Sida Evaluation 03/33

Baltic Agricultural Run-Off Action Programme 1998–2002 and Siauliau, Matsalu-Haapsalu and Väinameri Projects

Tomas Hertzman
Dan Vadjnal
Valts Vilnitis

Department for Central and Eastern Europe

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Authors: Tomas Hertzman, Dan Vadjnal, Valt Vilnitis

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SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
Address: S-105 25 Stockholm, Sweden. Office: Sveavägen 20, Stockholm
Telephone: +46 (0)8-698 50 00. Telefax: +46 (0)8-20 88 64
Telegram: sida stockholm. Postgiro: 1 56 34-9
E-mail: info@sida.se.
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List of Acronyms

BAAP	Baltic Agricultural Run-off Programme
Baltic 21	Agenda 21 for the Baltic Sea Region
BSRP	Baltic Sea Regional Programme
BSR	Baltic Sea Region
EPA	Swedish Environmental Protection Agency
EU	European Union
GAP	Codes on Good Agricultural Practice
GEF	Global Environment Facility
HELCOM	Helsinki Convention
IFI	International Financial Institutions
JCP	Joint Action Environmental Action Programme
LRF	Swedish Farmers Association
NIS	Newly Independent States
RGÖ	Regional Advisory Group for the Baltic Sea
SLU	Swedish University of Agricultural Sciences
WWF	World Wildlife Fund for Nature

Executive Summary

In October 2002 a study was commissioned to evaluate the results achieved in the Sida-financed components of the Baltic Agricultural Run-off Programme (BAAP II) in Estonia, Latvia and Lithuania and comprising the Matsalu-Haapsalu, Siauliau and Väinameri projects for the period 1998–2002. The evaluation was undertaken mainly for the purposes of accountability of the programme and projects and to document lessons learned for future development co-operation in the Baltic States and beyond.

The report comprises a description of the agricultural and environmental context in the Baltic States followed by a description of BAAP II including the role of the International Department of the Swedish University of Agricultural Sciences (SLU). A number of key findings that arise from the implementation of BAAP II are presented and the report is concluded with lessons learned and recommendations for future development co-operation.

The state of the rural economy is characterised by historically comparative low levels of agricultural production, considerable consolidation in the number and size of farms and few significant investments in rural development in general and farming in particular. The environment, particularly for those living and working in the rural economy, is not a high priority. There has, however, been no shortage of national and international environmental initiatives seeking to deal with non-point source pollution from agriculture entering the Baltic Sea. The main documents guiding the environmental and agricultural authorities in the Baltic countries regarding decrease of agricultural run-off are the EU Nitrate Directive, the 1998 Ministerial Declaration, Annex III of the Helsinki Convention (HELCOM), the Joint Comprehensive Environmental Action Programme or Baltic 21 Goals for Sustainable Agriculture.

A key finding of the evaluation is that the sub-programmes and the projects have produced positive outputs. Monitoring facilities have been established and included in national programmes, numerous events of training have increased the capacity of institutions to deal with agricultural and environmental issues, farmers have been exposed to recent development in the field of environmental management, and networking between institutions on local, national and international level has been established or improved.

The positive outputs of the sub-programmes and the projects, however, have been largely despite rather than because of programme level activities. Looking at the overall programme level, there is lack of effective strategic planning. This is not to say that there is not a strategy for BAAP II. The Department of Central and Eastern Europe at Sida have a strategy as defined by the country strategy papers for Estonia, Lithuania and Latvia. There are further core programme documents that enumerate the goals of BAAP II and include reference to HELCOM and Baltic 21. Finally a strategy or at least objectives exist at the sub-programme and project-level. Rather the point is that strategic decisions have been made, concerning the form and content of sub-programme and projects in the absence of a clearly defined strategy at the programme-level specifically tailored to meet the objectives within BAAP II.

The causes and consequences of this are:

1. The programme has an allocation of financial resources for co-ordination and administration with no clear allocation for developing a programme strategy.
2. The programme or at least the implementation of the sub-programme and project activities has paid insufficient attention to developments that have been occurring particularly in the rural economy and agriculture sector.

3. In the case of the environment while the sub-programme and projects have endeavoured to set realistic objectives, the development objectives have remained overly ambitious at the programme level.
4. There has been an absence of any substantive evaluations and no systematic feedback into the programme from monitoring sub-programmes and projects.
5. While there is ample evidence of the local level ownership at the sub-programme and project level there has been inadequate representation of local beneficiaries from the Baltic States at the programme level.
6. Finally, the sustainability of the programme, in terms of continuation following termination or re-orientation of Sida development assistance, has not been adequately catered for in the sub-programmes and projects.

The project on Väinameri, partly financed by Sida but outside the administrative framework of BAAP II, has paid more attention to the linkages between environmental performance and economic realities of the farmers. This strategic approach is therefor judged being more successful and also more sustainable.

In view of these findings the evaluation comprises five recommendations that Sida can use in preparing future development co-operation within programmes of the same structure as the BAAP.

1. Financial resources should be allocated for developing and managing a programme strategy as well as administration and co-ordination.
2. There should be a clear linkage between the programme-level strategies and strategies or at least objectives at the sub-programme and project level.
3. There should be regular (bi-annual or annual) monitoring that feeds into a programme development cycle ensuring the programme adapts to developments occurring in the rural development and agricultural sector.
4. A steering group should exist to strengthen the overall programme management in general and the strategic approach in particular as well as increasing local ownership by presentation at the programme level.
5. There should exist an exit strategy to sustain the impact of the programme following termination or re-orientation of Sida development assistance.

1. Introduction

This report has been commissioned by Sida to evaluate the results achieved in the Sida-financed components of the Baltic Agricultural Action Run-off Programme in Estonia, Latvia and Lithuania and comprising the Matsalu-Haapsalu, Siauliau and Väinameri projects for the period 1998 – 2002. The purpose and scope of this evaluation is according to the Terms of Reference (ToR) "to review the results achieved of the Sida financed components of the BAAP Programme". But the Terms of Reference also underlines the need to pay special attention to the overall results of the programme/ projects. Another purpose mentioned in the ToR is the need to fulfil Sida's accountability and to learn for the future. This is a necessary activity as the Baltic Agricultural Action Run-off Programme is coming towards the end of implementation and Sida development co-operation assistance to the Baltic States is being phased out. It is also a timely activity as further support is planned for Russia and future agricultural and environmental activities for the coming years are foreseen to be closely linked to the up-coming Global Environment Facility and the Baltic Sea Regional Programme.

The findings and conclusions of this report are based on two weeks of fieldwork during November 2002 and by a joint team of consultants from SCC Natura, SPM Consultants London Ltd and ELLE, supplemented by interviews with Sida head Headquarters' staff conducted during October and November 2002.[1] In accordance with the Terms of Reference, and an inception-phase presentation to Sida, we have focused on both a dynamic or forward-looking assessment of the implementation of the Baltic Agricultural Action Programme along with a static or backward-looking assessment. We have focused attention at the programme level but also on project and sub-programme level (see Annex 2).[2]

The report comprises 6 sections. In Section 2 we describe the agricultural and environmental context in the Baltic States followed by a short description of methodology used in Section 3. The description of the Baltic Agriculture Run-off Action Programme is presented in Section 4. In Section 5 a presentation is made of our findings concerning implementation of Baltic Agriculture Action Programme and Section 6 concludes with lessons learned and recommendations for future development co-operation.

For those readers who are familiar with the state of environmental and agricultural affairs in the Baltic States it may be preferable to begin reading the report from Section 3 although the comments made in Section 2 are tailored to the Baltic Agriculture Run-off Action Programme. The intention is intended to provide a basis for subsequent comments made in Section 4, 5 and Section 6 and to create an understanding of the rapid changes in the rural economy and agricultural sector in the Baltic States.

[1] The evaluation team consisted of Tomas Hertzman (Team Leader) from SCC Natura, Dan Vadnjal from SPM Consultants London Ltd and Valts Vilnitis from ELLE.
The evaluation team would like to thank all those who agreed to be interviewed and who provided written materials during our field-work in Estonia, Latvia and Lithuania and consultation visits to Stockholm.
[2] It should be noted that the purpose of the evaluation, while specified in the Terms of Reference issued on 24 June 2002, was subsequently refined following consultations with Sida, and elaborated upon in an inception-phase presentation to Sida in October 2002.

2. The context – Agriculture and environment in the Baltic states

The purpose of this section is to describe the state of agricultural and environmental affairs in the Baltic States and to provide a basis for subsequent comments made in Section 4, 5 and 6.

2.1 Background

During the latter half of the 20th Century uncontrolled economic development on the Eastern coast of the Baltic Sea was to result in extensive pollution, mainly, due to point-source pollution from municipal sewage systems and industries and non-point source pollution from agriculture. Only in the late 1980s and early 1990s, with the collapse of the Soviet Union, resulting in dramatic changes in society and economy, was there a reduction in environmental pressure on one hand and a significant change in industrial and agricultural production on the other. Industrial production in the Newly Independent States (NIS), including the Baltic States, decreased dramatically. For example, total industrial output in Latvia in 1997 was below 50 percent compared with output levels in 1990. At the same time considerable investments were made in municipal wastewater treatment systems, causing additional reduction of the pollution load from point sources. Agricultural production decreased as well, reducing the pollution load into the aquatic environment even further. However, agriculture is still the main source of nutrient pollution of surface waters in rural areas, particularly, in those parts of the Baltic countries, where the soils are rich and production is more or less intensive.

2.2 The Rural Economy and Agriculture

There are several important events that were to take place in the Baltic States, following collapse of the Soviet Union, that were to contribute to shaping developments in the rural economy's of Estonia, Latvia and Lithuania.

The first of these concerned land reforms (restitution of private land property) and agricultural reform (privatisation). Restitution, or land reform, which started in 1990 in Latvia and Lithuania and in 1991 in Estonia, returned land back to the former owners or their inheritors according to the status quo of 1940 (and at the time of writing this report land reform is nearing completion). Agricultural reforms, or privatisation, which began in 1991 in Estonia and Lithuania and 1993 in Latvia and were similar in all three countries, with distribution of property from collective and state-owned farms to private owners. However, the lack of co-ordination of land and agricultural reforms were to produce confusing results. For example, there were 803 agricultural enterprises and 34,671 private farms by 1 January 1998 in Estonia, but only one-third of agricultural land belonged to private farms; in Latvia, the opposite was the case, with the pace of land reform exceeding agricultural reform.

Secondly, land and agricultural reforms in the rural economy took place during a period of general down-turn in agricultural production: exports and domestic markets constantly shrinking between 1990 and 1995–1996, land owners had neither resources nor the necessary knowledge and skills to initiate farming activities and the newly-formed national governments were not in a position to provide necessary investments.

Today, the domestic agricultural market remains more or less stagnant. There are provisions, in each of the Baltic countries, for subsidies to farmers, however, they frequently change, target only few products and (due to general national budget shortfalls) are not sufficient to ensure stable growth in the

agricultural sector. This situation is compounded by the fact that food products are being imported from the European Union (EU) and Central European countries, where production is subsidised on a more regular basis and prices are commonly considerably lower than for locally produced goods. Exports to the EU, on the other hand, are stifled because of the stringent food safety requirements and limited quotas. Most small and medium-sized farms are not able to afford the necessary investments to meet EU requirements and the products often do not meet EU standards.

Thirdly, two kinds of farms appeared in the early 1990s: small family farms and large, jointly owned farms, which were successors of the former collective or state farms.

There are a large variety of farms of different sizes, profile and economic capacity existing throughout each of the three Baltic States. In areas with poorer soils, such as South Eastern Latvia or Western Estonia, small farms with 10–25 hectares of land and a livestock numbering less than 10 heads of cattle dominate and most large farms have disappeared, whereas in areas better suited to agriculture and with richer soils (Northern Lithuania, Central Latvia) large private farms (several hundred livestock and thousands hectares of open land) are numerous and most of the successful family farms have reached medium sizes ranging from 40–100 heads of cattle and 100–300 ha of agricultural land. While it is difficult to generalise a typical farm in the Baltic States might be circa 25 hectares with some 10 hectares of arable land, 10 hectares of forest and 5 hectares of meadows or pastures; commercially active farms are usually buying or renting more land from their less successful neighbours.

Small family farms are usually suffering from inadequate education and training of owners, commonly lacking an agricultural background even basic experience in farming. They also had and continue to have no financial resources to invest in development of the farm and, as well as, skilled and reliable labour is scarce in the countryside. Low levels of specialisation and technological developments tend to increase per unit production costs and limit growth potentials. Consequently many family farms have withdrawn from agricultural production and migrated to the towns and cities, rely on pensions and other social support schemes or continue with subsistence farming (sometimes supplemented by forestry).

Large collective and state-owned farms that were dismantled during the agricultural reform in the early 1990s had all their property (including assets acquired during the Soviet Union period, such as buildings and machinery but not including the land) distributed among the former employees or co-owners. In some cases the new owners established jointly owned farms (i.e. co-operative, share-holding company or a limited liability company) yet in most cases the newly established farms immediately split so that the former collective and state-owned property transformed into smaller farms. Generally, the number of owners for the larger jointly owned companies is decreasing over time, as successful and wealthy partners are buying shares from their associates. It is worth noting that in most cases post-Soviet Union collective and state-owned farms were of little (productive) value due to badly constructed and frequently half-ruined barns, storages, garages and granaries as well as worn out soviet-made agricultural machinery.

Finally, the total area of abandoned agricultural land has significantly increased during the 1990s, and is now estimated to be between 25 percent in Lithuania) and nearly 50 percent in Estonia and Latvia of the total arable land in the respective States. It is also worth noting that total agricultural land share is circa 32 percent in Estonia, 45 percent in Latvia and 62 percent in Lithuania. Agriculture employs approximately 6 percent (of the population) in Estonia and 17.6 percent in Lithuania of population, and agricultural products form between 5 and 10 percent of exports of the Baltic States.

