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Very well managed	Fairly well managed	Poorly managed	Very poorly managed	Don't know

7.4 If you answered "fairly well," "poorly," or "very poorly," what changes would you like to see?

Other Issues?

2.2a Comments

2.3a What sort of activities are you funding for EARO?

2.4a From your perspective, does EARO's Programme or general work meet your objectives in Eastern Africa?

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Completed	Meets some of our objectives	Meets a few of our objectives	Not at all	Don't know

2.5a Comments

2.8 (2.2) To what extent does EARO help you deliver your programme

oe	oe	oe	oe	oe
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Key Partner

Helps deliver
some key
results

2.13 What else should EARO be doing to better exploit its comparative advantage?

2.14 In your opinion, is EARO working in the right countries in Eastern Africa? If no, where should EARO be working?

3.1 In your experience, are activities and products delivered on time?

☐	☐	☐	☐	☐
Always	Usually	Occasionally	Seldom or never	Don't Know

3.2 Comment

3.3 From your perspective, are the products and services of EARO of good quality and credibility?

☐	☐	☐	☐	☐
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High quality and credibility

Adequate overall

Inadequate
||

oe	■	oe	oe	oe
Considerably	In specific instances	Marginally	Not at all	Don't know/no basis to judge

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9.2 How might you manage your relationship with EARO differently?

Other Issues?

Thank you!

Questions for Regional Director

What are the most important things the new Regional Director needs to know about EARO's context?

Questions for Regional Programme Coordinator

Leadership

To what extent do you think EARO has been well-led over the past ...?
What qualities should a new RD have to successfully lead EARO in this intersessional period?

Programme

What sort of leadership do you receive from the Regional Director on programmatic matters? What is his/her role in setting priorities?
What sort of guidance do you receive from HQ on programmatic matters?
What sort of guidance do you receive from Global Thematic Programmes
What is the rationale behind an integrated programme?
How is the EARP developed?
How is the Annual workplan developed?
How is innovation brought into the EARP?
What are the advantages to integrating the Country Offices into a single programme? What are the disadvantages?
How is the EARO implemented?
Who are EARO's implementation partners?
How do you choose which partners to work with on implementation?
What would you change about partnership arrangements?

Organizational Model

How is EARO's programme organized in practice?
By what mechanisms do you organize the Programme staff? (e.g. Describe TPG, PMD)
What is the rationale behind a Project Management Department?
Why are Programme Officers in a pool, rather than assigned to Technical Coordinators?
What role do the Country Offices play in the organizational model? Do you see this as optimal?

Programme and Project Coordination Mechanisms

In the current structure, what is your role in coordinating the TCs and PMD?
What is your role in the Technical Programme Group?
What is the mechanism for agreeing on the timing and extent of input from the TCs into PMD work? What are the strengths and weaknesses of this approach?

Donor Relations

Is there a donor database? Issues, visits, intel, etc?
Is there a policy – formal or informal – for engaging donors?
Do you shop concepts? or full project documents?
Have you pursued regional framework agreements? What has been done?

Partnerships

How do you choose the partners with which you work?
How do you manage those relationships?

What support have you received from HQ? from GPT?
What sort of support would you expect from HQ? from GPT?
How do you interact with the Policy and Global Change Group?
In what ways does EARO support IUCN's policy work?
In what ways does EARO support IUCN's policy work with UNEP?
In what ways does EARO support IUCN's policy work on invasive species?
What role would you expect PGCG to play in supporting EARO?
What role would you prefer to see EARO support PGCG and IUCN's policy work?

Questions for the Human Resources Director

How are staff recruited?

How are terms of reference developed?

How are skills matched to jobs?

How are staff salaries determined?

- New job classifications and salary scales?
- Comparison of this with existing staff salaries (outliers and future costs core staff)?

How are conflicts resolved?

How are staff appraisals used?

What incentives exist for good performance?

What sanctions exist for poor performance?

