

Republic of Moldova

Rural Resilience Project

Mid-term Review

Mission Dates: 9 to 20 November 2020

Document Date: 17/12/2020

Project No. 2000001156

Report No. 5583-MD

Near East, North Africa and Europe Division
Programme Management Department

Abbreviations and Acronyms

ABDS	Agribusiness Development Support
AOS	Annual Outcome Survey
ASAP	Adaptation for Smallholder Agriculture Programme
AWPB	Annual Work Plan & Budget
BP	Business Plan
CA	Conservation Agriculture
CC	Climate Change
CCA	Climate Change Adaptation
CCRIVC	Climate Change Resilience and Inclusive Value Chains
CCRS	Climate Change Resilience Specialist
CI	Corporate Indicator
CLD	Credit Line Directorate
COVID	Coronavirus Disease
CPIU	Consolidated Programme Implementation Unit
CPM	Country Programme Manager
DANIDA	Danish International Development Agency
EAPMO	External Assistance Programme Management Office
EC	European Commission
EFA	Economic and Financial Analysis
EIA	Environmental Impact Assessment
ENRM	Environment and Natural Resource Management
EOI	Expression Of Interest
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plans
FDS	Financial Development Specialist
FFR	Financial Facility for Remittances team
FI	Financial Institution
FS	Feasibility study
FSRDM	Financial Services and Rural Development Manager
GAP	Gender Action Plan
GEF	Global Environment Facility
Ha	Hectare
HH	Household
IA	Impact Assessment
IFAD	International Fund for Agricultural Development
IPSC	IFAD Programme Steering Committee
IRFCD	Inclusive Rural Finance and Capacity Development
IRECR	Inclusive Rural Economic and Climate Resilience
IRRG	Infrastructure for Rural Resilience and Growth
ISM	Implementation Support Mission

LDGs	Local Development Groups
LPA	Local Public Authorities
LTB	Letter to the Borrower
MARDE	Ministry of Agriculture, Regional Development and Environment
MDL	Moldovan Leu
ME	Micro Enterprise
M&E	Monitoring and Evaluation
MFI	Micro Finance Institution
MoF	Ministry of Finance
MSMEs	Micro Small and Medium Enterprises
MCGF	MSME Credit Guarantee Fund
MTR	Mid Term Review
NASCA	National Central Association of SCAs
NBM	National Bank of Moldova
NCFM	National Commission for Financial Markets
NO	No Objection
NOTUS	Corporate system for providing non-objections
O&M	Operation and Maintenance
PFI	Participating Financial Institution
PG	Producer Group
PIM	Project Implementation Manual
PMP	Pasture Management Plan
PP	Procurement Plan
PY	Programme Year
RRP	Rural Resilience Project
SC	Sub-Component
SCA	Saving and Credit Association
SCCRS	Senior Climate Change Resilience Specialist
SLA	Service-Level Agreement
SME	Small and Medium Enterprise
SP	Service Provider
SWOT	Strengths, Weaknesses, Opportunities, and Threats
TA	Technical Assistance
TER	Terminal Evaluation
TRTP	Talent Retention for Rural Transformation
ToR	Terms of Reference
USD	United States Dollar
VC	Value Chain
VCA s	Value Chain Associations
VCDS	Value Chain Development Specialist
VfM	Value for money

WB	World Bank
YE	Youth Entrepreneur

A. Project Overview

Region:	Near East, North Africa and Europe Division	Project at Risk Status:	Potential problem
Country:	Republic of Moldova	Environmental and Social Category:	B
Project Name:	Rural Resilience Project	Climate Risk Classification:	2
Project ID:	2000001156	Executing Institution:	Ministry of Agriculture and Food Industry
Project Type:	Rural Development	Implementing Institutions:	Ministry of Agriculture and Food Industry
CPM:	Samir Bejaoui		
Project Director:	Mr Victor Rosca		
Project Area:	Nation wide		

Approval Date:	26/11/2016	Last audit receipt:	30/07/2020
Signing Date:	20/02/2017	Date of Last SIS Mission:	20/11/2020
Entry into Force Date:	14/08/2017	Number of SIS Missions:	4
Available for Disbursement Date:	03/01/2018	Number of extensions:	0
First Disbursement Date:	04/04/2018	Effectiveness lag:	9 months
MTR Date:	09/11/2020		
Original Completion Date:	30/09/2023		
Current Completion Date:	30/09/2023		
Financial Closure:	not available yet		

Project total financing

IFAD Financing breakdown	Near East, North Africa and Europe Division	\$500,000
	ASAP Trust Fund	\$5,000,000
	IFAD	\$18,200,000
Domestic Financing breakdown	Domestic Financing Institutions	\$2,570,000
	Beneficiaries	\$9,519,000
	National Government	\$2,946,000
Co-financing breakdown,		
Project total financing:		\$38,735,000

Current Mission

Mission Dates:	9 to 20 November 2020
Days in the field:	12 (Remotely)

Mission composition: Ms Isabelle Lagaillarde (Team Leader and Value Chain Specialist)
Mr Enrico Mazzoli (Agro-Economist)
Mr Samvel Ghazaryan (Rural Infrastructure Specialist)
Mr Wietse Michiels (Environmental Specialist)
Ms Beatrice Gerli (Gender and Targeting Specialist)
Ms Ermina Mulahusic (Procurement Specialist)
Ms Julia Marin-Morales (Remittances Technical Specialist)
Ms Laure Martin (M&E Specialist)
Ms Olga Tomilova (Rural Finance Specialist)
Ms Rachele Arcese (Programme Officer)
Ms Sengul James (Financial Management Specialist)
Mr Samir Bejaoui, (Country Director)

Field sites visited: Remote Mission

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		3.54	Assessment of the Overall Implementation Performance		4.08

Effectiveness and Developmental Focus	3	Project Management	4
Effectiveness	3	Quality of Project Management	3
Targeting and Outreach	3	Knowledge Management	6
Gender equality & women's participation	4	Value for Money	3
Agricultural Productivity	4	Coherence between AWPB and Implementation	3
Nutrition	N/A	Performance of M&E System	5
Adaptation to Climate Change	3	Social, Environment, and Climate Standards requirements	4

Sustainability and Scaling-up	4	Financial Management and Execution	4
Institutions and Policy Engagement	4	Acceptable Disbursement Rate	3
Partnership-building	4	Quality of Financial Management	5
Human and Social Capital and Empowerment	3	Quality and Timeliness of Audit	5
Quality of Project Target Group Engagement and Feedback	4	Counterparts Funds	5
Responsiveness of Service Providers	4	Compliance with Loan Covenants	4
Environment and Natural Resource Management	4	Procurement	3
Exit Strategy	4		
Potential for Scaling-up	4		

Relevance	5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. The IFAD Midterm Review (MTR) mission for the Rural Resilience Project (RRP) was jointly conducted by the International Fund for Agricultural Development (IFAD) and the Government of the Republic of Moldova through its Consolidated Programme Implementation Unit (CPIU) from 09 to 20 November 2020.
2. The RRP was approved by the Executive Board in November 2016; it entered into force in August 2017 and is due to completion in September 2023, with a financing closing date of 31 March 2024. The RRP's total budget amounts to USD 38.72 million, disaggregated as follows: USD 18.70 million of IFAD loan and grant; USD 5.00 million of ASAP grant; USD 9.50 million of beneficiaries contribution; USD 2.95 million of Government of Moldova (GoM) contribution; and USD 2.57 million of Participating Financial Institutions (PFIs) contribution.
3. The RRP is implemented by the Ministry of Agriculture, Regional Development and Environment (MARDE) of the Republic of Moldova through the CPIU for IFAD projects with the goal to enable poor rural people to raise their incomes and strengthen their resilience. The RRP development objective is to increase investments in the rural economy and strengthen climate-adaptive capacity for the poorer sections of society, leveraging the experiences of past interventions and introducing innovations.
4. The overall objective of the MTR mission was to check the project's chain of delivery timelines (output - outcome - objective), assess if the project is on track to meet the objective in the remaining period and reassess relevance of the project in the current context. The status of actions agreed upon in the last implementation support mission (ISM) was also assessed.
5. Due to *force majeure* (i.e., ongoing COVID-19 pandemic), the MTR mission was conducted entirely on a remote basis, through virtual meetings, skype/phone calls and email exchanges involving IFAD Country Team, the team of experts, the CPIU, the National Commission for Financial Market (NCFM), the External Assistance Programme Management Office (EAPMO), service providers and selected beneficiaries including Youth Entrepreneurs (YEs), Small and Medium Enterprises (SMEs) and Micro-Enterprises (MEs). Relevant documentation (including project-related progress reports, implementation data, pictures and videos) was availed to the mission to supplement the midterm review process. In addition, the mission submitted questionnaires to a range of beneficiaries to get their direct feedback relating to specific project activities.
6. A workshop was organized by the mission on 18 November 2020, to share the mission's findings and agree on clear actions meant to improve and fast-track project implementation in the forthcoming months. Given the intrinsic limitations of a remote mission, the mission recommends the next in-country project supervision mission to crosscheck and validate the information gathered as well as the conclusions reached during this remote mission.
7. This report documents the mission's findings and agreements formally presented to Ms. Elena Matveeva, Head of the Public Debt Division, Ministry of Finance (MoF), Ms. Raisa Cantemir, Head of the EAPMO, and Ms. Diana Lupan representing the MARDE at a wrap-up meeting held on 20 November 2020. The mission wishes to extend its most sincere gratitude and appreciation for the extensive cooperation and commitment displayed by all CPIU staff members who, in spite of these difficult times of COVID-19 pandemic, have spared no effort to cope with the challenge of implementing an MTR on a remote basis.

Key Mission Agreements and Conclusions

1. RRP has already entered into the second half of its implementation life; yet by 31 October 2020 the project only records a cumulative budget execution of USD 12.02 million, which represents 31% of total allocation from USD 38.65 million, disaggregated as follows: USD 5.18 million on IFAD loan (28%), USD 0.29 million on IFAD grant (6%), USD 0.48 million on ASAP grant (10%), USD 3.97 million on beneficiaries (42%), USD 0.93 million on GoM (32%) and USD 1.42 million on PFIs (55%). Around USD 26 million are therefore left for disbursement in the coming 3 years.
2. Cumulative execution of the sole external funding (IFAD and ASAP) lags behind at USD 5.69 million (24%), leaving an outstanding balance of USD 17.95 million. The mission is also concerned by the fact that disbursements are so far mostly recorded in the sole 'Term finance for MSMEs' interventions, meaning that RRP has hardly progressed on any other activities, including infrastructure. In direct relation to this, RRP has so far reached only 402 households (HH), i.e. 2% of appraisal target 17,658 HH.
3. This calls for an immediate reaction from the CPIU and its partner institutions in order to fast-track project implementation, even more so in the current COVID-19 pandemic situation that has also affected Moldova. The impact of such outbreak on a small and open economy and a fragile local business community is indeed expected to be significant. RRP can contribute to the pandemic response considering the most acute vulnerabilities of its target population: Youth, Poor rural households, Vulnerable women, and Returning migrants^[1].
4. To this extent it was agreed during this mission that RRP will promote the following mitigation measures:
 - Loans combined with matching grants for women funded under ASAP, in order to step up support to vulnerable segments of the population and stimulate economic recovery, as well as to create more synergies with other project activities;
 - Loans for innovative climate change adaptation (CCA) investments for SME, YE, ME^[2];
 - Loans aimed at helping beneficiaries cope with negative effects of the pandemic (e.g. through adjusting loan (and if applicable, matching grant) conditions;

- Improve the virtual delivery of training courses such as the one on financial literacy, ensuring that the remote modality doesn't hamper interaction among participants and ability to understand contents;
 - Support in the context of its communication activities, social mobilization, training and capacity development for vulnerable women;
 - Streamline support to the Saving and Credit Associations (SCAs) to attract and manage the remittances channeled to rural and agriculture development, to scale up activities funded by the IFAD's supplementary grant financed by the European Commission (EC).
1. Despite the current implementation lags and certain shortcomings observed at overall project management level, the mission trusts that RRP has the potential to make up for the time lost. The experienced and committed CPIU team has laid a strong foundation and the mission deems it is now a matter of dedicating enough time and human resources to RRP as the CPIU can no longer afford to prioritize one project over another, as it was done with currently completing IRECR project.
 2. Should this also imply additional technical support to be recruited on a temporary basis, the mission urges the project to allocate the necessary resources to do so. This is particularly possible given that the USD 4 million MSME Credit Guarantee Fund (MCGF) foreseen at design is likely to be re-allocated along the various options discussed during this mission unless the Government submits formally to IFAD by end of February 2021 a concrete proposal on the MCGF's governance and structure for IFAD's assessment and clearance.

[1] Source: UNDP - Social and Economic Impact Assessment of COVID-19 in Republic of Moldova
 file:///C:/Users/b.gerli/Downloads/UNDP%20-%20Social%20and%20Economic%20Impact%20Assessment%20of%20COVID-19%20in%20Republic%20of%20Moldova.pdf).

[2] The innovative feature of these climate change adaptation loans is further detailed in Appendix 4 of this report. They are expected to feed the climate innovation window earmarked by the upcoming FAO-supported Climate Innovation Investment Fund

D. Overview and Project Progress

1. Financial execution of the 2020 AWPB stands at 78% inclusive of all co-financiers, but only 58% of IFAD/ASAP funds; average physical execution of the two components is 19%.

Component 1: Improve smallholder and agribusiness adaptive capacity

1. In 2020 AWPB, physical execution of component 1 is 21% while disbursement is 15%. Cumulative physical and financial executions are 14% and 8.5% respectively.

SC 1.1 Climate-resilient water management and infrastructure development (moderately unsatisfactory)

1. So far, only 2 schemes out of 12 selected for implementation in 2019 and 2020 are in progress (See details in Appendix 4). Total investment cost from the IFAD loan so far is about USD 0.31 million or about 6.9% of allocated USD 4.47 million. The quality of works implemented is reported coinciding with the sound engineering standards for the kind of infrastructure under consideration, though some variation orders were undertaken under the current contracts due to design mistakes and miscalculations.
2. One civil works contract has been completed in Resina district. The cost of this investment equivalent to about USD 0.12 million (VAT excluded). According to the CPIU database, it directly benefits 6 SMEs. Average landholding per beneficiary HH is about 18.3 ha. Works under another contract for irrigation investment for command area of 49.96 ha in Briceni district, are still ongoing. Anticipated completion date is 20.11.2020. This investment is valued at about USD 0.26 million (VAT excluded). It is expected to directly benefit 4 SMEs with average landholding per beneficiary HH of 12.5 ha.
3. Under the second call conducted in 2020, twelve proposals out of 15 applications were pre-qualified for feasibility study and the bid for consultancy services evaluation is in process. The proposals consist of 6 irrigation schemes with command area of about 551.26 ha, a rural road with about 0.9 km length and 5 rainwater harvesting ponds. Another call for application submission for 2022 is planned in Jan. 2021.
4. As per the draft 2021 AWPB, it is proposed to initiate works implementation under a total of 15 contracts for a value of USD 4.12 million. These will consist of 7 irrigation schemes with total command area of about 1,145 ha, four rural roads with total length of about 4.4 km and 4 rainwater harvesting reservoirs. According to CPIU the COVID-19 pandemic did not and will not have a significant impact on infrastructure works. The main risk currently is related with the severe drought, that reduced farmers income and thus their ability to provide required contribution on time. As reported by the CPIU for the proposals selected the contribution payment is in process and the projection of works planned for 2021 is realistic.

SC 1.2: Farmers adaptation through climate resilient investments (moderately unsatisfactory)

1. **On-farm resilience grants.** To date 67 out of a target of 420 grants have been approved (16%) (see details in Appendix 4). Grass shredders (42%) and mini-till seeders (21%) represent by large the majority of the applications. The uptake of renewable energy and irrigation equipment is still minimal. Most equipment has been bought so far to be used on crops typically grown by medium/large farmers (e.g. wheat, maize, sunflower).
2. The mission reiterates the Nov. 2019 mission's recommendations that the CPIU further targets non-commodity crops such as horticulture that are more smallholder focused. Corrections to the targeting and outreach have been made and enforced this year with maximum hectare ownership of 25 ha down from 500 ha. Other key amendments to the PIM were finally endorsed by the IFAD Projects Steering Committee (IPSC) in July 2020, enabling the activity to be resumed (it had been frozen since 2019 mission, pending PIM amendments). The CPIU reports a low uptake^[1] of some of the new conditions attached to these grants (esp. the request for the applicant to submit 3 quotations and justify his/her choice), but the mission insists that these conditions are necessary and cannot be removed.
3. The procurement of a service provider (SP) for physical check of applicants before financing, as recommended by 2019 mission, has failed, probably because of too ambitious requirements. It was agreed to re-launch the tender for individual applicant(s) as opposed to a company.
4. **W-1 Shelterbelts (Target 200ha).** In March 2020 the first call for shelterbelt applications was launched. It was conducted for both the closing IRECR and RRP projects. The call received 52 applications of which 33 were approved for IRECR (303.85 ha) and 1 for RRP (7.8 ha). Note that according to RRP design all ecological restoration interventions should have been completed by MTR. It is expected that once IRECR is completed, the implementation for RRP shelterbelts will pick up.
5. **W-2 Vegetation cover in the catchment areas of water schemes and reservoirs (Target 30 ha)** No applications have been implemented yet.
6. **W-3 Communal Grasslands/Pastures (Target 200 ha):** In 2019, the project implemented 10 ha of communal grasslands and in 2020 this was further increased by 36.2 ha. In May 2020, the first combined call for applications was launched for RRP as well as for IRECR; it resulted in 35 applications, of which 8 were approved for RRP (75 ha).
7. In March 2020, concerns were raised by the new CPIU climate expert that there were no sustainable management plans associated with pasture activities after their planting. Consequently, for all new applications in 2020 onwards, 3-year Pasture Management Plans (PMPs) were developed. A review of a sample PMP shows that they are adequate. Consultations with the CPIU have however shown that to date no provisions have been made for training in pasture management. This will be addressed in 2021 AWPB.
8. The IRECR project is due to deliver an impact assessment (IA) at the end of Nov. 2020. It may be opportune in the event that the pastures effectiveness has not been sufficiently covered by this IA to conduct a specific assessment for pastures under RRP, in line with 2016 UNDP projects' Terminal Evaluation (TER) that concluded that technical assessments of pastures and PMPs is an urgent requirement in Moldova as there is limited experience in the country.
9. **Women smallholder on farm adaptation.** This pilot for climate vulnerable women-farmers intends to benefit 200 individuals and 8 women-only Local Development Groups (LDGs). So far the grant pilot has received 33 applications; 19 qualified for approval of which 15 have already been financed. This represents 21% of the annual target of 71 and 7.5% of the overall target. No LDG has yet benefitted from the grant facility. The average grant size is USD 4,800, which confirms the choice of revising the ceiling upwards; however keeping the targets entails revising upwards the budget allocated to this activity.
10. Outreach and mobilization by the recruited SP has not been conducive to successful grant access for this important target group, despite the SP contract's amendment made in line with IFAD's recommendations (see also SP Responsiveness section). Continuous underperformance of this activity for a key RRP target group calls for rethinking its implementation arrangement. The mission endorses the proactive recommendations of the CPIU to introduce a matching grant scheme, using the same approach as the successful DANIDA youth grants implemented under IRECR. Banks will be in charge of the outreach and pre-investment technical assistance (TA). This responds to banks' interest into micro entrepreneurs target group, facilitating their access to finance.
11. A meeting with the SP and beneficiaries also showed that the PIM was not being correctly interpreted in terms of eligible categories. The MTR recommends as per the PIM to better communicate on the eligible categories (e.g. bakeries, agricultural oil mills or even retail services functioning as middle-women to facilitate access to market) to increase the attractiveness and success rate of the pilot. It is important to stress that promoting agriculture-related income diversification is in alignment with the PIM and part of well-established forms of CCA mechanisms for reducing the vulnerability of the rural poor to climate shocks through reduced dependency on on-farm activities and increased income.
12. A set of actions have been agreed upon to upgrade this pilot scheme, whose details are provided in Appendix 4.

Component 2: Agribusiness Development Support (ABDS)

1. In 2020 AWPB, physical execution of component 2 is 16% while disbursement is 163%. Cumulative physical and financial executions are 11% and 847% respectively.

SC 2.1. Term finance for MSMEs (satisfactory)

1. The disbursement of SME and YE loans has been on track and well exceeding the annual targets – for 2020, the implementation rate was 147.8% for both, and cumulatively from the start of the project – 86.2% for SME and

53.7% for YE. In total, SC 2.1 disbursed 51 loans worth of USD 4,889,470. The average loan amount for SME is USD 168,300; the average loan amount for YE – USD 42,600.[2]

2. Seven banks are taking part in the implementation of the SME and YE activities, with 3 banks being most active: Moldova Agroindbank (68% of total disbursements), FinComBank (18% of total) and Moldinonbank (7.4% of total). In 2020, disbursement continued through these 3 banks. According to them, the effect of the pandemic on agricultural SMEs has not been very severe, and the demand for loans remained stable. The quality of the banks' portfolio also remains healthy; there have been no loan arrears in the IFAD-funded portfolio.
3. The changes introduced to lending procedures based on the recommendations of the last ISM have had a positive effect on SME and YE lending. In particular, EAPMO reduced the interest rate from 10.3% to 6.75% to the end borrowers to not exceed the average market rate (currently at about 8.5%)[3] and canceled a pre-term repayment fee of 0.5%. The PIM was amended to exclude the requirement of 20% PFI co-funding and to introduce other changes aimed at increasing the attractiveness of IFAD-funded credit lines. The changes resulted in increased demand for project loans.
4. **Micro lending window.** The disbursement of ME loans has still not started even though the procedures for PFI selection were approved by the Government back in Apr. 2020, and all revisions to the PIM, including a special microloan product for banks, were made and approved by the IPSC in July 2020. Yet it was not until Sep. 2020 when EAPMO approved these revisions, and amended Service-Level Agreements (SLAs) were signed with PFIs in early Nov. 2020. According to EAPMO, several more weeks will be required to approve the participation of another SCA "Botna" which applied for participation in the project in July 2020. The slow approval process has led to a significant delay in the implementation of micro lending activities, despite the high interest displayed by SCA "Botna" and Moldova Agroindbank.
5. **Additional funding for lending and synergies with other components** In order to step up micro lending and further advance SME and YE lending – in view of availability of additional funds (see below on MCGF), as well as to create more synergies with other project activities, the project is encouraged to match loans with women grants and to develop loan products in line with objective of Component 1. These products could include:
 - Loans combined with matching grants for women funded under ASAP;
 - Loans for CCA innovative investments for SME, YE, ME – these should be tracked as a separate category, to capture the subcomponent's contribution to this objective (refer to a list of suggested eligible investment categories provided by the mission in Appendix 4);
 - Loans aimed at helping beneficiaries cope with negative effects of the COVID-19 pandemic (e.g. through adjusting loan and, if applicable, matching grant- conditions, including, but not limited to, the adjustment of loan duration, repayment conditions, conditions for grant transfer, loan pricing etc.).
1. The implementation of the matching grants should be based on extensive and successful prior experience of the IRECR project where matching grants were provided for YE. It is recommended to amend the PIM to include the above products and adjust the appraisal targets for the subcomponent accordingly.

SC 2.2. Credit Guarantees for MSMEs (unsatisfactory)

1. Despite the efforts deployed by the CPIU to prepare feasibility studies and propose implementation scenario to the Government, there has been no activity on the MSME Credit Guarantee Fund front. It is therefore recommended to cancel this activity and use part of the available funds – USD 4 million – to advance lending under SC 2.1. This recommendation will be automatically actioned, unless the Government submits formally to IFAD by end of Feb. 2021 a concrete proposal on the MCGF's governance and structure for IFAD's assessment and clearance.

SC 2.3. Technical support to MSMEs (satisfactory)

1. **SCA development.** A partnership agreement was prepared with the newly created National Central Association of SCAs (NCASCA) to provide support on their marketing strategy and SCA training. Terms of Reference (ToRs) were developed for a one-year pilot project on the provision of TA to SCAs aimed to increase their competitiveness. Other activities included the development of financial education and project promotion videos and other media (which received over 42,000 views online).
2. **Grants for Agribusiness.** The project design foresees the support to producer groups (PGs) through 10 agribusiness grants of up to USD 25,000 each. Implementation modalities were developed in line with last ISM recommendations and approved by the IPSC on 16 July 2020. A call for applications was published early Sep. 2020; the project received 7 applications along 5 different value chains (VCs). These applications are currently at evaluation stage, after which the pre-selected projects will be assisted to develop their business plans; no grant disbursement is expected this year but the activity is on good tracks for 2021. Technical and group management training were also delivered in 2019 through the umbrella Value Chain Associations (VCAs) (see also Partnership section); they had to be considerably scaled down in 2020 due to COVID-related restrictions of movement.

Matching Grant provision for business deployed for remittances

1. In Jan. 2019, a Memorandum of Understanding (MoU) was signed between the CPIU and the NCFM for the joint implementation of an activity included in IFAD's supplementary-funded grant financed by the EC and managed by the IFAD's Financial Facility for Remittances team (FFR). The project finalized enabling 34 selected SCAs as

remittance agents but due to time constraints and COVID-related delays, the joint matching grant activity was put on hold since original completion date was Dec. 2020. In Nov. 2020, the EC provided an extension of the remittances grant up to Dec. 2021; planning discussions between IFAD and the NCFM resumed. An amendment to the MoU is under preparation to reflect the return on experience from project implementation, such as the need to include seasonal young migrants and their families back in Moldova as eligible grant beneficiaries, specially necessary as a COVID-19 response; increase the proportion of matching grants in relation to their contribution; and decrease the amount of remittances received so far, since the service is quite recent for SCAs.

2. The EC-funded pilot will be implemented throughout 2021 only and it does not contemplate the provision of TA to the youth MEs selected. Complementarities will however be established with other ongoing TA activities under RRP, to scale it up and ensure a greater level of success for this initiative. Financing for this support would be drawn from the cancelled and reallocated MCGF.

[1] Following the call for application launched on 14 August 2020, only 22 applications were submitted, of which 4 were rejected, 15 are incomplete and 3 were approved

[2] These figures include both project funding and PFIs' co-financing.

[3] Source: National Bank of Moldova: <https://www.bnm.md/bdi/pages/reports/dpmc/DPMC8.xhtml>

Agreed Action	Responsibility	Agreed Date
Works Implementation Completion of the ongoing contract (village Grimancauti, Briceni district).	CPIU Infrastructure Development Unit	12/2020
Schemes Selection Approval of 10 applications selected for implementation in 2021 by the Grant Committee.	CPIU Infrastructure Development Unit	12/2020
Maintain the targets of 200 individuals and 8 groups in the women pilot (now women matching grant facility) Avail necessary budget through a) inclusion of balance from SP cancelled contract; b) transfer of budget allocation on consultancies/ capacity development under C1 (ASAP funding) up to the ceiling of 10% allowed for category transfer, c) if necessary, complement remaining funding up with the unallocated budget category.	CPIU Director, FSRDM	12/2020
Mobilize women beneficiaries of financial literacy trainings Mobilize women beneficiaries of financial literacy trainings under 2.3 to apply to this matching grant schemes, so to build capacities and confidence to do so	FSRDM	12/2020
Support to women LDGs Support to women LDGs should be included in the technical support to agribusiness (c 2.3), promoting the formation of groups. However, due to potential challenges to provide collaterals, LDGs will not be required to enter into a matching grant scheme but simply access to grants.	FSRDM, VCDS	12/2020
Amend the PIM specifying that not more than one family member is eligible to receive grants offered by the project In order to avoid issues of misbehaviours, the PIM will specify that only one member out of the same family is eligible to receive a grant from the project	CPIU Director	12/2020

Micro lending via banks and SCAs Start ME lending through eligible PFIs (including SCAs, banks and other FIs that meet the selection criteria).	FSRDM	12/2020
NCASCA Action Plan Finalize review and approval of NCASCA partnership agreement for their action plan to be initiated right from the beginning of 2021	CPIU Director, FSRDM	12/2020
Remittance Matching Grant Include the Remittance Matching Grant in RRP AWPB 2021 and in the M&E plan	CPIU Director, FM Specialist, FSRDM, M&E Specialist	12/2020
Sign Amendment to MoU No. 2000002053-FA1 from 09.01.2019 on use of grants funds provided to the NCFM by IFAD	CPIU Director, NCFM	12/2020
Finalize detailed timeline and capacity building plan A detailed timeline and capacity building plan (actions and budget from various sources of funding – EC; RRP) will be developed and shared with IFAD.	NCFM, FSRDM	12/2020
Improved Quality of Engineering Designs Review the design documents provided by applicants prior to proceeding with the bidding for works	CPIU Infrastructure Development Unit	01/2021
Proposals Selection Call for submission of proposals for implementation in 2022 with the aim to reach the project-end physical targets by the end of 2022.	CPIU Infrastructure Development Unit	01/2021
Record the number of beneficiaries benefitting from grassland applications Include in the applications, the requirement for number of HH and cattle benefitting from pastures / grassland	CPIU Director, SCCRS	01/2021
Recruit individual consultant(s) for on farm physical check of CA grant applicants ToRs are revisited to seek for individual consultant(s) (e.g. agronomist) as opposed to company.	CPIU Director, Procurement Specialist	02/2021
Possible cancellation of the MCGF and reallocate the funds to activities under SC 2.1 (loans) and SC 2.3 (technical assistance) Unless the Government submits formally to IFAD by end of February 2021 a concrete proposal on the MCGF's governance and structure for IFAD's assessment and clearance, cancel the MCGF and reallocate the funds to activities under SC 2.1 (loans) and SC 2.3 (technical assistance)	CPIU Director, FSRDM	02/2021

Works Initiation Bids announcement, works contracts signing and initiation of works under 15 contracts.	CPIU Infrastructure Development Unit	03/2021
Broaden pasture management to farmers associations Explore options to include farmers associations (dairy, sheep and goats) in partnership with LPAs for improved grassland management sustainability and also to find ways to link the pastures with value chains (fodder production).	CPIU Director, SCCRS, VCDS	03/2021
Expand eligible categories for women pilot In accordance with the PIM, make sure to broaden the eligible categories for women pilots to include agriculture-related services.	FSRDM	04/2021
Develop a matching grant scheme for vulnerable women, linking it up with the micro entrepreneur loans available under component 2. In the context of the redesign of the women grant activity, ensure that banks will i) abide by clear targeting criteria to reach out to vulnerable women and LDGs, as per the PIM; ii) enforce grant application to all eligible categories, as foreseen in the PIM. In particular, post production and off farm activities, provided they present a link with agriculture	FSRDM	04/2021
Amend the PIM to include products aimed at advancing lending and creating synergies with Component 1 These could include (but are not limited to) matching grants for women, climate adaptation purpose loans; loans aimed at helping to cope with negative effects of the COVID-19 pandemic etc. for all types of loan activities (SME, YE, ME). Target indicators for lending activities should be adjusted accordingly.	FSRDM	04/2021
Agribusiness grants Fast-track evaluation and mobilization processes among Producer Groups so that at least 5 agribusiness grants get disbursed in 2021	FSRDM, VCDS	06/2021
Conduct an Assessment of Pastures Conduct an assessment of the success of pastures and learn from other pasture management projects (Such as UNDP and World Bank). Include provision for the study in the 2021 AWPB	CPIU Director, SCCRS	07/2021
Training for Pasture Management Include provisions in the AWPB and develop a training programme to raise awareness and build capacity in pasture /grassland management	CPIU Director, SCCRS	07/2021
Works Implementation Punctual recruitment of short-term consultant-engineer to speed up the completion of works in 2021.	CPIU Director	11/2021

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus		
Effectiveness	Rating: 3	Previous rating: 3

Justification of rating

The project has reached more than half of its implementation period and it suffers important delays in implementation, translating in limited financial and physical progress; overall disbursement is 31% and most of the physical outputs have reached less than 25 % of their target; the number of beneficiaries supported by the project reaches only 2% of the intended target. The only activities performing well are the ones related to term finance for SMEs and YEs. If the pace of implementation does not improve, the project objective of strengthening the resilience and improving the economic opportunities for the rural poor will be jeopardized. An ambitious AWPB has been presented for 2021 and mitigation measures have been taken but have not yet proven to be effective

Log-Frame Analysis & Main Issues of Effectiveness

Component 1:

1.1: Climate-resilient water management and infrastructure development So far only 2 irrigation schemes (out of a target of 24) have been implemented for the irrigation of 160ha (11% of appraisal target of 1,440 ha), benefitting only 10 households (vs. target of 2,924). Main activities are expected to be initiated in 2021. According to the approved proposals so far, the improved command area (measured in ha) and the number of ponds may exceed the targeted data. At this stage, both number of rural roads and total length are still questionable due to the required high contribution of 50% of investment cost. *It is too early to review the target number of each infrastructure, the mission is thus not in favour of re-allocating any budget to infrastructure for the time being. A detailed log-frame analysis for the SC activities will be conducted during the next mission based on the performance and actual number of committed contracts.*

1.2: Farmers' adaptation through climate resilient investments. ASAP activities are experiencing considerable delays. Disbursements for Conservation Agriculture (CA) grants have been paused between Nov.2019 and Aug. 2020 because of delayed approval of PIM amendments. Activities for Land Restoration interventions are largely being delayed because of prioritization of overlapping IRECR activities and understaffing.

Component 2:

The disbursement of SME and YE loans has been on track and well exceeding the annual targets – for 2020, the implementation rate was 147.8% for both, and cumulatively from the start of the project – 86.2% for SME and 53.7% for YE. In total, SC 2.1 disbursed 51 loans worth of USD 4,889,470. The average loan amount for SME is USD 168,300, while the average loan amount for YE – USD 42,600.^[1]

The logframe should be adjusted to reflect the cancellation of the MSME Credit Guarantee Fund (MCGF) activity (provided that the condition discussed with MARDE is not confirmed – see below). Specifically, the number of guarantee beneficiaries should be removed, as well as indicators on PFI collateral coverage. The indicators on lending activities should be revised to reflect changes in the implementation, as well as additional funding available for lending as a result of the cancellation of the MCGF.