In summary, given the state of the rural economy, characterised by historically comparative low levels of agricultural production, considerable consolidation in the number and size of farms (fewer farms

producing more; small and larger farms disappearing with successful smaller farms growing larger) and few significant investments in rural development in general and farming in particular, it is should not be surprising that, for those living and working in the rural economy, environment is not a high priority. There has, however, been no shortage of national and international environmental initiatives seeking to deal with, amongst other issues, non-point source pollution from agriculture of the Baltic Sea.

2.3 National Environmental Policies

The development of national environmental policy documents in Estonia, Latvia and Lithuania were mostly influenced by the activities of the Helsinki Convention (HELCOM) during the early 1990s, the Environment for Europe process and the Environmental Action Programme for Central and Eastern Europe during the mid-1990s (which was mostly driven by the UN/ECE and EAP Task Force) and since 1996–1997 the EU integration processes has mostly shape developments in environmental policy in each of the Baltic States.

At the national level, the Estonian National Environmental Strategy (approved by the Parliament in 1997) does not pay much attention to agriculture and its relation to the environment. However, among priority environmental problems two are directly linked with impacts of farming: irrational use, pollution and eutrophication of surface water bodies, deterioration of aquatic ecosystems; threats to biological and landscape diversity (including eco-network, nature reserves, protected species, and sites) as a result of economic activities and the land reform. The National Environmental Policy Plan for Latvia (accepted by the Cabinet of Ministers in 1995) specifically address: eutrophication of water courses and degradation of aquatic ecosystems; environmental impacts of agriculture, which basically include degradation and destruction of habitats, decrease of biological diversity, and run-off of nutrients from non-point pollution sources. The National Environmental Action Programme for Latvia (approved by the State Minister for Environment in January 1997) contains a large number of actions to be taken in order to mitigate environmental impacts from agricultural production and address water pollution from non-points sources: Sections 6A and 6B with 13 actions refer to improvements in fertilising and plant protection techniques and systems, whereas Section 6C directly addresses reduction of agricultural run-off. Implementation of the Latvian-Swedish project "Protection of the Baltic Sea from agricultural run-off" is specifically mentioned as action 6C3. The Lithuanian Environmental Strategy and Action Programme (1996) mentions "reduction of soil pollution with organic and mineral fertilisers and other agricultural chemicals" as one of environmental protection goals. The Strategy calls for "implementing measures for the reduction of non-point source pollution of ground and surface waters" and in the field of agriculture envisages the following priorities: improvement of land use, soil fertility preservation; combination of intensive and extensive agriculture, promotion of environmentally clean agricultural production, introduction of sustainable and bioorganic agriculture; ensuring safe use of plant protection measures, fertilisers and other chemicals.

Agriculture causes significant effects on the environment in the Baltic States evidenced by the national and the Baltic state of environment reports, as well as from a number of special studies, carried out by the countries themselves and by several international projects. While contribution of industrial and municipal pollution sources has decreased over the last years due to vast environmental investment programmes and restructuring and upgrading of major industries, the decline in agricultural run-off has been considerably slower. According to the Lithuanian Ministry of Environment, more than 70 percent of nutrient load into Nemunas River is coming from non-point sources. Recent calculations in the catchment area of Daugava River rural areas of Eastern Latvia some 57 percent of nitrogen load in surface waters originate from farmlands, while in highly urbanised and industrialised areas close to Riga agricultural run-off contributes with around 40 percent.

There is a possibility, that large share of agricultural run-off comes from past pollution rather then present farming activities. Towards the end of the Soviet Union era, in 1987–1988, use of mineral fertilisers in the then Baltic Republics reached a maximum of 242 and 309 kilograms per hectare of sown area in Latvia and Lithuania respectively, while in 1997 these figures were 34 and 99 kilograms in Latvia and Lithuania respectively. At the same time concentration of nitrate nitrogen in surface waters did not decrease significantly during the 1990a. Moreover, nitrate nitrogen concentrations in the rivers flowing through agricultural territories in Lithuania increased five times between 1990 and 1994.

2.4. International Environmental Policies

The first serious activity concerning the reduction of agricultural run-off was initiated in September 1988 when the Ministers of Environment of the Baltic Sea States decided (in the form of "The 1998 Ministerial Declaration") that anthropogenic loading to the Baltic Sea should be reduced by 50 percent from 1987 levels by the year 1995. At that time the then Baltic Republics were still under Soviet Union rule and did not directly participate in international environmental policy. Major momentum was gained in 1990, when Heads of Governments and High Political Representatives signed the Baltic Sea Declaration in Ronneby, Sweden. It launched the Joint Comprehensive Environmental Action Programme (JCP) which contains 20-year programmes of action, anticipating phased strategic investment throughout the region with a total estimated cost of about EURO 18 billion. The JCP was reviewed and updated in 1998.

The main objective of the JCP is to support both "preventive" and "curative" measures in the Baltic drainage basin to restore the ecological balance of the Baltic Sea by reducing pollution loads. This involves identifying pollution sources and carrying out measures to reduce the inputs of nutrients and other harmful substances. Identifying and cleaning up pollution hot spots is a particularly important part of this work.

The JCP has six main complementary elements: policies, laws and regulations; institutional strengthening and human resource development; investment activities addressing point and non-point source pollution; management programmes for coastal lagoons and wetlands; applied research; public awareness and environmental education.

In the countries in transition, where affordability is a critical constraint to investments, JCP was implemented with the wide use of co-financing blended loans from the International Financing Institutions (IFIs) and grants from the EU and bilateral donors. This approach helped to reduce the impact of adjustments to tariffs for services to project beneficiaries, thus decreasing potential adverse impacts on populations with low or fixed incomes, thus basically removing a number of hot spots, where major pollution loads originated from municipal wastewaters.

Despite the success in decreasing nutrient loads from the point sources by successfully designed investment programmes, agriculture still remains a main polluter of nutrients to the Baltic Sea, according to HELCOM. Despite reduction in the use of fertilisers and structural changes, which in general have lead to decreased leaching from agricultural areas, the nutrient load in rivers and into the Baltic Sea is still too high. In the Baltic States pollution from agriculture has been reduced, but there is a danger that future development of the sector could create major problems unless precautionary measures are taken.

HELCOM and its Working Group on Agriculture assume, that further improvement has to be achieved by: improved management possibilities by splitting huge agricultural Hot Spots into smaller ones; implementation of Annex III to the Convention; elaboration and implementation of national Codes on

Good Agricultural Practice (GAP); implementation of the EU Nitrate Directive; application of the river basin approach in conjunction with the EU Water Framework Directive.

Since the mid-1990s, more international processes started to influence environmental policies around the Baltic Sea, including EU enlargement and Baltic Agenda 21. First, it became clear, that the Baltic countries are moving towards EU membership, thus being required to harmonise their policies and legislation accordingly. Approximation of environmental legislation to the requirements of the EU directives became the major driving force for the development of national environmental policies, institutional capacity building, and environmental investment. Investments, supported by the EU accession process, cumulated with the JCP-linked investment projects in the hot spots, so speeding up development of wastewater treatment systems in large and medium cities and reducing pollution discharge from non-point sources to the Baltic Sea. Consequently, all human and financial resources in the environmental institutions were allocated for dealing with EU accession issues, thus less attention was paid to work with HELCOM and a new development in the Baltic Sea area – Baltic Agenda 21.

At the meeting of Heads of Governments in Visby, Sweden in May 1996 the Governments of Denmark, Estonia, Finland, Germany, Iceland, Latvia, Lithuania, Norway, Poland, the Russian Federation, Sweden, and the President of the European Commission decided to develop an Agenda 21 for the Baltic Sea Region (Baltic 21). The Ministers of Environment agreed that the sustainable development of the Baltic Sea Region (BSR) is the objective in developing Baltic 21, and that an integrated approach is fundamental to achieving this objective. Agriculture is viewed as one of the economic sectors of crucial importance for sustainable development in the region. According to the Baltic 21, agriculture has to focus on good agricultural practices available to substantially reduce the leakage and emission of nutrients and the use of pesticides, and promotion of less intensive farming methods.

In summary, the main document, guiding the activities of the environmental and agricultural authorities in the Baltic countries regarding decrease of agricultural run-off is the EU Nitrate Directive, the 1988 Ministerial Declaration, Annex III of HELCOM, the JCP or Baltic 21 Goals for Sustainable Agriculture.

3. The Methodology

A number of key documents contributed to the methodology used in this evaluation, including the Terms of Reference (see Annex 1), a presentation to and discussion with Sida concluding the inception phase in October 2002 on the approaches and methods to be used in the conducting the evaluation (see Annex 2) and a presentation to Sida and others in December 2002 on preliminary findings (see Annex 4).

The October 2002 presentation provided an important opportunity, based on a series of interviews conducted with Sida headquarters staff and other relevant persons, for the consultant team to explain to Sida the approaches and methods we proposed to use in conducting the evaluation as per the purpose specified in the Terms of Reference.

In particular we recommended that the evaluation should be approached in a "dynamic and not static" way, that it should be "backward looking and forward looking" and that it should focus on "hierarchies and synergies" between the programme (sub-programmes) and projects (see Page 2 of Annex 2). In this regard we stressed the importance of considering not only impacts of the programme-level generally

and the project and sub-programme-level specifically but also investigating the managerial relationships between Sida and the implementers and beneficiaries of BAAP II. We believed this approach was important if we are to be able to say something meaningful about not only the success or otherwise of the various sub-programmes and projects but also about BAAP II as a whole. We proceeded with the evaluation, along the lines presented and accepted at the Inception meeting at Sida. A decision to focus on the Baltic States (Estonia, Latvia and Lithuania) thus leaving Poland and Russia out of the evaluation was also taken as this meeting.

A core component of the evaluation involved the consultant team making field visits to stakeholders of the Sida-financed components of the BAAP II programme in Estonia, Latvia and Lithuania during November 2002. We used a combination of methods in conducting the evaluation including face-to-face interviews as well as group sessions. The interviews and group sessions normally lasted between two and three hours. They began with an introduction to the purpose of the evaluation and then involved a series of questions, agreed upon by the team of consultants prior to commencing the interviews, and a more informal discussion during which the stakeholders had an opportunity to raise issues not addressed by the team of consultants. Also, on two occasions, we used a "strengths, weaknesses, opportunities and threats" (SWOT) analysis, to gather views on specific project and sub-programme activities. While we ensured the questions and discussions addressed the issues that were important for the evaluation we sought to encourage stakeholders to raise issues they considered important for BAAP II and future programmes. To gain a better understanding of the sub-programme and projects activities we visited several sites, farms and monitoring stations, to see for ourselves the physical investments that had been made in infrastructural facilities. As a result of these investigations preliminary findings were reported on in the December 2002 presentation and this report represents a descriptive and analytical summary of the main issues arising in BAAP II.

4. The Programme – Sida and the Baltic Agriculture Run-off Action Programme, Sub-Programmes and Projects

The purpose of this section is to provide an overview of the origins, contents and outputs of the Baltic Agricultural Run-off Programme (BAAP) beginning with a brief description of the BAAP I (1993–1996) and the Interim Phase (1997) and followed by a description of BAAP II (1998–2002) with comments on the particular contents and outputs of the various sub-programmes and projects.

4.1 BAAP I

BAAP I has its origins in HELCOM that involved designing a "joint action programme" for actions to improve the marine environment (and the JCP).

In 1993 the Swedish Government decided to contribute SEK 25 million to the work under the umbrella of HELCOM. In March 1993 the International Department of the Swedish University of Agricultural Sciences (SLU) was contracted to support environmental measures in the agricultural sector in Estonia, Latvia, Lithuania, Poland and Russia. It was intended that the BAAP I should:

- be relevant within the HELCOM joint action programme;
- target education and extension;

– target small scale demonstration projects;
– stimulate co-operation and co-ordination among authorities and organisations in the targeted countries;
– build on the technical and administrative competencies in the countries and
– be co-ordinated with other international programmes.

To assist in administration and co-ordination SLU was mandated to create a "Reference Group" and was advised to work closely with the Swedish Environmental Protection Agency (EPA), the Farmers Association (LRF) and the Extension Service (HushŒllningssällskapen). The Swedish Government through the Ministry of Foreign Affairs allocated SEK 1 million or 4 percent of the total SEK 25 million to SLU for managing implementation of BAAP I.

SLU invited organisations and teams to submit proposals for project within a framework developed between SLU and the participating countries. A total of 54 project proposals were received and 7 were approved. The implementation of these 7 projects was the final outcome of the BAAP I.

4.2 Interim Phase

The Interim Phase included both continuation of core activities and an evaluation of BAAP I as well as engaging the implementing agencies in the Baltic States and Sweden to assist in designing the projects and sub-programmes in Phase II.

An external consultant carried out the evaluation during late 1996 to spring 1997 (SLF 1997). The evaluation was to lead to a number of conclusions on the BAAP I. The general conclusion was that the implementation had, in most aspects, been a success: the objective had been highly relevant, the terms of reference clear and the decentralised decision making (at the sub-programme level) effective. However, there was need to strengthen the links between various implementing agencies and countries as well as cooperation between these agencies and relevant public authorities in the respective country.

The evaluators also proposed particular initiatives for BAAP II particularly at the sub-programme and project level. These included the need to strengthen the cooperation between all countries around the Baltic Sea as well as strengthening cooperation between ministries for environment and agriculture in the respective countries. They also stressed the need for linking the programme initiatives to development and implementation of national and international policy on environment and agriculture. The recommendations further proposed that BAAP II should focus on training and demonstration activities, application of Good Management Practices and awareness creation focusing on secondary schools in rural areas. And the evaluation report contained proposals for the BAAP II activities including budget estimations for the implementation.