Appraisal System

Is the appraisal system different for Senior Technical and Coordination staff?

How are staff appraised on a yearly basis?

- Deliverables or outputs established at the start of the year?
- Are these related to annual workplans?

Consultant contracting

What is HR role in consultant contracting?

Secondments, interns and volunteers

What strategy, arrangements and current staffing level in this category

Handling variation in portfolio size

Is there a core staff identified (as opposed to temporary or project staff)?

DOCUMENT – unpublished paper on staff conflict resolution process?

Local conditions and terms of service

Data on Staff List and Categories

In different categories, over past three years

Staff turnover in different categories

Questions for Technical Coordinators

Does the PC help increase efficiency in your theme?
How effective is the management style of the Programme Coordinator?

The integrated Programme

How effective is the integrated programme?
How efficient is the integrated programme?
To what extent does the integrated programme facilitate or inhibit integration with other themes?
Does the programme coordination mechanism facilitate or inhibit the integrated programme?
How is innovation brought into the EARP?
What incentives exist for you to promote innovation in your theme?

Partnerships

How do you choose the partners with which you work?
How do you manage those relationships?

Project Development and Fundraising

What new projects do you have in your pipeline?
Do you have any joint programming with the other themes/Technical Coordinators?
How would you characterize your relationship with your donors?
What are the programmatic priorities in the medium term for your theme? How will you resource these priorities?

Policy

How do you link your work to policy
Do you have interaction with IUCN's policy units (e.g. PBIA, US/Europe, Law)?

Donor Relations

Who is responsible for donor management or coordination?
Is there a donor database? Issues, visits, intel, etc?

Annex 10. Detailed finance review

EARO visit Line Hempel and Caroline Muller:

04 July – 08 July 2005

NOTE: all recommendations in the following annex are incorporated into the main report

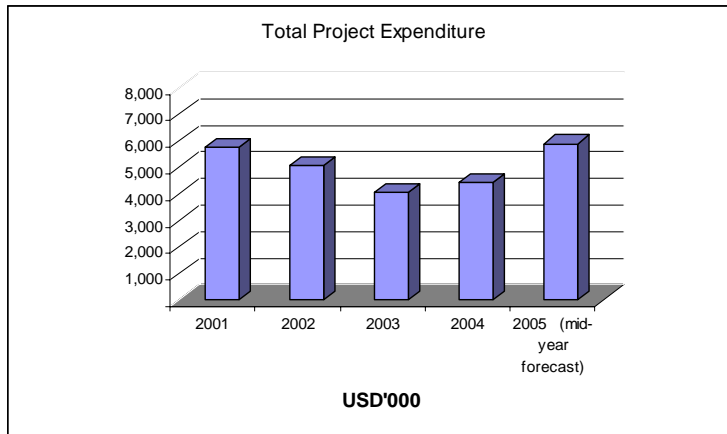
1. Overall Financial Situation

For the last three years, EARO have realized significant Cost Centre deficits totaling USD 670k. The incurred deficit is not a result of overruns of the expenditure budget, but rather a lack of sufficient income to cover the costs of the cost centre as well as the inflexibility in the cost centre budget which makes it difficult to cut costs. The table below shows income and expenditure for the years 2002 – 2004.

Table 1: EARO Income & Expenditure 2001 - 2005 (USD'000)

	2001	2002	2003	2004	2005 (mid-year forecast)
<u>Income</u>					
Framework allocation (gross)	347	483	473	500	500
Cost Recovery	1,106	906	747	994	1,034
Other Income	43	39	39	41	31
Total Income	1,497	1,428	1,258	1,535	1,565

Graph 1.