Activities related to financial literacy trainings, through the financial education web application and the physical trainings that “Ok Centre” will be conducting to micro entrepreneurs and their children, could be more aligned with other project interventions. The web application could support micro entrepreneurs supported by RRP and ensure a quality budgeting process, as well as serving as a source of anonymized data to feed the M&E system for the project.

No agribusiness grants have been disbursed so far, out of a target of 10. A total of 175 PG members (11% women) have been trained so far along VC development activities to strengthen their technical and group management skills, representing 28% of appraisal target (632 members). Training activities for VC actors could not take place in 2020 due to COVID.

Given the slow implementation and the low number of beneficiaries, the significance of the results from the outcome survey conducted before the MTR mission is limited. However, the analysis shows how the project positively affects the beneficiaries and some trends can be extrapolated. Among others, beneficiary households incomes and assets have improved and SMEs supported by the project have increased their profit.

The logframe has been revised during the mission in order to improve its consistency and better reflect the project's impact pathway; it has been adapted to project specificities and is aligned with IFAD requirements including relevant Corporate Indicators (CIs). The changes made in the Logframe following the cancellation of the Credit Guarantee Fund activity will be formalized in the Level-2 Restructuring Request.

^[1] These figures include both project funding and PFIs' co-financing.

Agreed Action	Responsibility	Agreed Date
Increasing the number of non-CA machinery applications received Follow-up on the number of non-CA machinery applications following the media campaign and take further action as required to ensure a broadening of the type of applications.	CPIU Director SCCRS Communication Specialist	12/2020
Log Frame indicators Elaborate detailed definition and data collection method for each indicator and link it with project's M&E system (OUTPUTS table) to ensure timely and accurate monitoring.	M&E Specialist	12/2020
Beneficiaries count Ensure beneficiaries are properly registered for each activity, especially when it is benefitting LPAs.	M&E specialist and component specialists	12/2020
Target modifications Propose targets modification if relevant according to the indicator definition.	M&E specialist and component specialists	03/2021

Development Focus

Targeting and Outreach

Rating: 3

Previous rating: 3

Justification of rating

The number of beneficiaries supported by the project is very low at this stage of implementation (MTR and fourth year of implementation). RRP has so far reached only 402 HH (948 household members) equal to 2.3% of appraisal target 17,558 households. Disaggregated data are being systematically collected, and most of the activities implemented comply with the targets of 30% women participation and 20% youth participation. Targeting criteria have been reviewed based on previous missions' recommendations but the project still fails to extensively reach out to the most economic and climate-change vulnerable populations. Thorough prioritization of capacity building and technical support interventions is needed to favor the access of this target group to project activities.

Main issues

The project has only reached 2.3% of its intended outreach target (see detailed table in Appendix 4). This extremely low number has several possible causes, which should be addressed immediately by the project.

1. Proper sequencing of activities is required to enable reach out of actual target group. Activities such as financial literacy, business development services (mostly foreseen under SC 2.3 and to be linked to each ASAP funded interventions) are fundamental enabling measures for the intended target group to build capacities and confidence to take advantage of the opportunities provided by the project. The project is encouraged to fast track those and adapt them to the current circumstances of the global pandemic (e.g. repackaging contents in on-line formats whenever feasible), because they act as an important stepping stone of project interventions.
2. The activities lagging behind are the ones supposed to reach the highest number of beneficiaries, (restoration of shelterbelts, vegetation cover and grasslands with 10,950 HH targeted) and the technical support to MSMEs (1,776 HH targeted). Indeed RRP's support the restoration of shelterbelts, vegetation cover and grasslands now targets exclusively LPAs in order to develop public infrastructure, which should reach a higher number of beneficiaries rather than individual activities such as loans term finance.
3. The determination and counting of the beneficiaries per activity suffers from unclear definitions and the number of people reached reported in the logframe might be underestimated. In addition, the design document might have set overambitious targets, which could require modifications. The mission thus recommends to elaborate detailed definition and data collection method for each indicator and to modify targets if relevant. (See Effectiveness and M&E section).
4. The analysis of the results also shows that the project has not focused its activities towards the most vulnerable population so far (see also point above). The activity showing most progress are the loans for SMEs. This particular target group represents the less vulnerable part of the population and so is a low hanging fruit. The mission recommends the project refocuses on most vulnerable population and intensify communication towards

those specific groups.

The M&E system adequately collects sex and age disaggregated data; results show that women are well-represented except for SC 1.2. VCD training also requires attention in terms of targeting since so far only 10% of participants were women and 20% were young. Streamlining women group grants with these interventions should help women's outreach on this activity.

As a result of the redesign of the women grant activity (see below), its geographical scope will be broadened to all the country. Stringent targeting criteria will be maintained so to ensure that banks will reach out to vulnerable women to allow them benefit from the matching grant scheme.

Agreed Action	Responsibility	Agreed Date
Capacity building for women pilot and youth Make full use of technical assistance/training/consultancy/KM and outreach remaining available budgets (e.g. lines 1.2.4.1, 1.2.4.2, 2.2.1.2, 2.2.1.3, 2.3.2.1, 2.3.2.2, 2.3.4.1 and 2.3.5.1) to provide dedicated technical and business management support to women and youth involved in upcoming new loans and matching grant packages	FSRDM	12/2020
National coverage of women pilot Extend the geographical area of the women grant target group as the activity is redesigned as part of a matching grant package. Stringent targeting criteria and close monitoring by CPIU will be ensured for banks to reach out to vulnerable women to allow them benefit from the matching grant scheme	FSRDM	12/2020

Gender equality & women's participation

Rating: 4

Previous rating: 4

Justification of rating

RRP has developed a Gender Action Plan but lacks a proper gender and women' empowerment strategy that can touch upon aspects such as rebalancing power dynamics, increase women's voice and decision making capacity or promote equitable workloads. The share of women on the actual RRP's beneficiaries is mostly above the project target of 30%, but unevenly distributed: 40% in irrigations schemes; 18% in ASAP grants; 60% in shelterbelts and grasslands; 39% among young entrepreneurs, 40% of SMEs; 51% of YE trainings, 10% in VCD trainings. However, absolute numbers of both men and women beneficiaries are still lagging behind, including on the women's grant activity, which is solely targeting women.

Main issues

The project lacks a proper gender and women' empowerment strategy that can touch upon aspects such as rebalancing power dynamics, increase women's voice and decision making capacity or promote equitable workloads. Correct and sequenced implementation of capacity building activities for women pilot in the matching grants (see recommendation under targeting) can promote women's knowledge, confidence and therefore ability to speak up and make decisions. Interviews and questionnaires to vulnerable women targeted by the project revealed that they are mostly entering agricultural business for the first time in their life and have no degree of experience with the banking sector. It is thus recommended to ensure a strong and iterative pre-investment support to women (potential) beneficiaries through capacity building activities, in order to i) build their confidence to become entrepreneurs, ii) help them identify a clear business idea and related technical specificities required to deliver on it, iii) lead them to access matching grant facility.

In consideration of the ongoing pandemic scenario, it is important to reconfigure the delivery modality of capacity building activities to comply with social distancing regulations. While the CPIU is already acting in this sense, training materials should be delivered in such a way that allows women to access and understand them, providing also occasions to practice their ability to speak up. For instance, the project should not focus on only sharing materials but also on ensuring full understanding, via Zoom/WhatsApp sessions for Question and Answers (Q&A) and group discussions, etc. This should contribute to greater voice and self-confidence building. Innovative training practices such as virtual learning routes promoted by ICARDA/PROCASUR could be explored.

The gender focal point of RRP is also the project's KM & Communication Specialist. She has proactively developed a Gender Action Plan (GAP) for the project, liaising with component teams to continuously update it. Thanks to her expertise, a number of knowledge products and advocacy materials on women's empowerment in agriculture and leadership in rural areas have been developed. Not only those are of very good quality but they also act as powerful

strategies to showcase feminine role models and women's success stories to inspire other potential beneficiaries in the target group. Additional upcoming initiatives include more work on social media and the inclusion of key women's entrepreneurship messages in a popular soap opera. The mission encourages also the promotion of messages related to new masculinities, equal relationships within the household and on how to share more equally household burdens.

The GAP reflects RRP's outreach commitments. It would be useful to unpack these, to also include concrete actions required to achieve such targets (taking the example of the reconfiguration of the grant) such as: amend the PIM, briefing SP(s) involved in technical support to MSMEs (SC 2.3) on RRP gender and targeting objectives to include the most vulnerable, mobilization of SC 2.3 beneficiaries to participate in the matching grant scheme, etc.

It is also important to ensure that value chain associations are gender balanced by promoting women's inclusion. While average gender representation seems fair among the 17 producer groups supported by the project, it is actually mostly because of one women only association.

Agreed Action	Responsibility	Agreed Date
Update the Gender Action plan Unpack targets by including the actions required to achieve them. As a first step, detail actions required to reconfigure the grant pilot into a matching grant scheme (briefing SPs of C 2.3 activities on RRP gender and targeting objectives to include the most vulnerable, mobilization of C2.3 beneficiaries to participate in the matching grant scheme, etc.)	Gender focal point/ Communication specialist, Component teams	02/2021
Promote messages related to new masculinities and gender equality within the household through the communication and advocacy activities Develop stories of change, videos or social media content that convey the image of men supporting women's entrepreneurs, equal relationships within the household and on how to share more equally household burdens.	Gender focal point/Communication specialist, Component teams	03/2021
Develop training curricula dedicated to women Training curricula used by the various SPs under Component 2 to be revisited to promote women's interaction and increase their ability to understand and discuss contents even if delivered in a virtual modality in the context of pandemic	Gender focal point/Communication specialist, FSRDM, VCDS	03/2021

Agricultural Productivity

Rating: 4

Previous rating: 4

Justification of rating

The delayed implementation of RRP does not allow proper assessment of productivity gains. The 2020 Annual Outcome Survey was expected to provide more insight, but these aspects were not addressed in the survey (see below). The mission's assessment is thus only based on the latest IRECR results along the same type of interventions, which confirm productivity increase, both for yields and for profitability. The impact of climate change is widely acknowledged by a large part of beneficiaries of CA grants, and it is worth noting that while drought is by far the main challenge, 70% of respondents have reported increased soil humidity levels in direct relation to their adoption of CA technologies, which helps them maintain acceptable yields during increasingly frequent drought occurrences.

Main issues

RRP 2020 AOS included project beneficiaries up to December 2019. Because of the limited outreach by that date (168 beneficiaries), it was decided not to hire a service provider, but rather do it directly via CPIU team. A second impediment was the COVID situation that prevented field visits and direct interaction with beneficiaries. The AOS was mostly done via telephone interviews of 7-20 minutes, but it did not include any specific question on the impact of CA training and CA grants. The reason given is that it is too early for beneficiaries to be able to report any impact of their recently adopted technical skills and investments. The mission can thus only base its assessment on the results of the most recent (2019) AOS conducted for previous IRECR project along the same type of interventions meant to increase agricultural productivity (see details below). It is however worth noting that the feedback from Producer Groups supported by both IRECR and RRP (See Appendix 4 – Technical Annex 6) tends to indicate the steady adoption of improved agricultural practices (esp. for table grape and dairy producers) that are meant to enhance productivity.

In order to confirm the above assumptions, it is of utmost importance that RRP conducts in 2021 a thorough review of the project's outcomes in terms of agricultural productivity.

Impact of CA grants. IRECR 2019 annual report indicates that among the 79 beneficiaries of CA grants, comparing to pre-grant period, 87% are using Mini-till, 33% are using No-till and 6 % are using Strip-till.

53% of respondents also declared that their enterprises activity is mostly affected by climate change, 27% - much and 10% partly, main problems being drought (100% from respondents), high temperatures 79%, frosts 46 % and 16% are affected from hail.

Overall, collected data show that the use of CA technologies has led to the achievement of good results compared with baseline data, both in terms of increased yields and increased profitability.

Agreed Action	Responsibility	Agreed Date
Assessment of RRP outcomes related agricultural productivity Include in 2021 AOS a thorough review of outcomes related to productivity gains from the various project interventions	M&E Specialist, project component team	10/2021

Nutrition **Rating: N/A**

Main issues

While the project had the opportunity to integrate nutrition within its SC 1.2 (Farmers' adaptation through climate resilient investments development), which aims at "supporting food/nutrition security and business diversification for women's groups" among other things, the project's overall low execution does not encourage the inclusion of specific nutrition outcomes from MTR onwards. Should the project significantly improve its execution and reach a meaningful number of HH members (i.e., at least 55% of appraisal target) in 2021, a training on how to capture the project indirect positive incidence on nutrition^[1] and generate knowledge accordingly shall be sought by CPIU.

^[1] For instance, food diversity promoted through marketing (e.g., nutrition information on packaging; raising awareness among mothers and children improving consumption habits), increased availability of nutritious food (which takes into consideration also seed quality and soil quality, and their impact on the bioavailability of microelements); improved food safety through climate smart agricultural practices, better storage and transportation facilities, etc.; reduced food loss and waste.

Adaptation to Climate Change **Rating: 3** **Previous rating: 3**

Justification of rating

Mainstreaming climate change adaptation (CCA) has not been integrated into the feasibility studies as had been agreed in November 2019 indicating the need for further integration between the CPIU units. The issues surrounding the prioritisation of IRECR vis-à-vis RRP is also causing delays to the implementation of RRP with subcomponent 1.2 only having implemented 11%. Climate change mainstreaming therefore remains incomplete and limited.

Main issues

Mainstreaming climate change (CC). The Nov. 2019 supervision mission concluded that CC mainstreaming is still incomplete and largely limited to the sole ASAP funded-component. In an effort to improve the identification and implementation of adaptation measures in infrastructure a sample checklist was included in the Nov. 2019 report to ensure that the feasibility studies had sufficient CC analyses and proposed appropriate CC adaptive technical solutions for the respective infrastructure activities. The mission has reviewed (translated in google translate) a sample feasibility study (FS) and learned that internal discussions were held to address CC mainstreaming. While the mission notes the commendable efforts in ensuring that the FS now include a section on complying with national Environmental Impact Assessment (EIA) requirements, it also notes that the FS do not however conduct climate risk analyses and the mission couldn't determine whether CC risks or recommend specific CC adaptive technical solutions to be adopted in the infrastructure design documents.

The RRP is expected to benefit from the environmental safeguard guides being produced by the CPIU for IRECR as there are many similar activities. A Service Provider has indeed been contracted to deliver 15 environmental management and safeguard guides as well as a training programme for i) the ecological rehabilitation of agricultural lands; and ii) good practices for adapting the livestock sector to climate change. The detailed list of these guides is provided in Appendix 4 (Technical Annex 2). It will be important for these guides to be also applied (where relevant) to the RRP / ASAP project training programmes. Subsequent supervision missions need to follow up to ensure that these guides are being fully mainstreamed into the training programmes of all of RRP.

Delays in implementation. As explained in this report, the implementation of IRECR is being prioritised at the expense of the landscape restoration activities for RRP that help ensure the mainstreaming of climate change adaptation. The CPIU is hopeful that once the IRECR is complete, the due consideration will be given to RRP implementation. The mission is concerned by this approach as it shall in turn cause delays in the implementation of the TRTP and TRTP-Adapt projects due to start implementation in 2021.

Tracking ASAP data. The development of an ASAP data tracking tool is in progress and a template has been prepared for the tracking of ASAP beneficiaries. This tracking tool has been hindered by the lack of clarity in the design of the RRP in identifying how the target number of households have been identified and therefore tracked. Effort has been made during this MTR to create clarity on how to identify and track RRP households. The CPIU has agreed on a new archiving system and are defining ToRs for an IT company to refine their IT system. Geo data of all ecological restoring activities are also being actively collected through GPS locations, although the recommendation from July 2020 to improve the management of geo-data by using QGIS instead of Google Earth and by converting all data from KMZ to shapefiles have not yet been implemented. Training was already provided by IFAD and further capacity building should be sought should it be deemed necessary by CPIU.

Climate Change Adaptation in the livestock sector. Progress is being made on delivering on the November 2019 recommendation to prepare mitigation plans for specific grant investments such as manure management plans. In 2020 an expert was hired to develop a management guide for manure management. The planned livestock guide should be completed by the end of Nov. 2020 this will be an essential tool in the development of manure management plans.

Agreed Action	Responsibility	Agreed Date
Climate change resilience (repeat recommendation) Ensure that investments supported by RRP are not only climate proofed (infrastructures/value chains) but that they do not contribute to climate change	CPIU Director, All component leads	01/2021

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 4	Previous rating: 4
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Justification of rating

The previous IRECR project has laid the foundations for a sustained engagement that will be continued under RRP as also reported in the Nov. 2019 supervision mission; thus, the mission will leave the rating unchanged. RRP will be continuing to support the NCFM as well as activities that enable the policy environment for the SCA sector. RRP will also follow up on IRECR and continue working closely with the MARDE on any efforts in policy development planned under the preceding project and were not completed (e.g. the National Strategy for Agriculture and Rural Development 2021-2030 and the National Strategy for Irrigation Sector Development 2021-2030).

Main issues

SC 1.1. The CPIU managed to finetune and foster efficient infrastructure public-private partnerships between the beneficiary SMEs and municipalities (*primaria*). Indeed all the rehabilitated/constructed assets will be handed over and registered in *primaria* balance sheet as the owner of the assets. The maintenance of rural roads and bridges is typically the responsibility of *primaria*, whose budget is mainly formed from the local taxes and usually lacks funds to cover all the necessary maintenance activities. Nevertheless, the roads and bridges improved under RRP will be serving mainly SMEs who have to contribute significantly to improvement works and have particular economic interests to keep these assets in proper conditions. The roads and bridges completed so far under the previous IFAD projects are reported fully operational and reasonably maintained. This was also verified by the operational and technical status of the roads visited during the Nov. 2019 mission.

Operation and maintenance (O&M) of small-scale irrigation schemes and rainwater harvesting ponds will be the responsibility of the benefitting SMEs or the Water Users Associations (WUAs) established under the Millennium Challenge Corporation (MCC) depending on the location of the scheme. The irrigation schemes will mainly consist of pumping facilities, pipeline and an accumulation reservoir. On-farm equipment will be provided by the SMEs or farmers. As reported, the sustainability of the only irrigation scheme constructed so far under the previous

IFAD project is ensured, again due to particular economic interests of producers. However, the adequacy of O&M practice will be assessed in the further course of the RRP implementation when the schemes will start operation.

SC 1.2. The MTR notes that the SWOT analysis that was planned for RRP in the November 2019 report, was cancelled as conducted under the IRECR. As part of the institutional and policy engagement for IRECR, a general manual on CA has been developed in May 2020, meant to provide national guidelines to both trainers and farmers. National CC mainstreaming workshops and a CC Adaptation and Mitigation Awareness Campaign are also foreseen under IRECR, but as this project is due to complete in March 2021 there may be insufficient time left for their implementation. The MTR recommends the RRP to help finance the completion of any outstanding policy developments under IRECR that are directly beneficial to the outcomes of RRP. It is in particular recommended to approach MARDE again for the development of CA technical regulations (e.g. use of no-till, mini-till and strip-till technology) that were not approved under IRECR as these will be of value also to the new TRTP project co-financed by the Adaptation Fund in 2021 (see also Appendix 4).

SC 2.3. The project has been supporting both NCFM as the regulator and supervisor of the SCA sector, and the NCASCA as the apex organization for the SCAs. Technical support to MSMEs has been provided along two lines: financial education to loan applicants and technical, marketing and group management training through the umbrella VCAs (see also partnership section). Continuing the success of IRECR,^[1] RRP will be supporting activities that are highly relevant for the development and further advancement of enabling policy environment for the SCA sector, e.g. support linking SCAs to the credit bureau; advancement of SCA accounting systems and their connection to NCFM reporting and monitoring systems; institutionalization of SCAs' arbitration procedures; the development of SCA sector strategy and other relevant activities. These activities are examples of best practices as they meet the needs of the SCA sector and contribute to its development through the establishment of sound policies.

[1] <https://www.ucipifad.md/en/noutati/implementarea-platformei-de-e-raportare-pentru-sectorul-financiar-nebancar-o-colaborare-de-succes-intre-ucip-ifad-si-cnpf/>

Partnership-building	Rating: 4	Previous rating: 4
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Justification of rating

Like IRECR, RRP has built long-term partnerships with a large number of public entities such as the NCFM, EAPMO (formerly CLD), Moldsilva, but also the Local Public Authorities (LPAs) involved in the selection of infrastructure and land restoration investments. The private sector has been engaged through a wide range of PFIs (Banks, MFIs, SCAs). Good collaboration has been established for infrastructure investments between the CPIU and project area LPAs, small and medium scale producers and processors in prioritizing of possible investment proposals. Promising partnerships with value chain associations were initiated in the past year; they have the potential to increase private sector linkages and it is worth noting the inclusion of 2 additional associations in 2020.

Main issues

SC 1.1 rated satisfactory. Following assessment of technical and financial feasibilities in proposals selection, an agreement is signed for each selected investment between CPIU and village authorities confirming the responsibility of relevant village authority for providing the detailed engineering design of selected investment, contribution payment prior to contract signing with contractors for works implementation, ownership, and follow up operation and maintenance of rehabilitated facilities.

SC 2.1 rated satisfactory. The project has had a long-term partnership with EAPMO (former CLD) – the government agency in charge of managing the revolving credit lines of international projects. For RRP, for the first time in IFAD's projects, EAPMO has been in charge of PFI selection. It will be important for CPIU to liaise with EAPMO regarding the PFI selection, as recommended earlier, to ensure that selected PFIs fully meet the project eligibility criteria.

EAPMO is also in charge of setting interest rates for PFIs and end beneficiaries. In mid-2020, EAPMO demonstrated responsiveness to the project PFIs and quickly adjusted the interest rate formula at the moment when the conditions of project funding were not competitive as compared to the market rates. At the same time, approval times at EAPMO tend to take a long time: e.g., SCA application submitted in July was still not approved as of the mission dates; amendments to the PIM and SLAs approved by IPSC in April were not approved by EAPMO until November 2020. As before, better interaction and information exchange is encouraged between CPIU and EAPMO to ensure faster decision-making.

The project has developed long-term and productive partnership with NCFM through the provision of technical assistance both to NCFM directly and to the SCA sector which is regulated and supervised by NCFM. The partnership has promoted better transparency of the SCA sector and has been contributing to the creation of enabling policy environment for SCAs. The project is building a partnership with a newly created NCASCA – the apex organization of all SCAs – through the provision of relevant technical assistance. The project is expected to strengthen the support to SCAs that have become agents of cross-border remittance transfers and to support a greater take-up of this product among rural beneficiaries.

SC 2.3 rated moderately satisfactory. RRP is now supporting 6 different VC Associations. The number of PGs has grown from 13 to 17, and total membership from 768 to 828. The mission sees positively the introduction of these 2 VCs, esp. berries that are fit for smallholder farmers, enjoy a growing market demand and are likely to involve a fair number of women (24% currently against average 15% in other VCs).

The action plans were well defined at the beginning of the year 2020 and contracts were signed with all VCAs. However, the COVID-19 situation has put these plans on hold for most activities related to workshops, seminars, study tours and exhibitions. In line with the June/July ISM the CPIU revised the budget of planned activities downward (-68%), and attempted to hold virtual courses/seminars to meet the needs expressed by members, but this was not taken up by producers who are not comfortable (and often not equipped) to attend such on line courses. An issue has been identified as regards to procurement of goods and services under these VCA partnerships, that was expected to be handled by the associations themselves with a risk of not being compliant with IFAD's procurement guidelines and the project's procurement. It was thus agreed during this mission to revise the agreements so that procurement will be done directly by the CPIU (see also procurement section).

Human and Social Capital and Empowerment

Rating: 3

Previous rating: 4

Justification of rating

The project is lagging behind in the implementation of those “soft” activities, such as capacity development and trainings that represent RRP's strategy to develop their capacities and/or strengthen their organizations. Technical and group management training were delivered in 2019 through umbrella Value Chain Associations. No support on the formation of women Local Development Groups (see also section D) has taken place as expected. This prevents the project from empowering its target group – and the most vulnerable in particular- to develop control over economic relations, or participate in local-level decision-making processes. The project is expected to improve on this criteria with the due implementation of sub-component 2.3 activities and support to ASAP grantees

Main issues

The women pilot under SC 1.2 (Farmers' adaptation through climate resilient investments) foresees the support to 8 Local Development Groups of women to initiate or scale up their processing activities. This is typically an intervention that can be undertaken within the framework of the producer groups supported in Component 2 via the partnerships with umbrella VC associations.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Support the formation of 8 women Local Development Groups as part of technical support to agribusiness (SC 2.3) Support the formation of women Local Development Groups, particularly relevant to business active in the post- production (e.g. berries, medicinal and herbal plants, etc). These groups should then be mobilized to access to the women matching grant scheme under SC1.2	FSRDM, VCDS	01/2021

Quality of Project Target Group Engagement and Feedback

Rating: 4

Previous rating: 5

Justification of rating

Although implementation achievements are still limited, the project somehow seeks target group engagement and feedback on project activities. The MTR survey results and interviews with beneficiaries show their satisfaction with the services provided by the CPIU and deem the resource allocation process transparent. The CPIU should strive to better increase understanding and feedback loop with the most vulnerable segments of the target group, which are the ones the project has not managed to reach yet, acting upon their challenges and issues. The CPIU website (www.ucipifad.md) is very informative and well presented; it provides information about the activities supported by the project and allows (potential) beneficiary to contact the project.

Main issues

The project carries out an assessment of its activities on an annual basis by developing a questionnaire directed to its beneficiaries in order to evaluate progress and receive beneficiaries' feedback. An outcome survey was carried out before the MTR mission on a sample of 168 beneficiaries. The survey shows that the first source of information regarding projects activities is the CPIU's website (45% of respondents). Beneficiaries are in general satisfied (75%) and very satisfied (21%) of project services. 85% of the respondents consider the resources allocation process transparent but concerns were raised regarding time-consuming procedures and complicated eligibility criteria.

Numerous activities related to the dissemination of information regarding project opportunities and possibilities to access funds have been implemented but they still have to be translated into actual participation of potential beneficiaries. Considering the limited advancement of activities, the PCIU should strive to better increase understanding and feedback loop with the most vulnerable segments of the target group, which are the ones the project has not managed to reach yet. This would enable them to identify their challenges to benefitting from project opportunities and act upon them, potentially speeding up implementation pace.

The beneficiaries are involved in the M&E process. They provide baseline data as part of their application and once the initiative is complete. Online application for each activity should be developed, to promote self-targeting and participatory approach. The mission recommends to pay particular attention to the most vulnerable groups, which might be less familiar with online computing.

Questionnaires and beneficiaries' interviews also referred to the website and social media managed by CPIU as a key and valuable source of information on project activities.

Component 1. The Water management and infrastructure activities ensures active participation of local authorities and beneficiaries in selection, design and implementation stages. Production system adjusted the targeting to improve delivery (e.g., concerns were raised over the inclusion of farmers owning up to 500ha and about too many applications coming from particular providers and types of equipment).

In the women's grant activity, feedback of (potential) beneficiaries was collected in a non-structured manner and used by the CPIU to propose a reconfiguration of this activity.

Component 2. Rural Finance beneficiaries can access online materials (e.g. online credit calculator, a business plan template, and financial education materials). The project is in touch with beneficiaries to monitor their requests for capacity building, as well as to identify their financial literacy gaps and needs. The beneficiaries' feedback on C2 (mostly from SME activities) has been consistently positive.

Partnership agreements and action plans developed with the umbrella VC Associations are an excellent way to reflect and address the practical demands of their producer group members. Although limited so far, the support provided by the project seems well adapted to the VC actors' needs, as indicated by the group members' feedback to last mission's questionnaire (see details in Appendix 4). Particular areas of interest are new technologies, value addition and market linkages, especially through their participation to study tours and (inter)national exhibitions. These are given adequate importance in the VCA actions plans supported by the project.

In order to adjust the implementation of the Remittance Matching Grant activity, NCFM held conversations with the eligible SCAs and its beneficiaries to ensure that eligibility criteria is aligned with the needs of SCA micro-entrepreneur members.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Systematize current feedback practices and use them as a project management tool - Systematically collect beneficiaries' feedback on the performance of RRP Service providers and partners (e.g. banks), accessibility and suitability of project activities and other recommendations. Feedback should be collected regularly (e.g. twice a year) and also involve potential beneficiaries belonging to the target group, to ensure activities are designed and implemented in such a way that allows their participation - Use beneficiary feedback on training received to keep internal record of SPs' performance, that will inform the bid evaluation committee members for future procurement	M&E specialist and components specialists, Procurement Officer	01/2021
Online application system Development and use of online application system for loans and grants supported by the project.	CPIU director, M&E specialist and components specialists	10/2021

Responsiveness of Service Providers**Rating: 4****Previous rating: 4****Justification of rating**

No major issue has been reported or identified so far in terms of infrastructure SP responsiveness to recommendations and comments provided by CPIU or supervision missions. Services provided to Producer Groups under Component 2 via the VC Associations seems of acceptable quality according to beneficiaries' feedback, but they had to be drastically scaled down in 2020 because of movement restrictions. PFIs have been quite responsive which allowed RRP to exceed its targets in 2020. The major bottleneck remains under the women pilot, with a service provider that has not taken the measure of its task, resulting in weak outreach and support to the target group. Average rating in this section is moderately satisfactory.

Main issues

SC 1.1 Rated satisfactory. Service providers involved in infrastructure investment activities include consulting companies and individual consultants for feasibility studies and cost-benefit analysis of pre-qualified investment proposals, contractors and technical supervision of works; all selected on competitive basis. No major issue has been reported or identified so far in terms of their responsiveness to recommendations and comments provided by CPIU or supervision missions. The provided services are adequate and of satisfactory quality.

SC 1.2 (Women pilot). Rated *unsatisfactory*. Outreach and mobilization by the recruited SP has not been conducive to successful grant access for this important target group, despite the SP contract's amendment made in line with IFAD's recommendations (see more under SP performance). Only 7% of mobilized women who received individual assistance got approved. 63% of approved grantees were not assisted by the SP. In addition, while pre-investment support is regarded as a key enabling measure for vulnerable women – often entering into agricultural business for the first time – SP support focused on administrative grant procedures, rather than assisting women develop their business ideas.

A meeting with the SP and beneficiaries also showed that the PIM was not being correctly interpreted in terms of eligible categories. The MTR recommends as per the PIM to better communicate on the eligible categories (e.g. bakeries, agricultural oil mills or even retail services functioning as middle-women to facilitate access to market) to increase the appeal and success rate of the pilot.

Continuous underperformance of this activity for a key RRP target group calls for rethinking its implementation arrangements. The mission endorses the proactive recommendations of the CPIU to include grants as part of a matching grant scheme, using the same approach as the successful DANIDA youth grants implemented under IRECR. Banks will be in charge of the outreach and pre-investment technical assistance. This responds to banks' interest into micro entrepreneurs target group, facilitating their access to finance. Among other benefits, this solution will allow to i) streamline management of activities, simplifying implementation arrangements; ii) enhance components synergies; iii) broaden the geographical scope at national level in a cost-effective manner.

SC 2.1. Rated satisfactory. Out of 7 SLAs signed with eligible PFIs, 6 started lending activities, with Moldova Agroindbank and FinComBank being most active PFIs (68% and 18% of the total amount disbursed, respectively). Overall, the PFIs' activities exceeded the disbursement targets for SME and YE lending. Agroindbank has been especially responsive – being actively engaged in promotion of Component activities and having recently adjusted some of its procedures to better meet the need of the project target group (e.g. reducing collateral requirement from 135% to 100%, waiving collateral requirement for microloans, reducing disbursement fees etc.).

SC 2.3. Rated satisfactory. Financial literacy training have been provided to SME and YE as per plan and feedback from PG members interviewed during the previous mission tends to show that the majority of the services provided to them responds to their demand (see details in Appendix 4). However, this feedback only relates to 2019 interventions since no training/visits/study tours could take place in 2020 due to COVID. The quality of services imparted to Producer Groups and VC Associations will thus have to be further ascertained in next year's mission.

Environment and Natural Resource Management**Rating: 4****Previous rating: 4****Justification of rating**

Due to the Covid-19 pandemic and the remote mission modality, it was not possible to visually determine whether there were any negative environmental impacts to report. The mission however notes that previous in-country supervision missions reported no such concerns. The rating therefore remains unchanged.

Main issues

On the whole, there are no concerns regarding the Environment and Natural Resource Management (ENRM) as RRP is a project that was designed with a strong focus on sustainable NRM, through enhancing climate-resilient irrigation and

rainwater harvesting infrastructures; demonstrating and promoting investments in climate-resilient agriculture (Conservation Agriculture); promoting environmental restoration as well as enhancing rural access to financial services and markets. The main concerns for the RRP relate to the slow rate of implementation and the absence of the checklist requested in Nov. 2019 for the screening of feasibility studies and the related implementation of infrastructure activities to ensure climate change adaptation and sustainable NRM are fully mainstreamed into RRP.

Improved ENRM. Under the GEF project, IRECR is moving ahead with the Terms of References (although the project is closing in March 2021) for a service provider to deliver a training programme for i) the Ecological rehabilitation of agricultural lands; and ii) Good practices for adapting the livestock sector to climate change. The service provider will also be expected to deliver 15 guidance documents that are detailed in annex 4. As there have been some concerns raised in previous supervision missions and during this MTR that communication and coordination between the CPIU teams could be improved, it will be important to ensure that these IRECR guidance documents will also be applied firstly also to the implementation of RRP and integrated into training programmes as appropriate.

Exit Strategy	Rating: 4	Previous rating: 4
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Justification of rating

The CPIU has hired a consultant to develop RRP exit strategy but the document is not yet ready and was not availed to the mission. This assessment is thus based on the limited progress observed so far and on the experience gathered from IRECR. Given that ownership, operation and maintenance setup is clearly defined for infrastructure, the adequate maintenance and use of these investments would most likely be ensured. However, this needs to be verified in the further course of the project implementation, especially regarding the pilot construction of rain-water harvesting ponds that are new to Moldova.

Main issues

SC 1.1 Climate-resilient water management and infrastructure development. The subcomponent's exit strategy needs to be refined in the course of implementation, taking benefit of lessons learned on what approach works and what does not, and by gradually shifting focus from sustaining anticipated benefits to scaling-up and scaling-out those benefits. In other words, priority areas of investments by smallholders, agribusiness and local authorities are matched by prioritised investments from the subcomponent. The second strategy is partnership. Shared initiatives have a greater likelihood of being continued, as partners keep each other committed.