4.3 BAAP II

Following on from BAAP I Sida contracted SLU to co-ordinate and administer BAAP II and the various sub-programmes and projects. The rationale underpinning Sida's involvement in BAAP II and the responsibilities given to SLU are enumerated in a number of documents dating from 1997 through to 2002.

The decision by Sida to allocate SEK 25 million for BAAP II is based on a "project Description" (Beslut om Insatsstöd 97-12-18) and an "Evaluation PM" (Bedömningspromemoria dated 99-01-21)

and reference is made to a "Project Document" (Programbeskrivning).[1] The Evaluation PM contains a number of guiding principles for the implementation of BAAP II and it is set under the umbrella of HELCOM (and later) Baltic 21. The respective country strategies within the Sida framework, where agro-environmental issues were identified as a concern, were also bases for the design and decision on the implementation of BAAP II.

The Evaluation PM, in particular, notes that a decrease in agriculture activities (see Section 2 above) creates opportunities to influence development towards more environmentally friendly agriculture practices in the Baltic Sea countries. Though there are directions given as to how BAAP II should respond to these changes.

Following on from BAAP I SLU was given the task of managing implementation of BAAP II. The goal for the programme is to:

- reduce nutrient leakage;
- preserve and develop biological diversity;
- introduce rural/urban eco-cycle approaches.

The expected *results* are:

- reduced leakage of nutrients;
- improved quality of water for consumption from wells;
- changed attitudes to environment and life style approaches in rural areas.

The document stresses the need for monitoring and evaluation and the use of gender sensitive indicators. The content of the BAAP II shall contain development of extension capacities targeting family farms and large-scale farms at equal level. Diversity in approaches is seen as important as is the possibilities for the programme to support approximation to EU legislation.

The Agreement between SLU and Sida is founded on a document called "Guideline for Environmental projects within the Agricultural Sector". This document largely repeats what is mentioned in the Evaluation PM described above. In addition the document notes that projects within BAAP II should:

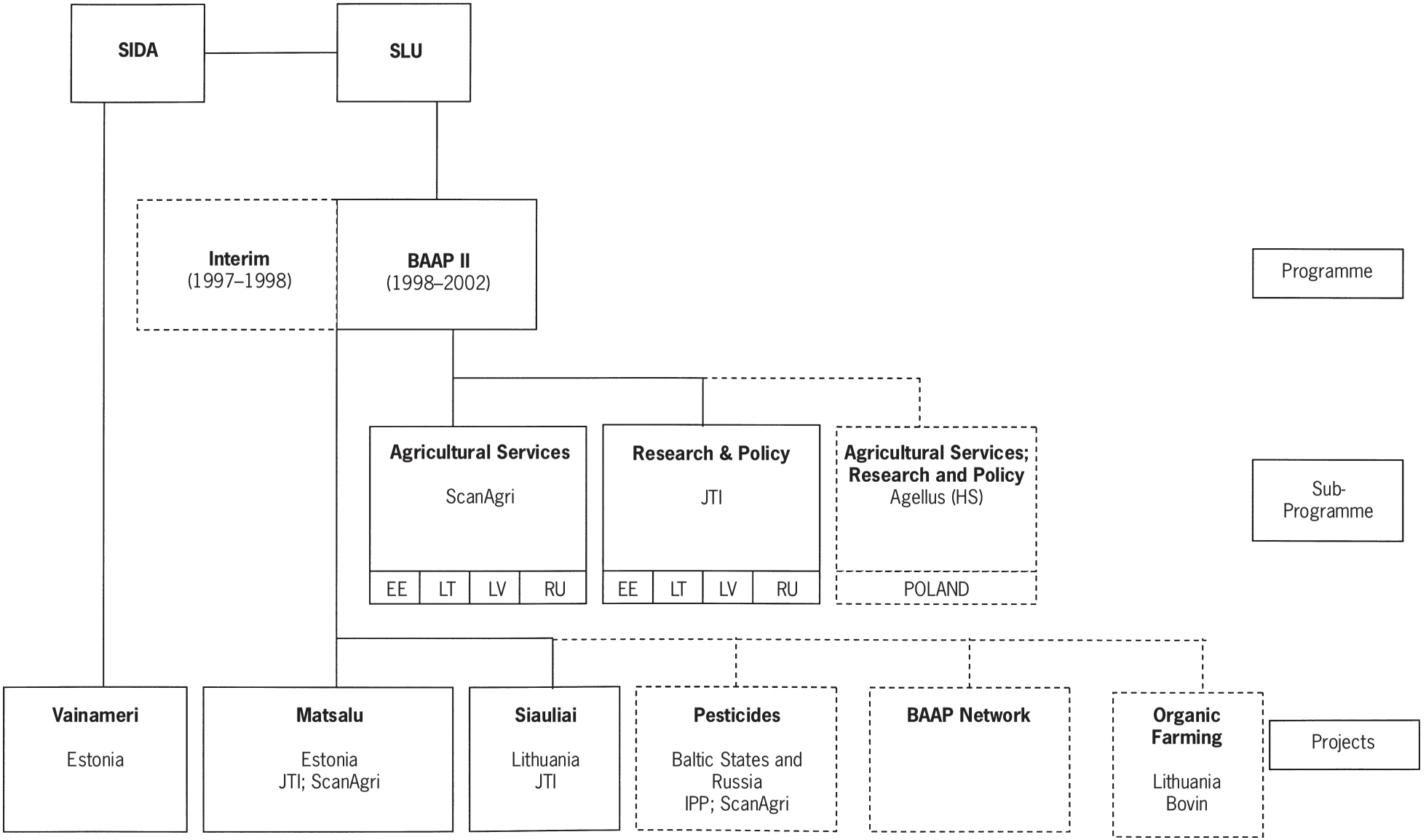
- focus on activities having a strategic development potential;
- have clear and verifiable goals and outputs;
- be designed in a way that Swedish support can be replaced with domestic resources when BAAP II is phased out.

A budget is attached to the agreement probably based on the Project Document (Programbeskrivning). In this the administrative costs for co-ordinating and administering BAAP II is SEK 2.5 million or 10 percent of the total budget.

The contract runs for the period up to September 2002 but the contract has been extended up to the end of 2002 without any additional budget. This decision is dated August 2002.

The BAAP II comprises the Regional Advisory Group for the Baltic Sea (RGÖ), the BAAP Secretariat (SLU) and various sub-programmes and projects.

[1] It has not been possible to locate this document and hence its full content is not known.


SIDA
SLU
Interim
(1997–1998)
BAAP II
(1998–2002)
Programme
Agricultural Services
ScanAgri
EE
LT
LV
RU
Research & Policy
JTI
EE
LT
LV
RU
Agricultural Services; Research and Policy
Agellus (HS)
POLAND
Sub-Programme
Vainameri
Estonia
Matsalu
Estonia
JTI; ScanAgri
Siauliai
Lithuania
JTI
Pesticides
Baltic States and Russia
IPP; ScanAgri
BAAP Network
Organic Farming
Lithuania
Bovin
Projects

4.3.1 Regional Advisory Group for the Baltic Sea – RGÖ

Following on from the Reference Group established in BAAP I SLU established the Regional Advisory Group for the Baltic Sea (RGÖ). The role and composition of the RGÖ is defined neither by Sida nor SLU.

The organisational set-up of BAAP II is presented in Diagram 3.1 below. It should be noted that the Pesticide project commenced during the implementation of BAAP II and that thus the time frame and financial report extends to the end of 2003.

It is difficult to decipher, either from discussions had with relevant persons or from the documentation we have reviewed, the exact function of the RGÖ. yet a rReading of the minutes suggests it served more to communicate general strategic and policy issues concerning the Baltic Sea rather than, as might have been expected, nfor instance, giving concrete advice on the development of the programme, its sub-programmes and projects. Also, while we noted (in the section above) that SLU presented and discussed proposals with the RGÖ in February 1999, apart from general meeting notes, there does not exist any formal documentation concerning justification for the selection or rejection of proposals vetted by SLU and/or RGÖ.

The RGÖ met regularly during the programme period and the composition varied from time to time. There has been no representation from beneficiaries in the Baltic States or from HELCOM yet Swedish implementing agencies have, by invitation, been sometime members of the RGÖ or at least participated in the meetings.

4.3.2 BAAP Secretariat – SLU

According to the Agreement between Sida and SLU the function of the International Department is to:

- initiate projects on agriculture and environment;
- process project proposals;
- decide on financial support;
- follow up respective projects;
- report to Sida

It is clear that the tasks of the International Department have been executed in accordance with conditions set by Sida. Reporting has been completed, financial book-keeping completed and the RGÖ meetings have been documented. Additional to these day-to-day administration and co-ordination tasks it is important to note that the International Department has been active and seemingly successful in dealing with problems arising in sub-programmes and projects (notably including initiation of the stalled Siauliau Project in Lithuania). The networking activities with the Ministries of Agriculture and Environment (and other relevant public authorities) has provided important access to and influence with policy-makers in the respective Baltic States. Further strengthening of the cross-boarder co-operation has taken place through the development and management of the "Network for the Baltic" (the BAAP web-site) by the Lithuanian Institute for Water Management.

The International Department, furthermore, has played a central role in developing selected sub-programmes and projects from BAAP II into the upcoming GEF and BRSP programme. Yet while there would appear to be a good case for this transformation we have not seen any BAAP II documentation that mandates the International Department, to develop the GEF and BRSP programme, although we understand that SEK 1.0 million has been earmarked for this purpose by Sida.

4.3.3 Sub-programmes

During BAAP I a process was developed for the design and implementation of the various sub-programmes. The model built to a large extent on close co-operation between the implementing agencies in the Baltic States and those in Sweden. A similar process was adopted in designing and implementing the sub-programmes in BAAP II:

- Invitation for application (September 1998): SLU used a limited selection process to identify potential implementing agencies for new sub-programmes or extension of those established in BAAP I. The guidelines for application focus on education and training, small scale demonstration farms and institutional strengthening. They further indicate that the grants are intended for Swedish implementing agencies working closely with counterparts in Estonia, Latvia, Lithuania, Poland and Northwest Russia.
- Selection of projects (December 1998 - February 1999): A number of applications were presented to SLU most of them from institutions in the beneficiary countries. Proposals were presented and discussed in February 1999 within the RGÖ and thereafter SLU decided to accept or reject project applications.
- Developing final applications (April 1998): The initial proposals developed did not fit into the allocated budget. As there was a budget cut down by 25 percent to over 50 percent and the proposals were revised. The revised proposals were presented and accepted by RGÖ in May 1999.
- The Framework for Co-operation (September 1999): Based on the above applications and preliminary decisions made by the SLU negotiations were opened with relevant ministries (typically the Ministry of Environment and Ministry of Agriculture) in the respective countries. The Framework for Co-operation confirmed the willingness of both sides to contribute to the implementation of the sub-programmes and projects, defined the implementing agencies (such as SwedeAgri and Latvian University of Agriculture) as well as the financial contributions from both ministries, and established the activities as being a contribution to the Baltic Sea JCP programme within HELCOM.
- The Contract (November 1999): The Contract confirmed that the respective implementing agencies had entered a contractual agreement with the corresponding implementing agency in Sweden. The contract contained, amongst other things, an implementation plan, time schedule and logical framework analysis (LFA) matrix and detailed the reporting responsibilities.
- The LFA (December 1999): There is a programme LFA that has been designed after the decisions on budgets, sub-programmes following signing of the contracts. The LFA as such is general and does not provide concrete details on the activities of the sub-programmes. However on the sub-programme level LFAs are more detailed and it would seem that these have been developed as strategic documents.

The two main sub-programmes in BAAP II are the *Research and Policy Sub-programme* and the *Agricultural Services Sub-programme*. The sub-programmes contained seven core activities, including sustainable crop production, sustainable animal production, agric-environmental legislation and policy, agricultural engineering, water monitoring, biodiversity and landscape and educational material.

The overall impression of the sub-programmes is that they have been managed successfully and in accordance with their respective logical framework analyses (LFAs). There is a reasonably clear correlation between the expected results and verifiable outputs.

The positive impacts of the sub-programmes are numerous. There has been considerable capacity building in the fields of research, monitoring and extension which has produced a cadre of local

experts who are familiar with links between agriculture and environment as well as the means and methods to improve agricultural performance to reduce negative impacts on the environment. In addition to reaching-out to a large number of farmers through demonstration activities the Agriculture Services Sub-programme has implemented on pilot farms an Environmental Management System (EMS). This is recognised as an effective means of implementing environmental activities while recognising the economic constraints of farmers. This system is particularly relevant, especially in the Baltic States, given the state of the rural economy and ability of farmers to invest in environmental mitigation measures. Beyond the farm the sub-programmes have linked to central government ministries and other relevant authorities as well as contributing in a substantive way to Annex III of HELCOM as well as other policy initiatives such as the EU Nitrate Directive. And there would appear to have been considerable cross-country co-operation both between the various implementing agencies within the sub-programmes and from the respective Baltic States and between these and the implementing agencies in Sweden.

There are several negative critical aspects of the sub-programmes. The implementing agencies in both the Baltic States and in Sweden have been involved the implementation and design of the sub-programmes in both BAAP I and BAAP II. While this is positive from a continuity as well as ownership point of view, it would appear that there has been been a tendency to roll-over sub-programmes from BAAP I to BAAP II without fully considering the state of agriculture and environment in the Baltic States. While there is ample evidence that the national and international environmental policy initiatives have been taken into account in the sub-programmes, there is little if any discussion of the contextual changes that were taking place in the rural economy and agriculture sector in the Baltic States. The adoption of the EMS seems to have partially responded to a recognised need to match environmental activities with economic realities. The EMS has, however, been confined to a single sub-programme and developed during the course implementation rather than based on any thorough or systematic investigation of the state of the rural economy and agriculture sector in the Baltic States

Furthermore, there have been periodic disruptions to the sub-programmes as experts in the implementing agencies have contributed towith the planning of GEF and the BSRP programme. Not only has this diverted resources away form the intended activities of the sub-programmes but it would appear to have resulted, at least amongst the implementing agencies in the Baltic States and possibly amongst those in Sweden, in a belief and in expectations that the GEF and BRSP programme finance an extension of at least some of the BAAP II activities.

