



Foreign Assistance Act Sections 118 and 119
Tropical Forests and Biodiversity Analysis
A Mandatory Reference for ADS Chapter 201

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Purpose

The purpose of this mandatory reference is to provide guidance on the [Foreign Assistance Act \(FAA\) Sections 118 and 119, Tropical Forest and Biodiversity Analysis](#) (hereafter referred to as the “analysis”) and the U.S. Agency for International Development’s (USAID) procedures for meeting the legislative requirement. The analysis is required in preparation for “each country development strategy statement or other country plan,” which currently (but not exclusively) includes regional development cooperation strategies (RDCCS) or country development cooperation strategies (CDCS) (RDCCS and CDCS are referred to collectively as CDCS in this document).

Through Section 118, Congress recognized the importance of forests and tree cover to developing countries. Congress showed particular concern about the continuing and accelerating alteration, destruction, and loss of tropical forests in developing countries, which pose a serious threat to development and the environment. Similarly, in Section 119, Congress finds that the extinction of animal and plant species is an irreparable loss with potentially serious environmental and economic consequences for developing and developed countries alike. These sections place a high priority on conservation and sustainable management of tropical forests and biodiversity as an important objective of U.S. development assistance. These sections require that each country development strategy statement or other country plan prepared by USAID include an analysis of the threats to biodiversity conservation and the sustainable management of tropical forests and the extent to which USAID can address the threats.

To ensure that a CDCS is grounded in evidence and informed by strategic analyses ([ADS 201.3.2.9](#)), and to comply with the requirements of the legislation and [ADS 201, Program Cycle Operational Policy](#), Missions:

- Should initiate the analysis before launching Phase I, the Initial Consultations and Parameters Setting, or early in Phase I of the CDCS process;
- Must describe in the analysis (1) the actions necessary to achieve conservation and sustainable management of tropical forests and biodiversity and (2) the extent to which USAID is taking actions in any sector to achieve conservation and sustainable management of tropical forests and biodiversity (also known as the “extent to which”);
- Must complete the analysis prior to completion of Phase II, Results Framework Development;
- Should ensure proper review, approval, and submission of the analysis; and
- Should reflect the analysis findings in the results framework paper and/or the final CDCS.

Further information on these requirements is provided below and in the [FAA Sections](#)

[118/119, Tropical Forest and Biodiversity Analysis Best Practice Guide](#), which provides detailed guidance on how to prepare and use a 118/119 analysis.

Box 1: Does the 118/119 Analysis Apply to My Mission?

Yes, the analysis applies to all USAID Missions preparing regional/country strategies. However, countries outside the tropics (north of the Tropic of Cancer and south of the Tropic of Capricorn) only do a 119 analysis and address forests as part of that analysis.

1. Sections 118 and 119 of the Foreign Assistance Act

Enacted in 1986, amendments to FAA Sections 118 and 119 place emphasis on tropical forest and endangered species conservation in U.S. foreign assistance. The FAA 118/119 Tropical Forest and Biodiversity Analysis is a mandatory strategy-level analysis that responds to the following legislative language:

- a. **FAA Sec 118 (e)** Country Analysis Requirements: Each country development strategy statement or other country plan prepared by USAID must include an analysis of:
 - 1. The actions necessary in that country to achieve conservation and sustainable management of tropical forests, and
 - 2. The extent to which the actions proposed for support by the Agency meet the needs identified.

- b. **FAA Sec 119 (d)** Country Analysis Requirements: Each country development strategy statement or other country plan prepared by USAID must include an analysis of:
 - 1. The actions necessary in that country to conserve biological diversity, and
 - 2. The extent to which the actions proposed for support by the Agency meet the needs identified.

Box 2: How does the FAA 118/119 analysis differ from an Environmental Threats and Opportunities Assessment (ETOA)?

The ETOA covers a broader scope than is mandated by FAA 118/119 analysis. The ETOA emerged, in part, when countries, particularly in Africa, saw a lack of country-specific information as an obstacle to environment programming. As a result, Missions opted to broaden the FAA 118/119 into an ETOA. The ETOA describes the environment—beyond the narrow focus of biodiversity and tropical forests—and covers air quality, water provision and urban issues, among other environmental

factors.

The Agency now recommends that Missions refrain from doing an ETOA and rather adhere to the new policy and best practice for the FAA 118/119 analysis, which is narrower in scope than an ETOA.

3. Timeline and Requirements for the Analysis in Relation to the CDCS

The graphic below illustrates how the steps in the analysis process correspond with the CDCS phases. (Note that overlap in the CDCS phases is intended to show how different phases in the analysis can straddle more than one CDCS phase, not that the CDCS phases overlap.) The analysis can take anywhere from three to eight months depending on the amount of time needed to develop the SOW, contract the analysis (if applicable), conduct fieldwork, and review, revise and finalize the report.