Monitoring of the completed schemes under the previous IFAD projects shows that they are being used and the community and the economic entities using the schemes have an interest in maintaining them. Roads, bridges, irrigation schemes completed in previous years are fully operational and in good technical condition.

SC 1.2 Farmers' adaptation through climate resilient investments. Implementation of ASAP activities are delayed making it hard to develop an exit strategy. Under the Conservation Agriculture activity, some major adjustments have just been completed in August, which aimed at focusing more on smallholders and closing loops that previously enabled larger farmers with 500ha to benefit. During the course of implementation it will become clearer how much appetite there is for ASAP-funded activities and therefore the likelihood of upscaling and developing an exit strategy.

For the Women Pilot, at the moment it is difficult to see an exit strategy as there appears to be little interest or desire for poor rural women to get involved. The lack of progress may however rather be due to the capacity of the Service Provider; changing the approach to include banks for micro-lending and broadening the eligible categories to off-farm agricultural-related services, could drastically increase the appeal and help develop an exit strategy.

2.1: Term finance for MSMEs. Rated satisfactory. The exit strategy is built-in from the design, through loan agreements signed with PFIs and revolving credit lines managed by a government-run agency, EAPMO. It is also reflected in the new IFAD-funded project (TRTP) that will encourage PFIs to lend to these target categories through matching PFIs' long-term loans with equipment grants. Technical assistance for the SCA sector is aimed at strengthening the sector sustainability through improved transparency, capacity building and improved regulation and supervision.

SC 2.3 Support to agribusiness. Rated moderately satisfactory. The partnerships with umbrella VC Associations provide good avenue for sustainability via the strengthening of their producer groups. The project has however not yet defined clearly how it will leverage on these associations beyond project's completion.

Potential for Scaling-up	Rating: 4	Previous rating: 5
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Justification of rating

Strong potential for scaling up exists for climate-resilient water management infrastructure development (esp. in view of the latest droughts that affected the country), as well as a long term finance and remittance interventions, that are more needed than ever to help Moldovan rural dwellers cope with the negative impact of the COVID. It is on the other hand too early to assess this potential for ASAP-funded interventions that have been lagging behind, as well as for agribusiness

support through grants. The RRP potential for scaling up has thus been reduced to moderately satisfactory, pending further assessment once all activities are up and running in a significant manner.

Main issues

SC 1.1 Climate-resilient water management and infrastructure development. Rated satisfactory. It is the opinion of the mission, that development of small-scale modern and efficient irrigation schemes, rainwater harvesting ponds to ensure water availability for irrigation and other production and processing activities as well as procedures applied could be considered as adequate approach in providing farmers with minimum level of public productive infrastructure and has potential for scaling-up and replication elsewhere in Moldova rural areas. This need to be verified in the further course of the project implementation. According to the SPIU, there is very keen interest from the Government to further invest into the rehabilitation of rainwater harvesting ponds ; it was brought to the attention of this mission that out of about total 4,000 dams currently recorded nation-wide, only 300 are viewed as fully operational nowadays.

SC 1.2 Farmers' adaptation through climate resilient investments. Not Relevant (NR). The potential for scaling up is still uncertain for ASAP-funded activities. The delays in implementation caused by the prioritisation of IRECR over ASAP for landscape restoration, disguise the true potential of these approaches in the Moldovan context. Also, an impact assessment of pastures / grasslands from IRECR or by ASAP (if no time left under IRECR) will provide more valuable technical information about their viability, impact and likelihood for upscaling. Additionally if the pasture management plans prove to be successful then this will also change the prospects of the potential for upscaling.

With respect to the women pilot, it appears that the initial struggles can potentially be overcome with the broadening of the eligible categories and partnership with banks for matching micro-loans. A (unlikely) change in outreach and direct support along a Gender For Action and Learning (GALS) approach would also greatly improve up-scalability prospects. It is therefore still uncertain as to the potential for upscaling.

Component 2. Rated satisfactory. There is good potential for scaling up as both long-term lending and microlending are in demand by entrepreneurs in the country. With potential opening of the ME lending window through commercial banks, MEs will have a broader range of options for getting financial services. Matched with grants, loan products are expected to be even more demanded by SME, YE and ME. Technical assistance provided to the NCASCA and NCFM will be benefitting the whole SCA sector in the country (270 SCAs serving thousands of MEs). The potential for scaling-up the remittances matching grant within RRP will be measured and monitored closely throughout the implementation of the pilot in 2021.

SC 2.3 Support to agribusiness. Not Relevant (NR). Scaling up will pretty much be linked to the capacity of producer groups to develop their businesses. The 10 pilot agribusiness grants have been designed in that sense but none of them have been disbursed yet. It is thus too early to assess the potential for scaling up under this intervention.

c. Project Management

Quality of Project Management	Rating: 3	Previous rating: 4
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Justification of rating

The significant and persistent delays in project implementation are jeopardizing the full achievement of RRP development objective. This has been further enhanced by delayed decisions from the IPSC on certain PIM amendments, as well as its lack of proactivity in addressing implementation bottlenecks, or soliciting technical and political support available from IFAD. Although the level of execution of previous agreed actions has improved, certain key recommendations are still not addressed by the project management. Most staff positions are adequately filled, with in particular a high performing Rural Finance and VC Development unit oriented towards problem resolution. But RRP is still struggling to coordinate all of its actions, esp. infrastructure and climate change resilience interventions.

Main issues

RRP project has been given secondary attention during all of the first half of its implementation: most CPIU efforts have been concentrated on the previous IRECR project, to a point that is no longer acceptable given that RRP is now already in the second half of its life. The mission acknowledges that slow progress has been further exacerbated by the COVID outbreak that prevented smooth implementation of a number of activities from March 2020. This was beyond the CPIU's control.

However, a number of key areas are still requiring immediate improvement, as listed below:

- Recurrent problems and repeated inaccuracies in procurement despite extensive implementation support and guidance provided in previous missions (esp. in June/July 2020). This has mostly impacted IRECR so far, but it will have the same negative effect on RRP: No objections cannot be provided at once, procurement of services is delayed which will further delay infrastructure development and above all ASAP-funded interventions. Many recommendations not fully addressed (cost estimate in work bidding document, CPIU Director still sitting in the

opening and evaluation committees). The procurement manual is still not finalized nor cleared by the IPSC and IFAD.

- RRP 2020 AWPB was revised internally by the CPIU in August 2020, as recommended by the previous ISM. However, these revisions were submitted neither to the IPSC, nor to IFAD for No Objection. As a result, the 2020 AWPB that still prevails is the original one that received No Objection from IFAD in Feb. 2020.
- In direct relation with the above, overall planning remains weak, resulting in lack of coherence between physical and financial targets and low execution of all previous and current annual work plans (thus not only those that were affected by COVID). In 2020 AWPB physical execution of Component 1 was 21% and financial execution 15%; in Component 2 it was respectively 16% and 163%.
- No decision was taken so far on the implementation of the credit guarantee, that represents in itself USD 4 million (22%) of total IFAD loan. And this despite the reiterated request from the President of the National Farmers Federation of Moldova (NFFM) during the Jan. 2020 IPSC meeting^[1].
- Checklist for climate-proofing of all infrastructure not yet introduced, displaying a weak coordination between SCCRS and Engineers (2019 agreed action not executed).

The level of execution of last ISM's agreed actions is as follows: 65% fully executed – 29% partially executed – 6% not executed (see details in Appendix 4). This is rather satisfactory, however the mission draws the attention on the fact that other key procurement actions put under IRECR report and that are also pertaining to RRP were not fully executed (see also procurement section).

On a more positive note, the mission notes the good performance of the Rural Finance and VC Development unit: loan targets have been exceeded for youth and SMEs, and there has been quick reaction on the launching of the agribusiness grants once their implementation arrangements were agreed upon in July 2020. Commendable efforts have also been made to improve the implementation modalities of the women pilot (now under this unit), and the team has pro-actively proposed some improvements that are positively considered by this mission (see details in Section D and Appendix 4 of this report).

^[1] Extracts from the minutes of the 24 January IPSC meeting and resolutions: "UCIP-IFAD jointly with the MARDE, the Ministry of Finance will examine, based on the feasibility studies elaborated previously, the legal aspects for the creation of Agricultural Credit Guarantee Funds (FGCA), and will ensure, by June 30, 2020, the elaboration and consulting a HG to create and finance the FGCA."

Agreed Action	Responsibility	Agreed Date
Finalization of 2021 AWPB Ensure 2021 AWPB reflects agreements made during this mission with realistic physical and financial targets. Submit to IFAD for revision and successive NO	CPIU Director	12/2020
Execution of agreed actions Close and regular follow up of agreed actions (quarterly reporting to IFAD) to ensure that they are implemented in full and in a timely manner (reporting template is provided in Appendix 4)	CPIU Director	05/2021

Knowledge Management

Rating: 6

Previous rating: 5

Justification of rating

Knowledge Management (KM) presents a cumulative budget execution of USD 10,848 (or 6% of total allocation of USD 189,738). Despite the budget execution diverging widely from its projected course, the project performance on KM activities is deemed as highly satisfactory. The project KM plan 2020-2021 is overall well designed and the KM activities listed in the plan have been properly budgeted for in the AWPB since 2019. Most importantly, the mission acknowledges that the project management team instils an effective culture that values critical reflection, learning and adaptation. Data from project M&E and each component's expert are adequately used by the KM & Communication Specialist to generate and disseminate knowledge at all levels (within the project and among third parties).

Main issues

While the project has an adequate information management system in place and lessons are well captured to potentially serve decision-making, improve project performance and to support scaling up of successes, the limited execution of the project *per se* does not allow having a meaningful content to serve that purpose yet. As a result, the mission was not able to identify any lessons based on scaling up potential or for their potential relevance to policy engagement yet.

Nevertheless, the mission noted with high satisfaction how well the project coped with Covid-19 disruption in terms of KM

activities, focusing on the use of social media such as the [Project official website](#) (16,725 users); [Facebook](#) (2,673 followers); [YouTube](#) (25 videos with 6,982 views in 10 months); [Instagram](#) (168 followers), and [Odnoklassniki](#), sharing high-quality information with wider audiences. In particular, the project disseminated information regarding IFAD Programme, best practices, and success stories through other mass media means, such as TV and local newspapers receiving calls from potential beneficiaries as a result. This was particularly useful to communicate on the newly launched calls for agribusiness grant applications, women grant applications, etc. Besides, in 2020 the CPIU launched an online financial education campaign consisting of four tutorial videos on primary business education, which responds very well to the movement restrictions imposed by the COVID pandemic.

The CPIU's KM & Communication Specialist keeps on looking for improvement and sought guidance from the mission to further update the KM Plan 2020-2021 (see Technical annex 5) as follows:

1. Further detail the KM activities, including output indicators;
 2. Include concrete strategies to promote the project's services through social media more efficiently (e.g., considering hiring a contract digital consulting marketing agency);
- Focus more on how to foster an enabling environment for learning and knowledge-sharing with potential beneficiaries and partners through new activities.

After review of the KM Plan 2020-21, it was thus agreed to prepare a budget plan for KM activities for the remaining project's period in view of the low cumulative budget execution at MTR (only 6% of total allocation of USD 189,738).

Agreed Action	Responsibility	Agreed Date
Revision of KM plan 2021 Revise the KM plan to include a more detailed action and dissemination plan of specific KM products, including clear activities on how to foster an enabling environment for learning and knowledge-sharing with potential beneficiaries and partners.	KM&C Specialist	12/2020
Revision of KM budget for 2022-23 Provide a plan for budget utilization for the remaining project's years.	KM&C Specialist, component leads	01/2021

Value for Money

Rating: 3

Previous rating: 3

Justification of rating

From a pure Economic and Financial Analysis (EFA) standpoint, the VfM of RRP is moderately unsatisfactory due to delays in the implementation of most productive investments. The few activities thus far implemented are reaching out only a small fraction of the whole target population thus leading to lower economic results. Other activities originally accounted for in the EFA will not be implemented (e.g. credit guarantee fund) resulting in even lower benefits for the whole project. In prospect, some of the investments still represent good VfM but the current project implementation performance is not yet efficient, and output delivery remains unsatisfactory. Assuming an increase in the implementation pace, there are good prospects that this rating will increase by project completion.

Main issues

In order to evaluate the VfM of the RRP project, the MTR mission has reviewed and updated the original EFA with actual data concerning the implementation of investments and beneficiary outreach. Furthermore, the VfM analysis reviewed the RRP performance under the three criteria of Economy, Efficiency and Effectiveness. Due to travel restriction for the COVID-19 pandemic, the mission could only partially verify some of the information and data used in this review.

Under the Economy evaluation criterion, the project is performing relatively well and few activities are showing significant drifts from original cost estimates. In particular, works in infrastructure – normally affected by cost overrun - are not currently showing excess in spending, albeit few investments were thus far implemented. Therefore, the current evaluation of the RRP economy capacity is deemed satisfactory.

As per the Efficiency criterion (i.e. the capacity of the project to convert inputs into outputs), the project team analysed information and data originated mainly from the M&E database and the logical framework. The implementation of RRP is suffering from substantial delays in the execution of major investments and in the outreach of beneficiaries. The implementation level of investments in irrigation infrastructure does not exceed 14% of the final targets. Similarly, between 4% and 23% of the targets for climate resilient investments have currently materialized. Slightly better results are obtained in the financing of MSME – where loans to SMEs have already exceeded the original target (106%), whilst loan financing of young entrepreneurs and micro entrepreneurs attained 29% and 0% of planned targets respectively. Considering the

above, the VfM efficiency criterion of RRP is rated as moderately unsatisfactory.

Finally, the VfM assessment of RRP Effectiveness (i.e. how well outputs translate into outcomes) is limited by the slow progress made and by a general lack of tangible outcomes to be measured. Some preliminary conclusions can still be drawn based on the findings of the recent Annual Outcome Survey. According to the latter, 45% of the individual farmers benefitting from matching grants on productive investments indicated a positive change in income, while another 49% did not report any substantial increase. The remaining 6% indicated a decrease in income. At the same time, 76% of farmers reported an increased capacity to cope with climate change effects and a general reduction in climate related risks. It is important to mention that these findings are limited and not statistically significant given the small sample size of 51 people. Similar findings are also reported from beneficiaries of SME financing and young entrepreneurs. Hence, under the VfM effectiveness criterion, the project is rated moderately unsatisfactory.

The rating is further justified in light of a simulation exercise carried out analysing possible beneficiaries' inclusion scenarios up to project completion and revision of basic EFA assumptions (details provided in the EFA technical annex). The economic activities considered in this simulation have been those already implemented under the project. The analysis simulated three possible scenarios characterized by different implementation patterns. Results show that only under the overoptimistic scenario - reaching the whole target population - the actual economic performance of the project would remain positive. In order to meet this target, the implementation pace should be 44 times faster than the current performance). Meanwhile, in all other scenarios where the total number of beneficiaries is less than 13,250 households, profitability results would turn negative.

Agreed Action	Responsibility	Agreed Date
Supporting VfM analysis The M&E database should be expanded to integrate the analysis of economic data of productive activities, with a focus on the financial viability and profitability of commercially viable production systems. In order to increase CPIU capacity to analyse, evaluate and report on the economic performance of the project, IFAD should provide technical support and detailed guidance on how to identify, integrate, monitor and evaluate VfM indicators. Supporting VfM at this stage would help maximizing the impact of each dollar spent in the project. Further, it will facilitate the validation of progresses made during implementation as well as project evaluation at completion	IFAD, CPIU Director, M&E Specialist	06/2021

Coherence between AWPB and Implementation

Rating: 3

Previous rating: 3

Justification of rating

IFAD ISM in July 2020 recommended to review and update the 2020 AWPB because of the COVID situation and slow progress registered in the first half of the year. However, this has not been done and the 2020 AWPB shows weak coherence between the planned activities and those actually implemented. As of 31 Oct. 2020, including all co-financiers, the project has utilized USD 5.22 million (78%) against the total budgeted amount of USD 6.74 million. But IFAD and ASAP funds were only used at 58% (USD 2.62 million vs. planned USD 4.53 million) and there are also extremely uneven distribution levels among components, highlighting issues regarding budget planning and monitoring. Only 2 physical outputs have reached more than 50 % of their target for 2020: 116 % for SME loans and 112% for YE loans.

AWPB Inputs and Outputs Review and Implementation Progress

Financial progress:

As of 31 October 2020, the project has utilized USD 5.22 million against the total budgeted amount of USD 6.74 million, which represents 78% of the total budget for FY2020 (including all financing sources). The CPIU has planned to spend USD 4.53 million under the IFAD financing, including IFAD Loan, IFAD grant and ASAP Grant. The actual utilization levels under IFAD financing are; 80%, 6% and 11% respectively. Overall, the project managed to spend USD 2.62 million under IFAD financing, which represents 58% of the total budget.

While the overall utilization rate of 78% seems acceptable, there are extremely uneven distribution levels among the components. Utilization levels under each component inclusive of all sources of funds are: component 2 (163%), component 1 (15%) and component 3 (12%). The mission also noted that the utilization of IFAD Loan under component 2 has exceeded the amount that was planned in the AWPB by a large extent: USD 2.20 million spent vs. planned USD 1.65 million. The budget monitoring needs to be improved and the next 2021 AWPB must be developed in a more coherent way, taking stock of past years results.

Physical progress:

The uneven financial progress among components reflects the unbalanced implementation of activities across components and sub-components.

Good performance: In subcomponent 2.1, 9 loans to YEs (vs. 2020 target of 8) and 14 loans to SMEs (vs. 2020 target of 12) were granted in 2020. No micro-lending have taken place so far under RRP because the implementation modalities for this window were only endorsed by all stakeholders, including EAPMO, on 3 November 2020.

Weak performance (see details in Section D): under SC 1.1, no roads nor ponds were committed, and works started in only 2 irrigation schemes, that are due for completion by December 2020 latest. The main activities are expected to be initiated in 2021. Regarding subcomponent 1.2, CA and Women pilot grants, only 7 CA grants (vs. target of 120: 6%) and 15 Women pilot grants (vs. target of 71: 21%) have been implemented in 2020 while only 44ha (vs. 110ha: 21%) of shelterbelts, grasslands and vegetation cover have been restored. Disbursements for CA grants have been paused between Nov.2019 and July 2020 waiting for all necessary amendments to be made in the PIM and endorsed by the IPSC. Activities for Ecological Restoration Interventions have been mostly delayed because of prioritization of overlapping IRECR activities and understaffing.

Under Component 2 no agribusiness grants were provided in 2020 (against 4 initially planned). The implementation arrangements for those grants were only finalized by CPIU in June 2020; they were reviewed and accepted by the last IFAD ISM and endorsed by the IPSC on 16 July 2020, which explains the delays incurred along this line.

The analysis of the project physical progress shows that the number of beneficiaries supported by the project reaches only 2.3% of the intended target, which is particularly low at this stage of implementation. In general, physical targets are not systematically defined in the 2020 AWPB and therefore their level of physical execution cannot be adequately measured along the yearly implementation.

Agreed Action	Responsibility	Agreed Date
2021 AWPB Preparation Disaggregate all activities under 2021 AWPB per quarter with realistic physical and financial projections in each quarter for monitoring purpose	CPIU Director with inputs from all relevant project staff	12/2020

Performance of M&E System

Rating: 5

Previous rating: 5

Justification of rating

Responsibility for M&E is under the leadership of the Senior M&E Specialist with support from an M&E Specialist. The capacity of the team is adequate and progress reports are submitted to IFAD on a semi- and annual basis in a timely manner. The M&E system adequately collects and treats required data from each component, and provides inputs for decision-making and knowledge management. All required documentation and data were made available by the M&E team prior to the MTR mission. The outcome survey has been planned ahead and results and analysis report were available for the mission.

M&E System Review

The M&E system keeps appropriate track of results and data in separate excel sheet for each activities. This information is used to generate reports and monitoring tools (outputs tables) and to update the project logframe. The captured data is disaggregated by sex and age group for every activity. It is recommended to include 20% youth target across components.

The M&E system also includes baseline database for each beneficiary according to the type of activity he/she benefitted from. This information is very valuable not only to precisely characterize project target groups but it will also serve as a basis for project evaluation, especially at outcome and impact levels. Data are later exported into SPSS for statistical analysis.

The mission has reviewed the baseline questionnaires and recommends some adjustments to ensure proper information is collected to allow comparison and measurement of indicators (in particular outcome and impact indicators).

The baseline data are provided by the beneficiaries in a participatory way as part of their application. The quality of the data seems adequate and accurate but no direct interviews with beneficiaries could be undertaken since the mission was conducted remotely.

Based on the previous and current mission, a comprehensive beneficiary database for RRP is being developed which includes information on name of beneficiary, gender, municipality, village, type of support received from project (grant, training, loans etc.) to monitor synergies between components and to avoid double counting at outreach level.

An M&E plan has been developed but requires further detailing and adaptation; The M&E plan should develop an exhaustive description of each Log Frame indicators including a detailed definition and its data collection method (methodology and frequency of data collection). It should also be updated to integrate with IFAD latest requirements such as the use of CIs indicators and its related COIs measurement guidelines.

The project is currently using Google Earth to manage geo-data collected from each project activity. The previous and the current mission recommended to use QGIS instead of Google Earth and to convert all data from KMZ to shapefiles whilst capturing all results in attribute tables. The M&E team should assess if specific support is required for training, data collection migration or analysis.

The outcome survey has been planned ahead and results and analysis report were available for the mission. However, given the slow implementation and the low number of beneficiaries, the significance of the results from the outcome survey conducted before the MTR mission is limited. However, the analysis shows how the project positively affects the beneficiaries and some trends can be extrapolated. In addition to the COI survey (methodology developed by IFAD and mandatory at mid term and completion), it is recommended that the M&E unit keeps on conducting yearly outcome assessment on a sample of beneficiaries to monitor the progress of the project towards reaching its objectives using the baseline and monitoring questionnaires already administered to the beneficiaries.

The mission has conducted a review of the logframe in order to improve its consistency and better reflect the project's impact pathway; it has been adapted to project specificities and is aligned with IFAD requirements including relevant CIs.

Agreed Action	Responsibility	Agreed Date
M&E plan Update and complete M&E plan: exhaustive description of each Log Frame indicators and compliance with IFAD requirements	M&E specialist and Component specialists	12/2020
Youth Target Include 20% youth target across components	M&E specialist and Component specialists	12/2020
Beneficiary database (repeat recommendation) Develop a comprehensive beneficiary database for RRP capturing systematically for each beneficiary the number and type of project interventions he/she benefitted from. Extract key figures to illustrate how the various project interventions complement each other among total population reached	CPIU M&E Unit	12/2020
Baseline and monitoring questionnaire Adjust baseline questionnaires to ensure proper information is collected to allow comparison and measurement of indicators M&E specialist and Component specialists March /2021 Agreed	M&E specialist and Component specialists	03/2021
Geo-data (repeat recommendation) Improve the management of geo-data by using QGIS instead of Google Earth and by converting all data from KMZ to shapefiles whilst capturing all results in attribute tables. IFAD support may be sought if needed	CPIU M&E Unit	03/2021

Social, Environment, and Climate Standards requirements

Rating: 4

Previous rating: 4

Justification of rating

RRP was designed before the SECAP became mandatory, as a consequence the project does not comply with the SECAP requirements such as Environmental and Social Management Plans (ESMP). The project is also still prioritising the implementation of IRECR over the land restoration activities under RRP/ASAP leading to delays in implementation. Unless staffing concerns are addressed this will have a knock-on effect on the start of implementation of the new Talent Retention for Rural Transformation (TRTP) and TRTP-Adapt projects supported by the Adaptation Fund in 2021. The project is however moving ahead with promising environmental guidelines under IRECR that will help in the training of beneficiaries and help support their protection.

SECAP Review

As noted in previous supervision mission reports, the Project Design Report did not include a SECAP, consequently the project has not developed an Environmental and Social Management Plan or an Environmental and Social Management Framework (ESMF)^[1]. As the SECAP guidance document explains the ESMPs are prepared prior to project implementation and should include detailed information on mitigation measures, responsibilities, institutional capacity, monitoring and timelines, along with adequate budgets.

In absence of an ESMP or ESMF that would normally inform the whole design, in the Nov.2019 supervision mission report, it was agreed that a checklist be developed that will help in ensuring that climate change adaptation is being correctly mainstreamed into the feasibility studies for infrastructure activities. The intention of the Nov. 2019 tentative checklist recommendation was to mainstream the requirement for a climate risk analysis to be conducted for each feasibility study. As reported earlier, this has not been done instead the project has included a section for compliance with national Environmental and Social Impact Assessments. This however falls short of the recommendation. The idea of the checklist, was to ensure that there was a standard approach to guiding the development of the feasibility studies to the adoption of industry-standard climate-adaptive technologies and methodologies. The supervision mission advised the CPIU to design their own checklist and made suggestions as to its content.

Although RRP does not have a SECAP or an ESMP / ESMF, the CPIU as mentioned, reported it is in the process of developing a series of guidelines for IRECR to inform farmer training on sustainable Environmental and Natural Resource Management (ENRM). The ToRs for the guidelines have been developed in the summer of 2020 and the guidelines should be completed before IRECR project closure (31 March 2021). Follow-up supervision missions will need to ensure that these guidelines are being applied to the RRP in terms of farmer training programmes and the stakeholders be monitored to ensure that the practices are being successfully applied hereby helping to minimise any potential negative impacts.

A list of the guidelines being developed is available in appendix 4 (Technical annex 2), but summarised as follows:

Integrated protection of tomato crops and resilience to climate change; Grassing of agricultural land as a method of water and soil conservation; Establishment of forest protection curtains as a measure to adapt to climate change; Rainwater harvesting in agriculture to adapt to climate change; Good practices for the use of renewable energy in agriculture; Good practices for the use of degraded land in the cultivation of energy crops and biomass production; Good practices for integrated protection of agricultural crops in the context of climate change; Guide to good practice in organic farming in the context of climate change; Brochure on good practices in organic farming in the context of climate change; Ecological rehabilitation of agricultural land; Good practices for adapting the livestock sector to climate change; Good practices in beekeeping in the context of climate change; Good practices in fisheries in the context of climate change ; Good practices for growing fruit, grapes and berries in the context of climate change; Good practices in vegetable growing in the context of climate change.

^[1] ESMFs are conducted when uncertainty remains on the project component or exact location; project consists of a series of subprojects and the risks cannot be determined at the design stage. Resettlement Action Framework is developed when uncertainty remains in the project area and persons to be affected. The framework includes adequate information on the project area, including potential environmental and social vulnerabilities and mitigation measures that might be expected to be used.

Agreed Action	Responsibility	Agreed Date
The ENRM / IRECR guidelines are integrated into RRP Ensure that the appropriate IRECR guidelines are shared with the farmers benefitting from RRP's interventions	SCCRS	03/2021

d. Financial Management & Execution

Acceptable Disbursement Rate	Rating: 3.0	Previous rating: 3
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Justification of rating

Automated rating based on IFAD disbursement data

Main issues

The project is in its 4th year of implementation, and it is funded by IFAD Loan of USD 18.2 million, IFAD Grant of USD 0.5 million and ASAP grant of USD 5.0 million. As of 31 October 2020, it records disbursements, including initial advances, of 35.88% for the IFAD loan, 10% for the IFAD Grant and 37.09% for the ASAP grant. The actual realization rate at the project level, as at 31 October 2020 is 28%, 6% and 10% respectively. There has not been any extension and the

authorised allocation levels are appropriate for the project needs.

Although the project is in the middle of its implementation period, the cumulative disbursement at the IFAD level is only 36% (USD8.43 million) and the actual utilization at the project level stands at 24% (USD5.69 million), which is very low against the appraised amount of USD 23.7 million.

Agreed Action	Responsibility	Agreed Date
Submission of quarterly disbursement plans (template to be shared by IFAD)	Finance Manager	

Fiduciary aspects

Quality of Financial Management

Rating: 5

Previous rating: 5

Justification of rating

Organization & staffing, flow of funds, accounting and internal control arrangements are adequate. Financial operations are carried out by an experienced finance team, well-performing integrated accounting software is in place, internal controls are at the appropriate level, effective segregation of duties are in place and the flow of funds arrangements are working effectively. On the other hand, these aspects are effected by certain shortcomings, particularly about the budget monitoring, uneven budget execution rates within components, high actual vs budget variances and submission of semi-annual interim financial reports.

Main issues

Organization and Staffing: No changes in staffing since the last mission. The finance unit of the CPIU consists of a finance manager and an accountant. The current FM organizational structure and level of expertise are adequate for the needs of the project.

Budgeting: First draft of the AWPB for 2020 was submitted to IFAD on 3rd October 2020, but it was rejected on 28th November 2019 by IFAD to allow project to incorporate mission recommendations in the AWPB. The final version of the budget was approved by IFAD on 15th February 2020. The AWPB included planned project expenditures split by components and sources of financing as well as physical output indicators. There were additional recommendations during the implementation mission, which took place in June 2020, but requested changes were not reflected in the AWPB. Periodic actual vs budget reports are provided to the management, but no effective monitoring in place and there are still high variances and extremely uneven distributions within the components which need to be addressed.

Flow of Funds: Project funds from all financing sources have been disbursed timely and the transactions in designated accounts have been fully documented and the bank accounts are reconciled. No cross financing between financing sources has been identified.

Internal controls: The mission sampled 26 transactions amounting to USD0.888 million, which represents 30% of total expenditures that were submitted since the last supervision mission and the supporting documents found to be adequate. Appropriate internal controls are in place over project expenditures and assets, including sufficient segregation of duties and appropriate level of authorization. In addition to this, there were no major internal control issues identified by the auditors during the external audit for FY2019. Internal audits that were carried out by the MoF previously are no longer carried out, and internal audits that are planned to be carried out by MARDE will not be performed due to limited capacity at the MARDE.

Accounting and Financial Reporting: Well-performing accounting software is in place and able to generate accurate financial reports. All transactions recorded accurately and in a timely fashion. With regards to financial reporting, until now, the financial progress was included in the half-annual progress reports and this was accepted by IFAD. However, as per LTB, the project needs to start submitting separate semi-annual IFRs and unaudited financial statements to IFAD within the specified deadlines. The preparation of audited financial statements were timely and the quality was satisfactory.

Agreed Action	Responsibility	Agreed Date
Submission of semi-annual IFRs Submission of IFRs within 45 days after the project-end (No later than 15th August and 15th February each year)	Finance Manager	02/2021
Project Implementation Manual - The CPIU to finalise RRP PIM.	CPIU Director, Finance Manager	02/2021
ASAP accounting and electronic archive module Develop and introduce separate accounting and electronic archive module for ASAP Grant	CPIU Director, Finance Manager	04/2021
Seperate programme accounts - Open separate programme accounts for each financial instruments (IFAD Loan, IFAD Grant and ASAP Grant)	MoF, CPIU Director	04/2021
Submission of unaudited financial statements: Submission of unaudited financial statements within 4 months after the year-end.	Finance Manager	04/2021
In-kind contributions - In kind contributions to be included in the audited financial statements as a note	Finance Manager	06/2021

Quality and Timeliness of Audit

Rating: 5

Justification of rating

The audit report and the management letter for FY2019 was submitted to IFAD within the specified deadline, and the quality of the audit work was satisfactory.

Main issues

The audit has been conducted in accordance with International Standards on Auditing (ISAs) and the audit opinion was unqualified but emphasis on matter. The emphasis on matter was with regards to the Covid-19 outbreak and its effect on the programme's performance.

Generally, the audit work was satisfactory. However, for the next audit, the financial reports should include:

1. Statement of cash receipts and payments.
2. In-kind contributions, from both beneficiaries and government, under the notes to the financial statements.
3. Actual vs Budget report, outside of notes to the financial statements, as required by IPSAS cash basis. Either as a separate additional financial statement or as a budget column in the statement of cash receipts and payments.
4. Fixed asset register.

Agreed Action	Responsibility	Agreed Date
Amendment of Audit contract and TOR for external audit.	Finance Manager	12/2020
Disclosure of additional statements Disclosure of; 1. Statement of cash receipts and payments; 2. Actual vs Budget report, outside of notes to the financial statements, as required by IPSAS cash basis. Either as a separate additional financial statement or as a budget column in the statement of cash receipts and payments; 3. Fixed asset register.	Finance Manager	06/2021
Submission of Audit report for FY2020.	Finance Manager	06/2021

Counterparts Funds

Rating: 5

Previous rating: 5

Justification of rating

As of 31st October 2020, the Government of Moldova provided USD 0.933 million against the total appraisal amount of USD 2.946 million, which represents 32% of the total initial appraisal and the beneficiary and PFI contributions stands at USD 3.97 million (42%) and USD 1.42 million (55%) respectively.

Main issues

The project is in its 4th year of the implementing period, and the cumulative government contribution rate of 32% is low against the appraised amount. However, in terms of the actual expenditure, the contributed amount is satisfactory. During 2020, the Government has provided USD 0.417 million, which represents 75% of the total budgeted amount of USD 0.558 million and the project has not faced any issue receiving the counterpart funds

Compliance with Loan Covenants

Rating: 4

Previous rating: 4

Justification of rating

The project complied with most of the covenants.

Main issues

Detailed list of legal covenants and their status provided in Appendix 3.

Procurement

Procurement

Rating: 3

Previous rating: 4

Justification of rating

Procurement evaluation was carried out on the basis of interviews with the procurement staff, review of procurement procedures and documentation and in accordance to the IFAD Procurement Guidelines. Some delays are experienced at the level of Procurement processing. Some key recommendations were not executed. Processes, procedures and systems applied exhibit significant shortcomings and inconsistencies across some of the requirements. Project implementation is negatively impacted and delayed; implementation support is required; resolution of issues/constraints is likely but will take some time. The project Procurement Manual is not yet finalized.

Procurement Review

Procurement Planning Process. The Procurement Plan (PP) follows the IFAD PP template and received IFAD's non objection through NOTUS system on 22 Jan. 2020. The PP was updated several times in 2020 while the 2020 AWPB was not updated post approval in Feb. 2020, showing a non-alignment between PP and AWPB. Delays are experienced at the level of Procurement Processing. The 2020 PP included 10 packages for works, 44 packages for consultancy and 18 for non-consultancy assignments with total cost estimate USD 2,292,290.00. As of 2 Nov. 2020, the procurement process for 2 packages for works, and 13 for services (which includes non-consultancy services) at a total value of USD 484,373.00 were contracted by the Project constituting around 22.37% of the originally planned amount.

