

**APPENDIX D:  
BIODIVERSITY REPORT  
USAID RECOMMENDATIONS**



## APPENDIX D: BIODIVERSITY ASSESSMENT REPORT FOR ROMANIA

### USAID RECOMMENDATIONS<sup>46</sup>

This Memorandum summarizes the Biodiversity Assessment Report (BAR) and makes specific suggestions for the USAID/Romania Mission for activities to promote biodiversity conservation which could be considered under the 2002-2006 Strategy. The BAR was prepared by USAID/W and the Romanian NGO, Ecologic Group for Cooperation, under contract project ID R186-01-0085.

#### **Background**

The BAR was prepared between August 6 and September 7, 2001 to address statutory requirements promulgated at Sections 117 and 119 of the Foreign Assistance Act of 1961, as amended. Details of these requirements are provided in the Introduction to BAR and the pertinent sections of the United States Code are provided in Annex I. In summary, during the preparation of each new Country Strategic Plan, these requirements call for an assessment of the actions necessary in the country of operation to conserve biodiversity, and for a review of USAID's proposed activities to determine how those needs are being addressed. Furthermore, the statutory requirements call for annual reporting on how activities addressing biodiversity needs are being implemented by USAID.

To prepare this BAR, approximately 30 interviews were conducted with Romanian Government Institutions, NGOs, corporations, academia, and local and municipal authorities. Draft Strategic Objectives for Economic Growth, Democracy, and Social Assistance Sector activities were reviewed, and interviews were conducted with SO team members to familiarize the Biodiversity Assessment Team Leader with components of the 2002-2006 Strategy to prepare the Mission-specific recommendations in this memorandum. The following sections present: the current impact of the USAID/Romania program on biodiversity; proposed activities in which USAID could engage to promote biodiversity conservation; and a discussion on potential distribution of the BAR.

#### **Current Impact of the USAID/Romania Program on Biodiversity Conservation**

Regarding biodiversity conservation, the USAID intervention in Romania has engaged in two projects aimed at community based forest conservation. These include a \$100,000 IAA with USDA and a \$90,000 grant to Auburn University and Composesorat Zetea under RASP. These activities and all other International Donor Activities identified by the Biodiversity Assment Team are described in greater detail in Annex A to the BAR.

USAID has also been engaged in small-scale agricultural development, and efforts to encourage organic farming and community cooperatives certainly have positive ramifications on biodiversity conservation. Working with farmers to utilize agricultural chemicals more efficiently and responsibly reduces impacts to surface water and ground water, and can reduce the tendencies of sensitive soils to become unproductive due to salinization. Efficient agricultural practices also result in reduced soil erosion, which in turn puts less pressure on farmers to develop additional lands, thereby resulting in conservation of habitat.

USAID/Romania has also worked extensively with GOR and Romanian industry to reduce environmental pollution, especially related to wastewater discharges and industrial stack emissions. The effective implementation of these efforts is minimizing the impacts of human activities on biodiversity by improving habitat for fishes and other aquatic organisms, and by reducing the degradative impacts of acid rain on forests and lakes.

Cross-cutting initiatives that incorporate the programs described above with other USAID programs that are implementing components in the same geographic areas are the most likely to have positive impacts on natural resources and the environment.

## **BIODIVERSITY RECOMMENDATIONS FOR THE USAID/ROMANIA MISSION**

### **General**

To ensure the needs of biodiversity conservation are met in Romania, and thus ensure that Romania remains on track to EU accession, USAID could initiate two studies. The first would be a comprehensive analysis and survey of natural resource protected areas. While 827 natural areas and monuments are protected, no definitive resource exists which catalogs these areas or defines their bounds. In addition, threats to these areas need to be identified and transmitted to the various management authorities in charge of these resources, which in turn must develop long-term comprehensive management plans. Currently, the Romanian Academy is consulted regularly regarding impacts to these protected areas, but no provision of law requires the opinion of the Academy. Strengthening the oversight capacity of the Academy could ensure unified management of Romania's protected areas.

The second would be a comprehensive analysis of the impacts of privatization on biological resources including recent studies, current guidelines, and legislation and field-level practices. The study could compare and contrast stewardship changes on private land following restitution of agricultural and forested lands and identify problem areas to the GOR. It would also serve to establish a baseline that enables USAID and the World Bank to assess broad landscape changes, identify land-use change parameters and indicators of biodiversity improvement/loss, and collect and report data regarding changes in wetland, forest, steppe, and coastal zones, as needed. These studies should be made available to a broad constituency including GOR officials, academia, NGOs, multilateral donors, and local officials. Ideally these studies would be co-funded by GOR and other donors interested in sustainable natural resource management (e.g., World Bank, EU LIFE – Natura 2000, etc.) and Romania's ultimate accession to the EU.