4.3.4 Projects within the BAAP Framework

In the evaluation we concentrated on two main projects within BAAP II including the *Siauliau Environment Project* and *the Matsalu Bay Environment Management of Agricultural Run-off Project*. In the following presentation we provide a very brief over-view of the Projects and comment on some of the more apparent positive and negative aspects.

Siauliau Environment Project

The Project was developed out of World Bank Project on the Siauliau Environment that dealt with the overall environmental management of the District of Siauliau and focused on improved water management and institutional capacity building. Sweden, through the BAAP, decided to support the World Bank project by contributing to "Non-point source pollution control in the Upper Lielupe River Basin" Project. The contractual agreements were between SLU and the Siauliau Regional Environment Protection Department within the Environment Protection Ministry and SLU for the period 1999 to 2000. The main activities of the Project involved: the design and establishment of a demonstration watershed approach; creation and implementation of a Code of Good Agricultural

Practices; establishing and running a monitoring system; training activities (i.e. demonstration activities, education of extension staff and farmers as well as information activities). The project also included a major investment in a manure storage facility on a large private farm.

The Project has had positive impacts also beyond the concrete project itself. This includes elaboration of rules for the Code of Good Agricultural Practice based on national environmental legislation in Lithuania, the Nitrate Directive and (Annex III of) HELCOM. The Project has, also, implemented demonstration and educational activities to a large number of farmers. Our conclusion is that when the project well took off the activities planned and the output reached does well correlate with the intentions as described in the planning document.

A less positive aspect of the Project has been the choice of AC Bariunai as a "demonstration farm". Given the rapid changes that were taking place during the life of the Project, in Lithuania as elsewhere in the Baltic States (in Section 2 we noted that the general trend is for small and large farms to disappear with successful small farms growing larger amalgamating small farms or splitting large farms creating "middle " size farms) the choice of farm is questionable. We have not seen any documentation nor were we able to gain further insights during the evaluation as to the rationale for choosing AC Bariunai as a demonstration farm. In choosing AC Bariunai as a demonstration farm a number of questions should have been asked. For example:

- How representative is Bariunai farm of other farms in the watershed and Lithuania more generally?
- Can the manure storage facilities demonstrated on Bariunai farm be replicated, in an affordable way, elsewhere?
- Are the investments made, in view of the state of the rural economy, sustainable?
- And given that more than SEK 1 million was invested on this single facility alone, whether this is the most (cost) effective way of demonstrating the control of agricultural run-off?

It is not obvious from our investigations that the investments made are neither replicable nor sustainable in the view of current state of the rural economy and agricultural sector.

Matsalu Bay Environmental Management of Agriculture Run-off Project
The project was developed as a joint effort between the Ministry of Environment in Estonia and SLU for the period 1997 to 2001. The main activities of the Project involved: demonstrations (e.g. different actions to minimise nutrient run-off was introduced and annual nutrient balances were carried out, investments were made in pilot farms to show manure storage solutions, investments were made in machinery for effective manure spreading); environmental monitoring (i.e. establishing a monitoring station and estimating run-off from agriculture land, producing monitoring data); preservation of wildlife (i.e. increasing awareness on biodiversity and agriculture); information and extension services (e.g. seminars, workshops and farm visits to improve knowledge on positive and negative impacts of manure handling systems); environment and legislation.

The main positive aspects of the Project include the considerable outreach to farmers with almost all farmers in the area, in one way or another, being reached or involved in information and training activities. The establishment of pilot farms, where hard investments in infrastructure were made in manure storage facilities, has enabled other farms to visit work in progress. The project has resulted in a development of the extension services and broadened the field of information to include not only agricultural practices but also environmental and biodiversity aspects. A local advisory centre has been established and functions as a focal point for farmers and advisors. Relevant and diversified information material has been not only produced but also disseminated and used widely.

A less positive aspect of the Project has been the almost exclusive focus on environment-related matters. Much less attention has been paid, most notably given the stagnant state of the rural economy in Estonia, as elsewhere in the Baltic States, to the affordability of hard investments in manure storage facilities or any other environmental mitigating measures at farm level. Also, as with the Siauliau Environment Project, but less significantly given the relatively small investments, there has been little obvious discussion justifying the choice of farms, or whether the demonstration farms are replicable or sustainable.

Furthermore, as with the sub-programmes, in both the Matsalu Bay Environment Management of Agricultural Run-off Project and the Siauliau Environment Project, it is our impressions that there have been periodic disruptions with the planning of GEF and the BSRP programme. This would appear to have resulted, at least amongst the implementing agencies in the Baltic States and possibly amongst those in Sweden, in a belief that the GEF BRSP programme will finance an extension of at least some of the Projects activities. This has tended to result, at least partly, in project dependency on further donor assistance rather then encouraging the respective country partners to investigate post-project opportunities for furthering activities initiated by BAAP II.

4.3.5 Väinameri Project

In this evaluation, we also visited the Väinameri Project, which is managed partly and funded along with Sida) by the World Wildlife Fund for Nature (WWF) in Sweden rather than by SLU.

The background to the Project is the HELCOM initialised "integrated planning project for coastal lagoons and wetlands" in which WWF was the "Lead Partner". WWF, and its partner in Estonia (the Estonian Fund for nature) and the Ministry of Environment development and proposed the Project to Sida. In May 2000 Sida decided to contribute 58 percent of total costs to the Project. Contract is between Sida and WWF and is in turn built on a contract between WWF Sweden and Estonian Fund for Nature. The Sida support is meant to cover costs for Swedish expertise.

Within the overall goal of reaching sustainability in the use of nature resources, it contained biodiversity and reduced nutrient leakage to the Baltic Sea. The project objective is to: increase grazing and mowing of meadows to maintain and develop biodiversity, increase the conditions for handicraft and nature and culture based tourism through training and education in entrepreneurship, marketing, information and networking.

The positive aspects of the Project include it being well-rooted in authorities at both national and local level. For instance, the effective management of the Matsalu Nature Reserve, aimed at establishing a general understanding and awareness of environmental management, has supported the Project. But most notably, and in particular contrast to the two projects in BAAP II, this Project has sought to link the overall environmental goals with developments in the rural economy. The justification for this is that much of the conservation values are positively linked to human activities and use of natural resources. There is thus a need to find a financial platform for the farmers to maintain agricultural production. For this purpose the Project has stimulated diversification, including farming, handicraft and tourism activities. And in an endeavour to support developments in the rural economy project the Project as established linkages between (mainly cattle) farmers and consumers by identifying and stimulating a chain from production to processing and marketing. Similar arrangements have been made within both the tourism and handicraft activities of the Project. It is difficult to measure the outcome of these efforts to-date though these initiatives are a positive step in a move towards, for instance, sustainability. Also, the project has contributed to the establishment of a national programme to support grazing in meadows which has meant that local funding is now made available for at least part of the conservation work that was targeted by the project.

On the negative side some immediate issues arise. As in the case of the Siauliau Environment Project there has been little obvious discussion justifying the choice of participating farms. This is to a certain extent related to the fact that during project initiation there very few professional farmers active in the area. Also, the Vainameri Project has been built upon the unique qualities of the Vainameri Bay area that may mean it is less conducive to being replicated elsewhere. Though the likelihood of the project being replicated is perhaps greater given the broad rural economy focus on not only farming but also tourism and handicraft. Furthermore, as with the sub-programmes and projects described above, it is our impression that there have been periodic disruptions with the planning of GEF BSRP programme; this would appear to have resulted in a belief that the GEF BRSP programme will finance an extension of the Project or at least some aspects of the Project.

5. Findings

A number of key findings emerge from this evaluation of BAAP II. To begin with there are several over-arching or crosscutting issues that arise at the programme level and relating to the sub-programme and projects described in the previous section.

5.1 Programme Strategy and Management

From our discussions in the previous section it would appear that the sub-programmes and the projects have produced positive outputs. Monitoring facilities have been established and included in national programmes, numerous events of training have increased the capacity of institutions to deal with agricultural and environmental issues, farmers have been exposed to recent development in the field of environmental management, and networking between institutions on local, national and international level has been established or improved. Concerning the sub-programmes and projects there is evident documentation on steps taken and goals achieved.

The positive outputs of the sub-programmes and the projects, however, have been largely despite rather than because of programme level activities. While there is a plethora of material detailing the sub-programmes and projects there is neither a single document nor series of documents that capture the overall programme strategy. This is not to say that there is not a strategy for BAAP II. The Department of Central and Eastern Europe at Sida has a strategy as defined by the country strategy papers for Estonia, Lithuania and Latvia, the core programme documents (presented in Section 3.3.1) enumerate the goals and expected outputs of BAAP II and include reference to HELCOM and (more recently) Baltic 21, and a strategy vis-à-vis objectives exists at the sub-programme and project-level as far as these are defined by their respective objectives and activities. Rather the point is that strategic decisions have been made, concerning the form and content of sub-programmes and projects, for instance, in the absence of a clearly defined strategy, at the programme-level, specifically tailored to the needs of BAAP II. In other words, the programme, where the respective country strategies, or at least the programme documents, are translated into the ongoing sub-programmes and projects in BAAP II, remains elusive. In other words, there is an "elusive programme strategy".

The allocation of roles and responsibilities between Sida and SLU may offer at least a partial explanation for this elusive programme strategy. While Sida has mandated the International Department of SLU to administer and co-ordinate BAAP II, the emphasis has been on dealing with matters of day-to-day management (i.e. initiating projects, processing proposals, deciding on and

managing financial support, following-up on sub-programmes and project and reporting to Sida) rather than managing the development of an overall programme strategy.

Clearly, the RGÖ could have played a more active role in this regard. yet SLU could have also drawn upon the readily accessible source of expertise within the academic community of the University. Had the RGÖ been given the task of (at least assisting SLU in) developing an overall programme strategy this would have presumably required clear specification of the function (and composition) of the RGÖ. This is not necessarily a criticism of SLU's day-to-day management of BAAP II. There was no obvious initiative taken to develop a strategy yet neither was there a clear mandate from Sida to manage the development of an overall programme strategy. There is a lack of clear and indisputable management roles and responsibilities established by Sida in relation to SLU and the contractual relations seems to build more on confidence between these institutions.

SLU could also have drawn upon the readily accessible source of expertise within the academic community of the University. This was obviously one of the reasons for giving the SLU the responsibility of managing BAAP II and a broader consultation within the academic community could have contributed substantially to BAAP II and it's strategic approach.

5.2 Resource Allocation

The programme comprises an allocation of financial resources for the co-ordination and administration (SLU) and implementation (contractors in Sweden and Baltic States) of sub-programmes and projects. However there is no clear allocation (by for example a budget-line) of resources for developing and managing the development of a programme strategy.

The allocation of financial resources for co-ordination and administration have not been insignificant and in fact increased from 4 percent of the total budget in BAAP I to 10 percent of the total budget in BAAP II. Despite these additional resources they have not been used for the development of a programme strategy. For future purposes, especially when contracting-out the co-ordination and administration of such a programme as is the case with SLU it may be useful if Sida was to earmark resources for this purpose in addition to financing the day-to-day management of the programme.

In cost-effectiveness terms earmarking finances for both the development and management of a programme will increase the likelihood that the objectives, set at both the level of the programme and at the level of the projects and sub-programmes will be realistically achievable. In its current form, with no costs incurred in developing a programme strategy, BAAP II has been only partially cost-effective.

5.3 Relevance

The programme, or at least the implementation of sub-programme and project activities, has paid insufficient attention to developments that have been occurring in the agricultural and environment sector.

The issue of relevance has several dimensions. First, it would seem that there was ample and early recognition that the programme-level development objectives, to "improve water quality of the Baltic Sea", was overly ambitious. This objective should have been broken down into a set of objectives and realistic goals in order to create a strategic platform for the Programme and the sub-programmes and projects

Yet although at least some of the sub-programmes and projects-level endeavoured to set more realistic objectives and adjust their activities accordingly, this was not so at the overall programme-level.

Secondly, it would seem, both at the programme and project level, and in some cases at the sub-programme, that activities were initiated in almost isolation from the rapid and dynamic changes that were occurring in the rural economy of the Baltic States. That the Väinameri Project made an explicit link between state of the environment and rural economy makes this Project (at least appear) more relevant than the Matsalu Bay Environment Management of Agricultural Run-off Project and the Siauliau Environment Project. This evaluation finds that the sub- programmes and the projects to a large extent can be judged as relevant at least in the local context (i.e. training, establishing monitoring facilities etc). However this is despite rather than as a result of any attention being paid by the programme to developments that have been occurring in the agricultural and environment sector. For future purposes, in developing an overall programme strategy, there should be a procedure or set of procedures for enabling adaptations to be made over the life of the programme to ensure continued relevance.

5.4 Evaluations and Monitoring

A programme running for a longer period needs an inbuilt monitoring and evaluation mechanism to ensure that programme outputs resembles the initially stated objectives. Monitoring and evaluation can also support implementation by ensuring that the programme consistently adapts to changes occurring, in this instance in particular, in the rural economy and agricultural sector. In the case of BAAP there has been a "rolling over" of the programme from BAAP I to BAAP II in the absence of any substantive evaluations and no systematic feedback into the programme from monitoring sub-programmes and projects.