Processes and Procedures from Prequalification to Bidding. Processes and procedures are consistent and comply with the national procurement regulations and IFAD Project Procurement Guidelines and Handbook. CPIU adopted World Bank's Standard bidding documents. The reviewed Bid Data Sheets did not include the list of debarred firms. National

Competitive Bidding was utilized for packages for works. For consultancies call for expression of interest (EOI) is regularly advertised, but in some instances the deadline for submission had to be extended and in one instance it was cancelled all due to lack of interest from consultants, which causes delays in procurement processes.

Processes and Procedures for Evaluation and Contract. Evaluation committee is appointed in each procurement but member with the technical knowledge and experience coherence with the type of procurement is missing. CPIU has two different committee, one was appointed for bid opening and the other for Bid evaluation. During the document review it was noticed that CPIU Director is one of the members of Bid opening and Evaluation committees. Additionally, procurement officer was not a part of Bid opening committee. In some instances, Bid Evaluation reports were not signed by all listed committee members (see details in Technical Annex 6). For contract amendment (C&W 29/20 PRR), IFAD's No Objection (NO) was not requested.

Contract Management and Administration. The procurement and financial management functions are not separated (according to CPIU organigram, procurement specialist is placed under finance manager). The mission acknowledges that all signed contracts were entered in the Register of contracts however, it remains to be submitted to IFAD on a monthly basis. The contracts contain the standard commercial and contractual terms required for a proper procurement agreement. However, the contracts for consultancies do not include provisions for IFAD to Audit the contract. Related to the partnership agreements it was noted that that procurements will be conducted in accordance with the internal partners procurement procedures which are not in line with the Letter to the Borrower (LTB). For procurement procedures that require NO from IFAD, the NOTUS system was utilized.

Record Retention. Each procurement has its own separate folder where records and all procurement documents are kept properly. The procurement unit securely keeps the received bids until the bid evaluation date.

Agreed Action	Responsibility	Agreed Date
Procurement Manual Finalize RRP procurement manual and submit to IFAD for no objection	CPIU Director, Procurement officer	12/2020
Procurement planning Procurement plan along with AWPB needs to be submitted 60 days before the next financial year starts to provide sufficient time for preparation of documents, and necessary approvals in order to avoid potential delays	CPIU Director	12/2020
Bid Evaluation Reports (BER) BER must be signed by all Committee members	CPIU committee members/ procurement officer	12/2020
Register of contracts To submit dully filled register of the contracts to IFAD on a monthly basis	Procurement officer	12/2020
Evaluation committees (repeated Recommendation) CPIU Director, as the authority that approves evaluation of bids, should not be present nor involved in any way in Evaluation committees. Ensure the involvement of procurement specialist as a secretary of every Bid opening committee.	CPIU director	12/2020
Acceptance committees (repeated Recommendation) Ensure that procurement officer is in the acceptance committee in order to confirm compliance of the deliverables with the contract requirements	CPIU Director	12/2020
Contract amendments No amendment of contracts that were subject to prior review by IFAD to be made without additional prior IFAD approval	CPIU/Contract Manager/ Procurement Officer	12/2020

Partnership agreement with NCASCA, NCFM and LPAs The procurement guidelines of NCASCA, NCFM and LPAs will be adjusted to reflect the project procurement manual and the procurement delegation of authority will be assessed by IFAD	CPIU/partners	12/2020
Partnership agreement with Value Chain Associations (1) Each partnership agreement's beneficiaries to provide the list of expenditures and for each of them, submit a description on how the goods and services were procured, for eligibility assessment by IFAD.	CPIU Director	12/2020
Partnership agreement with Value Chain Associations (2) All future procurement under VCAs will be undertaken directly by CPIU. The new partnership agreements will reflect this provision.	CPIU Director	12/2020
Procurement function (repeated recommendation) To ensure separation of duties between the procurement function and the finance function within CPIU, update the PIM to include clear reporting structure and reporting lines as well as coordination between various teams	CPIU Director	12/2020

e. Key SIS Indicators

Likelihood of Achieving the Development Objective	Rating: 3.54	Previous rating: 4.0
Assessment of the Overall Implementation Performance	Rating: 4.08	Previous rating: 4.0

F. Relevance

Relevance	Rating: 5	Previous rating: 5
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Justification of rating

Relevance of ASAP-funded activities is rated as moderately satisfactory based on the relevance of the design with IFAD priorities. There is a reservation however pending the review of the activities once implementation is fully underway. Infrastructure investments and term finance interventions are however highly relevant to the current context of pandemic combined with recurrent droughts affecting Moldovan agricultural production.

Main issues

SSC 1.1 Rated satisfactory. The design of infrastructure activities and implementation modality are largely appropriate with the needs of the target group as well as IFAD and Government policies and national priorities. Development of modernized irrigation network, improved water and land management, and reliable access to farms and market facilities are highly relevant for Moldova. Even more so in view of the recent summer 2020 drought that has considerably affected the farmers, leading to significant decreases in yields (esp. wheat and sunflower). It is also worth noting that according to CPIU, only 300 out of the total 4,000 Moldova dams are currently fully operational, the rest needing rehabilitation. The project's investments in rain-water harvesting ponds is thus highly relevant.

SC 1.2. Rated moderately satisfactory. The activities under the ASAP grant are still relevant to IFAD's country development strategies and Government's national priorities, in mainstreaming climate change adaptation and reducing the vulnerability of the rural poor to climate risks. It is however still too early to understand whether the project approach is still appropriate, as there are few activities to assess. In terms of the Climate resilient production system on technologies for smallholders corrections have been made to focus more on those farmers with up to 25 ha of land, also more outreach has been conducted to increase awareness from smallholders.

Component 2 activities are highly relevant to the needs of the target group and project objectives. A combination of enterprise lending and the provision of technical assistance at all levels – to borrowers, SCAs, SCA regulator (NCFM) and

SCA apex institution (NCASCA) ensures a comprehensive approach to rural finance interventions. The recent inclusion of the remittance grant is particularly relevant in these times of pandemic: the International Office of Migration (IOM) has recently estimated that 150,000 migrants will return in 2020, which is 10% of the domestic Moldovan working population (<https://www.euronews.com/2020/11/15/moldova-how-the-diaspora-of-europe-s-poorest-nation-keeps-its-economy-afloat>)

G. Project Modifications

Responsibility	Modification type	Description
Project	Logical Framework	<p>The logframe has been revised MTR to improve its consistency and better reflect the project's impact pathway; it has been adapted to project specificities and is aligned with IFAD requirements including relevant Corporate Indicators (CIs).</p> <p>Outreach: <i>[b Estimated corresponding total number of households members]-</i> The calculation of the estimated households members was based on 2,5 members/HH benefitted but the current estimation is 2,8 members/HH; 20% youth target added;</p> <p>Project goal: <i>Asset ownership:</i> the indicator has been slightly modified from 'HHs increased asset ownership by at least 30%' to 'Nb of HH with increased asset index';</p> <p>Development objective: <i>HH farm income improved</i> has been modified from 'HHs increased net farm income by at least 20%' to 'Nb of HH with increased income'; Only report in cumulative column for income indicator;</p> <p><i>Jobs:</i> New indicator: Number of new jobs created (IFAD CI:2.2.1); targets: Define expected target and activities expected to generate jobs; removed Young disaggregation because no data available</p> <p>ASAP outreach indicator: <i>Poor smallholder household members supported in coping with the effects of climate change:</i> Target adapted since it was taking into account IRECR target;</p> <p>OUTCOME 1</p> <ul style="list-style-type: none"> • ADD: Number of households reporting an increase in production (CI: 1.2.4.) <p>Instead of Increase in net return for agriculture land (supported 1940 ha): removed</p> <p>Only report in cumulative column for production indicator</p> <p>OUTPUT 1.1</p> <ul style="list-style-type: none"> • 1.2 Farmland under water-related infrastructure constructed/rehabilitated <p>Target adapted since it was taking into account IRECR target.</p> <ul style="list-style-type: none"> • New: Beneficiaries from irrigation schemes • 1.5 Roads constructed, rehabilitated or upgraded <p>Target adapted since it was taking into account IRECR target.</p> <ul style="list-style-type: none"> • New: Beneficiaries from roads • New: Rainwater harvesting ponds , monitoring numbers, volume of ponds and hh beneficiaries <p>OUTPUT1.2:</p>

Responsibility	Modification type	Description
		<p>Addition of 3 indicators reflecting activities from subcomponent 1.2</p> <p>ASAP OUTPUTS</p> <p>The Asap outputs have been gathered since they refer to activities in subcomponent 1.1 and 1.2</p> <p>Target adapted since it was taking into account IRECR target.</p> <ul style="list-style-type: none"> • New or existing rural infrastructure protected from climate events (US\$' 000/Km): <p>Data updated because it refers to investments in ponds, and land restoration investments (including IFAD ASAP and government and beneficiaries contribution)</p> <p>OUTCOME 2:</p> <ul style="list-style-type: none"> • “Increase collateral coverage requested by PFIs”. Delete the indicator since it cannot be attributed to the project, but rather to the overall trend of Moldova financial sector. • Replaced by “ Policy 3 Outcome: Existing/new laws, regulations policies or strategies proposed to policy makers for approval, ratification or amendment”. This indicators refers to the Memorandum of Understanding (MoU) was signed between the CPIU and the NCFM for remittances project and the partnership agreement with the newly created National Central Association of SCAs (NCASCA) to provide support on their marketing strategy and SCA training. • “Value guarantees extended have been repaid” : outcome related to the Guarantee fund. The implementation or cancellation of the Guarantee Fund is currently being discussed between IFAD and the Government. All related indicators should be deleted from the logframe if the fund is cancelled. <p>OUTPUT 2.1:</p> <ul style="list-style-type: none"> • NEW: Enterprises financed with loans <p>OUTPUT 2.2 :</p> <ul style="list-style-type: none"> • Outputs related to Guarantee Fund <p>The implementation or cancellation of the Guarantee Fund is currently being discussed between IFAD and the Government. All related indicators should be deleted from the logframe if the fund is cancelled.</p> <p>OUTPUT 2.3:</p> <ul style="list-style-type: none"> • Indicators related to training provided by the project and disaggregated by types of training • IFAD indicator on financial literacy
Technical assistance for SCA on remittances	Other	<p>Technical Support will be streamlined into RRP to accompany the Saving and Credit Associations attract and manage remittances channeled to rural and agriculture development. It will be supported by the IFAD’s supplementary grant financed by the European Commission, managed by the IFAD’s Financial Facility for Remittances team.</p>

Responsibility	Modification type	Description
Targeting of COVID-19 affected rural people	Other	<p>RRP will contribute to the pandemic response considering the most acute vulnerabilities of its target population (Youth, Poor rural households, Vulnerable women, and Returning migrants) through specific mitigation measures:</p> <ul style="list-style-type: none"> • Loans combined with matching grants for women funded under ASAP • Loans for innovative climate change adaptation investments for SME, YE, ME (with innovative feature as detailed in Appendix 4 of this report) • Loans aimed at helping beneficiaries to cope with negative effects of the pandemic • Improve the virtual delivery of training courses such as the one on financial literacy, ensuring that the remote modality doesn't hamper interaction among participants and ability to understand contents, <p>Support in the context of its communication activities, social mobilization, training and capacity development activities – providing information to vulnerable women</p>
IFAD/Project	Logical Framework	The logframe has been revised during the mission in order to improve its consistency and better reflect the project's impact pathway; it has been adapted to project specificities and is aligned with IFAD requirements including relevant CIs. (see details in Appendix 4)
IFAD/Project	Reallocation	Use of cancelled credit guarantee funds (USD 4 million of which USD 129,000 under consultancies), conditioned to the discussion with Government on a proposal for the CGF's governance and structure); use of ASAP unallocated category (USD 500,000) to supplement women grants

H. Lessons Learned

Timely and coordinated response to changes in macroeconomic and business environment

When the Implementation Support Mission in June 2020 found that the project funding under Component 2 stopped being competitive – due to changes in market interest rates and business practices of PFIs – the project and its partners came up with a quick, coordinated and effective response: EAPMO revisited the interest rate formula; supported by IFAD, IPSC approved cancellation of the 20% co-funding requirement which had lost its relevance and was a barrier to promoting the project's lending products; the mission together with CPIU came up with a set of relevant, timely changes to the PIM. Taken together, all these measures have helped greatly increase the attractiveness and competitiveness of the project funding (without creating market distortion) – which resulted in fast disbursement and the implementation rate of AWPB for the component at 147.8%. The changes were greatly appreciated both by PFIs and the end beneficiaries.

Need to set up right from design stage clear and detailed implementation arrangements for co-financing grants managed by IFAD

Comprehensive PIM for ASAP-related activities should have been drafted right from project design, in order to avoid lengthy and sometimes contradictory amendments that were then requested each time a new mission came. A clear section in the PIM from the Start-up of the Project would have certainly facilitated the implementation and disbursement of the ASAP grant. The Near East, North Africa, Europe and Central Asia (NEN) Division is managing grants from several donors including GEF, Adaptation Fund, KOICA among others. This modality could be adopted for all projects with co-financing grants managed by IFAD. Furthermore as expressed in the NEN 2020 stocktake, "in case of co-financing, clarity on which safeguards are followed and liabilities is key".

Lesson #3. Language problem during procurement review

The introduction of a practice to keep in the projects' files at least the bid opening minutes and evaluation reports in both

local and English languages will be an important challenge for the IFAD procurement reviews. The supervision missions could face a language problem during the review, especially in procurement, where the bidding documents, bids and evaluation reports shall be precisely checked. The lessons learned showed that the quality of procurement review directly depends on whether projects keep documents in English, at least some of them. To prevent incompliance with the IFAD Procurement Handbook the best practice is to share with IFAD English version of standard bidding documents prior to their use in local languages and keep at least the bid opening minutes and evaluation reports in English for both Prior and Post review packages.

Lesson #2. Procurement: Bid evaluation reporting

Further efforts are needed from the project to improve bid evaluation reporting according to the general standards of evaluation reports. The lessons learned showed that to reach desirable outcomes in proper reporting is impossible in the projects without IFAD particular support in sharing templates. For example IFAD Procurement Handbook recommended to prepare detailed evaluation reports according to the templates widely available either from national procurement systems or from the World Bank or regional development banks. As practice showed nobody in the projects follows this instruction to find out templates by themselves. Such instruction of the IFAD Procurement Handbook seems very broad and insufficient for the projects staff to choose the best templates among variety of the international financed institutions, each of them has their own requirements for reporting. The templates of evaluation reports developed by the World Bank are recommended in this case, which are sufficiently descriptive with clear phased requirements to reflect all major issues of evaluation process. The same approach was used with the bidding documents provided to the CPIU during the mission.

Lesson #1. Project implementation units (PIU) should be able to take an active part in PFI selection or have a say in the PFI selection process in case it is done by another party.

In case of the RRP project, the PFI selection process was transferred from the PIU to the government-run agency in charge of the international projects' revolving funds, the Credit Line Directorate. During the selection process, a number of FIs were selected which did not meet the project's eligibility criteria. However, the PIU was not informed about it and was not provided with the justification of the selected FIs. It is important that PIUs either take part in the selection process and enforce the eligibility criteria, or are made aware of the justification for PFI selection in case the selection is done by a third party. The justification should clearly show that selected PFIs meet the eligibility criteria. In case any of the eligibility criteria are not met, a PIU should be able to reject these FIs. A PIU should also inform IFAD about the selection of ineligible FIs by a third party.

I. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Overview and Project Progress		
Works Implementation Completion of the ongoing contract (village Grimancauti, Briceni district).	CPIU Infrastructure Development Unit	12/2020
Schemes Selection Approval of 10 applications selected for implementation in 2021 by the Grant Committee.	CPIU Infrastructure Development Unit	12/2020
Maintain the targets of 200 individuals and 8 groups in the women pilot (now women matching grant facility) Avail necessary budget through a) inclusion of balance from SP cancelled contract; b) transfer of budget allocation on consultancies/ capacity development under C1 (ASAP funding) up to the ceiling of 10% allowed for category transfer, c) if necessary, complement remaining funding up with the unallocated budget category.	CPIU Director, FSRDM	12/2020

Mobilize women beneficiaries of financial literacy trainings Mobilize women beneficiaries of financial literacy trainings under 2.3 to apply to this matching grant schemes, so to build capacities and confidence to do so	FSRDM	12/2020
Support to women LDGs Support to women LDGs should be included in the technical support to agribusiness (c 2.3), promoting the formation of groups. However, due to potential challenges to provide collaterals, LDGs will not be required to enter into a matching grant scheme but simply access to grants.	FSRDM, VCDS	12/2020
Amend the PIM specifying that not more than one family member is eligible to receive grants offered by the project In order to avoid issues of misbehaviours, the PIM will specify that only one member out of the same family is eligible to receive a grant from the project	CPIU Director	12/2020
Micro lending via banks and SCAs Start ME lending through eligible PFIs (including SCAs, banks and other FIs that meet the selection criteria).	FSRDM	12/2020
NCASCA Action Plan Finalize review and approval of NCASCA partnership agreement for their action plan to be initiated right from the beginning of 2021	CPIU Director, FSRDM	12/2020
Remittance Matching Grant Include the Remittance Matching Grant in RRP AWPB 2021 and in the M&E plan	CPIU Director, FM Specialist, FSRDM, M&E Specialist	12/2020
Sign Amendment to MoU No. 2000002053-FA1 from 09.01.2019 on use of grants funds provided to the NCFM by IFAD	CPIU Director, NCFM	12/2020
Finalize detailed timeline and capacity building plan A detailed timeline and capacity building plan (actions and budget from various sources of funding – EC; RRP) will be developed and shared with IFAD.	NCFM, FSRDM	12/2020
Improved Quality of Engineering Designs Review the design documents provided by applicants prior to proceeding with the bidding for works	CPIU Infrastructure Development Unit	01/2021
Proposals Selection Call for submission of proposals for implementation in 2022 with the aim to reach the project-end physical targets by the end of 2022.	CPIU Infrastructure Development Unit	01/2021

Record the number of beneficiaries benefitting from grassland applications Include in the applications, the requirement for number of HH and cattle benefitting from pastures / grassland	CPIU Director, SCCRS	01/2021
Recruit individual consultant(s) for on farm physical check of CA grant applicants ToRs are revisited to seek for individual consultant(s) (e.g. agronomist) as opposed to company.	CPIU Director, Procurement Specialist	02/2021
Possible cancellation of the MCGF and reallocate the funds to activities under SC 2.1 (loans) and SC 2.3 (technical assistance) Unless the Government submits formally to IFAD by end of February 2021 a concrete proposal on the MCGF's governance and structure for IFAD's assessment and clearance, cancel the MCGF and reallocate the funds to activities under SC 2.1 (loans) and SC 2.3 (technical assistance)	CPIU Director, FSRDM	02/2021
Works Initiation Bids announcement, works contracts signing and initiation of works under 15 contracts.	CPIU Infrastructure Development Unit	03/2021
Broaden pasture management to farmers associations Explore options to include farmers associations (dairy, sheep and goats) in partnership with LPAs for improved grassland management sustainability and also to find ways to link the pastures with value chains (fodder production).	CPIU Director, SCCRS, VCDS	03/2021
Expand eligible categories for women pilot In accordance with the PIM, make sure to broaden the eligible categories for women pilots to include agriculture-related services.	FSRDM	04/2021
Develop a matching grant scheme for vulnerable women, linking it up with the micro entrepreneur loans available under component 2. In the context of the redesign of the women grant activity, ensure that banks will i) abide by clear targeting criteria to reach out to vulnerable women and LDGs, as per the PIM; ii) enforce grant application to all eligible categories, as foreseen in the PIM. In particular, post production and off farm activities, provided they present a link with agriculture	FSRDM	04/2021
Amend the PIM to include products aimed at advancing lending and creating synergies with Component 1 These could include (but are not limited to) matching grants for women, climate adaptation purpose loans; loans aimed at helping to cope with negative effects of the COVID-19 pandemic etc. for all types of loan activities (SME, YE, ME). Target indicators for lending activities should be adjusted accordingly.	FSRDM	04/2021

Agribusiness grants Fast-track evaluation and mobilization processes among Producer Groups so that at least 5 agribusiness grants get disbursed in 2021	FSRDM, VCDS	06/2021
Conduct an Assessment of Pastures Conduct an assessment of the success of pastures and learn from other pasture management projects (Such as UNDP and World Bank). Include provision for the study in the 2021 AWPB	CPIU Director, SCCRS	07/2021
Training for Pasture Management Include provisions in the AWPB and develop a training programme to raise awareness and build capacity in pasture /grassland management	CPIU Director, SCCRS	07/2021
Works Implementation Punctual recruitment of short-term consultant-engineer to speed up the completion of works in 2021.	CPIU Director	11/2021
Development Effectiveness		
Increasing the number of non-CA machinery applications received Follow-up on the number of non-CA machinery applications following the media campaign and take further action as required to ensure a broadening of the type of applications.	CPIU Director SCCRS Communication Specialist	12/2020
Log Frame indicators Elaborate detailed definition and data collection method for each indicator and link it with project's M&E system (OUTPUTS table) to ensure timely and accurate monitoring.	M&E Specialist	12/2020
Beneficiaries count Ensure beneficiaries are properly registered for each activity, especially when it is benefitting LPAs.	M&E specialist and component specialists	12/2020
Capacity building for women pilot and youth Make full use of technical assistance/training/consultancy/KM and outreach remaining available budgets (e.g. lines 1.2.4.1, 1.2.4.2, 2.2.1.2, 2.2.1.3, 2.3.2.1, 2.3.2.2, 2.3.4.1 and 2.3.5.1) to provide dedicated technical and business management support to women and youth involved in upcoming new loans and matching grant packages	FSRDM	12/2020
National coverage of women pilot Extend the geographical area of the women grant target group as the activity is redesigned as part of a matching grant package. Stringent targeting criteria and close monitoring by CPIU will be ensured for banks to reach out to vulnerable women to allow them benefit from the matching grant scheme	FSRDM	12/2020

Climate change resilience (repeat recommendation) Ensure that investments supported by RRP are not only climate proofed (infrastructures/value chains) but that they do not contribute to climate change	CPIU Director, All component leads	01/2021
Update the Gender Action plan Unpack targets by including the actions required to achieve them. As a first step, detail actions required to reconfigure the grant pilot into a matching grant scheme (briefing SPs of C 2.3 activities on RRP gender and targeting objectives to include the most vulnerable, mobilization of C2.3 beneficiaries to participate in the matching grant scheme, etc.)	Gender focal point/ Communication specialist, Component teams	02/2021
Target modifications Propose targets modification if relevant according to the indicator definition.	M&E specialist and component specialists	03/2021
Promote messages related to new masculinities and gender equality within the household through the communication and advocacy activities Develop stories of change, videos or social media content that convey the image of men supporting women's entrepreneurs, equal relationships within the household and on how to share more equally household burdens.	Gender focal point/Communication specialist, Component teams	03/2021
Develop training curricula dedicated to women Training curricula used by the various SPs under Component 2 to be revisited to promote women's interaction and increase their ability to understand and discuss contents even if delivered in a virtual modality in the context of pandemic	Gender focal point/Communication specialist, FSRDM, VCDS	03/2021
Assessment of RRP outcomes related agricultural productivity Include in 2021 AOS a thorough review of outcomes related to productivity gains from the various project interventions	M&E Specialist, project component team	10/2021
Sustainability and Scaling up		
Support the formation of 8 women Local Development Groups as part of technical support to agribusiness (SC 2.3) Support the formation of women Local Development Groups, particularly relevant to business active in the post- production (e.g. berries, medicinal and herbal plants, etc). These groups should then be mobilized to access to the women matching grant scheme under SC1.2	FSRDM, VCDS	01/2021

Systematize current feedback practices and use them as a project management tool - Systematically collect beneficiaries' feedback on the performance of RRP Service providers and partners (e.g. banks), accessibility and suitability of project activities and other recommendations. Feedback should be collected regularly (e.g. twice a year) and also involve potential beneficiaries belonging to the target group, to ensure activities are designed and implemented in such a way that allows their participation - Use beneficiary feedback on training received to keep internal record of SPs' performance, that will inform the bid evaluation committee members for future procurement	M&E specialist and components specialists, Procurement Officer	01/2021
Online application system Development and use of online application system for loans and grants supported by the project.	CPIU director, M&E specialist and components specialists	10/2021
Project Management		
Revision of KM plan 2021 Revise the KM plan to include a more detailed action and dissemination plan of specific KM products, including clear activities on how to foster an enabling environment for learning and knowledge-sharing with potential beneficiaries and partners.	KM&C Specialist	12/2020
2021 AWPB Preparation Disaggregate all activities under 2021 AWPB per quarter with realistic physical and financial projections in each quarter for monitoring purpose	CPIU Director with inputs from all relevant project staff	12/2020
M&E plan Update and complete M&E plan: exhaustive description of each Log Frame indicators and compliance with IFAD requirements	M&E specialist and Component specialists	12/2020
Youth Target Include 20% youth target across components	M&E specialist and Component specialists	12/2020
Beneficiary database (repeat recommendation) Develop a comprehensive beneficiary database for RRP capturing systematically for each beneficiary the number and type of project interventions he/she benefitted from. Extract key figures to illustrate how the various project interventions complement each other among total population reached	CPIU M&E Unit	12/2020
Finalization of 2021 AWPB Ensure 2021 AWPB reflects agreements made during this mission with realistic physical and financial targets. Submit to IFAD for revision and successive NO	CPIU Director	12/2020
Revision of KM budget for 2022-23 Provide a plan for budget utilization for the remaining project's years.	KM&C Specialist, component leads	01/2021

Baseline and monitoring questionnaire Adjust baseline questionnaires to ensure proper information is collected to allow comparison and measurement of indicators M&E specialist and Component specialists March /2021 Agreed	M&E specialist and Component specialists	03/2021
Geo-data (repeat recommendation) Improve the management of geo-data by using QGIS instead of Google Earth and by converting all data from KMZ to shapefiles whilst capturing all results in attribute tables. IFAD support may be sought if needed	CPIU M&E Unit	03/2021
The ENRM / IRECR guidelines are integrated into RRP Ensure that the appropriate IRECR guidelines are shared with the farmers benefitting from RRP's interventions	SCCRS	03/2021
Execution of agreed actions Close and regular follow up of agreed actions (quarterly reporting to IFAD) to ensure that they are implemented in full and in a timely manner (reporting template is provided in Appendix 4)	CPIU Director	05/2021
Supporting VfM analysis The M&E database should be expanded to integrate the analysis of economic data of productive activities, with a focus on the financial viability and profitability of commercially viable production systems. In order to increase CPIU capacity to analyse, evaluate and report on the economic performance of the project, IFAD should provide technical support and detailed guidance on how to identify, integrate, monitor and evaluate VfM indicators. Supporting VfM at this stage would help maximizing the impact of each dollar spent in the project. Further, it will facilitate the validation of progresses made during implementation as well as project evaluation at completion	IFAD, CPIU Director, M&E Specialist	06/2021
Financial Management & Execution		
Procurement Manual Finalize RRP procurement manual and submit to IFAD for no objection	CPIU Director, Procurement officer	12/2020
Procurement planning Procurement plan along with AWPB needs to be submitted 60 days before the next financial year starts to provide sufficient time for preparation of documents, and necessary approvals in order to avoid potential delays	CPIU Director	12/2020
Bid Evaluation Reports (BER) BER must be signed by all Committee members	CPIU committee members/ procurement officer	12/2020
Register of contracts To submit fully filled register of the contracts to IFAD on a monthly basis	Procurement officer	12/2020

Evaluation committees (repeated Recommendation) CPIU Director, as the authority that approves evaluation of bids, should not be present nor involved in any way in Evaluation committees. Ensure the involvement of procurement specialist as a secretary of every Bid opening committee.	CPIU director	12/2020
Acceptance committees (repeated Recommendation) Ensure that procurement officer is in the acceptance committee in order to confirm compliance of the deliverables with the contract requirements	CPIU Director	12/2020
Contract amendments No amendment of contracts that were subject to prior review by IFAD to be made without additional prior IFAD approval	CPIU/Contract Manager/ Procurement Officer	12/2020
Partnership agreement with NCASCA, NCFM and LPAs The procurement guidelines of NCASCA, NCFM and LPAs will be adjusted to reflect the project procurement manual and the procurement delegation of authority will be assessed by IFAD	CPIU/partners	12/2020
Partnership agreement with Value Chain Associations (1) Each partnership agreement's beneficiaries to provide the list of expenditures and for each of them, submit a description on how the goods and services were procured, for eligibility assessment by IFAD.	CPIU Director	12/2020
Partnership agreement with Value Chain Associations (2) All future procurement under VCAs will be undertaken directly by CPIU. The new partnership agreements will reflect this provision.	CPIU Director	12/2020
Procurement function (repeated recommendation) To ensure separation of duties between the procurement function and the finance function within CPIU, update the PIM to include clear reporting structure and reporting lines as well as coordination between various teams	CPIU Director	12/2020
Amendment of Audit contract and TOR for external audit.	Finance Manager	12/2020
Submission of semi-annual IFRs Submission of IFRs within 45 days after the project-end (No later than 15th August and 15th February each year)	Finance Manager	02/2021
Project Implementation Manual - The CPIU to finalise RRP PIM.	CPIU Director, Finance Manager	02/2021
ASAP accounting and electronic archive module Develop and introduce separate accounting and electronic archive module for ASAP Grant	CPIU Director, Finance Manager	04/2021

Seperate programme accounts - Open separate programme accounts for each financial instruments (IFAD Loan, IFAD Grant and ASAP Grant)	MoF, CPIU Director	04/2021
Submission of unaudited financial statements: Submission of unaudited financial statements within 4 months after the year-end.	Finance Manager	04/2021
In-kind contributions - In kind contributions to be included in the audited financial statements as a note	Finance Manager	06/2021
Disclosure of additional statements Disclosure of; 1. Statement of cash receipts and payments; 2. Actual vs Budget report, outside of notes to the financial statements, as required by IPSAS cash basis. Either as a separate additional financial statement or as a budget column in the statement of cash receipts and payments; 3. Fixed asset register.	Finance Manager	06/2021
Submission of Audit report for FY2020.	Finance Manager	06/2021
Submission of quarterly disbursement plans (template to be shared by IFAD)	Finance Manager	

Republic of Moldova

Rural Resilience Project

Mid-term Review

Logical Framework

Mission Dates: 9 to 20 November 2020
Document Date: 17/12/2020
Project No. 2000001156
Report No. 5583-MD

Near East, North Africa and Europe Division
Programme Management Department

Rural Resilience Project

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outreach	1 Persons receiving services promoted or supported by the project							M&E system	Annual	M&E officer	
	Females	0	3 000	5 297	35	97	1.8				
	Males	0	7 000	12 361	25	305	2.5				
	Young		2 000	3 532	23	179	5.1				
	Not Young				37	223					
	Total number of persons receiving services	0	10 000	17 658	60	402	2.3				
	1.a Corresponding number of households reached							M&E system	Annual	M&E officer	
	Households	0	10 000	17 658	60	402	2.3				
	1.b Estimated corresponding total number of households members							M&E system	Annual	M&E officer	
	Household members		28 000	49 442	168	1 125	2.3				
Project Goal Improve the well-being of the Republic of Moldova’s rural population and reduce poverty	Households with increased assets							Baseline Mid-term and Completion Survey	MTR and completion	CPIU M&E unit	Political stability Marco-economic conditions remain stable or improve
	Households	0	40	80		43	53.8				
	Households			2 210		61	2.8				
Development Objective Strengthen the resilience and improve economic opportunities for the rural poor.	Households with improved incomes							Baseline Mid-term and Completion Survey	MTR and completion	CPIU M&E unit	
	Households	0	40	80		45	56.3				
	Households			2 210		64	2.9				
	2.2.1 New jobs created										
	Job owner - men										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	New jobs										
	Job owner - women										
Outcome 1. Enhanced resilience through investments in productive rural infrastructure and agri-systems.	1.2.4 Households reporting an increase in production							M&E system, Component reports		M&E officer and component officer	Climatic changes are in line with current predictions Beneficiaries willingness to participate and contribute
	Households	0	40	80							
	Households			1 835							
Output 1.1 Climate resilient water management and infrastructure development CR-WMID.	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated							M&E system, Component reports	Semi-annual	M&E officer and component officer	
	Hectares of land	0	840	1 440	159.96	159.96	11.1				
	People benefitting from irrigation schemes.										
	Males			294	6	6	2				
	Females			126	4	4	3.2				
	Young			84	5	5	6				
	Total			420	10	10	2.4				
	2.1.5 Roads constructed, rehabilitated or upgraded										
	Length of roads	0	12	24	0	0	0				
	People benefitting from roads.										
	Males			840	0	0	0				
	Females			360	0	0	0				
	Young			240	0	0	0				
	Total			1 200	0	0	0				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Rainwater harvesting ponds										
	Males			4	0	0	0				
	Females				0	0					
	Young				0	0					
	M3			1 200 000	0	0	0				
	Ponds				0	0					
	Total				0	0					
Output 1.2 Farmer’s adaptation through climate resilient investments.	Farmland with climate resilient production and farm-level post harvest management										n/a
	Males			294	4	55	18.7				
	Females			126	3	12	9.5				
	Young			84	2	27	32.1				
	Hectares of land										
	Total			420	7	67	16				
	Women VCD pilot										
	Females			224	15	15	6.7				
	Young			45	4	4	8.9				
	Land restored (shelterbelts +grasslands + vegetation cover) and people benefitting										
	Hectares of land			430	36.2	46.2	10.7				
	Males			7 665	2	3	0				
	Females			3 285	2	2	0.1				
	Young			2 190	2	2	0.1				
	LPA				1	1					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Total			10 950	5	6	0.1				
Output ASAP	Poor smallholder household members supported in coping with the effects of climate change										n/a
	Females				21	31					
	Males				6	57					
	Total household members		785	1 080	76	247	22.9				
	New or existing rural infrastructure protected from climate events (US\$' 000/Km)										
	Value		1 200	2 500	41	54	2.2				
	Households supported with increased water availability or efficiency										
	Households		55	95	10	10	10.5				
	Land under climate-resilient practices										
	Land area		109	192	160	160	83.3				
Outcome 2. Enhanced access to financial services and markets for rural transformation.	2.2.2 Supported rural enterprises reporting an increase in profit							M&E system, Component reports	Annual	M&E officer and component officer	Macro-economic conditions are supportive for doing business. Banks use MCGC to obtain partial collateral.
	Number of enterprises	0	70	120	9	22	18.3				
	Policy 3 Existing/new laws, regulations, policies or strategies proposed to policy makers for approval, ratification or amendment										
	Number			2	0	0	0				
	Value guarantees extended have been repaid							MSMEs audited reports	Annual	M&E officer and component officer	
	Value guarantees		70	160							
Output 2.1 Loans to youth entrepreneurs, SMEs and micro entrepreneurs provided	1.1.5 Persons in rural areas accessing financial services										
	Total number of accesses to financial services				23	51					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Men in rural areas accessing financial services - credit	0	180	293	13	32	10.9				
	Women in rural areas accessing financial services - credit	0	107	175	10	19	10.9				
	Young people in rural areas accessing financial services - credit	0	72	117	10	25	21.4				
	Total persons accessing financial services - credit	0	359	585	23	51	8.7				
	Micro enterprises financed with loans.										
	Males			263							
	Females			112							
	Young			75							
	Total			375							
	SMEs financed with loans										
	Males			22	9	21	95.5				
	Females			9	4	11	122.2				
	Young			6	5	11	183.3				
	Total			31	14	33	106.5				
	YE financed with loans										
	Males			46	4	11	23.9				
	Females			16	5	7	43.8				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Young										
	Total			62	9	18	29				
	Value of loans disbursed to young entrepreneurs							M&E system, Component reports	Semi-annual	M&E officer and component officer	
	Money	0	6 700	11 500	602.31	2 258.31	19.6				
Output 2.2 Guarantee fund established sustainably	Guarantees extended										
	Guarantee	0	920	920							
	Value of guarantees extended										
	Money	0	29 900	29 900							
Output 2.3 Agri-business supported	2.1.2 Persons trained in income-generating activities or business management										
	Females	0	107	175	0	43	24.6				
	Males	0	180	410	0	210	51.2				
	Young	0	72	117	0	116	99.1				
	Persons trained in IGAs or BM (total)	0	287	585	0	253	43.2				
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services										
	Females			90	0	0	0				
	Males			210	0	0	0				
	Young			60	0	0	0				
	Persons in rural areas trained in FL and/or use of FProd and Services (total)			300	0	0	0				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Young Entrepreneurs trained IGA										
	Males			105	0	55	52.4				
	Females			45	0	23	51.1				
	Total			150	0	78	52				
	Agribusiness grants to Producer Groups										
	Groups			10							
	Total members			50							
	Males										
	Females										
	Young										
	Women pilot										
	Young			24							
	Females			120							
	People trained in Business Development Services (DPS)										
	Males			45	0	5	11.1				
	Females			18	4	4	22.2				
	Total			63	4	9	14.3				
	Young			13							
	Small Credit Associations (SCAs) staff trained										
	Males			210							
	Females			90							
	Total			300							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Young			60							
	People trained in Value Chain Development (VCD)										
	Males			119		155	130.3				
	Females			51		20	39.2				
	Total			170		175	102.9				
	Young			34		38	111.8				