Based on 1 and 2 above, Romania could develop and implement a natural resources management mapping and training program for commercial and public sector surveyors and village land use planners. USAID could specify training tools and field manuals for the identification and delineation of potential and gazetted protected areas. These tools could help planners to identify fragile or degraded areas including wetlands and riparian zones and erosion-prone sites, community-managed forests and pasturelands, and areas potentially contaminated through overuse of agrochemicals or proximal to other toxic sources. Finally, USAID could assist natural resource area managers in developing infrastructures sufficient to receive and accommodate tourism.

### **Land Management**

The privatization of agricultural and forested lands may have substantial impacts on biodiversity. Changes in land tenure frequently lead to changes in land management practices. These changes

may include bringing new lands into cultivation, replacing forest and windbreaks with croplands, and extracting natural resources unsustainably. An unfortunate side-effect of increased agricultural productivity in forested and riparian areas is the tendency for farmers to desire to increase the amount of land they farm, often resulting in the clearfelling of forests and the draining of wetlands.

Because many of the rural people in Romania with knowledge of private land management have died or are very old, and/or their descendents have moved to urban centers, a good deal institutional knowledge regarding managing small farms and small tracts of forests has been lost and must be regained. Many parties to be restituted former lands live nowhere near the properties they have received (or are to receive). It is therefore plausible that these new land owners will engage in environmentally destructive and inefficient agricultural and forestry practices.

Alternatively, given proper incentives, training, resources, and markets, the new land owners might develop cooperative associations, plant more diverse crops and forest species, sustainable harvest natural resources, and use low-till methods and modern chemicals, which most often are less toxic than chemicals currently being used. Hence, USAID programs to train farmers and forest owners and provide them with incentives such as credit for seeds/saplings and technology can have positive impacts on natural resources. The development of communal associations, including associations of private and municipal land holders might allow for greater perception of individual long-term control over their economic resources, thereby resulting in more sustainable agricultural and forest resources.

### **SO 1.3: Accelerated Private Sector Growth by Supporting a Market-Driven Environment**

#### *Privatization*

Under IR 1.3.1, USAID could work with the GOR to privatize the National Forest Regie (RomSilva) in accordance with Romanian law, which requires the privatization of all former state-run and owned operations. Under the authority of the Ministry of Agriculture, Food and Forests (MAFF), this state-owned enterprise currently has complete control over forest management, including management and harvest of timber and non-timber forest products. While this may appear good from the standpoint of sustainable natural resource extraction, little infrastructure exists for private landowners or community associations to be competitive with RomSilva. A competitive environment in which private land owners, including communal forest groups and municipal governments (and combinations thereof), can choose to manage forests themselves (under guidelines for harvest established by the MAFF) or contract for management through one or more private, competitive firms could promote economic growth through sustainable natural resources management. Combined with strengthening the capacity of MAFF and local forestry inspectorates, these efforts could result in significant economic returns without compromising sustainable forestry management goals. In the alternative, natural resource extraction may increase as RomSilva loses land to the restitution process yet tries to provide Ministry-mandated timber quantities.

#### *SME*

To conserve biodiversity in sensitive areas and reduce pressures on natural resources, economic alternatives to unsustainable resource extraction must be provided to owners of restituted forest land. Under the IT component of IR 1.3.3, USAID's plan to work with tourism industry in Romania to develop web-based tourism reservation network in 2002 is excellent, and could be

augmented by direct support of the ecotourism infrastructure and linkages to other touristic information, such as parks, rental agencies, municipalities, and the like.

Under IR 1.3.2, USAID could consider providing credit or credit guarantees for SMEs in the ecotourism industry, such as tour operators, hotels, bed and breakfasts, municipalities, and protected areas hoping to establish and improve their ecotourism infrastructure. Such loan guarantees could also be utilized to reduce high risks and low returns characteristic of loans to farmers and small forest owners to promote sustainable natural resources management.

For example, organic agriculture could prove profitable to SMEs in Romania. Land lying in fallow following the changeover from the communist government may have rested long enough to support immediate organic certification and harvest. In addition, the poor economic conditions which are now prevalent in Romania have resulted in the inability of small farmers to afford pesticides and other chemicals, making these lands ripe for organic agriculture. USAID could promote organic farming practices and export to Europe and the United States to promote SME development in the agricultural sector. This activity indirectly promotes biodiversity conservation through reduction in chemical runoff to rivers, thereby reducing adverse human impacts on plants and invertebrate and fish populations.

#### *Energy*

Energy sector reforms, including pricing policy, reduced subsidy, and increased bill collection can result in customers switching to dirtier, cheaper fuel in the form of fire wood. Such cheaper fuel usage is having tremendous impacts on limited fuelwood reserves worldwide. Energy sector reforms in which USAID could (or could continue to) engage to promote biodiversity conservation include, among other things: policy and pricing to minimize switching to private natural resource use; minimization of pollution to land, air and water; environmental assessments which consider biodiversity conservation prior to initiation of new energy projects; and efficiency projects on the small (private homeowner) large (commercial customer) and industry scale, including tax incentives for conversion to alternative power sources.