An external consultation carried out during late-1996 and early-1997 provided generally positive remarks concerning (especially) the sub-programmes. It recommends BAAP II should link to national and international environmental policy initiatives. There was however no suggestion of linking to the rapid and dynamic changes that were taking place in the rural economy in the Baltic States. Had the evaluation paid attention to these contextual matters it might have recommended re-orienting the sub-programmes and projects, possibly even in the form of a programme strategy, towards more relevant initiatives focusing on environment and rural development (as in the Väinameri Project) rather than simply maintaining the narrow focus on environment and agriculture (as was more clearly the case in the Matsalu Bay Environment Management of Agricultural Run-off Project and the Siauliau Environment Project). The lack of a programme strategy combined with a failure to place the programme, at least during the course of evaluating BAAP I, in the context of the broader changes in the rural economy in the Baltic States resulted in "rolling-over" of BAAP I rather than re-orientation in BAAP II.

In the case of monitoring, while we understand that SLU has required annual sub-programme and project reports, these do not appear to have been used in any systematic way to feed back into (and possibly re-orient) the programme. While the evaluation failed to pay attention to contextual matters concerning developments in the rural economy of the Baltic States, had the monitoring been more systematic (and effective), these should have at least been raised in the sub-programme and project reports handled by SLU.

5.5 Ownership

There has been a high level of local (Baltic State) ownership at the sub-programme and project level. Participation by local institutions and farmers has been encouraged, which is certainly positive. However, ownership at the programme level has been lacking.

To ensure a mutual understanding of the ownership issue this needs to be placed within the broader Sida context. In Sida at Work, a partner in co-operation is the owner of a project or programme when they "have full rights to use the resources provided within the framework laid down in the project agreement É the co-operation partner must also be prepared to assume full responsibility, participate actively in the work, and be ready to implement the project on his own initiative; complete ownership can also require that political bodies such as parliament, the government, local communities as well as the target group support the project and participate in the decision-making process; the ownership of a project can be gradually be extended during the course of project implementation by different parties successively participating more actively and assuming great responsibility" (Sida, 1997: 17). For the sake of our discussion, it is important to note that the ownership of programmes or projects as defined in this way involves participation of stakeholders in decision-making, both during the process of design (deciding on the form and content of programmes, sub-programmes and projects) and during the process of implementation.

There is ample evidence to suggest that the so-called partners in co-operation (i.e. the implementing agencies in the Baltic States) where involved in both in the design and implementation of the sub-programmes and projects. At the programme level, however, ownership is less evident. More strikingly, perhaps, there has been no representation from the Baltic States on the RGÖ. This, combined with the absence of any overall programme strategy, has meant that the design and implementation of BAAP II has been steered by SLU, along with the RGÖ acting in a de facto decision making capacity and at various times including persons form the Swedish implementing agencies. In the way, ownership has been, at least partly, embedded (or rooted) at the programme level and (mostly) in the SLU. The idea of "embedded ownership", which means that local communities and the target groups do not participate in the decision-making process, clearly conflicts with Sida's intended form of (as presented above) "complete ownership". A first step towards (more) complete ownership would, presumably, involve having representation from beneficiaries in the Baltic States on the RGÖ or even a deputy programme co-ordinator recruited and placed locally.

To avoid the possibility of vested interests, from Swedish implementing agencies, influencing the design of the programme, there would seem to be a good case for their exclusion from the RGÖ.

5.6 Sustainability

The sustainability of the programme, in terms of continuation following termination (or re-orientation) of Sida development assistance, has not been adequately catered for in the sub-programmes and projects.

This evaluation finds no evidence that in any of the sub-programmes or projects has a strategy been developed for exiting BAAP II. This failure to develop a so-called "exit strategy" has been caused, perhaps at least partly, by the various and ongoing rumours that have built-up around the apparent possibility of the GEF and BRSP programme providing extension funding for at least some of the BAAP II activities.

Whatever the cause, however, the sustainability of the sub-programmes and projects are likely to vary considerably from project to sub-programme. It is quite possible that, for instance, those activities being carried at out within institutions (e.g. collection, analysis and dissemination of environmental monitoring data) will be sustained. Some of these monitoring activities (in Latvia for example) are now part of national monitoring programmes and financed by domestic sources. Yet the farm-level activities including investments in infrastructure are likely to be one-off initiatives which, depending on the state of changes in the rural economy, may or may not be sustained.

It is also obvious that the training efforts that has been part of the sub-programmes carries a component of sustainability linked to the human resources. It further appears that the process developed within the Väinameri project is more likely to be sustained as the project has been developed in and implemented with a high level of local ownership as well as a general understanding of the relationship between managing the environment and changes in the rural economy.

Clearly, there is need to give further and longer-term consideration, early on in the design of projects and sub-programmes, to matters related to sustainability and to post programme realities in the Baltic States.

6. Conclusions and Recommendations

The main purpose of this report has been to evaluate BAAP II to fulfil Sida accountability requirements and document lessons learned for future development co-operation. A key finding is that the programme strategy remains elusive. The causes and consequences of an elusive programme strategy are that there has been insufficient financial resources assigned to developing a programme strategy. The programme as well as evaluations and monitoring have not paid sufficient attention to the context, ownership has been embedded more at the sub-programme and project level rather than the programme-level and there has not been a consistent set of exit strategies from BAAP II.

It should be noted that the above conclusion and following recommendations are based on two weeks of fieldwork during November 2002 by a joint team of consultants from SCC Natura, SPM Consultants London Ltd and ELLE supplemented by interviews with Sida headquarter's staff during October and November 2002. The team met with representatives from all levels of the Programme and it's projects from decisions makers to farmers. We are confident that the findings reported in this evaluation are an accurate reflection of the state of BAAP II.

In view of our findings, and planned support for Russia and future environmental activities for the comings years being closely linked to the up-coming GEF and BRSP programme, we recommend the following:

Recommendation 1:
Financial resources should be allocated for administration and co-ordination as well as developing a programme strategy.

This issue of allocating financial resources for administration and co-ordination as well as developing a programme strategy was raised in Section 4.2 on "resource allocation". Estimating how much should be allocated for this purpose (whether it is more or less than the 10 percent allocated to SLU in the case of BAAP II) will depend upon both the nature of the administration and co-ordination tasks as well as the content of the programme strategy. While the administration and co-ordination tasks and associated costs are likely to be known the cost and content of a programme strategy will be less familiar.
The programme strategy should comprise a number of both analytical (i.e. how to adapt to changes in the programme environment) and procedural elements, (i.e. clear roles and responsibilities) reported in a single or series of documents that serve to steer the direction of the programme, and which address matters of relevance, monitoring and evaluation, ownership and sustainability. These matters are enumerated under the auspices of the following recommendations.

Recommendation 2:
There should be a clear linkage between the programme-level strategy and the objectives at the sub-programme and project level.

The issue of linkages between the programme level strategy and the objectives at the sub-programme and project level was raised in Section 4.3 on "relevance". To ensure relevance the programme strategy should include several elements. This would include ensuring the programme-level objectives, rather than simply to "improve the water quality of the Baltic Sea" in the case of BAAP II, are more realistic and achievable. It would also require an up-to-date analysis (perhaps drawing and building upon, amongst other documents, the country analysis carried out by Sida in preparation of its country strategies) of, in the case of BAAP II or a similar programme, the state of the environment, rural development and agriculture. The very brief analysis made in Section 2 of this evaluation, especially concerning the state of the rural economy and agriculture, might serve as an example of the sort of analytic work that would go into a programme strategy. Furthermore it is important to stress that the programme-level strategy and sub-programme and project level objectives linkage should be dynamic and thus respond to changes occurring in the environment, rural development and agriculture. Hence the importance attached to monitoring and presented in the following recommendation.

Recommendation 3:
There should be regular (bi-annual or annual) monitoring that feeds into a programme development cycle.

The issue of monitoring has been addressed in Section 4.4 on "evaluation and monitoring".
We acknowledge that SLU has required annual sub-programme and project reports. However given the rapid and dynamic developments taking place especially in the rural economy of the Baltic States, in the BAAP II or a similar programme, it will be important to ensure that the projects and sub-programmes are sufficiently flexible. There is need to establish a robust procedure or set of procedures to ensure these developments are systematically fed back into and possibly re-orient

the programme and projects. Other than regular reporting it may be appropriate to discuss issues of relevance and the possibility of re-orienting a programme with the assistance of a steering committee, such as the RGÖ that functioned during the implementation of BAAP II, the details of which is presented in the following recommendation.

Recommendation 4:
The steering group, in the form of the RGÖ or some such similar group, should exist to strengthen the SLU-Sida relationship and increase local (Baltic State) ownership by representation at the programme level.

This issue of representation has been raised in Section 4.5 on "ownership". A steering committee, in the form of the RGÖ in the case of BAAP II or in some other form, should be established that comprises representation from both Sida and the Baltic States. The steering committee should exist to assist SLU in both the design (including deciding on the form and content of programmes, sub-programmes and projects) and during the process of implementation. While it is recognised that the Swedish so-called partners in co-operation (i.e. the implementing agencies in the Baltic States) were sometime members of the RGÖ or at least participated in the meetings by invitation only. To avoid the possibilitly of vested interests influencing the design of the programme they should be excluded from the steering committee.

Recommendation 5:
There should exist an exit strategy to sustain the impact of the programme.

This issue of an exit strategy has been discussed in Section 4.6 on "sustainability". It is clear from BAAP II that the degree of sustainability is likely to vary depending on the form and content of the programme, projects and sub-programmes. Initiatives directed towards institutional support, for instance, appeared to be more sustainable than the one-off infrastructural investments in farm-level activities. To ensure the impact is sustained beyond on the life of the programme it will be important to build any one or more exit strategies. While this may include consideration of future donor support it should also include consideration, for instance, as to whether there is a market which would provide a source of income to support any activities developed. Such a consideration is particularly relevant in the case of transitional countries such as those in the Baltic States where the market play an increasingly important role in the allocation of resources including those related to environment (e.g. tourism), the rural economy and agriculture.

Annex 1

Terms of Reference

Dept. of Central and Eastern Europe 24 June, 2002

Division of Environment and Energy

Terms of Reference for the Evaluation of Baltic Agricultural Run-off ActionProgramme 1998–2002, Siauliau, Matsalu-haapsalu and Väinameri Projects

1 Background

Degradation of the Baltic Sea Ecosystem has affected the water quality, modified the biodiversity of the ecosystem and affected the fishery. In response to these changes the Joint Comprehensive Environmental Action Programme for the Baltic Sea (JCP) was developed in the beginning of the 1990's. It provides an environmental framework for restoration of the Baltic Sea ecosystem and one of the areas addressed is reduction of non-point pollution from agriculture. In 1992 the Swedish government allocated funds to co-operate with Estonia, Latvia, Lithuania, Poland and Russia in reducing pollution from agriculture to the Baltic Sea. The initiative was named the Baltic Agricultural Run-Off Action Programme (BAAP). The following projects aim to implement the JCP by reducing negative environmental impact from agriculture to the Baltic Sea.

The Baltic Agricultural Run-Off Action Programme (BAAP)

Sida allocated 25 MSEK in 1998 to the prolongation of the BAAP for the period 1998–2002. The Swedish Agricultural University (SLU) is the executing party of the programme. The BAAP is an environmental/agricultural co-operation programme designed to improve the water quality of surface and groundwater bodies and subsequently the Baltic Sea by reducing leakage of nutrient run-off from agriculture. The programme shall also enhance sustainable agricultural development and was in 2001 broadened to also include pesticide management. The programme covers co-operation with Estonia, Latvia, Lithuania, Poland and Russia.

The programme comprises agri-environmental measures based on recent developments in the Baltic Sea Region; the degradation of the Baltic Sea ecosystem; post-soviet restructuring of agricultural production; development of new agri-environmental policies; European Union enlargement; introduction of new technologies and practices; and increased regional co-operation around the Baltic Sea.

Activities include for example:
- Strengthening the environmental surveillance system (monitoring of agricultural run-off)
- Strengthening demonstration capacity for sustainable agriculture (demonstration watersheds and farms).

– Introducing ecological management systems at farm level (EMS).

– Assisting in developing agri-environmental policies and recommendations

The programme is organised as a partnership between the countries and the different project teams including international and local partners

A number of institutes, universities, advisory services etc are partners of the programme.

The programme started already in 1994 and is since 1998 funded by Sida. It was evaluated in 1997 by Svenska Lantbrukssällskapens förbund, Finland. The current programme started in 1998 and will be finalised by the end of 2002. The pesticide component will be finalised by the end of 2003.

Haapsalu and Matsalu Bays Environment Project

Sida allocated 3. 4 MSEK for the Agricultural Run-Off Element as part of the Haapsalu and Matsalu Bays Environment Project in December 1997. The project is being finalised during spring 2002. SLU is the executing party of the project and partners in Estonia are the Ministry of Environment and the Ministry of Agriculture. Swedeagri and JTI were contracted to implement the project.

The overall objective of the project is to preserve the unique fauna and flora as well as agriculture in the sensitive Matsalu Bay Area. This should be attained by reducing the agricultural run-off and improving natural resources in the agro- ecosystem of the Bay Area and the Kasari River Catchment.

The project comprises demonstration and information activities with the purpose to introduce new technologies and sustainable management practices. This has included demonstration activities, environmental monitoring, preservation of wildlife and biodiversity, information strategy, extension services and legislation activities.

The project was reported on at a final seminar in Uppsala in March 2002. The final report is now being concluded.

Siauliai Environment Project: Non point source pollution control in the *Upper Lielupe River Basin, Lithuania*

Sida allocated 2.2 MSEK to the Siaulai Environment Project in March 1999 The project is being finalised during the spring 2002. SLU are the executing agency and partners in Lithuania are the Siaulai Regional Environment Department and the Ministry of Environment. The Swedish Institute of Agricultural and Environmental Engineering and the Lithuanian Institute of Water Management were contracted to implement the project.