Republic of Moldova

Rural Resilience Project

Mid-term Review

Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category

Mission Dates: 9 to 20 November 2020
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Project No. 2000001156
Report No. 5583-MD

Near East, North Africa and Europe Division
Programme Management Department

Appendix 1: Financial: actual financial performance by financier; by component and disbursements by category

Table 2A: Financial performance by financier

<i>FINANCIER:</i>	Appraisal (USD 000)	Disbursement (USD 000)	Disbursed %
IFAD loan	18 200	5 178	28%
IFAD grant	500	29	6%
ASAP Grant	5 000	481	10%
Beneficiaries	9 519	3 974	42%
GoM	2 946	933	32%
PFI	2 570	1 421	55%
TOTAL	38 735	12 016	31%

Table 2B: Financial performance by financier by component (USD '000)

<i>COMPONENT:</i>	IFAD loan			IFAD grant			ASAP Grant			Beneficiaries			GoM			PFI			TOTAL		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
	(USD 000)	(USD 000)		(USD 000)	(USD 000)		(USD 000)	(USD 000)		(USD 000)	(USD 000)		(USD 000)	(USD 000)		(USD 000)	(USD 000)		(USD 000)	(USD 000)	
Component I. Improve smallholder and agribusiness adaptive capacity	4 468	264	5.9%	0	0		4 702	421	9.0%	2 495	345	13.8%	1 931	120	6.2%				13 596	1 150.0	8.5%
Component II. Agribusiness development support	12 746	4 901	38.5%	343	28	8.2%	50	2	4.0%	7 024	3 629	51.7%	327	793	242.5%	2 570	1 421	55.3%	23 060	10 774.0	46.7%
Component III. Programme Management	986	13	1.3%	157	1	0.6%	248	58	23.4%		0		688	20	2.9%				2 079	92.0	4.4%
TOTAL	18 200	5 178	28.5%	500	29	5.8%	5 000	481	9.6%	9 519	3 974	41.7%	2 946	933	31.7%	2 570	1 421	55.3%	38 735	12 016	31.0%

Table 2C: IFAD loan disbursements (USD 000, as at 31 October 2020)

CATEGORY:	Original Allocation (USD 000)	Disbursement (USD 000)	%	Available Balance
Works	3 875 000	251 033	6.48%	3 623 967.00
Consultancies	695 000	10 028	1.44%	684 972.00
Credit Guarantee funds	10 445 000	4 756 780	45.54%	5 688 220.00
Equipment and Materials	45 000	10 093	22.43%	34 907.00
Grants and subsidies	225 000	0	0%	225 000.00
Operating costs	185 000	320	0.17%	184 680.00
Salaries and Allowances	570 000	0	0.00%	570 000.00
Workshop	340 000	1 609	0.47%	338 391.00
Authorized Allocation	0	1 500 000	0.00%	-1 500 000.00
Unallocated	1 820 000	0	0.00%	1 820 000.00
TOTAL	18 200 000	6 529 863	35.88%	11 670 137.00

Table 2C: IFAD ASAP Grant disbursements (USD 000, as at 31 October 2020)

CATEGORY:	Original Allocation (USD 000)	Disbursement (USD 000)	%	Available Balance
Works	465 000	0	0.00%	465 000.00
Consultancies	1 035 000	48 392	4.68%	986 608.00
Equipment and Materials	25 000	28 035	112.14%	-3 035.00
Grants and subsidies	2 810 000	331 835	11.81%	2 478 165.00
Operating costs	45 000	0	0.00%	45 000.00
Salaries and Allowances	60 000	29 066	48.44%	30 934.00
Workshop	60 000	0	0.00%	60 000.00
Authorized Allocation	0	1 417 161	0.00%	-1 417 161.00
Unallocated	500 000	0	0.00%	500 000.00
TOTAL	5 000 000	1 854 489	37.09%	3 145 511.00

Table 2C: IFAD Grant disbursements (USD 000, as at 31 October 2020)

CATEGORY:	Original Allocation (USD 000)	Disbursement (USD 000)	%	Available Balance
Consultancies	250 000	6 251	2.50%	243 749.00
Operating costs	20 000	0	0.00%	20 000.00
Workshop	180 000	20 837	11.58%	159 163.00
Authorized Allocation	0	22 912	0.00%	-22 912.00
Unallocated	50 000	0	0.00%	50 000.00
TOTAL	500 000	50 000	10.00%	450 000.00

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Appendix 2: Physical progress measured against AWP&B

Mission Dates: 9 to 20 November 2020
Document Date: 17/12/2020
Project No. 2000001156
Report No. 5583-MD

Near East, North Africa and Europe Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

Indicator	Unit	Appraisal	2018	2019	Cumulative 2019	2020				
						Plan	Actual	Cumulative	% achievement /2020	% achievement /Appraisal
							31/10/20	31/10/20	31/10/20	31/10/20
Component 1 Improve smallholder and agribusiness adaptive capacity										
Sub-component 1.1: Climate Resilient Water Management and Infrastructure Development										
Irrigation schemes										
Micro and small irrigation schemes	Number	24				4	2	2	50,0%	8,3%
Small agro enterprises in micro and small irrigation schemes	Number	72					10	10		13,9%
Hectares of land irrigated (from irrigation schemes)	Ha	1440				240	159,96	159,96	66,7%	11,1%
Number of beneficiaries (from irrigation schemes)	Total	1600					10	10		0,6%
	Men	1120					6	6		
	Women	480					4	4		
	Young	320					5	5		
Roads										
Access roads	Number	12				5	0	0	0,0%	
Roads constructed (km)	Km	24					0	0		
Small rural enterprises benefit (from access roads)	Number	50					0	0		
Households benefit (from access roads)	Number	1200					0	0		
Ponds							0	0		
Rainwater harvesting ponds	Number	4				1	0	0	0,0%	
Hectares of land irrigated (from rainwater harvesting ponds)	Ha	160					0	0		
Households benefit (from rainwater harvesting ponds)	Number	100					0	0		
Total number of beneficiaries of sub-comp 1.1	Men	2030					6	6		0,3%
	Women	870					4	4		0,5%
	Young	580					5	5		0,9%
	HH	2900					10	10		0,3%
Sub-component 1.2 Farmers' adaptation through climate resilient investments										
ASAP grants										
Grants related to climate resilient production and farm-level post-harvest management	Number	420	9	51	60	120	7	67	5,8%	16,0%
	Men	294	6	45	51	84	4	55	4,8%	18,7%
	Women	126	3	6	9	36	3	12	8,3%	9,5%
	Young	84	3	22	25	24	2	27	8,3%	32,1%
Women Pilot										
Women Smallholders Vulnerability and Business Diversification Pilot grant	Number	224				71	15	15	21,1%	6,7%
	Young	44,8				14,2	4	4	28,2%	8,9%
Land restoration	HH	10950		1	1		5	6		0,1%
	Ha	200				60	7,8	7,8	13,0%	3,9%

Indicator	Unit	Appraisal	2018	2019	Cumulative 2019	2020				
						Plan	Actual	Cumulative	% achievement /2020	% achievement /Appraisal
							31/10/20	31/10/20	31/10/20	31/10/20
W-1 support the restoration of vegetation shelterbelts around farm-land plots	Number	n/a					1	1		
	Men									
	Women						1	1		
	Young									
W-2 support the restoration of vegetation cover in the catchment areas of water schemes and reservoirs	Ha	30				10			0,0%	0,0%
W-3 Support the restoration of grassland restoration	Ha	200		10	10	60	36,2	46,2	60,3%	23,1%
	Number	n/a		1	1		5	6		
	Men						2	2		
	Women			1	1		2	3		
	Young						2	2		
	LPA						1	1		
Total number of beneficiaries of sub-comp 1.2	Men	8116			51		6	57		0,7%
	Women	3478			10		21	31		0,9%
	Young	2319			25		8	33		1,4%
	LPA						1	1		
	HH	11594			61		27	88		0,8%
Component 2: Agribusiness development support										
Subcomponent 2.1: Term finance for MSME										
Micro entrepreneurs financed with loans	Number	375				40	0	0	0,0%	0,0%
	Men	263				28	0	0	0,0%	0,0%
	Women	112				12	0	0	0,0%	0,0%
	Young	75				8	0	0	0,0%	0,0%
YE financed with loans	Number	62		9	9	8	9	18	112,5%	29,0%
	Men	46		7	7	6	4	11	66,7%	23,9%
	Women	16		2	2	2	5	7	250,0%	43,8%
SME financed with loans	Number	31		19	19	12	14	33	116,7%	106,5%
	Men	22		12	12	8	9	21	112,5%	95,5%
	Women	9		7	7	4	5	12	125,0%	133,3%
	Young	6		6	6	2	1	7	50,0%	116,7%
Subcomponent 2.2: Credit Guarantee for MSME										
Number of guarantees	Number	920					0	0	0,0%	0,0%
Value of Guarantees	\$	29.9 mln					0	0	0,0%	0,0%
Subcomponent 2.3: Technical support to MSME										
Matching grants of up to USD 25,000 per PG for processing, linkages with the financial sector	Number	10				4	0	0	0,0%	0,0%

Indicator	Unit	Appraisal	2018	2019	Cumulative 2019	2020				
						Plan	Actual	Cumulative	% achievement /2020	% achievement /Appraisal
							31/10/20	31/10/20	31/10/20	31/10/20
Young entrepreneurs supported with business plan (max USD 450)	Number	63		5	5	15	4	9	26,7%	14,3%
	Men	45		5	5	10	0	5	0,0%	11,1%
	Women	18		0		5	4	4	80,0%	22,2%
Youth entrepreneurs training participants (post-financing)	Number	150		78	78		0	78		52,0%
	Men	105		55	55			55		52,4%
	Women	45		23	23			23		51,1%
VCD trained participants	Number	170		175	175		0	175		102,9%
	Men	119		155	155		0	155		130,3%
	Women	51		20	20		0	20		39,2%
	Young	34		38	38		0	38		111,8%
Total number of beneficiaries of Comp 2	Men	2089			229		13	242		12%
	Women	1075			52		10	62		6%
	Young	633			131		10	141		22%
	HH	3164			281		23	304		10%
Total outreach of RRP	Men	12235			280		25	305		2%
	Women	5423			62		35	97		2%
	Young	3532			156		23	179		5%
	LPA						1	1		
	HH	17658			342		60	402		2%

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Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 9 to 20 November 2020
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Appendix 3: Compliance with legal covenants: status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section 4.02	PCU to open and maintain 3 Project Accounts in MDL; GOM to make an initial deposit equivalent to USD.	From beginning of the project	Partially complied with	As per FA, there shall be 3 project accounts in MDL however, only one project account is opened.
Section 4.02	GOM to replenish Project Account quarterly in advance	Continuous	Complied with	CPIU has an annual allocation (not Quarterly). During the year, expenses are paid from GOV sources of fund, based on needs and within the limits of annual allocations
Section 4.03	Procurement of goods, works and services carried out in accordance with the procedures laid down in Schedule 3	Continuous	Complied with	
Section 4.04	Insurance of vehicles, equipment and civil works financed from the loan proceeds to be consistent with sound commercial practice.	Continuous	Partially complied with	As per national legislations, only vehicles are insured.
Section 4.05, section 11.10(b)	Audit report submitted to IFAD.	30 September 2020	Complied with	The audit submission date extended to 30 September 2020 due to COVID 19 and the submission was in September 2020.
Section 4.06	Progress reports to be submitted to IFAD on a quarterly basis.	Semi Annually	Partially complied with	The reports submitted but on 5 October 2020.
Schedule 4, para 7	AWPB to be submitted to the Fund, for its review and comments	60 days before the beginning of the relevant project year.	Complied with	Draft AWPB for FY2019 submitted to IFAD on 31 October 19 and approved by IFAD on 15 Feb 2020. 2021 AWPB has been submitted to IFAD on 29 th October 2020, yet to be reviewed and approved.
Schedule 4, para 8(a)	A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD.	Mid-point of the project implementation period.	Complied with	MTR date: 9 th November 2020
Schedule 4, para 16	Project to be exempted from all import duties, excise taxes and value added tax (VAT) on investment expenditures	From beginning of the project	Complied with	Payments from IFAD funds are exempted from all taxes.

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Appendix 4: Technical background analysis

Mission Dates: 9 to 20 November 2020
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Appendix 4: Technical background analysis

This appendix includes the following technical annexes:

- **Technical annex 1:** analysis and recommendations; Subcomponent 1.1 – Climate-resilient water management and infrastructure development
- **Technical annex 2:** analysis and recommendations; Subcomponent 1.2 – Climate resilient production system on technologies for smallholders & Ecological restoration interventions;
- **Technical annex 3:** analysis and recommendations; Subcomponent 1.2 – Women grant pilot
- **Technical annex 4:** detailed logframe modifications
- **Technical annex 5:** detailed KM plan
- **Technical annex 6:** feedback from producer group members
- **Technical annex 7:** updated status of actions agreed upon during last ISM (June/July 2020)

TECHNICAL ANNEX 1:

SUBCOMPONENT 1.1 CLIMATE-RESILIENT WATER MANAGEMENT AND INFRASTRUCTURE DEVELOPMENT

The sub-component is designed to support investments in productive rural infrastructure to remove the bottlenecks hampering consolidation and expansion of competitive farms and village-based agribusiness and to foster the adoption of climate-smart technologies. The focus of the sub-component is in micro and small irrigation schemes, rural roads and rainwater harvesting ponds.

The allocated amount of funds under the RRP for the sub-component is about USD 8.81 million, financed by the IFAD loan proceeds (USD 4.47 million), ASAP grant (USD 0.91 million), beneficiaries/communities' contribution (USD 1.67 million) and Government of Moldova contribution of about USD 1.76 million in the form of VAT exemption.

With the funds provided under this sub-component it is expected that 40 infrastructure schemes rehabilitation/construction would be undertaken. These include: (i) 24 micro and small irrigation schemes with total command area of 1,440 ha; (ii) 12 rural roads with total length of 24 km; and (iii) 4 rainwater harvesting ponds with capacity of 300,000 to 500,000 cubic meters and embankment not exceeding 5 meters.

The main emphasis of the sub-component is micro and small irrigation schemes, with a budget of about 75 per cent of the IFAD loan funds for infrastructure (US\$3.5 million) and beneficiary contribution of 15% of investment cost (VAT excluded). The remaining USD 0.97 million from IFAD loan will be used for rural roads investment with required beneficiary contribution of 50% (VAT excluded), while for the rainwater harvesting ponds ASAP grant funds of USD 0.91 million allocated will be used with beneficiary contribution of 10% (VAT excluded).

The mission was provided with all the required information, data and photo materials. Detailed discussions were held with the CPIU relevant staff. The overall performance rating since the last mission is unsatisfactory. Due to COVID-19 pandemic, severe drought and inability of beneficiaries to provide required contribution, so far only 2 schemes (irrigation with total command area of 159.96 ha) out of total 12 schemes selected for implementation in 2019 and 2020 are in process. Total investment cost from the IFAD loan premises so far is about USD 0.31 million or about 6.9% of allocated USD 4.47 million. The quality of works implemented is reported coinciding with the sound engineering standards for the kind of infrastructure under consideration, though some variation orders were undertaken under the current contracts due to design mistakes and miscalculations. *Agreement was reached on implementation plan for 2021. As per the draft AWPB in 2021 it is planned to initiate works implementation for some 15 proposals out of 27 currently qualified, including 5 selected for 2019-2020 and 10 expected to be selected for 2021 and pending for approval by the steering committee in December 2020.*

No sub-component restructuring, or funds reallocation was considered at this stage. The CPIU expressed confidence in full use of allocated funds for sub-component in 2021 and 2022. The mission is pleased to note that number of applications for irrigation schemes and rainwater harvesting ponds increased significantly (mainly due to recent severe drought and relatively high contribution requirements for road investments (50%)) as highlighted by the CPIU. *It was therefore further agreed that the possibility to revise some of the physical targets or reallocation of funds will be considered in the further course of the project implementation based on actual performance.*

Physical and Financial Progress. One civil works contract has been completed so far in Sahama Noua village, Resina district. It is a small-scale irrigation system for command area of 110 ha consisting of a mobile pumping station on Nistru river, 700 m of pressurised polyethylene pipeline and a reservoir lined with a geomembrane and 10,000 cubic meters capacity. The cost of this investment is about MDL 1.99 million (VAT excluded), equivalent to about USD 0.12 million. The total payment to contractor as of 31.10.2020 is about MDL 1.94 million or some 97.5% of total value of the contract. As per the CPIU database, these investments directly benefit 6 households or 6 SMEs. Average landholding per beneficiary household is about 18.3 ha. Three out of six beneficiaries from this investment benefitted also from the IRECR activities, one from the Youth Entrepreneurship financing and two from the SME financing activities. Details are in the Tables 1,3 and 4 below.

Works under another contract for irrigation investment for command area of 49.96 ha in village Grimancauti, Briceni district, are still ongoing. It consists of a pumping station on existing reservoir, about 5 km of pressurised polyethylene pipeline and a next stage mobile pumping station. This investment is valued at MDL 4.5 million (VAT excluded) or about USD 0.26 million equivalent. The total payment to contractor as of 31.10.2020 is about MDL 3.4 million or some 75% of total value of the contracts. Anticipated works completion date is 20.11.2020. As per the CPIU database, these investments will directly benefit 4 household or 4 SMEs. Average landholding per beneficiary household is about 12.5 ha. None of the four beneficiaries from this investment benefitted from other IRECR or RRP activities so far. Details are in the Tables 1,3 and 4 below.

Summary of selection process. Out of 13 applications in 2019 seven were selected for implementation. However, only 2 irrigation schemes reached the actual implementation (see above). One applicant refused the application due to inability to collect the required contribution and 2 other applications were rejected by the CPIU as a result of more detailed hydrological study on availability of the required amount of water in the proposed source and quality of water suggested for irrigation use. Implementation of the last 2 applications were postponed for 2021 as formally requested by the applicants. As per the CPIU report these applicants have already paid their contribution and the works initiation will start in 2021. These include a rainwater harvesting pond and an irrigation scheme for 243 ha.

In 2020 five applications out of total 11 were selected for implementation. Two applicants refused the implementation due to inability to collect the required contribution. Three applicants formally requested to postpone

the implementation in 2021. As per the CPIU report the contributions are paid and the works implementation will be initiated in 2021. These include an irrigation scheme for command area of 101.2 ha and two rural roads with total length of about 3.17 km.

In 2020 two calls for application submission for 2021 were conducted by the CPIU. Under the first call 16 applications were submitted and 10 pre-qualified for feasibility study. The feasibility study for all the 10 proposals completed recently and implementation of these schemes anticipated in 2021. These include 5 irrigation schemes with total command area of about 800.79 ha, one bridge with connecting road sections with total length of about 0.3 km and 4 rainwater harvesting ponds. Expected approval of 10 proposals for 2021 by the RRP steering committee is in December 2020.

Under the second call 12 proposals out of 15 applications were pre-qualified for feasibility study. The deadline for bid submission for consultancy services was on 5 November 2020. Currently the bid evaluation is in process. The proposals consist of 6 irrigation schemes with command area of about 551.26 ha, a rural road with about 0.9 km length and 5 rainwater harvesting ponds. Anticipated completion of feasibility study is in March 2021. Implementation of qualified proposals is planned in 2022.

Thus, as of today some 27 proposals are pre-qualified or qualified at this stage. According to the draft AWPB-2021 it is planned to initiate works implementation under 15 contracts (5 contracts from 2019/2020 applications and 10 contracts for qualified applications). These will consist of 7 irrigation schemes with total command area of about 1,145 ha, four rural roads with total length of about 4.4 km and 4 rainwater harvesting reservoirs. Total USD 4.12 million are planned for implementation of these activities in 2021 including USD 1.89 million from IFAD loan, 0.66 million from the ASAP Grant, USD 0.89 million from the beneficiary contributions and USD 0.68 million from the Government contribution in the form of VAT exemption.

According to CPIU the COVID-19 pandemic will not have a significant impact on infrastructure works. The main risk currently is related with the severe drought, that reduced farmers income resulting in inability to provide required contribution on time. However, as reported by the CPIU for the proposed schemes the contribution payment is in process and the projection of works planned for 2021 is realistic.

The mission would like to share its preference that the sub-component activities shall be completed by the end of 2022, i.e. a year before the RRP completion date, to ensure sufficient time for impact assessment of infrastructure investments. It is therefore the opinion of the mission that an additional consultant (experienced engineer in works supervision and works contract management) might be needed to be recruited. This recommendation shall be seriously considered if planned 15 infrastructure contracts are not fully completed by the end of 2021.

Outputs and outcomes

- Total number of schemes completed and committed so far is 2 versus target of 40 or 5%.
- Completed and committed infrastructure so far include:
 - (i) Micro and small-scale irrigation: 2 schemes with command area of 159.96 ha, versus targeted 24 schemes with command area of 1,440 ha (8.4% and 11% respectively).
 - (ii) Rural roads: no scheme so far versus targeted 12 roads with total length of 24 km.
 - (iii) Rainwater harvesting ponds: no scheme so far versus targeted 4 ponds and 160 ha for irrigation.

It is a bit early at this stage to assess how realistic the targets set in the project documents for the sub-component as the main activities will be initiated in 2021. However, analysis of the approved proposals so far show that for small-scale irrigation and rainwater harvesting ponds activities, most probably, the improved command area and number of ponds will exceed the targeted data, but the number of irrigation schemes will be less. As per the rural roads, at this stage, both number of roads and total length still questionable due to required high contribution of 50% of investment cost. Targeted number of households directly benefitting from the infrastructure investments is 2,924. Again, it is a bit early to assess how realistic is this target as only 2 schemes are currently in implementation. *It was therefore agreed that targets will be reviewed and assessed more realistically during the next mission based on the performance and actual number of committed contracts.*

Community Contribution. The sub-component design requires community contribution of at least 15% of sub-project investment costs in cash for irrigation investments, 50% for rural road investments and 10% for rainwater harvesting ponds investments. Average contribution paid so far under the completed and on-going irrigation contracts is about 18.5%. In addition to this all the communities have to procure the respective detailed engineering designs at their own expense which represents an additional contribution of about 3-5% of the total investment cost.

Engineering Designs. The communities procure the respective detailed engineering designs at their own expense after the approval of final list of eligible proposals. All the designs have to pass through external review and approval (technically and financially) by licenced companies. Relevant certificates of approval are submitted to CPIU. Generally, design methods are adequate for the types of infrastructure under consideration. All the design requirements are standardised in national technical specifications. While the technical solutions are generally adequate, however experience from the two recent contracts revealed that there are some miscalculations of volume of works and materials in the bill of quantities. *To minimise the number of variation orders during the contracts implementation, usually resulting in increasing contract values, it was recommended to CPIU to review the design documents prior to submission for external review and draw attention of external reviewers in careful review of table of quantities to ensure that they are coinciding with the drawings.*

Supervision of Works. Good quality of pumping stations, pipelines, reservoirs and related ancillary structures were reported by the CPIU, evidenced by relevant photo materials. Overall good construction practices and standards of construction have been used. All the documentation as per the applicable regulations such as daily register book, material and equipment certificates, certificates of invisible works, test certificates, request for interim payment and interim payment certificates, certificate of substantial completion, variation orders, etc. have been duly conducted and are available at CPIU as reported. Individual on site supervisors are selected by the CPIU on a competitive basis for each civil works contract. Average cost of supervision for the completed and on-going contracts so far is about 0.75% of total investment cost. Details are provided in the Table 5 below.

Construction costs. A general review of the actual construction cost of completed and ongoing works so far reveals that the average per hectare investment cost for irrigation investment is about USD 2,300 (VAT excluded) versus estimated USD 2,738 per hectare in the project design documents. The average cost per km of roads built under the IRECR is about USD 120,000 (VAT excluded) for concrete paved roads and USD 60,000 (VAT excluded) for stabilized gravel roads. In the RRP design documents the average per kilometre cost for road rehabilitation is estimated about USD 82,000 per km (VAT excluded). Thus, if the assumption is that only few paved roads will be considered under the RRP then the estimation is adequate for this stage. Otherwise, the targeted length of the roads to be considered under the RRP need to be reviewed and reduced accordingly (or alternatively additional funding allocated). Some USD 150,000 (VAT excluded) are estimate for investment in per rainwater harvesting pond. The cost of feasibility studies and supervision so far is about 1.6% and 0.75% of investment cost. Both are below the estimated 2% (for each) in the RRP design documents.

Given the limited number of completed and committed contracts so far it is the opinion of the mission that justified revision of unit costs or physical targets could be done during the next mission when sufficient number of contracts for each type of eligible investment will be committed.

Ownership, Operation and Maintenance of assets. All the rehabilitated/constructed assets under the sub-component (small-scale irrigation schemes, roads, bridges and rainwater harvesting ponds) will be handed over and registered in *primaria* balance sheet as the owner of the assets. The maintenance of rural roads and bridges is typically the responsibility of *primaria*. The *primaria* budget is mainly formed from the local taxes and usually there is a lack of funds to cover all the necessary maintenance activities. Nevertheless, the roads and bridges improved under the sub-component will be serving mainly SMEs who have to contribute significantly in improvement works and, as evidenced from the previous investments, have particular economic interests to keep these assets in proper conditions. It is therefore the mission's assessment that if the adequate quality of works implemented and because of the particular economic interests of benefitting SMEs the sustainability of the component investments would most likely be ensured. The roads and bridges completed so far under the previous IFAD projects are reported fully operational and reasonably maintained. This was also verified by the operational and technical status of the roads visited during the November 2019 mission.

Operation and maintenance of small-scale irrigation schemes and rainwater harvesting ponds to be developed under the sub-component will be the responsibility of the benefitting SMEs or the Water Users Associations (WUAs) established under the Millennium Challenge Corporation (MCC) depending on the location of the scheme. The irrigation schemes will mainly consist of pumping facilities, pipeline and an accumulation reservoir. On-farm equipment will be provided by the SMEs or farmers. As reported, the sustainability of the only irrigation scheme constructed so far under the previous IFAD project is ensured, again due to particular economic interests of producers. However, the adequacy of operation and maintenance practice will be assessed in the further course of the RRP implementation when the schemes will start operation.

Table 1: Physical and Financial Progress

Year of Implementation	##	No. of Contract	Village	District	Type of Investment	Contractor	Unit	Physical Parameter	Total Contract Cost VAT excl. (MDL)	IFAD Investments (MDL)	Beneficiary Contribution (MDL)	Government Contribution in VAT exemption (MDL)	Beneficiary Contribution (%)	Unit Cost	Paid as of 31.10.2020	% Paid	Physical Completion Status
2019	1	C&W-27/20 PRR	Saharna Nouă	Rezina	Irrigation	Termosistem SRL	ha	110.00	1,985,778	1,687,911	297,867	397,156	15.0	18,053	1,936,133	97.5	Completed
	2	C&W-30/20 PRR	Grimăncăuți	Briceni	Irrigation	Capital SRL	ha	49.96	4,498,748	3,598,998	899,750	899,750	20.0	90,047	3,376,658	75.1	On-going
		TOTAL						160	6,484,525	5,286,909	1,197,616	1,296,905	18.5		5,312,791		

Source: CPIU Database

Table 2: Summary of Status

Scope of Contracts	Operational Stage				Cost and Financing (MDL)			
	Completed	Ongoing	Tendered	Total	IFAD Loan	Government (VAT)	Community	Total
Irrigation	1	1	0	2	5,286,909	1,296,905	1,197,616	7,781,430
Rural Roads	0	0	0	0	0	0	0	0
Rainwater Harvesting Ponds	0	0	0	0	0	0	0	0
TOTAL	1	1	0	2	5,286,909	1,296,905	1,197,616	7,781,430

Table 3: Contract Start and Completion Dates

Year of implementation	##	No. of Contract	Village	District	Type of Investment	Contractor	Works Start	Works Completion
2019	1	C&W-27/20 PRR	Saharna Nouă	Rezina	Irrigation	Termosistem SRL	4/22/20	7/14/20
	2	C&W-30/20 PRR	Grimăncăuți	Briceni	Irrigation	Capital SRL	4/23/20	11/20/20
		TOTAL						

Source: CPIU Database

Table 4: Number of Beneficiaries from Infrastructure Investments

Year of implementation	##	No. of Contract	Village	District	Number of benefitting SMEs	Number of beneficiaries		
						Direct	Indirect	Total
2019	1	C&W-27/20 PRR	Saharna Nouă	Rezina	6	6	-	6
	2	C&W-30/20 PRR	Grimăncăuți	Briceni	4	4	-	4
Total					10	10		10

Source: CPIU Database

Table 5: Supervision of works

Year of implementation	##	No. of Contract	Village	District	Supervision				
					Supervisor	Cost (MDL)		Paid as of 31.10.2020	% Paid
						Net amount	Gov Contr		
2019	1	C&W-27/20 PRR	Saharna Nouă	Rezina	Leonid Turea	19,000	11,758	13,300	70
	2	C&W-30/20 PRR	Grimăncăuți	Briceni	Dumitru Baeșu	37,790	23,386	0	0
Total						56,790	35,144	13,300	23

Source: CPIU Database

Table 6: Feasibility study

Nr.	No. of Contract	Name of company	Village	District	Type of investment	Number of Proposals	Cost (MDL)	Paid as of 31.10.2020	Percentage paid (%)Gov. Contribution (VAT)
2019	BS-31/19 PRR	FARM	Saharna Nouă Grimăncăuți Caplani Coșnita Alexandru Ioan Cuza Carahasani Costesti	Rezina Briceni Stefan Voda Dubăsari Cahul Stefan Voda Ialoveni	Irigation Irigation Irigation Irigation water storage pond water storage pond Rural road	7	103,137.32	103,137.32	100
2020	01/20 PRR	ProConsulting SRL	Antonesti Biliceni Vechi Malcoci Ceadr Lunga Vorniceni	Canemir Singerei Ialoveni Ceadr Lunga Straseni	Irigation Rural road Rural road Rural road Rural road	5	58,922.94	58,922.94	100
2021	B&S53/20 PRR	FARM	Unguri Jora de Mijloc Grimăncăuți Grimăncăuți Burlacu Mihăileni Gura Căinarului Căușeni Varvareuca Talmaza	Ocnita Orhei Briceni Briceni Cahul Rîșcani Florești Căușeni Florești Ștefan Vodă	water storage pond Irigation water storage pond water storage pond Irigation water storage pond Irigation Bridge, rural road Irigation Irigation	10	146,098.00	0.00	0

Source: CPIU Database

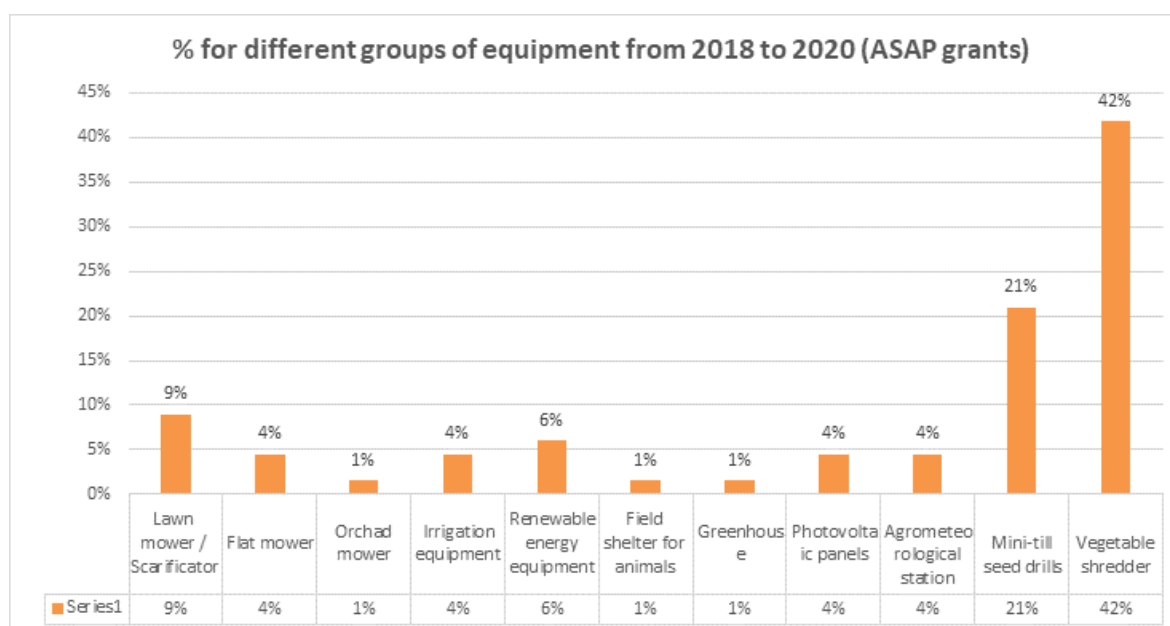
TECHNICAL ANNEX 2:

SUBCOMPONENT 1.2 – CLIMATE RESILIENT PRODUCTION SYSTEM ON TECHNOLOGIES FOR SMALLHOLDERS & ECOLOGICAL RESTORATION INTERVENTIONS

Analysis of the categories the CPIU received applications for Climate resilient production system on technologies for smallholders.