- The analysis should be initiated at the start of or before Phase I - Initial Consultations and Parameters Setting - of the CDCS development process at the same time as other background assessments and analyses ([ADS 201.3.2.9](#)).
- The analysis must be complete with all data collected and synthesized into a report prior to the end of Phase II - Results Framework Development ([ADS 201.3.2.9](#)).

As the CDCS development process progresses, the Mission should use the recommendations in the analysis report to inform the results framework paper and final CDCS. The analysis report will be based on the expiring CDCS and information available to the analysis team on the new CDCS. Once the results framework and content of the new CDCS is known, the Mission should update the extent to which they intend to address the actions needed to conserve tropical forest and biodiversity based on the new CDCS. The updated “extent to which” should be incorporated into a table that describes the extent to which the Mission is responding to the recommended actions necessary across all sectors (see Annex B table 5 in the [FAA 118/119 Best Practices Guide](#)).

The findings of the analysis should be reflected in the CDCS, but how they are reflected will depend on the individual Mission’s portfolio and programs. Missions should include

analysis findings in their CDCS in one or more of the following ways:

- A paragraph that summarizes what, if any, cross-sectoral actions the Mission will take to address the conservation and sustainable management of tropical forests and biodiversity;
- An “extent to which” table or annex to the results framework paper and/or CDCS describing the cross-sectoral actions the Mission will take to conserve and sustainably manage tropical forests and biodiversity (see Annex B table 5 in the [FAA 118/119 Best Practices Guide](#)); or
- Incorporation of the cross-sectoral actions the Mission will take in the new CDCS to conserve and sustainably manage tropical forests and biodiversity throughout the text of the results framework paper and/or CDCS in relevant locations or in the CDCS results framework itself.

2. Role of the Mission, Regional Bureau, and Pillar Bureau Staff

Mission

The program office has overall responsibility for ensuring that the analysis is timed correctly to be integrated into a Mission’s CDCS. In addition to ensuring that the analysis is initiated at the recommended time, the program office will also support the budgeting, funding, and procuring of the analysis. Analyses can be carried out internally, can be conducted by contractors, or a combination of both. If conducted by contractors, the cost of an analysis can vary depending on the scope of work (SOW) and/or the country context. All analyses should be supported by cross-cutting Mission funds, not solely by environment funds. The program office is responsible for documenting the use of the analysis in the CDCS (see above) and submitting the final report as per the submission requirements in section 3 below. The program office should maintain the official electronic analysis report for the Mission and load the final public version onto the Development Experience Clearinghouse (DEC) Web site.

The Mission designated analysis activity manager plays a leadership role from the start by developing the SOW, to the finish, when incorporating the recommendations into the CDCS and beyond. The activity manager does not need to be an environment specialist since the report will be relevant to all Mission sectors.

Environment staff may not always have a lead role in conducting the analysis but where a Mission has an environment technical team, they should provide substantive technical input to the analysis.

Regional Bureaus

The Regional Bureau technical office directors or team leads should designate a technical expert in USAID/Washington (USAID/W) to serve as a point person for

assistance with the analysis. The technical expert will ensure that Missions receive Washington support throughout the process and that analysis reports are consistent and compliant with the legislative intent. Regional Bureau technical experts will provide input and technical approval on the SOW. SOW support includes informing Missions about options for conducting the analysis (both internal and external) and suggesting Washington and in-country consultations to collect information for the analysis report. Technical experts will review the draft analysis report, provide approval of the final analysis report, and ensure that electronic versions of final analysis are maintained in an accessible location for the Agency.

Bureau for Economic Growth, Environment and Education, Agency Environmental Coordinator's Office or Pillar Bureaus

As needed, the Bureau for Economic Growth, Education and the Environment (E3)'s Office of Forestry and Biodiversity, Office of Land and Urban, Office of Global Climate Change, the Agency Environmental Coordinator's Office, and the respective regional environment advisors will be engaged in the analysis process to provide technical input. If requested by Regional Bureaus, staff from these offices will suggest options for conducting the analysis, provide technical input on SOWs, recommend Washington or in-country consultations, comment on report drafts, and engage in the CDCS process, where relevant.

3. Requirements for Submission of the Analysis

The Regional Bureaus should determine what level of review/approval is needed for analyses. The [FAA 118/119 Best Practices Guide](#) includes a suggested template for final analysis report approval and submission. Missions should submit the final analysis to their corresponding Regional Bureau (designated technical expert, BEO and/or CDCS coordinator in the program office) and a public version should be uploaded to the Development Experience Clearinghouse (DEC). Once uploaded to the DEC, Missions should submit the DEC link to **FAB@usaid.gov**.

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