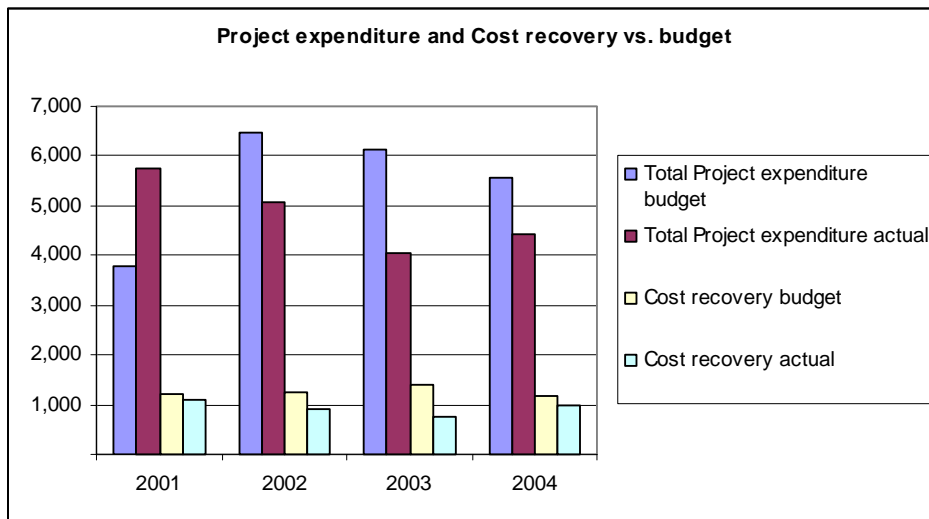
The EARO Cost Centre annual budget which amounts to approximately USD 1.5m is

Recommendation:

As mentioned above, the region needs to implement project activities to a minimum amount of USD 5.5m in order to recover sufficient income to finance the expenditure of the Cost Centre. Research into the current climate and donor interest of the Eastern Africa region should be carried out in order to determine whether the outlook is satisfactory enough to sustain the current office structure and associated costs.

Cost recovery rates need to improve. The current average suggests that the Region and IUCN is subsidizing projects. As a rule of thumb, total cost recovery on a project should be 30% of the project budget. This is a problem not only for EARO, but for the Union overall so it is important that the Global Directorates look at the whole issue of cost recovery and develop adequate guidelines and policies which will help Programmes in their negotiations with donors.

If the region is to keep its current size, management need to look into the p(n)-1(Tt)sr(impettT-s)-1(Tt)s to kei



Projects implemented in the region are to a large extent implemented with IUCN and implementing partners. Being dependent on third parties for the implementation of projects always exposes an organization to external risk factors beyond its control such as delays in the rate of implementation which in turn can affect reputation, and the financial situation.

The region also tends to be over optimistic with regards to the probabilities of realization of the A and B list as the year progresses. This is illustrated in graph 3. IUCN's policy of allowing up to 40% of total income to be from the A and B list represent a relatively low risk at the time of budget submissions, but if this percentage is not significantly reduced by the time of the mid-year forecast, the cost centre is likely to end in a deficit.

Recommendation:

It is important to factor unforeseen circumstances such as those mentioned above into the budget and forecasting cycle allowing for more time to implement the project than is currently forecasted on the ABC list.

The region should also be realistic about the factoring of it AB projects, especially at the time of the mid-year review exercise.

The two recommendations above will negatively affect the annual cost recovery, but it will illustrate the annual income available to the region in a more realistic manner, thus giving EARO Management as well as the Global Programme Directorate a true situation analysis upon which decisions and strategic choices can be made.

The Cost Centre expenditure as well as the current staffing level and associated cost of the region will then have to be put in context with the real available income.

3. Financial Management

The current structure as well as the obvious tensions between the Project Development Department (PMD) and the Finance Department leaves several issues of financial management falling through the gaps as the roles and responsibilities of

the PMD and the Finance Unit with regards to financial management of projects is

Finance does not have a clear role in the clearing process of consultant contracts or contracts with implementing partners, which is a large part of the region's expenditure. As a result, Finance Officers tend to exercise judgment and review of the contractual conditions at time of payment. This is an inopportune moment to do so and creates aggravation and frustration among the programme staff. It is however important that Finance clears consultant and implementing partners contracts to ensure that they comply with IUCN's financial policies, and do not expose IUCN to any undue risk.