An analysis of the types of equipment requested in the grant applications for the 'Climate resilient production system on technologies for smallholders' output from 2018 to 2020, demonstrates the concern that has been initially reported in the November 2019 supervision mission that there had been a prevalence for large machinery investments namely for vegetable shredders (42%), mini-till seed drills (21%) and very little interest from smallholders. In the original PIM there was an exemption for landholders owning up to 500 hectares, at the same time there were also concerns raised with regards to many shredder applications coming from one supplier (Ozontech Impex SRL).

The combination of these factors may help to explain the skewing of the graph towards machinery that is associated with larger farms. Following the agreed action in the November 2019 and confirmed in the July 2020 supervision mission the 500ha exemption had been effectively closed and the limit of 25 ha enforced. This has had the desired effect as demonstrated by the chart below that in 2020 there have been no applications for landowners with more than 25ha. Simultaneously, an investigation was launched by the grant Selection Committee to investigate the Ozontech trend during which time the receipt and processing of all grant applications had been suspended from November 2019 until August 2020. The result of the investigation was that a cumulative 30 percent quota has been placed on each type of equipment and a 25% quota for any one supplier.



Ha of smallholder farmer

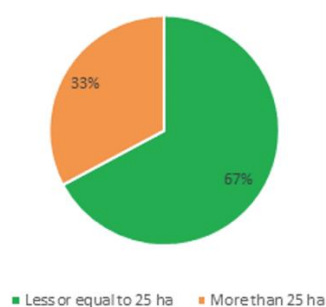


Table 1 - % and number of different groups of equipment from 2018 to 2020

Group of equipment	No.	%
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Lawn mower / Scarificator	6	9%
Flat mower	3	4%
Orchard mower	1	1%
Irrigation equipment	3	4%
Renewable energy equipment	4	6%
Field shelter for animals	1	1%
Greenhouse	1	1%
Photovoltaic panels	3	4%
Agrometeorological station	3	4%
Mini-till seed drills	14	21%
Vegetable shredder	28	42%
Total	67	100%

Table 2 - Ha of smallholder farmer

	No	%	Year
Less or equal to 25 ha	45	67%	2018-20
More than 25 ha	22	33%	2019
	67	100%	

The concerns raised in November 2019 that insufficient to negligible applications had been received from smallholders, resulted in the agreed action to increase outreach to horticulture target groups, but by July 2020 no action had as yet been taken. Consequently in August the CPIU launched a media campaign to attract more interest in ASAP grants by the communications department. The MTR confirmed that on the 14th of august posts advertising the smallholder grants have been posted on Facebook, YouTube, and Instagram. Further visibility was sought in agriculture magazines, the ministry of Agriculture website as well a television and aired nearly 300 times. The success of this media visibility plan needs to be assessed and additional measures taken in the following supervision mission. Another factor causing the apparent low level of interest in the smallholder grants could also be caused by the Covid-19 pandemic and the drought that farmers experienced in 2020 severely reducing their operational and productive capacity.

SC 1.2 Farmers adaptation through climate resilient investments – Strategy / policy development.

As part of the institutional and policy engagement for IRECR, the CPIU is in the process of developing a number of strategies and policies. As IRECR is due to complete in March 2021 there may be insufficient time left for their implementation, there is a strong possibility that some could be taken on by RRP. The MTR recommends the RRP / ASAP to help finance the completion of any outstanding policy developments under IRECR that are directly beneficial to the outcomes of RRP / ASAP.

- The CPIU is at the initial stages of developing a National Strategy for Agriculture and Rural Development 2021-2030. The CPIU is at stage of technical offer evaluation for the procuring of a Service provider.
- The CPIU is also in the initial stages of developing the National Strategy for Irrigation Sector Development 2021-2030. Currently this is at the stage of Expression of Interest (EOI) evaluation with the intention to contract individual experts: One team leader and an irrigation expert.

SECAP and IRECR Environmental Safeguard Guides.

The RRP did not have a SECAP as the project precedes the introduction of the Social Environmental and Climate Assessment Procedures. The RRP will however benefit from the environmental safeguard guides being produced by the CPIU for IRECR as there are many similar activities. A Service Provider has been contracted to deliver 15 environmental management and safeguard guides as well as a training programme for i) the ecological rehabilitation of agricultural lands; and ii) good practices for adapting the livestock sector to climate change. It will be important for these guides to be also applied (where relevant) to the RRP / ASAP project training programmes. Subsequent supervision missions need to follow up to ensure that these guides are being fully mainstreamed into the training programmes of all of RRP. For future reference purposes, the TORs of the 15 guidance documents that will be used in the training of farmers, describe them as the following:

1. *Integrated protection of tomato crops (Solanaceae) and resilience to climate change Climate change:* Developing a spectrum of measures for the diagnosis of pathogens and integrated protection of tomato crops, including measures and integrated preventive, curative and control methods.
2. *Grassing of agricultural land as a method of water and soil conservation:* In a context of combating soil erosion and desertification and need to conserve soil moisture in the context of climate change promote the benefits of weeding; the creation of protective grass coverings on agricultural lands with field crops and in perennial plantations, sowing technology, grass cover maintenance, etc.
3. *Establishment of forest protection curtains as a measure to adapt to climate change:* benefits of forest / shelterbelts, the inclusion in the spectrum of 'forest protection curtains' of native fruit trees and shrubs, the location of forest protection curtain networks and the need for their protection, the technique of establishing

forest protection curtains, legislative and normative regulation for the establishment of forest protection curtains, the care of forest protection curtains, the restoration and improvement of forest protection curtains, general recommendations.

4. *Rainwater harvesting in agriculture to adapt to climate change*: The impact of climate change on the quality and availability of water resources, rainwater harvesting systems for agricultural purposes
5. *Good practices for the use of renewable energy in agriculture*: Types of renewable energy sources in agriculture, grass and wood energy crops, use of vegetable waste, conversion of animal waste into biogas, good practices for the use of renewable energy, including wind energy, and solar in agriculture.
6. *Good practices for the use of degraded land in the cultivation of energy crops and biomass production*: Types of degraded land, land degradation processes, crops with energy potential and biomass production, good practices for the use of degraded land for cultivation crops with energy potential and biomass production.
7. *Good practices for integrated protection of agricultural crops in the context of climate change*: The impact of climate change on the development and emergence of new harmful organisms, species of harmful quarantine and potentially invasive organisms that may affect indigenous crops, spectrum of measures to integrate organisms harmful in agriculture.
8. *Guide to good practice in organic farming in the context of climate change*: Advantages of applying organic farming in the context of climate change; crop rotation, cover and intercropping crops, minimum tillage system, etc. as good practices in organic farming; checklists on the implementation of climate resilience and climate change mitigation measures.
9. *Brochure on good practices in organic farming in the context of climate change*: brochure presenting good practices in organic farming in the context of climate change in a concise and captivating way.
10. *Ecological rehabilitation of agricultural land*: Causes of agricultural land degradation and its effects on soils, biodiversity, quality and availability of water resources, climate at local and regional level; benefits of ecological restoration of agricultural land at household and landscape levels (sustainable management of land and forests, integrated water resources management, resilience to change climate, etc.); and soil conservation and prevention of land degradation.
11. *Good practices for adapting the livestock sector to climate change*: The impact of climate change on the livestock sector (cattle, sheep and goats, pigs and poultry) and measures to ensure resilience. Mitigation measures to reduce and prevent Greenhouse Gas (GHG) emissions. Good breeding practices, breeds, breeding and breeding of bovine animals with the potential to adapt to climate change, maintenance systems and improvement of feed quality and digestibility, measures to improve animal health and welfare, grazing, farm and animal shelter, manure management stable: collection, storage and use; checklists on the implementation of climate resilience and climate change mitigation measures.
12. *Good practices in beekeeping in the context of climate change*: The impact of climate change on bee production and adverse climatic events, adaptation and resilience measures, bees' contributions to forest management and conservation, pollination and crop harvests, the main factors in increasing the productivity of beekeeping families bees, good practices in the maintenance and reproduction of bee families, the prevention and control of diseases and pests in beekeeping, the placement of apiaries and beehives in climate change; checklists on the implementation of climate resilience and climate change mitigation measures.
13. *Good practices in fisheries in the context of climate change*: The impact of climate change on fish production and adverse climatic events, adaptation measures and ensuring resilience, protection of ecosystems, biodiversity and nature in fisheries, reduction and prevention of Greenhouse Gas (GHG) emissions, aquatic basins, ponds and fish farming systems, water quality and prevention of asphyxiation of plankton and fish in water basins, phytophagous and mixed fish species, reproduction of major fish species, types of aquatic breeding grounds, population of juveniles water basins and ponds, control of specific diseases and pests, breeding, feeding, production and recovery of fish from water ponds and ponds; checklists on the implementation of climate resilience and climate change mitigation measures.
14. *Good practices for growing fruit, grapes and berries in the context of climate change*: The impact of climate change on the growth and production of fruit and berries, adverse climatic phenomena, adaptation measures to ensure resilience, sustainable management of agricultural land, species and variety selection adapted to the conditions of the growing environment, methods and measures for the control of weeds, diseases and pests, soil and fertilization management, application of agricultural practices that sequester carbon, water and irrigation management; checklists on the implementation of climate resilience and climate change mitigation measures.
15. *Good practices in vegetable growing in the context of climate change*: The impact of climate change on the vegetable sector, unfavourable climate phenomena, adaptation measures to ensure resilience, sustainable management of agricultural land, selection of species and varieties adapted to growing conditions, methods and measures weed, disease and pest control, soil and fertilizer management, application of carbon sequestration agricultural practices, water and irrigation management; checklists on the implementation of climate resilience and climate change mitigation measures.

Component 2: Agribusiness Development Support (ABDS) – SC 2.1. Term finance for MSMEs.

Loans for CCA investments for SME, YE, ME should be tracked as a separate category, to capture the subcomponent's contribution to this objective.

A preliminary list of eligible investments has been drafted by the mission as follows. Note that this list is not exhaustive and may be amended/expanded along the life of the project.

Category of eligible equipment	Types of equipment
Energy efficiency in rural sector including biomass use	Building insulation; heat pumps and distribution systems; ventilation system with heat recovery; energy efficient lighting systems (LEDs); pellet-fired boiler; heating system for greenhouses; replacement of old diesel burners with new natural gas burners; construction of biogas plant; CHP to generate electricity and heat to the bio-ethanol production facility; installation of PV systems; energy willow production for heat generation.
Soil conservation and Fertility Enhancement	Replacement of the agricultural machinery for mini-till and no-till tillage (tractors, seeders, scarifiers, etc.); green fertilizers growing in the agricultural crop rotation
Climate-smart irrigation combined with conservation agriculture	Construction of drip irrigation grid or subsurface drip irrigation in combination with smart component (sensors) + green fertilizers introduced in the agricultural crop rotation; Replacement of hardware to apply new tillage technology: No-till and Mini-till soil processing
Waste to energy generation	Construction of Small Medical Waste Incineration; landfill gas (LFG) recovery systems; biogas from sewage waste
Energy Efficiency in rural sector including biomass use	Building insulation; wood chips-fired boiler instead of the existing diesel-fired one; pellet fired bakery oven as a replacement of an old gas fired oven; replacement of incandescent bulbs by LEDs; solar collectors for hot water production; pellets boilers for heating greenhouses, energy willow production for heat generation
Rain / snow water harvesting through small scale catchments for irrigation use with photovoltaic system for water pumping	Construction: of water storages, drip irrigation grids, PV and electricity network
Waste Treatment for energy and fertiliser production.	Construction of methane tanks at animal farms to produce biogas and organic fertilizers; boilers for heat generation; storages of organic fertilizers
Protection of crops against increased climate hazards	Hail nets and anti-frost technology.

TECHNICAL ANNEX 3:

SUBCOMPONENT 1.2 – WOMEN GRANT PILOT

Context and analysis

The subcomponent on climate vulnerable women- farmers intends to benefit 200 individuals and 8 women-only Local Development Groups (LDGs). The targets were revised in 2018 (200 instead of 225; 8 groups instead of 10), including the ceilings available (USD 5,000 instead of 1,800 and USD 8,000 instead of 10,000).

So far, the grant pilot has cumulatively received 33 applications; 19 qualified for approval of which 15 have already been financed; 10 are pending and 4 were rejected. This represents 21% of the annual target of 71 and 7.5% on the overall target of 200. No Local Development Group has yet benefitted from the grant facility. The average grant size is USD 4,800, which confirms the choice of revising the ceiling upwards; however keeping the targets entails revising the budget allocation of this activity

Since the mission was conducted in a remote modality, virtual interviews were conducted with women beneficiaries, complemented by the use of questionnaires to seek their feedback on project activities (4 responses), as well as that of women that instead did not benefit from project activities but fall under the categorization of project's intended beneficiaries (2 responses, women whose application was rejected).

Outreach and mobilization by the recruited SP has not been conducive to successful grant access for this important target group, despite the SP contract's amendment made in line with IFAD's recommendations. The amendment of the contract with the SP AO MEGA in 2020 June included provision of field visits to all applicant women. However, only 7% of mobilized women who received individual assistance got approved. 63% of approved grantees were not assisted by the SP.

Besides, the SP support focused on administrative grant procedures, rather than assisting women develop their business ideas as recommended during the last mission and in line with the SP contract amendments realized. The individual assistance foresaw individual support to identify and develop sound business ideas, building up business preparation and management skills that would also help to identify the most appropriate equipment for the intended investment, cashflow projections, basic market identification, etc. The service provider AO Mega failed to deliver on these activities and focused instead only on supporting beneficiaries on administrative procedures.

The mission re-emphasizes that pre-investment support is a key enabling measure for targeted vulnerable women, who also often are entering into agricultural business for the first time- (see questionnaires' results)

Continuous underperformance of this activity for a key RRP target group calls for rethinking its implementation arrangement. The mission endorses the proactive recommendations of the CPIU to include grants as part of a matching grant scheme, using the same approach as the successful DANIDA youth grants implemented under IRECR . Banks will be in charge of the outreach and pre-investment technical assistance. This responds to banks' interest into micro entrepreneurs target group, facilitating their access to finance.

Among other benefits, this solution will allow to:

- i) Streamline management of activities, simplifying implementation arrangements;
- ii) Enhance components synergies;
- iii) Broaden the geographical scope at national level in a cost-effective manner, taking advantage of bank's branches throughout the country.
- iv) The matching grants would also simplify the overall application process, facilitating target group access to the activity. Among others, it would allow to remove the lengthy and cumbersome approval process of grants which has to go through the approval of the Commission and then that of the Committee. Moreover, it would exclude the obligation to present the three price offers because the loan will act as an incentive to select the cheaper option; the contract with supplier will be enough. These advantages will also reduce the length of the overall application process.

A meeting with the SP and beneficiaries also showed that the PIM was not being correctly interpreted in terms of eligible categories. The MTR recommends as per the PIM to better communicate on the eligible categories (e.g. bakeries, agricultural oil mills or even retail services functioning as middle-women to facilitate access to market) to increase the attractiveness and success rate of the pilot. As per the PIM, only agriculture-related activities are eligible. Eligible investments can also include post-production activities such as bakeries and small oil mill, etc.

It is important to restate that the target group is most economically vulnerable women wanting to develop a small business to improve their livelihoods. The mission noted that there might be a possibility of misbehaviours, with husbands putting forth their wives' names to ensure access to this very appealing grant / matching grant package. Mitigation measures agreed by the mission include i) clear inclusion in the PIM on the fact that only one family member will be eligible for grant activities in the project; ii) focus on capacity building and technical support would act as a powerful support to vulnerable women, enhancing their economic development and decision-making capacity in any case. Correct and sequenced implementation of capacity building activities for women pilot in the matching grants can promote women's knowledge, confidence and therefore ability to speak up and make decisions.

Interviews and questionnaires to vulnerable women targeted by the project revealed that they are mostly entering agricultural business for the first time in their life and have no degree of experience with the banking sector and are

in strong need of support/ capacity development on financial literacy. It is thus recommended to ensure a strong and iterative pre-investment support to women (potential) beneficiaries through capacity building activities, in order to i) build their confidence to become entrepreneurs, ii) help them identify a clear business idea and related technical specificities required to deliver on it, iii) lead them to access matching grant facility.

Recommendations

In order to operationalize the recommendation the mission recommends the following:

- i) In order to allow the new matching grant scheme to function:
 - a. The grant budget will have to be reviewed upwards to allow keeping the target of 200 with the higher maximum ceiling: $(190 \times \text{USD } 4,800) + (10 \times \text{USD } 8,000) = \text{USD } 992,000$
 - b. It is estimated that the allocation for loans will be USD 210,000, based on the following calculations $190 \text{ loans of about USD } 1,000 = \text{USD } 190,000 + \text{max } 10 \text{ loans of about USD } 2,000 = \text{USD } 20,000$
- ii) Consider termination of the contract with the current SP based on its weak performance so far, and as banks will now be in charge of the women outreach at national level (including pre/post investment support). Considering the ongoing body of work of the SP with potential applicants, it is recommended to keep the contract active at least until a functional window through the banks will become functional.
- iii) Ensure that banks will abide to clear targeting criteria to reach out to vulnerable women, as indicated in the PIM;
- iv) Provide 100% pre-investment technical assistance to vulnerable women applying to the matching grant scheme. Make full use of technical assistance/training/consultancy/KM and outreach remaining available budgets (e.g. lines 1.2.4.1, 1.2.4.2, 2.2.1.2, 2.2.1.3, 2.3.2.1, 2.3.2.2, 2.3.4.1 and 2.3.5.1) to provide dedicated technical and business management support to women and youth involved in upcoming new matching grant packages;
- v) Mobilize women beneficiaries of financial literacy trainings under sub-component 2.3 to apply to this matching grant schemes, in order to build their capacities and confidence to do so.
- vi) Maintain the target of 200 individuals and 8 groups by increasing budget available for this activity (additional USD 595,000 for individuals, while the allocation to the groups has a surplus of USD 16,000 due to ceiling revision). This additional budget can be drawn from a) available balance from the SP's cancelled contract; b) re-allocation of consultancies/ capacity development under C1 (ASAP funding) up to the ceiling of 10% allowed for category transfer, c) if necessary, complement remaining funding up with the unallocated budget category. Support to women LDGs should be included in the technical support to agribusiness (SC 2.3), promoting the formation of groups and their access to the matching grant schemes.

Summary of recommendations

Actions	Responsibility	Deadline	Status
Capacity building for women pilot and youth seeking climate-change adaptation matching grants Make full use of technical assistance/training/consultancy/KM and outreach remaining available budgets (e.g. lines 1.2.4.1, 1.2.4.2, 2.2.1.2, 2.2.1.3, 2.3.2.1, 2.3.2.2, 2.3.4.1 and 2.3.5.1) to provide dedicated technical and business management support to women and youth involved in upcoming new matching grant packages	FSRDM	Continuous starting as soon as matching grant packages are operational	Agreed
National coverage of women pilot Extend the geographical area of the women grant target group as the activity is redesigned as part of a matching grant package. Stringent targeting criteria and close monitoring by CPIU will be ensured for banks to reach out to vulnerable women to allow them benefit from the matching grant scheme	FSRDM	April /2021	Agreed
Expand eligible categories for women pilot In accordance with the PIM, make sure to broaden the eligible categories for women pilots to include agriculture-related services.	FSRDM	April /2021	Agreed
Adjust implementation arrangements to support the reconfiguration of the women pilot into a matching grant scheme Based on its weak performance, consider terminating the contract with the SP after completion of its ongoing activities (e.g. activities related to grant applications still in the pipeline) Reallocate contract balance under the budget for women's grants activity.	CPIU Director	April /2021	Agreed
Develop a matching grant scheme for vulnerable women, linking up ASAP- funded grant activity with the micro entrepreneur loans available under component 2. In the context of the redesign of the women grant activity, ensure that banks will i) abide by clear targeting criteria to reach out to vulnerable women and LDGs, as per the PIM; ii) enforce grant application to all eligible categories, as foreseen in the PIM. In particular, post production and off farm activities, provided they present a link with agriculture	FSRDM	April /2021	Agreed

Provide 100% free pre-investment technical assistance to vulnerable women applying to the matching grant scheme. Taking advantage of funds availability for this purpose in C2.3, under consultancies. Modify PIM accordingly.	CPIU Director, FSRDM	April /2021	Agreed
Maintain the targets of 200 individuals and 8 groups in the women pilot (now women matching grant facility) Avail necessary budget through a) inclusion of balance from SP cancelled contract; b) transfer of budget allocation on consultancies/ capacity development under C1 (ASAP funding) up to the ceiling of 10% allowed for category transfer, c) if necessary, complement remaining funding up with the unallocated budget category.	CPIU Director, FSRDM	December /2020	Agreed
Mobilize women beneficiaries of financial literacy trainings Mobilize women beneficiaries of financial literacy trainings under 2.3 to apply to this matching grant schemes, so to build capacities and confidence to do so	FSRDM	Continuous	Agreed
Support to women LDGs Support to women LDGs should be included in the technical support to agribusiness (c 2.3), promoting the formation of groups and their access to the matching grant schemes.	FSRDM, VCDS	Continuous	Agreed

Exhibit 1: Questionnaire for beneficiaries of the women's grant facility (4 respondents)

#	Question	Answer
1	Identification of respondent	- Location (village, region) Rezina, Echimnauti (2) Rezina, Minceni (1) Rezina, Busauca (1) - Age 36,61,63,42 - Sex - Status: married, (4) - Are you a migrant worker? No (4) - are you receiving remittances? No (4)
2	What is the average monthly income of the household?	- below 1,938 MDL ¹ - above 1,938 MDL but less than 3,200 MDL (1) - Above 3,200 MDL (2)
3	What is the main source of income of the household?	<i>Tick as appropriate</i> - Off- farm employment (2) - Social security assistance (1) - No income (1)
4	Are you part of a group? <i>NO / Yes</i>	No (4)
5	Would you be interested in joining one of these groups?	Yes (2) No; why? not interested, no utility in it (2) If yes, what holds her back? She will see in the future (2)
6	How much land does your household own or rent?	- Between 2 and 10 ha (4)
7	For how many years have you been engaged in agriculture activities?	<i>Tick where applicable:</i> - 1 year or less (3) - 1 to 5 years (1)
8	What sorts of hurdles do you face in your agricultural activity?	Please describe succinctly key issues Drought (3) ; animal health issues (1)
9	Would you be interested in upgrading an off-farm activity? <i>Y/N and if yes which one</i>	- No (3) - Yes, Bakery (1)
10	Which agricultural activity are you trying to upgrade through the grant?	- Fruit orchard (1) - Small livestock (1) - Bee keeping (2) - Vegetables (1)
11	Which phase of your agricultural business would benefit from an investment?	- Primary production (2) - Other (specify) (2)
12	What would help you upgrade your agricultural activity?	Tick all those that apply - Technical capacity development on agricultural production (1) - Financial literacy (4)
13	Which of the following investments are you pursuing through the grant?	Tick all those that apply - irrigation equipment (e.g. drip irrigation, rainwater harvesting tanks) - waste management systems (e.g. composting equipment, wood shredder and briquetting equipment, etc.)

¹ Subsistence level 2020 as per <http://www.infotag.md/populis-en/283733/>, slightly higher than the 2015 one included in the PDR (1724 lei)

#	Question	Answer
		<ul style="list-style-type: none"> - high quality seeds, seedlings, flowers and vegetables - diversification of crops with spices, medicinal and aromatic plants - small post-harvesting and processing equipment, such as solar driers, dehydrators, and distillers - others (specify) (4)
14	Have you participated in any needs-assessment consultation with AO MEGA? (e.g. discussion on technical assistance needed to improve agricultural capacities, knowledge, skills, roles and administrative arrangements)	Yes (4) If yes, when December 2019 (4) November 19 (2)
15	Have you benefitted from AO MEGA - led technical support? Yes/ No	Yes(4) <i>If Yes, please tick all those that applies</i> <ul style="list-style-type: none"> - Assistance to apply to matching grants (4) - Support in identification of climate smart technologies - Capacity building on agricultural production - Capacity building on formation/ strengthening of groups - Financial literacy - Capacity building on business management - Other (specify)
16	Ask only If participated in any technical support activity provided by AO MEGA Was it useful?	Yes (4) If the answer is NO, how could it be improved?
17	Where did you learn about the gran programme	<ul style="list-style-type: none"> - AO MEGA outreach (1) - Word of mouth (1) - poster at the LPA, with details about the meeting (1) - announcement in the village (1)
18	Was the grant application process easy and straightforward?	Yes (4)
19	Was your grant proposal immediately accepted?	Yes (3) No (1) more than 5 months took to receive money
20	How much is your total investment cost? LEI 120,000 (2) 150,000 (1) 195 000 (1)
21	What is the source of your in cash contribution to the investment?	<ul style="list-style-type: none"> - savings, debts from relatives, friends (2) - savings (1) - debts from relatives, friends (1)
22	How much do you expect to increase your productivity with the investment?% (average estimate) no expectations for the thirst year, see next year (1) has some notes, but can't offer an answer (1) not sure what to answer (1) None (1)
23	How much additional income are you expecting to generate out of this investment? LEI/month (average estimate) no expectations for the thirst year, see next year (1) has some notes, but can't offer an answer (1) not sure what to answer (1) None (1)
24	Is there any type of technical support that you would like to receive to maximize the results of your investment and increase your income?	Yes (3) If the answer is YES, please specify training accounting (2) seminars, workshop, visits (1)
25	Are you receiving any grant / support from other donors?	No (4)
26	Do you have a bank account?	Yes (4)
27	Have you ever benefitted from a bank's loan to improve your business?	No (4) If no, why? <ul style="list-style-type: none"> - not ready for this engagement (1) - at my age they don't offer (1) - not willing to take a loan (1) - afraid to make this step (1)
28	Do you have any recommendation to improve the grant programme?	Kindly indicate in a few words..... <ul style="list-style-type: none"> - Widen the aria, because there are villages that are interested, example: Tahnauti Rezina - more workshops - too many documents to fill out
QUESTIONS RELATED TO NUTRITION		
29	How many meals per day do you have?	3 and a snack
30	Do you ever go to bed hungry?	No (4)

#	Question	Answer
31	Do you produce yourself the food you eat?	Yes (4) If the answer is YES, (tick where applicable) - all of it, - most of it (2) - I produce and buy in equal quantities, (2) - small part of it

Exhibit 2: Questionnaire for non-beneficiaries in the target group of the women's grant facility

Target Respondents: two Non grantee women (mobilized by AO MEGA) respondents

#	Question	Answer
1	Identification of respondent	- Name - Location (village, region) - Age 34,64 - Sex - Status= married - Are you a migrant worker? No - are you receiving remittances? No
2	What is the average monthly income of the household?	- below 1,938 MDL - above 1,938 MDL but less than 3,200 MDL (1) - Above 3,200 MDL (1)
3	What is the main source of income of the household?	<i>Tick as appropriate</i> - Agricultural production / processing - Off farm enterprise - Off- farm employment (<i>please specify</i>) (1) - Remittances - Social security assistance (1)
4	Are you part of a group? <i>NO / Yes</i>	One no, one yes <i>If yes, which type? (tick as appropriate)</i> - Cooperative - Other type of Producers group - Other type of processing group - Other type of group (<i>specify</i>)
5	Would you be interested in joining one of these groups?	No (1) if no, why? prefers to work independently to not depends on others If yes, what holds her back?
6	How much land does your household own or rent?	- Less than 2 ha (1) - Between 2 and 10 ha (1) - More than 10 ha
7	For how many years have you been engaged in agriculture activities?	<i>Tick where applicable:</i> - 1 year or less - 1 to 5 years - 5 to 10 years (2) - more than 10 years
8	What sorts of hurdles do you face in your agricultural activity?	Please describe succinctly key issues Drought (2) financial (1).....
9	Are you interested in upgrading and investing in your agricultural activity	Yes (2) small livestock and bee keeping
10	Would you be interested in upgrading an off-farm activity? <i>Y/N and if yes which one</i>	No (2)
11	Which of your agricultural activity would you be interested in upgrading?	- Field crops - Fruit orchard - Small livestock - Bee keeping - Medicinal and aromatic plants
12	Which phase of your agricultural business would benefit from an investment?	- Primary production (2)
13	What would you need to upgrade your agricultural activity?	Tick all those that apply - Technical capacity development on agricultural production (1) - Better access to financial services (1) - Business management skills - Financial literacy - Other (specify)
14	Would any of the following investments be of use to your agricultural business?	Tick all those that apply - waste management systems (e.g. composting equipment, wood shredder and briquetting equipment, etc.) (1) - others (1)

#	Question	Answer
15	Have you participated in any needs-assessment consultation with AO MEGA? (e.g. discussion on technical assistance needed to improve agricultural capacities, knowledge, skills, roles and administrative arrangements)	Yes in autumn 2019 (1) ; no (1)
16	Have you benefitted from AO MEGA - led technical support? Yes/ No	<i>If Yes, please tick all those that applies</i> - Assistance to apply to matching grants (2) - Support in identification of climate smart technologies (1) - Capacity building on business management (1)
17	<i>Ask only If participated in any technical support activity provided by AO MEGA Was it useful?</i>	Yes (2)
18	Did you apply to RRP grant for women?	Yes (2)
19	If the answer to above question # 18 is YES	- The application was not submitted to IFAD, because it fails at the stage of AO Mega assessment. The value of the project was too high, and because of insufficient own contribution I claim the application back. - the applicant could not collect 3 offers b) Do you intend to revise your business project and apply again? Yes (2) c) and if YES, would you need additional support from AO MEGA or other service provider to revise your project? Yes (1) No I have all the documents apart from 3 offers (1) d) were you able to match the 20% counterpart funding required? Yes (2) , what was the source? Loan from a financial institution (2)
20	If the answer to above question # 18 is NO	What could make you change your mind and make you apply next time? (Please explain in brief)
21	Are you receiving any grant / support from other donors?	No (2)
22	DO you have a bank account?	Y (1) - No (1)
23	Have you ever benefitted from a bank's loan to improve your business?	No (2) If no, why? I was not eligible for a loan (1); I am afraid of credits (1)
QUESTIONS RELATED TO NUTRITION		
24	How many meals per day do you have?	3 (2)
25	Do you ever go to bed hungry?	No (2)
26	Do you produce yourself the food you eat?	Yes, - I produce and buy in equal quantities (2)

TECHNICAL ANNEX 4:

DETAILED LOGFRAME MODIFICATIONS

Logframe modification and M&E recommendations

The logframe has been revised during the mission in tight collaboration with the CPIU in order to improve its consistency and better reflect the project's impact pathway; it has been adapted to project specificities and is aligned with IFAD requirements including relevant Corporate Indicators (CIs).

Some indicators were added at outcome level to include all the effects expected by the project, such as households with increased production and number of new jobs created. At output level, various indicators were included to better reflect activities implemented by the project, thus allowing the logframe to properly monitor the progress of the project.

As for the Guarantee Fund, the implementation or cancellation of the Guarantee Fund is currently being discussed between IFAD and the Government. All related indicators should be deleted from the logframe should the fund be cancelled.

The structure of the logframe was slightly rearranged representing the project structure (components and subcomponents).

Outreach

- 1.b Estimated corresponding total number of households members

The calculation of the estimated households members was based on 2,5 members/HH benefitted but the current estimation is 2,8 members/HH

- 20% youth target added

Project goal:

- Asset ownership: the indicator has been slightly modified.

Initial : HHs increased asset ownership by at least 30% (Results and Impact Management System 3rd level mandatory impact indicator)

Proposal: Nb of HH with increased asset index

Confirm target and universe of HH expected to increase asset and confirm minimum increase of assets required of 30%

Only report in cumulative column for ownership indicator

Development objective:

- HH farm income improved

Initial : HHs increased net farm income by at least 20%

Proposal: Nb of HH with increased income

Confirm target and universe of HH expected to increase income and confirm minimum increase of incomes required of 20%

Only report in cumulative column for income indicator

- Jobs:

New indicator: Number of new jobs created (IFAD CI:2.2.1)

Targets: Define expected target and activities expected to generate jobs

(In the PDR, for instance: Irrigation schemes: 700 new FTE jobs (of which 280 permanent))

Remove Young disaggregation because no data available

- ASAP outreach indicator: Poor smallholder household members supported in coping with the effects of climate change

Target adapted since it was taking into account IRECR target.