The overall objective of the project is to attain a long-term measurable reduction of water pollution from agricultural sources in the Upper Lielupe river basin. There are large animal farms in this part if Lithuania causing pollution. Activities have included demonstration farm and water monitoring station, assessment of nutrients and pesticides from agriculture, implementation of Code of Good Agricultural Practice, establishment of a monitoring system, education, training and information activities.

The project was reported on at a final seminar in Uppsala in March 2002. The final report is now being concluded.

Sustainable agriculture, eco-tourism, and regional Development in

Western Estonia

Sida has allocated 3 MSEK for the Väinameri project. This project includes agrienvironmental activities but is much broader in its scope. It started in 1999 and will be finalised during the fall 2002. It is included in the evaluation because there are several linkages to the BAAP programme and also to the up coming GEF Baltic Sea Regional Programme (BSRP).

Väinamäri is a coastal area located in western Estonia, which ranges from the Matsalu Bay to the islands Dagö and Ormsö. The inland sea Väinamäri has been defined a marine reserve, within the HELCOM network of marine protected areas; and the coastal area by the Matsalu Bay is on the Ramsar Convention list for international valuable wetlands. The Swedish WWF and Estonian environmental NGOs have co-operated for several years. Sida finances co-operation between the WWF and its Estonian sister organisation, with focus on sustainable agriculture and animal husbandry. Other complementary activities involve eco-tourism development and handicraft, to maintain the precious value of the nature and culture in the area and to achieve a sustainable regional development.

2 Purpose and Scope of the Evaluation

The purpose of the evaluation is to review the results achieved in the Sida financed components of the BAAP programme, the Matsalu-Haapsalu, Siaulia and the Väinameri projects (the four projects described in chapter 1) for the period 1998–2002. The overall results of the programme/projects are, however also, of central interest for an assessment of the effects of the Swedish contribution.
The evaluation is undertaken mainly for the purpose of accountability of the programme/projects, but also learning and promotion are important objectives.

The evaluation is undertaken at this time since the BAAP programme is coming towards the end of implementation and the other projects are also about to be finalised. An evaluation of the BAAP programme was last undertaken in 1997 and considering the total financial support to the programme an evaluation is appropriate to undertake before finalisation. The other projects are included since they in several aspects are linked to the BAAP programme. The BAAP programme is not foreseen to continue in its present form, mainly since assistance to the Baltic States is being phased out. For Russia further support is planned and a feasibility study for such support was initiated in May 2002. Support to agrienvironmental activities for the coming years are foreseen to be closely linked to the up-coming GEF BSRP programme.

Lessons learned from the programme/projects should be developed, and serve as a basis for recommendations for future programme/projects. The GEF BSRP needs to be taken into account when developing these recommendations.

The interested parties of the evaluation are expected to be Sida, SLU, WWF, project owners in the partner countries, project implementation teams in Sweden and in the Baltic States, the Ministry of Environment and the Ministry of Agriculture in Sweden and others concerned.

3 The Assignment

The following issues shall be covered in the evaluation of the four projects:

Relevance

The relevance of the programme/project objectives as defined and documented during project preparation; i.e. in terms of reference for the project, the requests and needs of the project partners and co-operating countries. Have the interventions been relevant in relation to the goals and policies of Swedish development co-operation and to the needs and priorities of the partner countries and target groups?

Achievement of objectives (effectiveness)

Achievement and realism of the project goals as defined and documented in the terms of references, contracts and agreements for the projects, taking into account possible changes during implementation. Have outputs been produced as planned? Have programme and project objectives been fulfilled and is it possible to measure this?

Impact

What are the intended and unintended effects of the activities, including effects on the intended target groups and on others? What are the positive and negative effects in the short and long term?

Efficiency

The efficiency of the support provided should be analysed according to its adequacy in terms of the forms of inputs, their timing and duration.

Efficiency of project management, the quality of work plans, budgets, and reporting routines for the different components should be assessed. An assessment of the cost-effectiveness of the Swedish contribution shall be made. Are there more cost-effective methods of achieving the same results? What have the added value been of the Swedish financed projects?

Sustainability

Sustainability of the transfer of knowledge and institutional strengthening, improvements in advisory and farmers development and the possibilities and commitment of the co-operating partners to use the results of the programme/projects in the long-term should be addressed. To what extent will activities, outputs and effects are maintained or acceptable returns be provided when donor support has come to an end? What other funding or donor support exists that can continue funding these type of activities?

Other criteria

The evaluation shall take into account issues of public information, consultation and participation. Synergy effects between the programme and the different projects should be addressed and if it would have been beneficial to more closely tie them together.

4 Methodology, Evaluation Team and Time Schedule

Co-operating partners should be encouraged to be actively engaged in the evaluation (although not as part of the evaluation team). The learning aspect of the evaluation should be taken into consideration in the planning and design of the evaluation.

The evaluation process shall provide a forum for discussion among the stakeholders regarding methodology, implementation and sustainability of the programme/projects.

4.1 Methodology

Alternative methods and approaches for the evaluation than described below can be proposed.

Desk study and preparations in Sweden
The evaluation team shall review the documentation listed in Annex 1 and 2 and other possible documentation handed over at the beginning of the assignment. This includes the documentation forming the basis for the work; e.g. project preparations, terms of references, work plans, annual and progress reports.

Site visits and interviews
The evaluation team shall visit some of the project sites (tentatively 5 sites). The choice of which shall be discussed and agreed with Sida beforehand. The team shall conduct interviews with stakeholders in the countries i.e. the ministries, advisory services, municipal representatives, institutions and individual farmers.

Key persons in Sweden, involved in the project preparations, implementation and follow-up shall also be interviewed (Sida and other Swedish authorities, twinning partners, Swedish consultants and suppliers).

Reporting
An inception report, with the preliminary results of the desk study, shall be submitted to Sida within three weeks of the start of the assignment. The results from the desk study, visits and interviews will be presented to Sida in a draft report in English, and at a RGÖ (regional advisory group) meeting within 6 weeks of the field visits. Sida will then review the first draft report. The second draft report shall be submitted to Sida two weeks after Sida has commented on the first version. After revisions, Sida will distribute the second draft report to the involved parties for comments. The final version of the evaluation report shall be submitted to Sida, two weeks after Sida has commented upon it, in 10 copies and on diskette. Subject to decision by Sida, the report will be published and distributed as a publication within the Sida Evaluations series.

The evaluation report shall not exceed 40 pages, excluding annexes. Format and outline of the report shall follow the guidelines in Sida Evaluation Report – a Standardized Format (see Annex 3). The evaluation report shall be written in Word 6.0 for Windows (or in a compatible format) and should be presented in a way that enables publication without further editing. It shall have a summary of maximum 2 pages.

The evaluation assignment includes the completion of *Sida Evaluations Data Work Sheet* (Annex 4), including an Evaluation Abstract (final section, G) as defined and required by DAC. The completed Data Worksheet shall be submitted to Sida along with the final version of the report. Failing a completed Data Worksheet, the report cannot be processed.

Composition of Team

The team who will perform the evaluation shall have comprehensive international working experience, preferably in the transition countries in the Baltic region or eastern Europe, and have relevant knowledge of the 1) technical/ environmental and 2) management/ organisational and 3) financial issues. Experience of international development co-operation and of conducting evaluations is a requirement. At least one of the team members must be able to read and communicate in Swedish. An equal distribution of men and women in the evaluation team is desired.

Time Schedule

The assignment is expected to take the evaluation team 10–15 weeks effective time in total, including preparations at home office, interviews in Sweden, work in the partner countries, report writing and presentations.

The assignment will end with the submission of the final version of the evaluation report, in.

5 Undertakings

Sida will inform the involved parties of the review and forthcoming visits by the evaluation team. The evaluation team will be responsible for practical arrangements in conjunction with the mission to Estonia, Latvia, Lithuania, Poland and Russia. If interviews cannot be carried out in Swedish/Scandinavian or English, interpreters shall be hired and costs reimbursed by Sida. The evaluation team will be responsible for visits and arrangement in Sweden. Sida will ensure that all written material listed in Annex 2 will be made available. The evaluation team will during all phases of the review be assisted by Sida.

Enclosures

Annex 1: Financing decisions

Annex 2: a. ToR BAAP + annual report

b. ToR Haapsalu-Matsalu + draft Final Report

c. ToR Siauliai + draft Final Report

d. ToR Väinameri + progress report

Annex 3: Sida Evaluation Report – a Standardized Format

Annex 4: Data Work Sheet

Annex 2

Inception Phase

The pages following below shows the OH-slides that were used as basis for discussions at the end of the Inception Phase. During the discussions with Sida on October it was decided that the discussions replaced the report as specified in the ToR and that the discussion itself and the OH-slides should form the basis for the evaluation.

OH 1 Presents the main themes along which the evaluation will be performed.

OH 2 Describes "Why" evaluation is done and makes reference to the ToR

OH 3 Describes "What" evaluation will focus on giving structure to the Programme, Sub-programme and project levels

OH 4 Describes "How" the evaluation will be performed by defining stakeholders and institutions to meet.

OH 5 Describes "Where" the evaluation team will go for meeting the stakeholeders

OH 6 Describes "When" the different activities was planned to be implemented.