As the Finance Department does not play an active role in contract negotiations, there is no procedure for ensuring that an acceptable payment schedule for the receipt of donor funds is in place in order to avoid that IUCN pre-finances project activities. Added to the lack of monitoring of project balances, this is resulting in an unstable liquidity situation.

Project managers ask for committed amounts to be accrued to the various projects towards the end of a project life in order to have clear picture of the financial situation

Recommendation:

Monthly reports on the income and expenditure and the balance sheet have to be provided and discussed with a management on a monthly basis. The Finance Group should put together a set of reports that give financial indicators upon which management can base itself when they make decisions. If there is a need for management to be further trained of financial issues and understanding of financial issues this should be provided.

Reporting on Project Agreements and budget control

Both Finance and Program observed that they were most of the times unsure about the actual expenditure to date and remaining project budget. It appears that this is mainly due to untimely recording of income expenditure which Finance explained resulted from an excessive workload of the person that does the data entry of financial transactions in the accounting system. Another issue that came to light is the fact that the Finance staff changes coding of transactions without consulting the project managers.

Recommendation:

It is of imperative importance that project managers receive accurate information on the financial status of their projects, in order to be able to monitor their projects. Finance must communicate and seek the agreement of the project staff for any changes of coding to activities. Furthermore, if an excessive workload is the reason for the delay in accounting entries, the Head of Finance must look at options for re-organizing the duties of his Group in order to relieve the person in question. This can be by requesting that other member of the Finance Groups help in data entry in peak periods.

Donor Reporting

At the time of the review, six technical and four financial donor reports were delayed. The main reason for the delays in reporting is the delays in the implementation of the project for reasons mentioned in previous sections. Reporting delays represents a credibility and reputation risk not only for the EARO but for IUCN as a whole.

Recommendation:

Accurate and timely donor reporting is of imperative importance. Every effort must be made to report in time. If delays in implementation occur, it is preferable to report financially and technical

A more complete and understandable overview of personal accounts should be provided to individual staff members. If requested supporting documentation and an explanation should be given by Finance. An agreed upon procedure should be established on repayment of the different components. To that extent it would be advisable to separate the components of staff accounts in three separate accounts: 1) staff loans, 2) staff advances for official purposes and 3) staff personal account (for personal expenditure as telephone, private tickets etc). Each component may have a different reimbursement policy. It is advised that personal expenditure should be repaid immediately. The exchange rate calculated on the expenditure should be the same as on the advance and any real exchange losses absorbed by the organization.

Account reconciliation:

It is advised that the AA Account Allocation function in Sun Accounts is used to aid the reconciliation process for staff accounts, bank accounts, suspense accounts etc. and thus increase efficiency by reducing the manual way of reconciliation. Explanation of the AA function was provided during the visit.

Segregation of duties not optimal

Although the Finance department has five staff members the functions of Petty Cash custodian, payments, journal entry and reconciliation are concentrated with one person.

For purposes of internal control, it is recommended that the function of payment, recording and reconciliation are distributed among three persons.

Unbalanced task distribution among Finance staff:

As mentioned in the pervious section, it seems that a large proportion of tasks were concentrated with one staff member who at times is overburdened. This sometimes results in delays in journal entry and reporting and in mistakes. An additional staff member was hired to assist in journal entry but this person is not doing any journal entry.

Recommendation:

It is recommended that journal entry should more evenly be distributed among staff and that in busy periods before deadlines all staff should be willing to take on entry tasks.

6. Efficiency

Although the review concentrated mostly on financial issues, time was spent discussing with EARO staff the organizational model the Regional Office is currently operating within.