#### *Environment*

Environmental education in Romania is quite low by western standards, with most Romanians unaware of even simple environmental concepts. USAID could take part in a national environmental education project through the GreenCOM Indefinite Quantity Contract to promote awareness and develop local sense of economic values of natural resources (including forests, agriculture, biodiversity and aesthetic value to tourism). Projects undertaken through GreenCOM have been successful in achieving environmental awareness through development and dissemination of educational plans for teachers, media campaigns, and natural areas conservation media. This work could be engaged in conjunction with local and international NGOs to develop community sense of economic value of biodiversity resources in their communities, develop ecotourism activities and develop ecotourism infrastructure, and with protected area and natural resource managers to develop infrastructure receptive of tourism.

USAID could encourage market-based certification instruments that promote environmental values into internationally traded products. Analysis and targeted support for development of internationally recognized forest and organic produce standards will improve access to increasingly discriminating markets. Moreover, accelerating multinational company application of environment, social, and corporate social and environmental accountability standards will be increasingly important for Romania to accede to the EU and to attract international investment.

**SO 2.3: Improved Democratic Governance at the Local Level**

Most impacts related to democracy and governance and biodiversity conservation crosscut with the programs in SO1.3, and are presented in the section below. In general, community empowerment programs being undertaken in the DG sector to increase citizen participation in the political and economic processes of local governments should also be having a positive impact on natural resources and biodiversity, and are thus encouraged.

**Crosscutting SO 1.3 and SO 2.3**

To minimize the potential adverse economic effects of immediate natural resource extraction, under its proposed IR 1.3.4 and IR 2.3.1, USAID could work with local municipalities in control of land restitution (esp. forested lands) and titling to promote rapid delivery of title to restituted land. Ideally, this would be accomplished alongside work with Parliament, Ministries and local municipalities to ensure that ownership includes all rights and privileges commensurate to private ownership. A very small portion of forested lands to be restituted have actually been restituted to former owners, and an even smaller amount of those lands which have been restituted have been titled and deeded to owners. Past land restitution efforts have resulted in the clearfelling and/or non-sustainable harvest of significant amounts of restituted forest lands, reputedly due to lack of title and uncertainty that restituted lands will not be taken back by the government. This timber may have fueled the reported local black market for timber in Romania, though the authors have been unable to substantiate such claims. Historic rates felling may occur once additional forested lands are restituted in the near future, resulting in forest fragmentation, habitat destruction, and short-term as opposed to long-term gain. The World Bank [October 1999] has estimated that as much as \$590,000,000 in standing timber was inappropriately harvested due to restitution efforts, and that Romania's current investment in sustainable forestry is equivalent to \$3.1 billion invested at five percent interest.

Ownership rights to private lands should include rights to hunt, harvest, farm, control trespass, etc. (within general sustainability guidelines), as an inherent intrinsic component. Owners must also have the right to choose from a competitive pool of forest resource management firms, as opposed to the current monopoly of these activities by Romsilva.

Under IR 1.3.2 and IR 2.3.1, USAID support the development of public interests coalitions involving the greater than 250 Romanian environmental NGOs, municipal and business associations, and other representative groups to induce change from the local level to the top. This is particularly important in the areas of land titling/land management and the enforcement of natural resources legislation. Such NGO strengthening could result in the utilization of the Romanian courts to require Ministries to increase enforcement of natural resource protection and conservation laws.

In association with the above, under IRs 1.3.1 and 1.3.2 and IR 2.3.1 and 2.3.2, USAID could develop “best practices” models for sustainable community management of restituted forest and agricultural lands (e.g., for forest communities, base models upon work already being undertaken by USAID through the IAA with USDA and the RASP Grant, and The World Bank Danube Delta and Carpathian forest biodiversity pilot projects) to increase local decisionmaking and economic control. An important part of such models would be the development of area specific economic development and natural resources management plans, integrating specific concerns of GOR in the process to ensure ultimate buy-in. USAID could use these models to foster development of community land owner associations comprised of private, corporate and municipal and protected

area land owners (as practicable), to implement community based natural resource-based economic development projects country-wide.

#### **SO 3.4: Health and Social Assistance Sector**

USAID could work with GOR and the Ministry of Health, as well as other international donors, to implement a medical waste tracking and disposal plan to reduce public exposure to diseases prevalent in medical waste. Such a plan would most likely call for the incineration of these wastes, which would promote biodiversity conservation indirectly by resulting in less wastes requiring landfill capacity, thus minimizing pressures on needs for future landfills. In any event, a national program for the disposition of these wastes is imperative.

#### **Utilization of the Report**

In order to maximize the potential impacts of this Biodiversity Assessment Report in Romania, specific recommendations pertaining to the USAID/Romania Mission have been conveyed only in this Memorandum. By eliminating such material from the Report, and constraining it to this Memorandum, the Mission is free to disseminate the Report as it sees fit, without concerns as to the conveyance of strategy-specific information outside the Mission or USAID/Washington.

Throughout the preparation of this Report, various members of the Romanian scientific community expressed a desire to have access to it, and it is the hope of the authors that this Biodiversity Assessment Report could be used widely in Romania as an educational reference and a tool for biodiversity conservation for academia, government and private institutions and NGOs.