OH 1

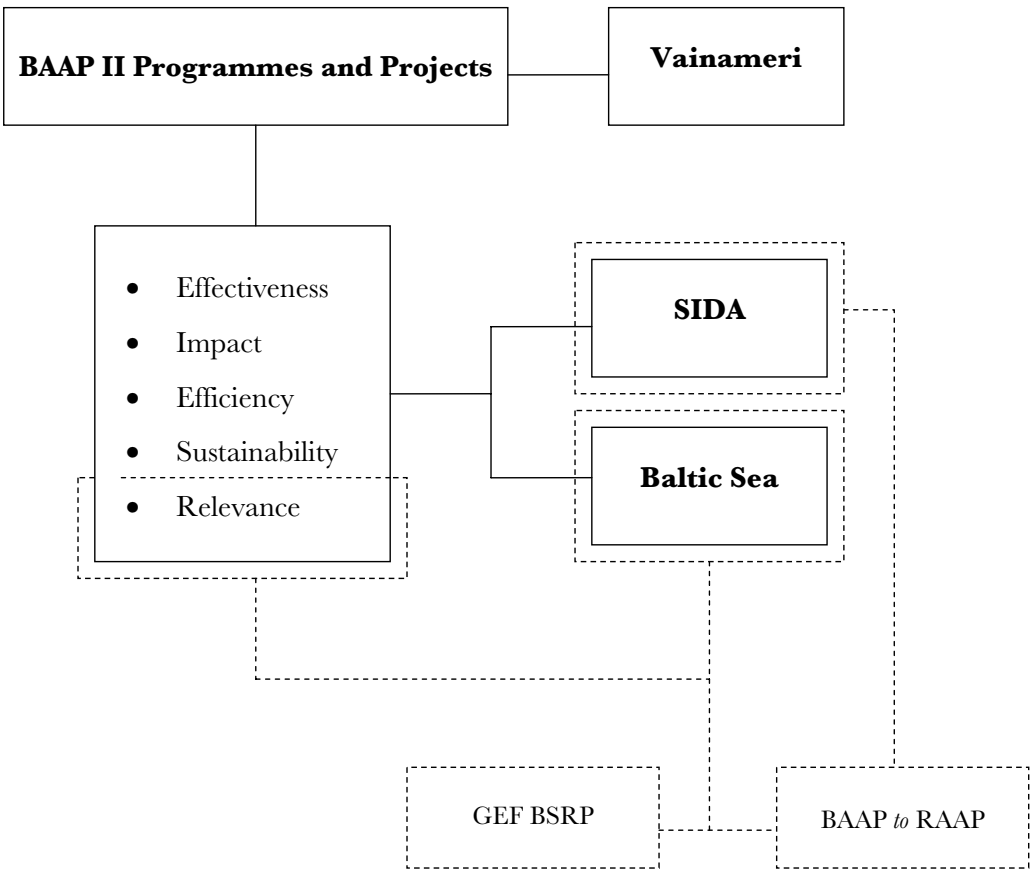
Key Features

Dynamic not static

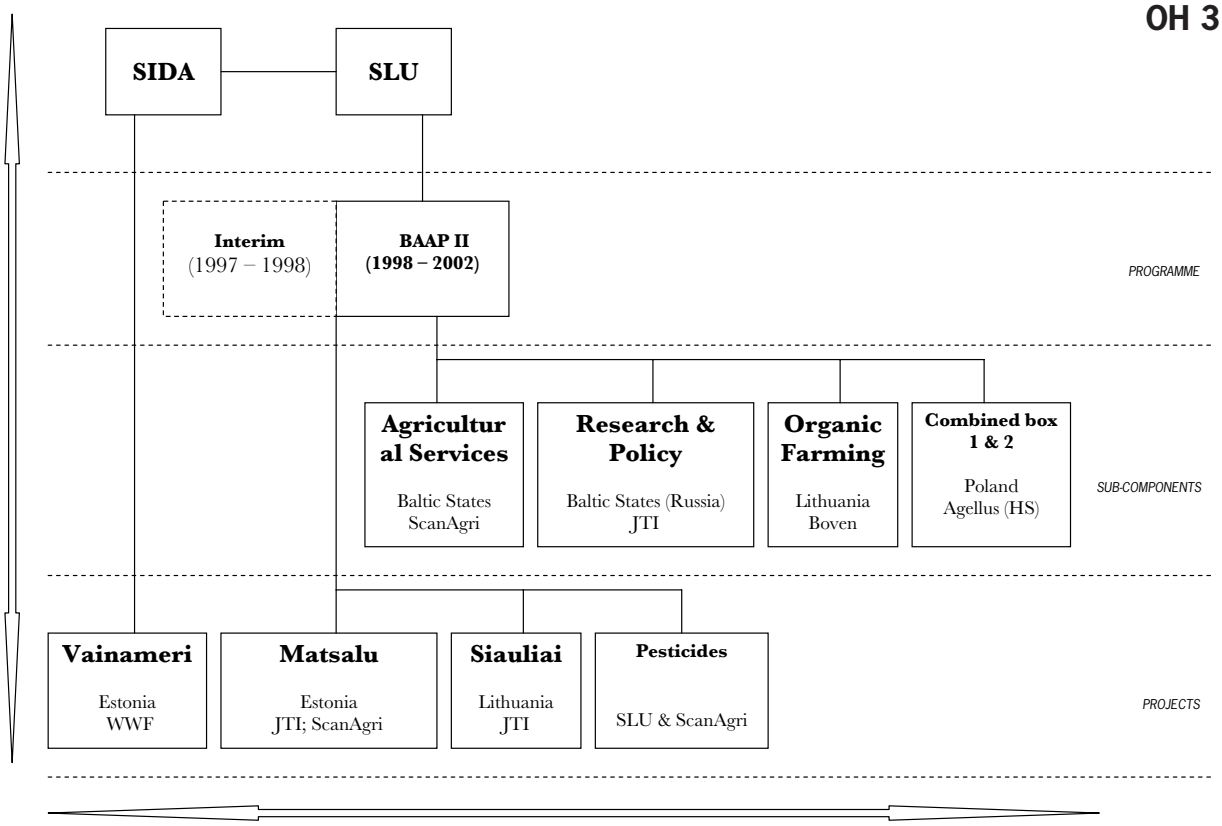
Backward and forward looking

Hierarchies and Synergies

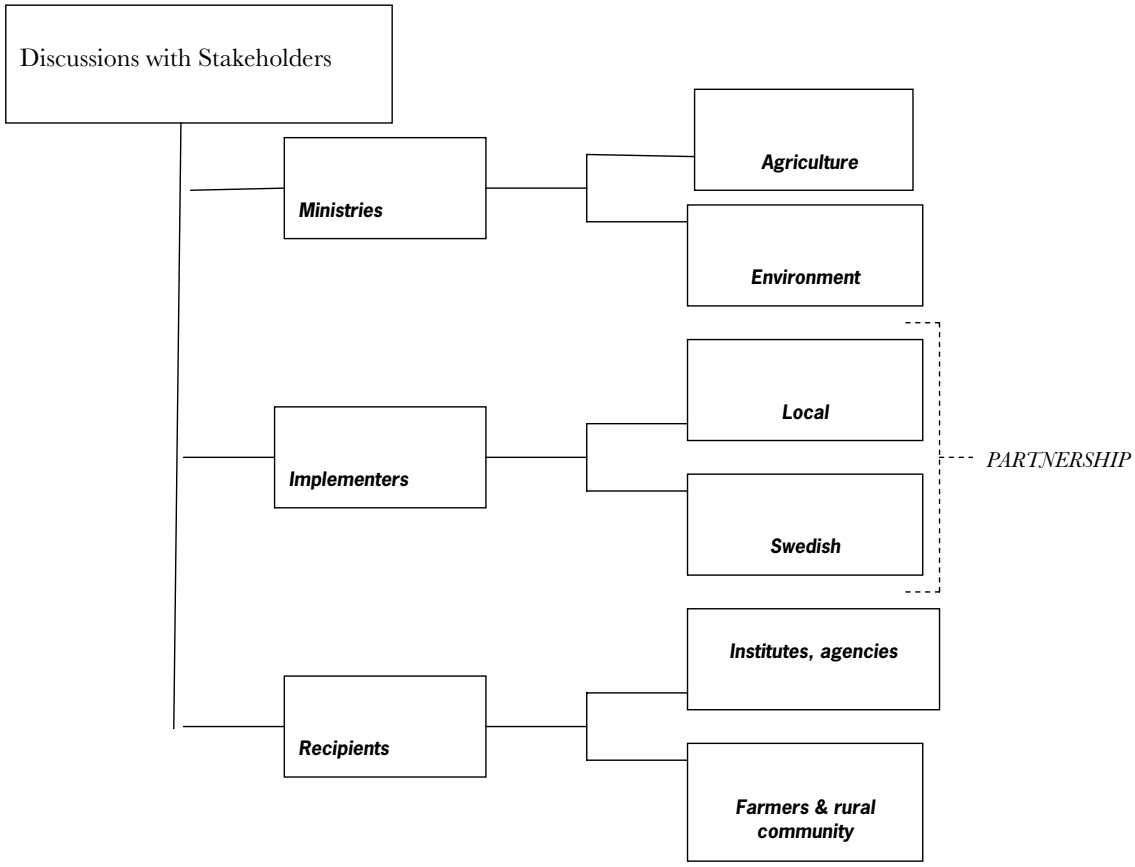
OH 2



OH 3


SIDA
SLU
Interim
(1997 – 1998)
BAAP II
(1998 – 2002)
PROGRAMME
Agricultural Services
Baltic States
ScanAgri
Research & Policy
Baltic States (Russia)
JTI
Organic Farming
Lithuania
Boven
Combined box 1 & 2
Poland
Agellus (HS)
SUB-COMPONENTS
Vainameri
Estonia
WWF
Matsalu
Estonia
JTI; ScanAgri
Siauliai
Lithuania
JTI
Pesticides
SLU & ScanAgri
PROJECTS

OH 4


Discussions with Stakeholders
Ministries
Agriculture
Environment
Implementers
Local
Swedish
PARTNERSHIP
Recipients
Institutes, agencies
Farmers & rural community

OH 5

Country	Locality	Contact
Estonia	Tallin Matsalu & Vainameri	Ministries Implementers & Recipients
Lithuania	Vilnius Siauliai	Ministries Implementers* & Recipients
Latvia	Riga	Ministries
(Russia)	(Kalinigrad; St Petersburg)	(Somebody)

* Group session in co-operation with ScanAgri at Akdemija Kedainiai

OH 6

Date	Activity
18 – 29 November	Field visit to Baltic States (and Russia)
2 – 6 December	Follow-up interviews in Baltic States and Sweden
9 – 20 December	Report writing
20 December	Deliver draft report

Annex 3

PEOPLE MET DURING THE EVALUATION OF BAAP, OCTOBER – DECEMBER 2002

People met in Sweden:

1	Helen Holm	Programme Director, Sida
2	Lars Eklund	Head of Division, Sida
3	Staffan Lund	Project Coordinator, SLU, International Department
4	Ulla Britta Fallenius	Head of Department; Swedish Environmental Protection Agency
5	Ingemar Nilsson	RGÖ
6	Lennart Gladh	Project Coordinator, WWF Sweden
7	Ola Jennersten	Programme Director, WWF Sweden
8	Göran Carlsson	Head of Research, JTI
9	Christine Jakobsson	International Research Director, JTI
10	Per Arenö	Project Coordinator, Scanagri
11	Marcus Davelid	Managing Director, Scanagri

People met in Latvia:

12	Peteris Busmanis	Rector, Latvia University of Agriculture, Jelgava
13	Viesturs Jansons	Professor, Latvia University of Agriculture, Jelgava
14	Aivars Lapins,Dep.	State Secr., Ministry of Agriculture, Riga
15	Roland Bebris	Dir.of Env Dept, Ministry of Environment and Regional Development, Riga

People met in Lithuania:

16	R.Sakalauskas	Head of Water Division, Ministry of Environment
17	Saulius Jasius	Ministry of Agriculture
18	Per Areno	Project Manager, Scanagri
19	Niklas Bergman	Crop production adviser, Lantmannen Aros
20	Eva Lundin	F.E.R. consulting

21	Marju Aamisepp	Economy adviser, Estonian Agricultural Advisory Centre
22	Livi Rooma, BAAP	Project Coordinator, Plant production adviser in Estonian Agricultural Advisory Centre
23	Janis Kazotnieks	BAAP Project Coord., Machinery adviser in Latvian Agricultural Advisory Centre
24	Rimas Magyla	BAAP Project Coord., Environmental Protection Specialist in LAA
25	Inga Karaliene	Economy Specialist in LAAS
26	Dr. Antanas Sileika	Director, Lithuanian Institute of Water Management
27	Saulius Kutra	BAAP regional network webmaster
28	Alvyda Laurinaitienė	Chairman of Board ŽŪB "Bariūnai"farm
29	Rima Jonaitienė	Vice-chairman for production Bariūnai"farm
30	Romas Baltramaitis	Head of Joniškis ag. Šiauliai Regional Environmental Department,
31	Virginija Čičinskienė	Deputy Director, Šiauliai Regional Environmental Department

People met in Estonia:

33	Toomas Kokovkin,	Project coordinator, Island and Coast Research Centre Arhipelaag
34	Marika Mann	Beneficiary, tour operator self-employed person
35	Lia Rosenberg	Project manager, Island and Coast Research Centre Arhipelaag
36	Elle Puurmann	Area Project Coordinator, Silma Nature Reserve, Vormsi
37	Ain Kendra	Project manager (WB), Jäneda TAC (formerly employed by Ministry of Agriculture
38	Ilona Lepik	Beneficiary, farm owner/biologist, Matsalu Nature Reserve
39	Aaare Lepik	Beneficiary, farm owner/freelancer, Matsalu Nature Reserve
40	Tiit Madisson	Beneficiary/Head of local government, Lihula municipality
44	Ullas Erlich	Senior scientist, Member of reference group, Institute of Economy

45	Urve Sinijärv	Member of reference group, Ministry of Environment
47	Kaja Lotman	Project Man., Deputy Head, Matsalu area, Matsalu Nature Reserve Centre
48	Terje Madisson	Beneficiary, Owner of a farm in Kirikuküla
49	Kersti Ajaots	Educat.& cultural consultant, Lihula local government
50	Margus Kalle	Development consultant, Lihula local government
51	Lea Suurkoppel	Land readjuster, Ridala local government
52	Enno Heinaste	Consultant, Martna municipality local government
53	Arvo Iital	Lecturer,Tallinn Technical University, Institute of Environmental Technology
54	Andrei Mitt	Põlluvara Ltd.
55	Enn Loigu	Professor, Tallinn Technical University, Institute of Environmental Technology
56	Viktor Vilks	Linnamäe Peekon Ltd, owner
57	Einu Jõemaa	Jüri farm in Martna municipality, owner
58	Toivo Kivipuur	Head of local government, Martna municipality

Annex 4
OH PRESENTATION AT RGÖ MEETING IN UPPSALA DEC 2002

OH 1

EVALUATION OF BALTIC AGRICULTURAL RUN-OFF ACTION PROGRAMME 1998–2002, SAIULIAU, MATSALU-HAAPSALU AND VAINAMERI PROJECTS

SCC NATURA, SPM Consultants London Ltd & ELLE

OH 2

PURPOSE

WHAT?

- Evaluation of the Programme, Sub-programme and Projects in relation to the stated objectives
- Not an audit; more analytical and less descriptive (cf. "Evaluation of the BAAP and a proposal for subsequent activities", 1997)

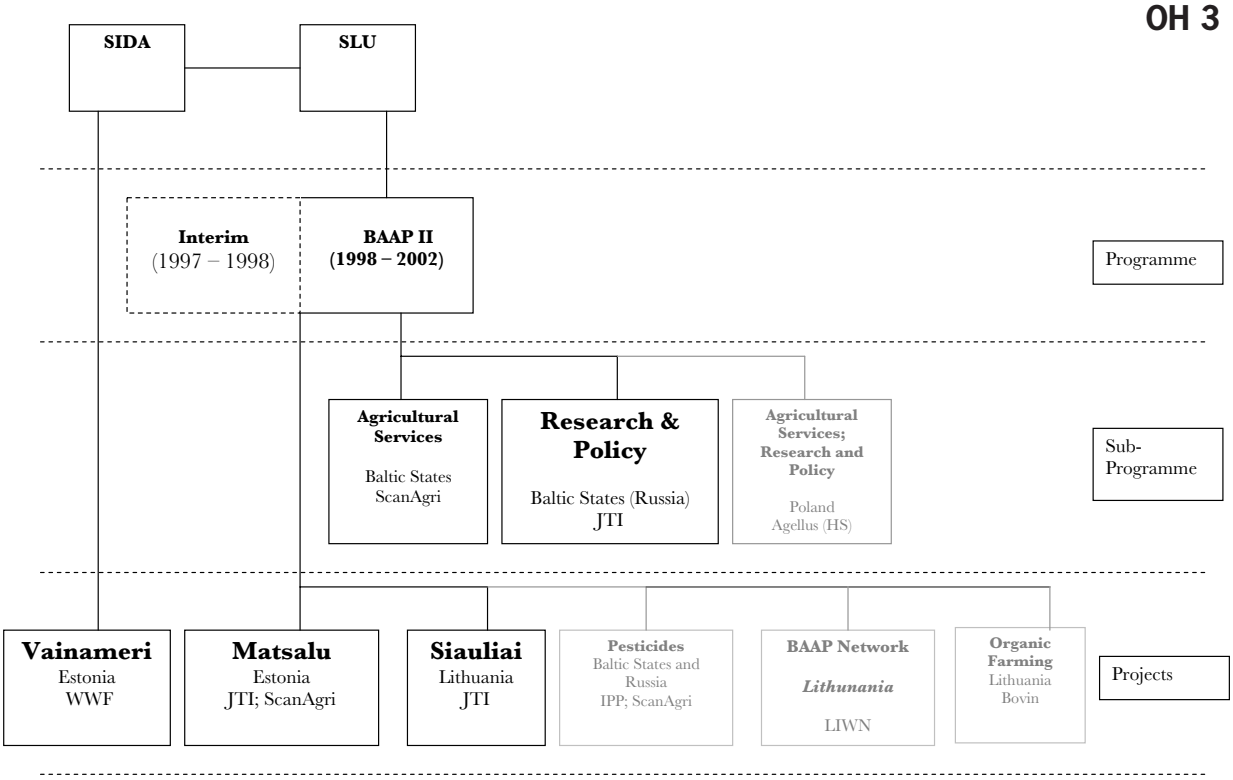
WHY?