OUTCOME 1

- ADD: Number of households reporting an increase in production (CI: 1.2.4.)

Instead of Increase in net return for agriculture land (supported 1940 ha): to be removed

Only report in cumulative column for production indicator

OUTPUT 1.1

- 1.1.2 Farmland under water-related infrastructure constructed/rehabilitated

Target adapted since it was taking into account IRECR target.

- New: Beneficiaries from irrigation schemes

- 2.1.5 Roads constructed, rehabilitated or upgraded

Target adapted since it was taking into account IRECR target.

- New: Beneficiaries from roads

- New: Rainwater harvesting ponds , monitoring numbers, volume of ponds and hh beneficiaries

OUTPUT1.2:

Addition of 3 indicators reflecting activities from subcomponent 1.2

ASAP OUTPUTS

The Asap outputs have been gathered since they refer to activities in subcomponent 1.1 and 1.2 Target adapted since it was taking into account IRECR target.

- New or existing rural infrastructure protected from climate events (US\$' 000/Km):

Data updated because it refers to investments in ponds, and land restoration investments (including IFAD ASAP and government and beneficiaries contribution)

OUTCOME 2:

- "Increase collateral coverage requested by PFIs". Delete the indicator since it cannot be attributed to the project, but rather to the overall trend of Moldova financial sector.
- Replaced by " Policy 3 Outcome: Existing/new laws, regulations policies or strategies proposed to policy makers for approval, ratification or amendment". This indicators refers to the Memorandum of Understanding (MoU) was signed between the CPIU and the NCFM for remittances project and the partnership agreement with the newly created National Central Association of SCAs (NCASCA) to provide support on their marketing strategy and SCA training.
- "Value guarantees extended have been repaid" : outcome related to the Guarantee fund. The implementation or cancellation of the Guarantee Fund is currently being discussed between IFAD and the Government. All related indicators should be deleted from the logframe if the fund is cancelled.

OUTPUT 2.1:

- NEW: Enterprises financed with loans

OUTPUT 2.2 :

- Outputs related to Guarantee Fund

The implementation or cancellation of the Guarantee Fund is currently being discussed between IFAD and the Government. All related indicators should be deleted from the logframe if the fund is cancelled.

OUTPUT 2.3:

- Indicators related to training provided by the project and disaggregated by types of training
- IFAD indicator on financial literacy

The MTR recommended several actions to be undertaken in the coming months, regarding the logframe and its indicators. The table below provides with a summary of targets and achievements so far for each activity. It shows how much the project has advanced too far in terms of physical progress and should serve as a basis for the review of the project targets and beneficiaries' count.

	Target	Units	Cumulative 2020	% Progress
Component 1	14494	HH		
Subcomponent 1.1				
Irrigation schemes	1440	ha	160	11,1%
HH beneficiaries	1600	HH	10	0,6%
Women	30%		40%	
Young	20%		50%	
Roads	12	km	0	0,0%
HH beneficiaries	1200	HH	0	0,0%
Ponds	4	units	0	0,0%
HH beneficiaries	100	hh	0	0,0%
Women	30%			
Young	20%			
Subcomponent 1.2				
ASAP grants	420	HH	67	16,0%
Women	30%		20%	
Young	20%		40%	
Women Pilot	224	HH	15	6,7%
Young			30%	
Shelterbelts	200	ha	7,8	3,9%
Vegetation Cover	30	ha	0	0,0%
Grasslands	200	ha	46,2	23,1%
HH beneficiaries Shelterbelts and grasslands	10950	HH	6	0,1%
Women	30%		60%	
Young	20%		30%	
Component 2	3164	HH		
Subcomponent 2.1	468	HH		
Micro entrepreneurs	375	HH	0	0%
Women	30%		0	

	Target	Units	Cumulative 2020	% Progress
Young	20%		0	
YE	65	HH	18	27,7%
Women	30%		40%	
SMEs	31	HH	33	106,5%
Women	30%		40%	
Young	20%		20%	
Subcomponent 2.3	1776	HH		
Matching grants (VCD)	10	Units	0	0%
Fos	10	Units	0	0%
FOs members	50	HH	0	0%
YE BDS	63	HH	9	14,3%
Women	30%		44%	
YE ICA	150	HH	78	52,0%
Women	30%		30%	
VCD trained participants	170	HH	175	102,9%
Women	30%		10%	
Young	20%		20%	
Financial literacy	300	HH	0	0,0%
Women	30%		0	
Young	20%		0	
Total number of RRP	17658	HH	402	2,3%

TECHNICAL ANNEX 5:
TECHNICAL ANNEX 5 –
Detailed KM Plan



IFAD CONSOLIDATED PROGRAMME IMPLEMENTATION UNIT
KNOWLEDGE MANAGEMENT PLAN 2021

Summary:

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Abbreviations and acronyms

IFAD	International Fund for Agricultural Development
CPIU IFAD	IFAD Consolidated Programmes Implementation Unit
IRECR	Inclusive Rural Economic and Climate Resilience Programme
RRP	Rural Resilience Project
KM	Knowledge management
SWOT	Strengths, Weaknesses, Opportunities, and Threats

INTRODUCTION

Knowledge management: Definition

For the purposes of this strategy, Knowledge Management (KM) is defined as “a set of processes, tools and behaviors that connect and motivate people to generate, use and share good practice, learning and expertise to improve projects’ efficiency and development effectiveness”².

To that end, the IFAD Consolidated Programmes Implementation Unit (IFAD CPIU) developed a KM plan for both the Inclusive Rural Economic and Climate Resilience Programme (IRECR) and the Rural Resilience Project (RRP) as described below.

Knowledge management: Goal, objective and activities

The **overall goal** of this KM plan is to support learning and adaptation for improved project performance, and enable both IRECR and RRP to develop, disseminate and use knowledge products.

In particular, the **specific objectives** of this plan are:

- To support learning, adaptation and improved project performance during implementation;
- To capture, use and share lessons learned;
- To improve the design of new projects based on the lessons learned from both IRECR and RRP;
- To influence policy processes and scale up successes;
- To raise awareness of project activities and results, and publicize successful experiences;
- To boost the project profile among decision makers;
- To engage with and inform rural people about project activities;
- To build a community of stakeholders.

The **activities** will be implemented in three broad action areas: (i) knowledge generation; (ii) knowledge use; and (iii) the enabling environment (see detailed activities in “Table 1: Knowledge management action plan 2021”).

The activities will lead to following **outcomes**:

- Operational effectiveness and efficiency are improved;
- Best practices and lessons learned are consistently used in project implementation, and disseminated to other projects and partners;
- Needs and priorities of target groups more consistently addressed through knowledge and learning initiatives;
- Successful experiences are scaled up based on solid evidence-based and technical knowledge on what works and why;
- Project knowledge products are used in policy engagement;
- CPIU IFAD is equipped with a supportive knowledge-sharing and learning infrastructure.

The expected **outputs** include:

- Documented lessons (both successful and non-successful);
- Knowledge products to support policy dialogue, advocacy and visibility;
- Regular learning events (e.g., Seminars/Training for farmers in FFS, 11 farmers field schools created under which were trained 2 864 farmers in using of conservation agriculture technologies; Information materials and training for target groups based on needs assessments (e.g., [Pilot Women Grant](#) brochure and [meeting organized](#) in order to inform target groups regarding);
- Thematic networks/communities;

² IFAD, 2019

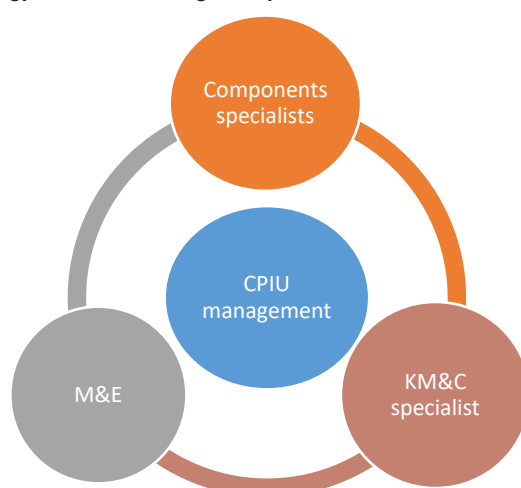
- Knowledge partnerships.

KNOWLEDGE MANAGEMENT ROLE IN IRECR AND RRP

Knowledge management structure

The implementation of the knowledge management strategy requires strong and visible leadership from the management team, and all CPIU staff. It will also require strong partnerships with institutions, partners and the private sector.

Each member of the Unit has the responsibility to engage in developing knowledge products, facilitate connections between the field and headquarter, offer technical support to knowledge-sharing and learning. KM&Communication specialist is working in direct collaboration with M&E and components specialists in order to create new knowledge products that are disseminated to ensure the interaction with the public. This synergy allows achieving all objectives established.



SWOT analysis in the KM context

A SWOT analysis is a simple but useful framework for analyzing the Strengths, Weaknesses, Opportunities, and Threats that CPIU may encounter, especially when about to start a new project or undergo a midterm evaluation, etc. It can also be used in project planning and eventually evaluation of its activities at various intervals.

This SWOT analysis helps in focusing on the main strengths and leverage them to pursue key opportunities and to avoid threats. The team can also become aware of its weaknesses which might need to be overcome in order to take the greatest possible advantage of potential opportunities available.

STRENGTHS	OPPORTUNITIES
<p>Qualified CPIU human capital;</p> <p>A good culture of sharing knowledge inside the CPIU;</p> <p>Use of different dissemination tools, both traditional (website/Facebook) and new (Instagram/YouTube)</p> <p>Accessible information through different tools e.g., CPIU website, Facebook, Instagram, YouTube, Odnklassniki, partners website: agrobiznes.md, madrm.gov.md</p> <p>Good M&E system (rated 5 at 2020 MTR);</p> <p>Adequate human and economic resources for KM;</p> <p>Presence of partners that support Project implementation.</p>	<p>Networking with other projects;</p> <p>Exchange of good practices with partners;</p> <p>Attract more young beneficiaries via social media;</p> <p>Attract more smallholders to RRP, broadening their knowledge of RRP products³</p>
WEAKNESSES	THREATS

³ According to the RRP MTR review, under RRP "Subcomponent 1.2 – climate resilient production system on technologies for smallholders & ecological restoration interventions" there is still a prevalence for large machinery investments namely for vegetable shredders (42%), mini-till seed drills (21%) and very little interest from smallholders.

limited RRP execution; low acceptance rate of the beneficiaries to share their story affect communication activities.	Relatively low level of commitment from the local public authority; lack of successful stakeholder engagement (here stakeholders are beneficiaries)
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Monitoring of KM activities

Each year, as part of the overall AWPB preparation process, the KM plan will be reviewed and updated, taking into account progress and lessons learned, the evolution of the project and potential changes in knowledge themes, and opportunities for new or different KM products. Weaknesses or gaps in the information being obtained from the M&E system will be highlighted and the necessary improvements made to the M&E system itself. The effectiveness of the KM plan will be also monitored through the project's own M&E systems (i.e. number of knowledge products, participation in relevant fora, knowledge products used in policy engagement, number of lessons learned and innovations documented and shared, etc.).

Throughout the KM process needs assessment findings, experience, research findings, and lessons learned are fed back into inputs, processes, and outputs by program implementers, thus improving the development and delivery of KM activities.

Assessing needs can help tailor KM for maximum relevance. When KM routinely monitor their inputs, processes, and outputs, it is possible to quantify and describe what the KM has done, who has been reached, and who has applied knowledge. Information from monitoring also helps KM to identify strengths and weaknesses and to make mid-term adjustments in program design and implementation.

KM appraise by measuring changes in initial outcomes and assessing progress toward specific objectives. Evaluation seeks to explain why an intended or expected change did or did not occur and to identify both the contributors to progress and the challenges and obstacles to change. Taken together, these activities facilitate at first the needs assessment, then monitoring process, and after evaluation process.

Innovation & Experimentation

What worked well:

- Knowledge dissemination using website, social media. It is a quick and accessible way of communicate with the public. As a result, noticed a feedback in number of follower's increase, due to different apps it's possible to analyze the social media public based on different criteria (age/gender/zone);
- Using partners for on line dissemination, the partnerships with Jaman, www.agrobiznes.md, has shown to be a good tool for promotion, with a total number over 32,000 followers on Facebook page and the free Newsletter distribute weekly reaches the mailboxes of over 7,000 subscribers.

What did not work well:

- Using TV channels are difficult to identify the feedback and impact; in the future we should be precise in selecting the specific programs, channels, and networks for the best potential results (e.g., a TV series/soap operas when promoting Pilot Women Grant). To schedule the ads into the appropriate time slots or spots to target the audience we need to communicate to.

Areas for improvement:

- The establishment of new partnerships with institutions that have wide public, with the same goals as CPIU IFAD and with ability to transfer knowledge to potential beneficiaries.

Table 1: Knowledge management action plan 2021

KM AREA	BASELINE (2017-2020)	OUTCOME	STAKEHOLDER S/ TARGET AUDIENCES	OUTPUT (knowledge products)	DISSEMINATIO N CHANNELS/EV ENTS	RESPONSIBLE SM (action by)	USEFUL /POTENTIAL PARTNERSHIP S	TIMEF RAME	BUD GET
IRECR and RRP Knowledge generation	36 success stories; 77 promotional articles <i>Published on: CPIU website and social media; IFAD website</i>	Best practices and lessons learned are consistently used in project implementation, and disseminated to other projects and partners.	Rural targeted audience (potential and existing beneficiaries) UN in Moldova In-country NGOs Ministry of Agriculture, Regional Development and environment Republic of Moldova	RRP and IRECR documented lessons produced and shared: 24 Promotional articles; 24 Interviews-success stories;	Online: www.ucipifad.md -Project websites; www.agrobiznes.md – service provider (thematic website); Social media: Facebook; Instagram; YouTube; Odnoklassniki.	KM/COM officer with inputs from Component specialists and M&E officer etc.	NGO; Regional mass media	2 promotional articles per month 2 interviews – success stories per month	USD 3564
RRP Knowledge generation	3 videos on climate change adaptation <i>Published on: CPIU social</i>	Best practices of the farmers adaptation to climate changes as a way to promote and	Rural targeted audience (potential and existing beneficiaries)	15 videos (5 minute/each) on best practices of	2 TV channels – identified Online:	Communication specialist/ASAP specialist	MARDE; Regional mass media LPA	By Q4 2021	USD 10 000

	<i>media, Agro TV channel, Agrobiznes portal</i>	disseminate the benefits.	UN in Moldova NGOs in Moldova/region etc Ministry of Agriculture, Regional Development and environment Republic of Moldova	farmer's adaptation to climate changes	www.ucipifad.md -Project websites; www.agrobiznes.md – service provider (thematic website); Social media: Facebook; Instagram; YouTube; Odnoklassniki.				
RRP Knowledge generation	1 video on “Leader women voices” showcasing the impact of women in the development of rural regions	Empowering women in rural areas into evolve and access a grant designed to help women in starting and expanding their businesses.	Rural targeted audience (potential and existing beneficiaries) UN in Moldova NGOs in Moldova/region etc Ministry of Agriculture, Regional Development and environment	6 videos (5' each) on best practices from RRP Women Pilot Grant from.	2 TV channels – identified Online: www.ucipifad.md –CPIU website; www.agrobiznes.md – service provider (thematic website); Social media: Facebook; Instagram; YouTube;	Communication specialist/component specialist	MARDE; Regional mass media; LPA	By Q3 2021	USD 6000

			Republic of Moldova		Odnoklassniki.				
RRP Knowledge generation	<p>2 stories about Pilot Project beneficiaries;</p> <p>1 informative article regarding the grand opportunities.</p> <p><i>Published on CPIU website and agrobiznes.md (2019)</i></p>	<p>Promote messages related to new masculinities and gender equality within the household through the communication and advocacy activities</p>	<p>Rural targeted audience (potential and existing beneficiaries)</p> <p>NGO in Moldova</p>	<p>2 stories on new masculinities and gender equality within the household</p>	<p>Online:</p> <p>www.ucipifad.md -CPIU website;</p> <p>www.agrobiznes.md – service provider (thematic website);</p> <p>Social media:</p> <p>Facebook;</p> <p>Instagram;</p> <p>YouTube;</p> <p>Odnoklassniki.</p>	<p>Gender focal Point/Communication</p> <p>Specialist/Component specialist</p>	Regional mass media	By Q1 2021	
IRECR Knowledge generation	<p>1 “Manual on conservation agriculture” edited (2020)</p>	<p>To print themed publications in order to promote resilience in the agricultural sector to climate change.</p>	<p>Farmers</p> <p>Ministry of Agriculture, Regional Development and environment Republic of Moldova</p>	<p>15 publications on resilience in the agricultural sector to climate change.</p>	<p>MARDE; farmer organisations</p>	<p>GEF/ASAP specialist, Communication Specialist</p>	MARDE; Regional mass media	<p>Q4 2020</p> <p>Q1 2021</p>	<p>MDL 2305 24.2 (this is the last contract payment, or should I indicate the exact amount for</p>

									editin g these 15 public ations)
RRP Knowledge generation	1 campaign informing on RRP grants (2020)	Promote RRP grant on improve smallholder and agribusiness adaptive capacity.	LPA Producers Farmers	Update and broadcast video (4 videos)on infrastructure, vegetation shelterbelts; grasslands creating and/or restoring and adaptation in production or processing activities to climate change	2 TV channels – identified Online: www.ucipifad.md -Project websites; www.agrobiznes. md – service provider (thematic website); Social media: Facebook; Instagram; YouTube; Odnoklassniki.	ASAP specialist/ Communication specialist	MARDE; Regional mass media; LPA.	Q1 2021	USD 6000
RRP Knowledge generation		Web banners design in order to promote the adaptation in production or processing	Rural targeted audience (potential and existing beneficiaries)	3 web banner promoting resilience in the agricultural sector to climate change.	Online: www.ucipifad.md -CPIU website; www.agrobiznes. md – service provider	ASAP specialist/ Communication specialist	MARDE; Regional mass media; LPA.	Q1 2021	USD 2000

		activities to climate change			(thematic website); other portals Social media: Facebook; Instagram; YouTube; Odnoklassniki.				
RRP Knowledge generation	4 videos and 1 webpage on CPIU website in order to inform the entrepreneurs on how to manage money /time efficiently for a better business administration	Branding of the Financial Education Campaign	Rural targeted audience such as MSME (potential and existing beneficiaries)	1 Branding the Financial Education Campaign 1 Guideline book/ Brand Book; 1 Video spot for promotion of Financial Education Campaign (30" video)	Online: www.ucipifad.md -Project websites; www.agrobiznes.md Social media: Facebook; Instagram; YouTube; Odnoklassniki.	Credit Specialist/ Communication Specialist		Q1 2021 Q4 2021	USD 8500
RRP Knowledge generation	In 2019 a partnership was established in order to create and disseminate information (agrobiznes.md portal)	Knowledge management partnerships established	Regional mass media NGO	Promote the use of partnering tools to assess the suitability and effectiveness of knowledge partnerships in	Online/social media	CPIU team			

			Farmer Organizations Financial institutions	different domains (1 per/year)					
	CPIU has been a regular participant to exhibitions organized by the MARDE	Direct interaction with potential beneficiaries, a good opportunity to obtain feedback.	Rural targeted audience (potential and existing beneficiaries)	Participation at "Moldagrotech" exhibition, under the umbrella of the Ministry of Agriculture, Regional Development and Environment. (2 times/year)	Online: www.ucipifad.md -Project websites; www.agrobiznes.md Social media: Facebook; Instagram; YouTube; Odnoklassniki.	CPIU team	MARDE	Q1 2021 Q4 2021	
		A better understanding of the situation and the activities need to be undertaken to obtain a higher implementation of the project		- 4 seminars on mainstreaming topics in the rural development field: themes of youth, gender, climate and nutrition,	Zoom session	CPIU team		Q1 2021 Q2 2021 Q3 2021 Q4 2021	

TECHNICAL ANNEX 6:

FEEDBACK FROM PRODUCER GROUP MEMBERS SUPPORTED BY IRECR/RRP

16 Respondents (including group leaders and ordinary members):

- 3 members from the Lavender PG (2 men + 1 woman)
- 2 members from the Sheep & Goat PG, Gribova Village (1 man + 1 woman)
- 2 members from the Sheep & Goat PG, Căușeni rayon (2 men)
- 2 members from the Table Grape PG, Hincești, Ciuciuleni village (1 man + 1 woman)
- 2 members from the Table Grape PG, Strasenii, Scoreni village (1 man + 1 woman)
- 2 members from the Dairy PG, Alexandreni village (1 man + 1 woman)
- 3 members from the Dairy Cooperative, Hiliuti village (1 man + 2 women)

#	Question	Answer
1	Identification of Producer Group	<ul style="list-style-type: none"> - name of Producer Group - location - number of founders - date of creation
2	Identification of respondent	<ul style="list-style-type: none"> - name - location (village, region) - age - sex - legal status (please specify) - position in PG (e.g. Group Leader, Chairman, Secretary, Board Member, Ordinary Member) - date of joining the PG...
3	Are you also a member of another organization?	<i>Tick where applicable:</i> <ul style="list-style-type: none"> - (YES/NO) - if yes, of which organization...
4	What are your main expectations from the PG you have joined ?	<i>Tick where applicable (multi-choice):</i> <ul style="list-style-type: none"> - to guide me on better agricultural practices - to help me identify new buyers - to help me fetch better prices - to guide me on more profitable crops - to improve supplies of farm inputs (animal feed, veterinary products, seedlings, chemicals, etc.) - to facilitate value addition of my produce (access to storage, processing, packaging...) - others... (please specify)
5	What is your main farming activity?	<i>Tick where applicable (multi choice):</i> <ul style="list-style-type: none"> - livestock (precise type) - fruits or vegetables (precise type) - fodder production (precise type) - medicinal/aromatic plants (precise type) - others... (please specify)
6	What is the size and profile of your farm?	<ul style="list-style-type: none"> - total surface..... ha - number of hectares owned... - number of hectares rented... - number of livestock heads... - number of employees - main market
7	Did you participate in a study tour, exhibition or exchange visit organized by IRECR or RRP project?	<i>Tick where applicable:</i> <ul style="list-style-type: none"> - YES/NO - if yes, please specify...
8	If you attended such event, would you say that it was worth it/fruitful?	<i>Tick where applicable:</i> <ul style="list-style-type: none"> YES/NO
9	What did you mainly learn from this study tour, exhibition or exchange visit?	<i>Tick where applicable (multi-choice):</i> <ul style="list-style-type: none"> - how to engage with serious buyer - how to sell collectively - how to purchase inputs collectively - how to negotiate selling prices - how to add value to produce through better packaging, certification, processing, etc. - technical aspects (e.g. animal husbandry, crop production, ...) - others... (please specify)
10	Would you be interested in participating in other such event?	<i>Tick where applicable:</i> <ul style="list-style-type: none"> - YES/NO - if yes, please specify what type of event you would be mostly interested in...

#	Question	Answer
11	Did you receive some training from IRECR or RRP project?	<i>Tick where applicable:</i> YES/NO
12	If yes, what type of training?	<i>Tick where applicable (multi-choice):</i> - Farmer Field School (FFS) - classroom training (please specify who delivered the training...) - others... (please specify)
13	What were the topics of your training?	<i>Tick where applicable (multi-choice):</i> - overall organization of the producer group (governance, membership fees, marketing fees,...) - development of an action plan - good agricultural practices - animal husbandry - product aggregation and collective sales - collective purchase of inputs - market scoping - traceability - product certification (precise type e.g. organic, fair trade, HACCP,...) - product branding - packaging - calculation of production costs - calculation of break-even point - price negotiation - others... (please specify)
14	What did you learn during this training, that you are now able to perform confidently?	<i>Tick where applicable (multi-choice):</i> - management of the PG - market identification - product aggregation and collective sales - collective purchase of inputs - traceability plan - certification process - better packaging/product handling - price negotiation - calculation of production cost - calculation of break-even point - development of a business plan - others... (please specify)
15	Did you apply for a LOAN under IRECR or RRP project, and if yes, what type of loan? or from financial institution own funds??	<i>Tick where applicable:</i> - YES/NO - individual loan - PG loan - non IRECR/RRP loan
16	If you applied for a LOAN, through which bank/financial institution?	Name of bank/financial institution...
17	What is the amount of the LOAN you requested?	Value.....MDL
18	For which purpose did you request a LOAN?	<i>Tick where applicable (multi-choice):</i> - livestock purchase - seedlings purchase - farm equipment - storage infrastructure - processing equipment - transport equipment - packaging equipment - certification process and fees - working capital - others... (please specify)
19	Was the LOAN request successful?	<i>Tick where applicable:</i> YES/NO
20	If the LOAN request was rejected, what were the reasons?	<i>Tick where applicable (multi-choice):</i> - amount requested too high - business plan not economically viable - weak financial management capacity - lack of collateral - others... (please specify)
21	Do you intend to apply for a GRANT under RRP project?	<i>Tick where applicable:</i> YES/NO

#	Question	Answer
22	For which Value Chain do you intend to apply for a grant?	<i>Answer:</i>
23	For which purpose do you intend to apply for a GRANT?	<i>Tick where applicable (multi-choice):</i> - storage infrastructure - processing equipment - transport equipment - packaging equipment - working capital - others... (please specify)
24	How many producers would this GRANT involve?	<i>Answer:</i>
25	What do you suggest to further build the capacity of your producer group to operate as an active production and marketing entity?	<i>Tick where applicable (multi-choice):</i> - market exposure through fairs, exchange visits, etc. - support to identify more potential buyers - support to broker win-win supply arrangements with buyers - support to achieve a specific certification (precise type) - development of viable business plan - facilitation in access to loans - others... (please specify)
26	How would you rate your satisfaction about IRECR/RRP support to your Producer Group?	<i>Tick where applicable: (single choice)</i> - very satisfied - moderately satisfied - moderately unsatisfied - not satisfied at all
27	Can you describe in short the reasons for your rating in above question 30?	<i>Answer:</i>
28	Is your business currently affected by the coronavirus situation?	<i>Tick where applicable:</i> YES/NO
29	If your business is affected by the coronavirus situation, in which way is it mostly affected?	<i>Tick where applicable: (multi-choice)</i> - reduced orders - reduced labour force - reduced raw materials to process - reduced mobility - others... (please specify)
30	If your business is affected by the coronavirus situation, how does it or will it translate in your business implementation?	<i>Tick where applicable: (multi-choice)</i> - difficulties to pay salaries - difficulties to buy raw materials - difficulties to pay loan instalments - difficulties to satisfy orders - will have to reduce nr of employees (state nr) - will try to get additional loan to keep the business going - others... (please specify)
31	Do you believe that your business can overcome this crisis?	<i>Tick where applicable:</i> YES/NO
32	If the answer to above question 35 is YES, how many months do you think you will need to go back to "normal"?	<i>Answer:</i>months
33		

Key results:

- a. 13 = average nr of PG members (excl. dairy coop)
- b. <2 years = average date of creation of PG (excl. dairy coop)
- c. Respondents characteristics:
 - 50% = % Female
 - 44% = % youth
 - 69% = simple HH/ farmer status
 - 69% = ordinary group members
 - 63% = joined the group at time of creation
 - 81% = also member of other association
- d. Main expectations from PG joined?
 - 100% = quote better agricultural practices and identification of new buyers
 - 75% = quote improved supply of inputs

- 63% = quote value addition
- 19% = quote farmer cooperation
- e. Total farm size (ha) : 81% <= 25ha
- f. Average share of farmland owned: 67%
- g. Average number of livestock (for dairy and sheep & goat PGs): 19 cows, 200 sheep/goats
- h. Employees? 50% have no employees
- i. Main market? 6% mention international market - all others sell in Moldova
- j. Participated in tours/ exhibitions organised by project? 56%
- k. Satisfaction on these events? 100% indicated these events were fruitful
- l. What did you mainly learn during these events?
 - 78% = how to add value to produce
 - 56% = how to sell collectively and technical aspects
 - 44% = how to find serious buyer
 - 22% = farmer cooperation & trust building
- m. Interested in more events? Yes 100% of respondents
- n. On which specific topic?
 - 100% = for exchange of experience
 - 69% for new technologies
- o. Received some training from project?
 - 75% = received training
 - 0% among sheep & goat PG
- p. If yes, what type of training? 67% through FFS
- q. Topics of training?
 - 100% = received training on GAP
 - 58% = received technological training (incl. Milk processing)
 - 8% = received training on calculation of break-even point
 - 0% = received training on calculation of production cost, price negotiation or development of action plan
- r. What did you learn that you can now perform confidently?
 - 100% of table grape producers indicate grape protection and green cutting
 - 100% of dairy producers indicate animal husbandry technologies
 - 100% of lavender producers indicate market identification ; better packaging/ product handling ; calculation of break-even point
- s. 50% of respondents made loan applications – 88% loans approved
- t. 88% of these applications were for Non-IRECR/RRP loans
- u. Lending bank?
 - 25% SCA loan
 - 25% Victoria Bank
- v. MDL 181,250 average loan value
 - 63% for farm equipment and/or processing equipment
 - 38% for working capital
 - 13% for packaging and certification
- w. Loan problems encountered
 - 38% indicate high interest rate
 - 25% indicate collateral problems
- x. 88% = intend to apply for a grant, 100% in direct relation with their VC
 - 100% for storage infrastructure
 - 93% for packaging equipment
 - 79% for processing equipment
 - 50% for infrastructure (energy, water, roads...) and/or transport equipment
- y. 5 = average number of members to be involved (excl. Dairy coop)

- z. Suggestion to further build PG capacity?
- 94% market exposure
 - 88% support to broker win-win supply arrangements with buyers
 - 63% facilitation in access to loan
 - support in BP development
 - 100% of sheep & goat members indicate low level of trust in their groups
- aa. Rating of satisfaction?
- 81% % moderately satisfied with IRECR/RRP support
 - 19% % very satisfied with IRECR/RRP support
- bb. Reasons for such assessment?
- 69% indicate that more technical assistance is needed
 - Lavender Group seems the most satisfied (50% very satisfied)
 - Sheep&Goat and Table Grape Groups seem the less satisfied (0% very satisfied)
- cc. 81% of respondents affected by COVID situation
- 81% reduced mobility
 - 54% reduced orders
 - 31% limited access to inputs
- dd. How does it translate in business implementation?
- 31% have difficulties to pay loan instalments
 - 46% will try to get another loan to keep the business going
- ee. 100% think their business can recover from COVID crisis, and that this will take on average 16 months

TECHNICAL ANNEX 7:

UPDATED STATUS OF JULY 2020 IFAD RECOMMENDATIONS – RRP

(Same template to be used by CPIU when reporting status of agreed actions to IFAD on a quarterly basis)

Executed.	11 actions/17 fully executed = 65%
Partially executed	5 actions/17 fully executed = 29%
Not Executed	1 actions/17 fully executed = 6%
N/A	0

#	Recommendations	Responsible	Deadline	Status as of 9 November 2020
1	Infrastructure applications Finalize the selection process for batch 3 infrastructure applications	CPIU Engineer	July 2020	Partially Executed. The approval of 10 localities at the pre-qualification stage was made on July 17. CPIU has contracted the service company that will elaborate the feasibility studies to make the calculations at the qualification stage that is expected for December 2020. However, these applications have not yet been approved by the IPSC, so we can't say the selection process has been completed Also, it was launched the second call for financing in 2021 following which, 15 financing applications were received.
2	Amended contract of Women mobilization SP Women mobilization SP contract to be amended to: (i) report progress on a monthly basis; (ii) include pre- and post-financing support/field visits to 100 women among the most vulnerable segment out of the total 200-women target. Submit amended contract to IFAD for No Objection	FSRDM, FDS	July 2020	Executed. The contract was accordingly amended, coordinated and approved by IFAD, and signed on 10.07.20
3	Extension of women pilot to additional 25 villages Put this activity on hold until MTR, when the performance of the SP and the appetite of	CCRS, M&E Specialist, Women mobilization SP	November 2020	Executed. The extension was put on hold. The results so far were presented by the SPIU, with a profile of approved 19 applications. However the mission could not get a precise assessment of a) the reasons for little number of applications

	beneficiaries reached so far can be properly assessed.			(29 applications against a total of 263 participants in start-up training) ; b) the reasons for rejection (10/29). Besides the project is not fully reporting on the economic status of grant applicants/beneficiaries: it is not possible to know whether the beneficiaries are belonging to the two highest quantiles of poverty
4	ME lending via banks and SCAs Start ME lending through eligible PFIs (including SCAs, banks and other FIs that meet the selection criteria)	FSRDM	October 2020	Executed. The PIM, Operational Guide (OG) have been amended accordingly and approved by IPSC (Minutes no.2/20 dd 16 July 2020).
5	PIM for Rural Finance Activities Amend PIM to increase attractiveness of project funding and to better meet the needs of project beneficiaries.	CPIU Director FSRDM IPSC	July 2020	Executed. (although with 4-month delay) According to established procedures, the amendments to the PIM and OG were approved by EAPMO (on 17.09.2020), the amendments to Re Financing agreement signed on 03.11.2020.
6	MSME Credit Guarantee Fund Develop a briefing note on options for the use of the funding for the MCGF, including options to reallocate, based on the developments of the CGF discussions and government decisions.	CPIU FSRDM	October 2020	Partially executed The MARDE has not yet made a final decision. The CPIU is proposing to reallocate these funds to the loan facilities, but no details have been written down
7	ABDS PIM for Agribusiness grants Seek IPSC approval for revised implementation arrangements of ABDS grants, and submit final ABDS PIM to IFAD for No Objection	CPIU Director FSRDM VCDS	July 2020	Executed. The PIM for Agrobusiness grants was approved by IPSC in July (Minutes no.2/20 dd 16 July 2020) The activity was initiated: call for application – published on 11.09.2020 (extended 2 times). Received 7 applications.
8	RRP PIM amendments CPIU Director to fast-track final approval by 15 July 2020 of all pending RRP PIM amendments in order to ensure timely implementation of RRP activities in line with project design and development objective	CPIU Director	July 2020	Executed. Amendments to PIM were approved by iPSC on 16 July 2020
9	Call for applications – ASAP grants Conduct a fast-track multichannel information and mediatisation activity on new call for small investment grants for on-farm resilient activities (tentative date 15-31 July 2020)	CPIU Director, KM & Communication Specialist	July 2020	Executed. Video/articles on mass media/social media: 1) https://www.facebook.com/285616791554728/videos/2578846552217815 4.5 k - views from august (59%men; 41%women)

				<p>2) https://www.youtube.com/watch?v=fDBvPOyjrK (89 views)</p> <p>3) https://www.instagram.com/p/CD31u75gaNH/</p> <p>4) https://agrobiznes.md/apel-de-granturi-pentru-finantarea-masurilor-de-adaptare-a-sistemelor-de-producere-agricola-la-schimbarile-climatice.html (709 views/newsletter distribution)</p> <p>5) https://civic.md/anunturi/granturi/52551-apel-i-granturi-pentru-finantarea-masurilor-de-adaptare-a-sistemelor-de-producere-agricola-la-schimbarile-climatice.html</p> <p>6) http://madr.gov.md/ro/content/apel-i-granturi-pentru-finan%C8%9Barea-m%C4%83surilor-de-adaptare-sistemelor-de-producere-agricol%C4%83-la</p> <p>7) video was adapted as the National Audiovisual Council solicited to mimetic-gestural language form 20 of august till 20 of September it was aired on TV channels: - AgroTV – 128 times aired - TVR - 160 times aired</p>
10	Additional support to ASAP team Select and contract an Assistant-accountant as consultant on fixed term contract, which support the ASAP team on evaluation of grant application and verification of documents proving the investments Executed (tentative date 20 July 2020)	CPIU Director	July/ 2020	Executed The assistant-accountant was contracted up to 15.08.20
11	Lessons learned from delays in RRP implementation CPIU to keep track record on the delays incurred during amendment and validation process of key project documents (e.g. PIM, ToRs, grant approval, tenders, etc.) involving CPIU, IPSC, MARDE, MoF and IFAD	CPIU Director	Continuous starting immediately	Partially executed In progress but no such lessons presented to IFAD mission
12	2020 AWPB Revision Revise the AWPB 2020 planned activities, taking into consideration the delays induced by COVID-19 situation and the latest PIM amendments. Submit to IFAD for No Objection	CPIU Director, Finance Manager, Procurement Specialist, FSRDM, SCCRS, Infrastructure Engineer	August 2020	Partially executed 2020 AWPB was revised internally by CPIU in August 2020. However this revised AWPB was not submit to IFAD for no objection and the version that still prevails is the 2020 AWPB approved by IFAD in February 2020
13	2021 AWPB Preparation	CPIU Director, Finance Manager,	Continuous	Executed. Within NOTUS programme the AWPB was loaded per quarters.