At the time of the big decline in the EARO project portfolio few years ago, a decision was taken to keep all staff and to restructure what is called the Project Management Department (PMD). This Department totals nine staff and is a unit designed to support the technical coordinators in the managerial side of project development and implementation. The restructuring resulted in a department that has strong project management skills in terms of planning and buime Tw(t.9(ona)rgTD0.0011ent that1uTJ-19.0391 -1.15 TDiute

were more of a technical and project management mix instead of the current skill sets of only project management.

The Finance Department is currently organized in a way that leaves room for improvements. The person that handles petty cash is also dealing with all data entry, and as well as being overloaded she is constantly disrupted by staff needing petty cash for travel.

One member of the Finance Department has very good Sun and IT knowledge, but does seem to empower his colleagues by helping them develop skills that would facilitate their work. Consequently all reporting from Sun Accounts and the other financial management tools fall on one staff member.

The Head of Finance is disrupted for large amount of time every day for clearing and signing payments. In addition he controls each expense claim to be processed by Finance.

Recommendation:

The distribution of petty cash should be limited to fixed times of the day. This will prevent the staff member responsible for petty cash from being too disrupted and will give her more time for data entry which seems to be a bottle neck.

Finance staff members should be further trained on the financial systems and tools available so that they can use them properly and become more efficient in their work. This should also free up some time of the staff member currently doing all the IT reporting so that he can assist in the data entry.

The Head of Finance should propose fixed days for which payments will be signed and sent to the bank. In this way he can organize his time better and not feel stressed about payment files pending on his desk.

The checking of expense claims before processing should be done by a staff member more junior and the Head of Finance. This is not a good use of his time. The junior staff member can check the claims, make sure they are within the financial rules of the Regional Office, and only bring to the attention of the Head of the office those for which there seem to be an issue.

8. Other Issues

Communication and cooperation

There is a lack of understanding and communication between Program staff and Finance staff. This results in dysfunctional communication and inefficiency.

There appears to be a lack of understanding of the functions of the other party and increased mistrust. It was noted that Finance staff provide judgmental analysis which fall outside their competencies and area of responsibility. It was also mentioned that sometimes coding is overruled without consultation. There is a perception in Program of Finance being a costly nuisance. On the other hand, Finance feels Program is not working hard enough to acquire new projects and is absorbing too much money.

Both the cause and result is that Finance (feels it) is not involved in crucial steps in the project development and contract agreement process, which then results in contract conditions that are not always according to auditing standards which in its turn creates more distrust, delays, questions etc.; in other words a vicious circle.

Recommendation:

It is important that this situation is resolved as soon as possible. Cooperation between the two “sides” of the house is imperative for the well functioning of the Office as well as for ensuring the efficient management with regards to Finances. Options to resolve this situation could be a Team Building workshop facilitated by an outsider (professional company specializing in such workshops) or a workshop facilitated by a member from the Global Programme Team and the Global Finance Group from HQ.

Salary increases:

For two years no salary increase has been applied to salaries, a decision which has been blamed on the deficits incurred by the Office. Although salaries still appear to be in line with competitors, a real loss is perceived equal to the cost of living increase of 10-20% over the last 2 years.

Recommendation:

The decision not to grant cost of living increase has contributed to a decrease in staff morale, motivation. Staff members feel that they are taking the consequences of the deficit situation a net decrease in salary. The long term cost of not awarding a salary increase may be a lot higher than the deficits. This situation should be reviewed and preferably be corrected as soon as possible.

WASAA Trust:

Concern was expressed that the WASAA Trust would be making a profit to the expense of the EARO office. It was explained that the WASAA Trust is only a legal vehicle for ownership of the office building and estate and would not make a profit.

Recommendation:

The CFO and the Senior Finance Officer should clarify together with the Head of Finance in EARO and the Regional Director the exact status of the WASAA Trust. EARO Clarification should further be provided on the continuation of rental payments after the WASAA Trust had repaid the loan provided by the WCTF.