- Accountability
- GEF/BRSP and future development co-operation in Russia

HOW?

- Strategy of BAAP II, at Programme, Sub-Programme and Project levels
- Management of BAAP II involving Swedish and Baltic stakeholders (Sida, SLU, consultants, contracting partners)

OH 3



OH 4

PRELIMINARY FINDINGS

1ST DIVISION

- There is neither a single document nor a series of documents that capture the overall programme strategy

- There is a loosely-defined management relationship between Sida and SLU

2ND DIVISION

- The programme comprises allocation of financial resources for administration (SLU) and implementation (contractors in Sweden and Baltic States) of sub-programmes and projects with no clear allocation of resources for developing a programme strategy

OH 5

PRELIMINARY FINDINGS (Contd.)

- The sub-programme and projects have focused more on means (monitoring, extension, pilot projects) than on ends (rural community and research/extension organisations) to achieve nutrient reduction
- There has been "rolling-over" of the programme in the absence of any substantive evaluation (BAAP I to BAAP II) and regular monitoring (year-to-year)
- There has been a higher level of local (Baltic State) ownership at the sub-programme and project level than at the programme level
- The sustainability of the programme, in terms of continuation following termination (or re-orientation) of Sida development assistance, varies between sub-programmes and projects

OH 6

PRELIMINARY RECOMMENDATIONS

- Financial resources should be allocated for developing a programme-level strategy
- There should be a clear linkage between the programme-level strategy and strategies at the sub-programme and project-level
- There should be regular (bi-annual or annual) monitoring that feeds into a programme development cycle
- The steering group should exist to strengthen the Sida-SLU relationship and increase local (Baltic State) ownership by representation at the programme level
- There should exist an exit strategy to sustain the impact of the programme

Annex 5

SWOT (STRENGTHES, WEAKNESSES, OPPORTUNITIES AND THREATS) ANALYSES - WORKSHOPS IN LITHUANIA AND ESTONIA

SUMMARISED AND TABLED RESULT FROM SWOT ANALYSIS

Agricultural Services Subprogramme

The first SWOT analysis were carried out with people active in the "Agricultural Services Subprogramme" and included people from all Baltic States but excluded the Swedish Partners in cooperation.

STRENGTH	**OPPORTUNITIES**
• Cooperation with local partners; • Modern knowledge; • EMS training experience; • Updated methods; • Cooperation with other countries; • Locally coordinated actions, foreign experience; • Flexibility; • Centralised structure of LAAS; • Information to farmers; • Information, practical trainings	• GAP at farm level; • Different actions pointed to farmers; • Environmental actions (practical, basic); • Improved legislation (national); • Development of EMS; • Environmental thinking; • Local cooperation
WEAKNESSES	**THREATS**
• Financial motivation (lack of); • Farmers capability to invest; • Too many papers; • International coordination; • Changes in team; • Delay in starting (related activities)	• Too much force of natural development; • Leading business without planning; • Unclearness concerning to BSPP, NEFCO, GEF; • Environmental management system

Participants in the SWOT workshop on Agricultural Services were:

Marju Aamisepp,	Economy adviser in Estonian Agricultural Advisory Centre
Livi Rooma,	BAAP Project Coordinator, Plant production adviser in Estonian Agricultural Advisory Centre.
Janis Kazotnieks,	BAAP Project Coordinator, Machinery adviser in Latvian Agricultural Advisory Centre
Rimas Magyla,	BAAP Project Coordinator, Environmental Protection Specialist in LAAS
Inga Karaliene,	Economy Specialist in LAAS

Research and Policy sub-programme

The second SWOT analysis workshop was carried out in Estonia including experts involved in the Research and Policy sub-programme

STRENGTH	**OPPORTUNITIES**
• International experience; • Cooperation between "science" and "practise"; • Experimental research, NPK balances; practical cooperation; • Long period experiments in the area where few exist; • Farmers – social aspects; • Training, transfer of knowledge, investments, demonstration activities; • Water quality monitoring; • Multi-level approach	• Possible alternative activities to improve economic system; • Sustainable farming; • Monitoring; • Improving legislation; • Possibility to evaluate result of experiments & advise producers; • New – how to connect environment and economy • International experience
WEAKNESSES	**THREATS**
• No improvement of economical situation (the project is too short); • Work with farmers must continue; • Lack of investments; • State policy; • Rural development; • Results of experiment do not always show the goal objectively; • Changes in agricultural production	• State support; • Experimental research will be stopped

Participants in this workshop were:

Livi Rooma	Jäneda training centre
Henno Nurmekivi	Agricultural University of Estonia, Tartu
Enn Loigu	Tallinn Technical University
Arvo Iital	Tallinn Technical University

+ the owner of Liitmäe farm (name unfortunately not noted)

Sida Evaluation Data Worksheet

ANNEX 6

(for specifications of terminology see endnotes, page 3)

A. General Information

	Contribution identity[1]
Report title Evaluation of Baltic Agricultural Run-off Programme 1998- 2002,Siauliau, Matsalu-Haapsalu and Väinameri projects	Reference number (diarienr)[2]

Authors	Professional background	Consulting firm/Institution
Tomas Hertzman	Biologist	Scandiaconsult Natura AB
Dan Vadjnal	Economist	SPM London Ltd
Valts Vilnitis	Environmentalist	ELLE, Latvia

Sida department and division responsible for evaluation
Sida Öst EME

Other organizations responsible/funding the evaluation

Total cost of evaluation		Date of terms of reference	Date of final evaluation	Has the project/programme been evaluated earlier?
Sida's share, SEK	Total, SEK			Yes ☒ year(s) 1997
513910		2002 06 24		No ☐

B. The Project/Programme

Name of project/programme evaluated:
Baltic Agricultural Run-off Programme 1998- 2002,Siauliau, Matsalu- Haapsalu and Väinameri projects

Year of project start:	Time period evaluated:	Type of financing:			
1998	1998- 2002				

Total cost of project, MSEK		Cost for period evaluated, MSEK		Sida's share, %:		Total %:	
Sida's share:	Total:	Sida's share:	Total:	grants	credits	Grants	credits
33.6 MSEK	33,6MSEK			N A	N A	N A	N A

Channel	**Type of support**[3]	**Country/Region**[4]
☐ Bilateral	☒ Project support	Eastern Europe
☒ Multilateral/multibi	☐ Sector support	Russia
☒ Non Governmental Org.	☒ Programme aid	

Sector[5]	Please specify according to note 4 on page 3:	**Counterpart**[6]
☐ Social sector		☒ Public sector
☐ Infrastructure	Environmental and Agriculture	☐ Private sector
☒ Economic sectors		☒ Research institution

☒ Public administration	Environmental and Agriculture	☒ NGO	
☐ Disaster relief		☐ Mixed	

C. Type and Timing of the Evaluation

Timing[7]	**Type**[8] of evaluation (one alternative)	
☐ Mid-term	☐ Project evaluation	☐ Programme aid evaluation
☒ End of project, completion	☒ Programme evaluation	☐ Thematic evaluation
☐ Ex-port	☐ Sector evaluation	☐ Organizational evaluation
☐ Not applicable	☐ Country evaluation	☐ Other

D. The Evaluation Team

	Yes	No
Were Sida personnel included in the team?	☐	☒
Was somebody from the recipient country/region included in the team?	☒	☐
Did the team consist of person with specific sector competence?	☒	☐
Total number of evaluation team members/thereof women	3 / 0	
Total number of man weeks used for the evaluation/thereof field work	14,6 / 6	

E. The Evaluation Report

Report language	English	
	Yes	No
Executive summary included	☒	☐
Terms of reference annexed	☒	☐
Recommendations to be pursued by donor included	☒	☐
Recommendations to be pursued by recipient included	☐	☒
Lessons learned included	☒	☐

F. Other Issues Addressed in the Evaluation

	Yes	No
Sustainability issues	☒	☐
Cost-effectiveness issues	☒	☐
Gender equality aspects	☐	☒
Environmental aspects	☒	☐
Democracy and Human Rights aspects	☐	☒
Poverty aspects	☐	☒

G. Evaluation Abstract

The abstract shall be written by the Evaluator/team leader, be maximized to 200 words and cover Subject Description, Evaluation Methodology and Major Findings/Lessons Learned.

DAC definitions of the content of the abstracts.

Subject description: The subject description should attempt to capture the rationale for the intervention (i.e., what development constraint is being addressed) as well as what was/is expected as a result of the activity.

Evaluation methodology: Enter a brief description of the methodology or approach used in conducting the evaluation and the methodological considerations addressed. These could include the objectives, scope and focus with respect to the issues of the evaluation, as well as the methodologies and data sources used.

Major findings: Enter the major findings from the evaluation. These should highlight the relative success of the aid activity in achieving its objective or expected results.

Lessons Learned: Enter any lessons learnt from the evaluation.

1. **Contribution Identity**: Identity in the PLUS system
2. **Reference number** to be filled in by the responsible Sida desk officer
3. **Type of support**
   Project support: Support to *individual projects* or project implementing organisations.
   Sector support: Support to several *linked projects* within the same sector and with one common set of objectives
   Programme support: General financial support given under special policy conditions, e.g. balance of payment support.
4. **Country/Region**
   Specify individual country/countries. *Please*, specify region/-s according to the following categories:
   Northern Africa, South of Sahara, Middle East, South Asia, South East Asia, Central America, the Caribbean, South America, Eastern Europe, Global
5. **Specification of sector** should be in accordance with the heading "Sector" in Sida's Statistical classification of projects 1995/96. Several sectors *may* be relevant, indicate also key sub-areas covered by the evaluation.

Social sectors	Infrastructure	Economic sectors	Public administration	Disaster Relief
Education; primary school-, secondary school-, higher education, vocational training, adult education, other **Health,** policy and management, district health, child health, drugs, disease control, reproductive health, nutrition, AIDS/HIV, other **Water and Sanitation,** water supply, sewage system **Population related issues, Human rights, Other;** housing**,** culture and media, disability issues	**Transport**; railways, road haulage, road construction, aviation, ports **Communication** telecommunication, post, radio **Energy**	**Natural resources**; agriculture, rural development, forestry, co-operative and farmers org., fishery and coastal environment **Industry and mining**; food production-, textile-, forestry-, chemical-, mechanical, industry, mining, construction, other **Commerce, banking and tourism** enterprise development, private banking, insurance, Board of commerce, tourism	**Financial administration**; budget and finance, auditing, taxes, debt management, economic training **Banking**; central banking, development banks, bank inspection, development of banking sector, **Central administration;** personnel administration, statistics, policy development **Local administration;** rural -, urban authorities, regional administration, physical planning and land survey **Market oriented support;** labour market, privatization, trade unions **Legal systems, Democratic functions**;	**Natural Disasters**; drought, noxious insects, other natural disasters **Refugees, war and conflict;** **Other;** prevention, reconstruction, epidemics, other

6. **Counterpart**: Characteristics of the organisation/institution responsible for implementing the project/programme in the recipient country.

7. **Timing** (in relation to project/programme cycle)
   Mid-term: within on-going project cycle
   End of project, completion: At the end of the project cycle or immediately after completed project
   Ex-post: Two years or more after completion
   Not applicable. None of the categories is applicable to the present evaluation

8. **Type of evaluation**: according to main scope and perspective.
   Project evaluation: Evaluation of a limited number of activities with a common set of objectives. A project evaluation could also cover a set of projects of similar kind, however not explicitly forming a programme from the donor agency's point of view.
   Programme evaluation: Evaluation of a series linked projects with a common set of objectives, (often within one sector).
   Sector evaluation: An evaluation covering all, or the majority of, Sida financed projects and programmes within one sector where development sectoral objectives and/or Sida's policy for the sector forms the basis for the assessment made.
   Country evaluation: An evaluation covering all, or the majority of, Sida financed projects and programmes in a country where development objectives and/or Sida's country strategy or the equivalent forms the basis for the assessment made.
   Programme aid evaluation: Evaluation of financial programme support, i.e. balance of payment support (import support and debt relief) and general or sectoral untied budget support given under

specific policy conditions.

Thematic evaluation: Evaluation mainly focused on a cross-cutting issue or another development issue of broader importance.

Organizational evaluation: Evaluation of an organisation financed (fully or partly) by Sida. The main focus of the evaluation should be organisational capacity, not primarily the effects of the individual projects undertaken.

Other: Synthesis or other type of evaluation study or review.

Attachment to Data Worksheet Annex 6

Evaluation Abstract

The evaluation covered a set of Sida financed activities within the Baltic Agricultural Run-Off programme (BAAP) and its sub-programmes and projects under co-ordination of SLU, Uppsala, Sweden. Further the WWF implemented project on Väinameri was evaluated.

The methodology included desk studies in Sweden as well as in the Baltics, interviews with key persons and stakeholder representatives in Sweden, Estonia, Latvia and Lithuania as well as workshops with representatives from implementing agencies in the Baltic States. Field visits were performed to project sites, farms and institutes.

Key findings are that sub-programmes and projects have produced relevant and positive outputs while the programme itself has been elusive thus giving insufficient strategic guidance. Further there has been no systematic monitoring and feedback thus no adaptations to changes in rural and agricultural environment has been enforced. Ownership has been established on project level but not at programme level.

Lessons learned are that a programme of this size requires resources and assignments for strategic planning and decision, that strategies should be developed linking the overall Programme objectives to the project activities, that regular monitoring and feedback is crucial and finally that an exit strategy to sustain programme outputs should be developed.

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SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
S-105 25 Stockholm, Sweden
Tel: +46 (0)8-698 50 00. Fax: +46 (0)8-20 88 64
Telegram: sida stockholm. Postgiro: 1 56 34–9
E-mail: info@sida.se. Homepage: http://www.sida.se