	Disaggregate future AWPBs per quarter with realistic physical and financial projections in each quarter for monitoring purpose	Procurement Specialist, FSRDM, SCCRS, Infrastructure Engineer		
14	Complementarity of project interventions Capture systematically for each beneficiary the number and type of project interventions he/she benefitted. Extract key figures to illustrate how the various project interventions complement each other among total population reached	CPIU M&E Unit	September 2020	Not Executed The activity is in the process of development. Not done at the level of AOS
15	Geo-data Improve the management of geo-data by using QGIS instead of Google Earth and by converting all data from KMZ to shapefiles whilst capturing all results in attribute tables. IFAD will provide support in converting the data and by making recommendations on data structure and data standards.	CPIU M&E Unit, IFAD	October 2020	Partially executed The M&E Unit studies the possibility to use QGIS and convert data from KMZ to shapefiles. The process of on-line self-training is on track.
16	2020 AOS M&E Unit to share with IFAD draft by 15 July 2020 the draft questionnaire for AOS to feed the MTR mission planned in November 2020	CPIU M&E Unit	July 2020	Executed. Questionnaires sent and agreed with IFAD.
17	Develop a Gender Action Plan Each specialist should detail the strategies to be used to increase outreach to women, as a contribution to the overall RRP Gender Action Plan.	CPIU Director, CCRS, Infrastructure Specialist, FSRDM, VCDS		Executed. A Gender Action Plan was structured for 2020 based on data/planned activities from AWPB RRP 2020. Still is to be updated as structure and content, based on Mission recommendations.

Republic of Moldova

Rural Resilience Project

Mid-term Review

Appendix 5: Mission preparation and planning, TORs, schedules, people met

Mission Dates: 9 to 20 November 2020
Document Date: 17/12/2020
Project No. 2000001156
Report No. 5583-MD

Near East, North Africa and Europe Division
Programme Management Department

Appendix 5: Mission preparation and planning, TORs, schedules, people met.

MISSION TORs

Annex V: Terms of Reference for Consultants and other persons hired by IFAD to participate in missions under a non-staff contract

COUNTRY OF ASSIGNMENT:	Republic of Moldova
MISSION NAME:	Remote Rural Resilience Project (RRP), Mid-Term Review Mission Implementation support for Inclusive Rural Economic and Climate Resilience Programme (IRECR)
MISSION DATES:	09 – 20 November 2020
REPORT TO:	Samir Bejaoui , Country Director, NEN PMD
MISSION COMPOSITION: (Team members full name and specialization)	<ol style="list-style-type: none">1. Isabelle Lagaille, Team Leader and Value Chain Specialist, Consultant2. Beatrice Gerli, Targeting and Gender Specialist, ECG, IFAD3. Enrico Mazzoli, Agro-economist, Consultant4. Erminia Mulahusic, Procurement Officer5. Julia Marin-Morales, Remittances Technical Specialist, PMI, IFAD6. Laure Martin, M&E Specialist, Consultant7. Olga Tomilova, Rural Finance Specialist, Consultant8. Rachele Arcese, Programme Officer, NEN, IFAD9. Samvel Ghazaryan, Rural Infrastructure Specialist, Consultant10. Sengul James, Finance Officer, FMD, IFAD11. Wietse Michiels, Environment Specialist, Consultant

INTRODUCTION:

1. The experts will be recruited to carry out the Mid-Term Review mission to the Rural Resilience Project (RRP) and implementation support mission for the Inclusive Rural Economic and Climate Resilience Programme (IRECR) as relevant and as per the below TORs. The mission shall take into consideration the minutes of any IFAD internal review processes, the previous IFAD supervision, follow-up and start up mission recommendations, the experience gained from previous interventions supported by IFAD and other donors in Moldova and any studies/surveys carried out by the Government and other external financiers. The objective of the experts' assignment will be to produce the mid-term review (RRP) and the implementation support (IRECR) reports and related documentation in accordance with IFAD Guidelines.

BACKGROUND:

2. The IRECR is IFAD's sixth investment in Moldova with a total investment of about USD 46.3 million. A concessional IFAD loan of USD 16.1 million will be matched by a government contribution of around USD 3.5 million; Participating Financial Institutions will provide around USD 1.9 million; an approximately USD 7.5 million will be provided by the beneficiaries; the Credit-line Directorate will cost share with the amount of USD 7.52 million, and; a GEF Grant in the amount of USD 4.26 million and a DANIDA grant of USD 5 million will add up to the above investments.

3. The overall goal of the IRECRP is to enable the poor rural people to raise their incomes and strengthen their resilience. Moreover, the programme will launch the most ambitious attempt to date to deliver on IFAD's Moldova Country Opportunities and Strategies Programme, which proposed innovation around climate change, with a dedicated component aimed at promoting climate smart agriculture that will enhance adaptive capacity of especially small-scale farmers in locations that are increasingly susceptible to climate shocks. The IRECR

programme's development objective consequently aims at increasing investments in the rural economy and strengthening climate adaptive capacity for the poorer sections of the society, leveraging the experiences of past interventions and introducing innovations where appropriate.

4. The RRP is IFAD's seventh investment in Moldova and is expected to benefit 17,658 households in rural areas. The project is planned for six years duration with a total budget of US\$ 38.73 million, of which IFAD's loan and grant, including ASAP grant, constitute of US\$ 23.7 million,

5. The RRP will seek to improve the well-being of the rural population and contribute to poverty reduction. The development objective will be to strengthen resilience and improve economic opportunities for rural poor people. This will be achieved directly by upgrading the skills of the target group, integrating them more profitably into value-chains, climate-proofing their practices and providing them with access to climate-resilient infrastructure and microfinance services.

MISSION OBJECTIVES AND OUTPUTS:

6. The objective of the mid-term review is to: (a) examine the extent and magnitude of RRP achievements, outputs, and outcomes in relation to the overall Project goal; b) to assess Project performance and the implementation of planned Project activities and planned outputs against actual results; c) to make recommendations for improved implementation for the remaining Project period; d) to synthesize lessons learned, document and demonstrate the applicability and sustainability of practices and models tested and promoted in the framework of the Project that may help in the design and implementation of future IFAD initiatives in similar ecological and socio- economic context.

7. More specifically, the MTR mission will (a) assess the technical and financial progress of the Project; b) assess the progress made on each Project component against the Project objectives, logical framework and Annual Work Plans and Budget (AWPBs), Procurement Plans; c) assess beneficiaries' receptivity to the Project and to specific interventions, and their level of satisfaction with implementation; d) identify challenges associated with Project implementation and ii) provide recommendations on any design modifications necessary for improvements in Project performance; e) identify constraints with regard to the development of value chain activities as well as related actions for market development and social inclusion. If necessary, adjustments to Project activities, should be provided to enhance effectiveness of Project implementation; f) Performance of financial management, including grant disbursement, operations of government counterpart funds/other co-funding, quality of accounting, financial management, reporting, internal controls, audit and enforcement of transparency and accountability in Project implementation; g) Performance of procurement and contract management; h) Compliance with Loan Agreement Covenants; i) review the grant agreement and subsidiary agreements and make appropriate recommendations if amendments and reallocation of funds are needed.

8. The review will additionally assess whether the defined interventions are appropriate in addressing the identified needs of the target communities; b) Review of the strategies to target community groups including an evaluation of the appropriateness of the criteria used; c) How effective is the targeting strategy in addressing poverty reduction and environmental degradation in the Project area. d) Assessment of the appropriateness of the approaches and tools used for community participation during the planning and implementation process. e) Evaluate the effectiveness of the M&E system in recording performance indicators, collecting and analysing data on Project progress; f) Review of the existing strategies to ensure sustainability, and establishment of the level of collaboration with other stakeholders

9. The mission team will also carry out a light implementation support mission of the IRECR project to review the projects' implementation progress, assess continued project relevance, effectiveness in achieving the objectives, effectiveness of the projects' targeting and gender mainstreaming strategy, efficiency in project implementation, impact on food security and incomes of the rural poor as well as on equitable benefits accruing to women. Dedicated team members will have a specific look at the project's preparedness for the upcoming Project Completion mission to be carried out in Q1 2021.

10. **Modalities.** Given the context of COVID-19, the mission will be conducted on a remote basis. In case international experts are allowed in the country, they will comply with any measures being enforced by Government to contain the spread of the disease. To this regard, their movements may be seriously restricted. In that context, they will have to exploit documentations provided by project management, including progress reports, status of implementation of agreed actions recommended by previous missions, detailed statement of financial disbursement and commitments, procurement updates, pictures and geo-referenced field achievements. In case field visits are not permitted at all, consultants will have to work only with documentation provided by project. While regular Skype/Zoom calls will be conducted all along the mission period, local agents can be called up anytime on phone to respond to fact-finding questions, and to provide pictures and geolocation information (if applicable). Project management will be requested to prepare a list of documentation ahead of the mission. Such documentation should be prepared by the project and shared with IFAD ahead of the mission at least 2 weeks prior to the mission start date and should include: (i) a detailed progress report, with geo-referenced data and pictures of realizations (particularly in the case of infrastructures works) and updated logframe; (ii) a detailed account of the implementation of the previous mission's recommendations; (iii) selected financial and procurement documentation, as agreed with the Finance and procurement Officers participating in the mission.

INDIVIDUAL RESPONSIBILITIES, EXPECTED OUTPUTS AND REQUIRED COMPLETION DATES

11. **IFAD Country Director, Samir Bejaoui**, will oversee the work of the mission members to ensure coherence and the development of concrete recommendations. He will lead the wrap-up with the Government of Moldova, including the negotiations for an agreement on the findings and recommendations towards improved and timely projects' implementation.

12. **Isabelle Lagaille, Team Leader and Value Chain Development Specialist**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of RRP, in particular she will:

- Review projects' physical and financial progress against the AWPB and performance in implementing last mission recommendations;
- Check timelines of the whole project's chain of delivery (output - outcome - objective)
- Assess if the project is on track to meet the objective in the remaining time-frame
- Reassess relevance of the project in the current context
- Assess the need to modify the project design
- If necessary, formulate proposals of project modification
- Review validity of Theory of Change, check assumptions and risks
- Check and up-date the economic and financial analysis
- Review the support provided by the IFAD Steering Committee and the Ministry of Regional Development, Environment and Agriculture (MRDEA);
- Review the operations and performance of the IFAD CPIU;
- Review the performance of contracted implementing institutions and service providers;
- Review the CPIU's monitoring and impact assessment systems and progress reporting mechanisms;
- Conduct an overall assessment of the implementation progress/arrangement, lessons learnt and sustainability of the RRP project;
- Support and monitor the work of the mission members to ensure coherence in the findings of the RRP MTR Mission and the development of concrete recommendations as to the achievement of projects effectiveness and sustainability in the remaining period of the project implementation;
- Consolidate the team members contributions to reporting on the achievement and impact of projects activities;
- Assess the progress made against the projects objectives concerning the VC activities, logical framework, Annual Work Plan and Budget, Procurement Plan and synthesizing lessons learned influencing other projects and for informing policy development processes;
- Review the actions taken to follow up on the agreements and recommendations of recent supervision, implementation support and follow-up missions;
- Identify and document lessons learned
- Identify and document innovative approaches
- Lead the preparation of the aide-memoire on mission findings, and draft/compile the RRP MTR Report, delineating the main findings and the needed adjustment to the project;

IRECR implementation support:

- Coordinate the overall mission, ensure synergies of the works of the mission team members and provide guidance to them in light of the mission overall objective;
- Review overall implementation progress with respect to the overall IRECR objectives as well as those set in the AWPB;
- Discuss implementation modalities, constraints and lessons learnt with relevant stakeholders;
- Assess the status of implementation of the previous IFAD missions recommendations;
- Lead the write-up of the aide-mémoire and implementation support mission report for the IRECR in line with IFAD ORMS template and outline);
- Provide support to IRECR in project implementation;
- Undertake any other relevant task as requested by the CD.

12. **Olga Tomilova, Rural Finance Specialist**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of rural finance related activities of RRP, and provide implementation support to IRECR. In particular, she will:

- Review projects' physical and financial progress against the AWPB;
- Review the support provided by the IFAD Steering Committee and the MRDEA;
- Review the operations and performance of the IFAD CPIU;
- Review the performance of contracted implementing institutions and service providers;
- Review the CPIU's monitoring and impact assessment systems and progress reporting mechanisms;
- Conduct a detailed assessment of the implementation progress of the RRP related to rural finance activities;
- Report on the lessons learnt/impact/sustainability in implementing rural finance related activities under RRP;

- Contribute to the write up of the aide-memoire and the MTR Report of RRP, delineating the main findings and an action plan for the adjustment of the component, to the extent needed;

Implementation support to IRECR:

- Assess the IRECR activities pertaining to rural finance, including progress towards the overall Project objectives, against the latest AWPB, as well as implementation of recommendations from the previous missions;
- Provide recommendations on how to improve implementation related to the Project's rural finance activities and, as needed, adjust activities and/or implementation arrangements for the remaining Project period to achieve sustainable outcomes;
- Contribute to the write up of the mission aide-memoire and implementation support mission report for the IRECR;
- Undertake any other relevant task as requested by the CD or Team Leader.

13. **Laure Martin, M&E Specialist**, will undertake the following tasks:

- Assess the functionality of the M&E system which has been put in place and capacity of the M&E Project staff;
- Review the overall adequacy and performance of the project M&E system in the domains of project planning, timely monitoring and reporting quantitative outputs and outcomes;
- Review the Project Logical Framework and validate the proposed indicators with the Project, as well as the IFAD Core Indicators according to IFAD revised Guidelines;
- Provide advice on required revisions in the M&E system, and modifications of the component and implementation arrangements;
- Review the project's implementation progress against design targets and the AWPB, using the key indicators as defined in the logframe.
- Validate project current outreach data in the field and assess whether the data is in line with the target set in the Design Report and Logical Framework;
- Discuss with project beneficiaries their perception of the project, the level of their participation and resource allocation processes, actively seeking their opinion on improving project performance;
- Based on the past supervision missions' recommendations, assess the appropriateness of the project's targeting strategy and its effective execution on the ground, agreeing on necessary adjustments to increase outreach and contain benefit leakage (or elite capture), and review project performance in terms of gender-equity;
- Review the adequacy of the monitoring system and its reporting with the Project Director and the M&E Officer and assess whether targeting performance is being monitored and sex-disaggregated data collected;
- Assess to what extent gender-balanced participatory monitoring is part of the M&E system;
- Review project KM activities and provide support to project in developing KM Action Plan, as well as assess KM/M&E training needs.
- Provide inputs to the mission Aide Memoire/MTR report on relevant sections pertaining but not limited to M&E and KM.
- Undertake any other relevant task as requested by the CD or Team Leader.

14. **Samvel Ghazaryan, Rural Infrastructure Specialist**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of the infrastructure related activities for RRP. In particular he will:

- Review projects' physical and financial progress against the AWPB;
- Review the support provided by the IFAD Steering Committee and the MRDEA;
- Review the operations and performance of the IFAD CPIU;
- Review the performance of contracted implementing institutions and service providers;
- Review the CPIU's monitoring and impact assessment systems and progress reporting mechanisms;
- Conduct a detailed assessment of the implementation progress of RRP related to infrastructure rehabilitation and undertake spot-checks for related expenditures;
- Report on the lessons learnt/impact/sustainability in implementing small infrastructure rehabilitation activities under RRP;
- Contributing to the write up of the aide-memoires and the Supervision Report for RRP, delineating the main findings and an action plan for the adjustment of the component, to the extent needed;
- Undertake any other relevant task as requested by the CD or Team Leader.

13. **Wietse Michiels, Environment Specialist**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of ASAP funded activities under RRP. He will specifically:

- Assess the technical and financial progress of the ASAP funded activities under RRP since the approval of the Grant Agreement, including alignment with ASAP policies and strategies, attainment and measurement of global environmental benefits and co-financing;
 - Assess the progress made against the projects objectives concerning the ASAP funding, logical framework, Annual Work Plan and Budget, Procurement Plan and synthesizing lessons learned influencing other projects and for informing policy development processes;
 - Review the actions taken to follow up on the agreements and recommendations of recent supervision, implementation support and follow-up missions;
 - Review the appropriateness and effectiveness of the projects' targeting strategies in addressing poverty reduction and environmental degradation in the projects areas;
 - Assess the appropriateness of the methodologies used for community participation during planning and implementation; assess communities' receptivity to the projects and their level of satisfaction, and assessing whether the defined interventions are appropriate to the needs of target communities;
 - Identify operational issues and constraints facing project implementation and make specific recommendations to overcome them, as well as, adjustments to projects activities, the logframe and to the PIM if necessary;
 - Assess the technical and implementation capacity of the PMU with respect to the activities planned, identifying capacity building needs for the remainder of the implementation period and propose needed adjustments;
 - Review the financing agreement and subsidiary agreements for compliance and make appropriate recommendations if amendments and reallocation of funds are needed;
 - Produce the following outputs: a brief contribution to the mission Aide Memoire; and MTR Report for RRP in accordance with IFAD, ASAP requirements;
 - Undertake any other relevant task as requested by the CD or Team Leader.
15. **Enrico Mazzoli, Agro-economist**, will be responsible for the Economic and Financial Analysis and more specifically, he will:
- (a) Provide a comprehensive status of funds sources, including counterpart funds and funds from external sources;
 - (b) Analyse the Programme costs for the various activities and achievements;
 - (c) Review the efficiency of the overall implementation process, including IFAD's and partners implicated during project implementation;
 - (d) Identify, assess and analyse the benefits (outcomes and results) generated by the Programme to the benefit of the directly and indirectly targeted populations;
 - (e) To conduct the analysis of various data needed for the economic and financial analysis of the Programme;
 - (f) Update the financial and economic analysis of the Programme;
 - (g) Write an annex of the MTR report on the ex-post economic and financial analysis of the Programme, prepare an updated EFA as well as a proposal for reallocation among category of expenditures (in close collaboration with the Finance Officer).
16. **Erminia Mulahusic, Procurement Officer**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of the Procurement aspects of the RRP project. In line with Module IV of the IFAD Procurement Manual the Consultant should carry out the following tasks:
- Review the current Procurement Plan in order to assess it has been fully updated and upgraded, ascertain its completeness, its concurrence with the AWPB, and its consistency with the country systems and/or IFAD Procurement Guidelines and Handbook;
 - Provide support, advice and recommendations on the following:
 - The thresholds, ceilings and preferences to be applied in the implementation of procurement under the project;
 - The contract types and contractual arrangements for goods, works and consulting services required to implement the projects;
 - The proposed methods of procurement;
 - The related IFAD review procedures and provide suggestions to improve the overall quality of the procurement processes;
 - Review a minimum sample of 10% of all procurement contracts for compliance;
 - Carry out spot checks on past procurement activities and assess the extent these adhere to Government and/or IFAD Procurement Guidelines and Handbook; in particular, verify that the goods, services and works procured correspond with the approved AWPB and Procurement Plan, in terms of quality and quantities;
 - Review the procurement, contracting and implementation processes and timeliness and appropriateness of procurement actions;

- Assess contract administration and management procedures;
- Assess the procurement capacity of all entities to be reviewed in terms of manpower, levels of training of procurement staff, work environments and independence of procurement staff to carry out their statutory assignments;
- Conduct specific analysis of value for money (VFM) at all levels and the reasonableness of prices for:
 - Goods, equipment, etc using available price indicators;
 - Civil Works, compared to locally accepted standards and prices; and
 - Services compare quality-output to international standards and prices;
- Determine whether adequate systems are in place for procurement planning, implementation and monitoring, and whether documentation are maintained as per required standards and can be relied upon;
- Verify to the extent possible, whether goods, works and consulting services contracted were supplied/completed according to the required specifications and technical standards;
- Review issues identified in the previous procurement review and aide-mémoire and procurement related issues identified in project audit reports;
- Identify deficiencies and make recommendations for improvements and control mechanisms in the procurement procedures and processes;
- Conduct a review of any significant changes in the borrower/recipient's procurement system and practices, and ensure project procurement procedures and systems are updated accordingly;
- Review/update the Procurement Risk Assessment, using the IFAD Procurement Risk Matrix (Module I of the IFAD Procurement Manual);
- Assess further procurement staff training needs and ensure relevant training is planned and provided to project management and procurement staff in a timely manner;
- Submit an assignment report (as per IFAD format), and any other relevant ancillary documents.

17. **Sengul James, Finance Officer**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of the fiduciary aspects of RRP project In particular, she will:

- Review projects' financial management, accounting system, and audit processes;
- Review projects' expenditure, IFAD loan disbursement, Grants and Government contribution;
- Review the status and utilisation of the Special Account and Projects Accounts and carry out a thorough review of expenditures;
- Assess the adequacy of the accounting system in use at the CPIU to reliably record all receipts and expenditures from all financing sources and attribute these to each financing source. This includes cash contributions from co-financiers, beneficiaries, borrower/counterpart and PFIs;
- Assess controls to ensure that funds disbursed to PFIs are subsequently disbursed to eligible sub-borrowers/grantees, and these transactions are reliably recorded in the projects financial management systems. Assess mechanisms to confirm that these funds are used for intended purposes by end-beneficiaries;
- Validate compliance of transactions projects subsidiary agreements (rural finance component);
- Assess adequacy of disbursement arrangements and authorized allocations after considering the approved AWPB;
- Complete a verification of a sample of Statements of expenditures;
- Confirm compliance with PIM on fiduciary aspects;
- Meet sample of local audit firms to assess state of the accounting and auditing profession. Pay courtesy meeting with country Supreme Audit Institution;
- Contribute to the write up of the aide-memoires and the MTR Report of RRP in particular, inputs to the main body of the aide-memoires: on (a) Financial Management; (b) Disbursement; (c) Counterpart funds; and (d) External Audit. In addition, contribute to the Supervision Report, including the section on lessons learnt on financial management, delineating the main findings and an action plan for any relevant adjustments;

18. **Beatrice Gerli, Targeting and Gender Specialist**, will be responsible for assessing the relevance, effectiveness, efficiency, impact and sustainability of the targeting and gender mainstreaming approach for RRP, in particular, she will:

- Conduct an assessment on poverty, gender and targeting for RRP;
- Analyse the validity of the described projects target groups and socio-economic characteristics in relation to the following indicators: family size, farm size, land ownership distribution, income level and sources of income, unemployment level, incidence and causes of rural poverty, and means of addressing these constraints;
- Carry-out an analysis of the role of women in rural communities and households dependent on rural activities in the projects area, and associated gender issues;
- Contribute to the write up of the aide-memoires and the MTR Report of RRP, delineating the main findings and an action plan for the adjustment of the component, to the extent needed;

- Prepare a consolidated report including a section on lessons learnt on poverty, gender and targeting for the above mentioned project in Moldova;
- Undertake any other relevant task as requested by the CD or Team Leader.

19. **Julia Marin-Morales, Remittances Technical Specialist**, will be responsible for:

- Integrating an assessment of the impact of Covid-19 in the remittance ecosystem for Moldova, and the implications this may bring to the activities, outputs and outcomes of RRP;
- Making proposals to ensure the linkages between RRP and the ongoing PMI/FFR grant in Moldova;
- Enabling the scale-up of tangibles results from the PMI/FFR grant to further reach IFAD beneficiaries;
- Assessing the support provided to the SCA sector from the PMI/FFR grant, and identify synergies with the activities implemented by RRP in relation with technical assistance to SCAs, in close collaboration with the NCFM;
- Preparing a technical note on the situation assessment, the mission's findings and recommendations to be appended to the MTR mission's report;
- Pre-identifying activities integrating remittances for the upcoming IFAD's investments in Moldova, and assess the opportunity for, as well as the appetite of the different existing national stakeholders and development partners to participate;
- Undertake any other relevant task as requested by the CD or Team Leader.

20. **Rachele Arcese, Programme Officer**, will be responsible for:

- Review project KM activities and provide support to project in developing KM Action Plan, as well as assess KM training needs.
- Provide inputs to the mission MTR report on relevant sections pertaining but not limited to KM.
- Review project nutrition and assess whether the project needs to be retrofitted as nutrition sensitive;
- Provide inputs to the mission MTR report as needed.

MISSION SCOPE

20. Specific issues and questions to be addressed will include, but not be limited to, the following:

Effectiveness

- Are the activities implemented in accordance with the project plans? If not, why?
- What outputs have been achieved? To what extent do they contribute to the objectives?
- How effective are the approaches and structures in delivering the desired outputs?
- How can they be improved?
- Do the partner organizations work together effectively? Is the partnership structure effective in achieving the desired outputs?

Efficiency

- Are the available technical and financial resources adequate to fulfil the project plans?
- Are the funds being spent in accordance with project plans and using the right procedures?
- Have there been any unforeseen problems? How well were they dealt with?
- Are the capacities of the partners adequate?
- What have been the roles of the partners and staff and are they appropriate?
- Is there an effective process, built into the management structure for self-monitoring and assessment, reporting and reflection?

Relevance

- Establish whether or not the design and approach are relevant in addressing the identified needs, issues and challenges
- To what extent is the project contributing to the strategic policies and programs of IFAD and that of the partners?

Sustainability

- Is the approach used likely to ensure a continued benefit after the end of the project?
- Are all key stakeholders sufficiently and effectively involved? Are their expectations met and are they satisfied with their level of participation?
- Are alternative or additional measures needed and, if so, what is required to ensure continued sustainability and positive impact?

Impact

- Is the project bringing about desired changes in the behaviour of people and institutions?
- Have there been any unintended positive or negative impacts arising from particular outcomes?
- What could have been the likely situation (of the environment and its management) without the project?

METHODOLOGY

21. The methodology for the mid-term review is to be developed through consultation with project partners taking into account the budget and the ToRs. The methodology adopted should update the preliminary issues and questions outlined within the ToRs, specifying the specific review issues, questions, methods of data collection and analysis that will be undertaken. It should encompass a combination of both qualitative and quantitative methods. It should also allow for wide consultation with all interested partners and stakeholders and should include:

a) A desk review of all relevant documentation, including (but not limited to):

- i. The project document, contracts and related agreements
- ii. Annual work plans and budgets
- iii. Progress Reports
- iv. Technical reports

b) Face to face interviews and discussions with all key stakeholders involved in the project to ensure that the review is carried out in a participatory manner. A list of key partners and stakeholders would be identified at an early stage and a consultation process developed. All stakeholders consulted should be in a position to present their views in confidence to the team and to identify issues, opportunities, constraints and options for the future

c) Electronic interviews through teleconference or written comments – e.g. email; where partners cannot be reached for face to face interviews.

DELIVERABLES

- An Aide Memoire of the RRP MTR mission discussed and finalized, based on the wrap up meeting with the Government, and a MTR Report based on the inputs and reports of the mission members with relevant annexes including knowledge management (learning & innovation), targeting, scaling up and sustainability, updated logframe, EFA and table of reallocation.
- An Aide Memoire of the IRECR implementation mission discussed and finalized, based on the wrap up meeting with the Government, and a final Implementation Support Mission report for the IRECR.
- Two draft Management Letters summarising the key issues that need to be acted upon and monitored by the supervising authorities for both projects.

MISSION SCHEDULE

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
Monday 9 Nov 2020	10:00-11:00	Mission Team Meeting <ul style="list-style-type: none"> Mission objectives Roles and responsibilities Schedule and reporting 	IFAD Mission Team	Samir: s.bejaoui@ifad.org Isabelle: zimex@wanadoo.fr Olga: olgatomilova@yahoo.com Sam: samvel_ghazaryan@yahoo.com Wietse: wietse.michiels@gmail.com Enrico: mazzoli_enrico@libero.it Ermina: e.mulahusic@fmpvspcu.ba Beatrice: b.gerli@ifad.org Laure: laure.martin.inapg@gmail.com Sengul: s.james@ifad.org Julia: j.marin-morales@ifad.org Pedro: p.devasconcelos@ifad.org Rachele: r.arcese@ifad.org
	11:00-13:00	Briefing and discussion with CPIU on RRP progress <ul style="list-style-type: none"> RRP Summary presentation (progress to date) Updated status of agreed actions Q&A Review of the agenda 	IFAD Mission Team; CPIU Director; RRP project team	IFAD Mission Team + Victor: victor.rosca@ucipifad.md Svetlana: svetlana.brumarel@ucipifad.md Elena: elena.burlacu@ucipifad.md Ludmila: ludmila.gofman@ucipifad.md Ghenadie: ghenadie.sandu@ucipifad.md Alexandru: alexandru.anton@ucipifad.md Victor (Eng.): victor.cervatiuc@ucipifad.md Ecaterina: ecaterina.mihalcean@ucipifad.md Victor (CCRS): victor.sfecla@ucipifad.md Vitalie: vitalie.ababii@ucipifad.md Nadedja: nadejda.russu@ucipifad.md Nicolae: nicolae.babara@ucipifad.md Mihaela: mihaela.cojocaru@ucipifad.md
	11:00-13:00	Briefing and discussion with CPIU on M&E	IFAD M&E Expert and PO and CPIU M&E team	Laure Martin
	14:00-18:00	<ul style="list-style-type: none"> Review of project documentation TBD: one-to-one meetings with CPIU counterparts 	IFAD team	Home-based work
	16:00-18:00	Continue discussion on M&E	IFAD M&E Expert and PO and CPIU M&E team	Laure Martin
Tuesday 10 Nov 2020	10:00-12:30 And (if needed) 13:30-15:00	Meeting with Ludmila, Victor and Vitalie (ASAP-funded activities, except women grants) <ul style="list-style-type: none"> Detailed update on ASAP-funded activities in RRP (except women grants planned for meeting @ 15:00) Q&A 	CPIU Director, IFAD CD, Mission leader, M&E, Gender, Climate & Environment Specialists (IFAD and CPIU)	Victor: victor.rosca@ucipifad.md Ludmila: ludmila.gofman@ucipifad.md Victor (CCRS): victor.sfecla@ucipifad.md Vitalie: vitalie.ababii@ucipifad.md Samir: s.bejaoui@ifad.org

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
				Isabelle: zimex@wanadoo.fr Wietse: wietse.michiels@gmail.com Beatrice: b.gerli@ifad.org Laure: laure.martin.inapg@gmail.com Rachele: r.arcese@ifad.org
	10:00-12:30 And (if needed) 13:30-15:30	Meeting with Elena, Natalia and Inga (RF activities) <ul style="list-style-type: none"> Detailed update on RF activities in RRP Detailed update on RF activities in IRECR Q&A 	RF Specialists (IFAD and CPIU, IFAD Remittance Specialists, NCFM, Director of the Non-banking Credit Department	Elena: elena.burlacu@ucipifad.md Natalia: natalia.manea@ucipifad.md Inga: inga.covalciuc@ucipifad.md Olga: olgatomilova@yahoo.com Julia: j.marin-morales@ifad.org Beatrice: b.gerli@ifad.org Alina Cebotariov, NCFM: alina.cebotariov@gmail.com
	10:00-12:30 And (if needed) 13:30-15:30	Meeting with Victor (Eng.) and Ecaterina (infrastructure activities) <ul style="list-style-type: none"> Detailed update on infrastructure activities in RRP Q&A 	Infrastructure Specialists (IFAD and CPIU)	Victor (Eng.): victor.cervatiuc@ucipifad.md Ecaterina: ecaterina.mihalcean@ucipifad.md Sam: samvel_ghazaryan@yahoo.com
	14:15	Meeting with Nicolae Barabara and Nadejda Russu CPIU procurement officers <ul style="list-style-type: none"> Procurement 	Procurement specialists (IFAD and CPIU)	Ermina: e.mulahusic@fmpvpspcu.ba Nicolae Barabara Nadejda Russu
	15:00-17:00	Meeting with Ghenadie, Elena, Natalia and Inga (VC Aspects, Agribusiness support) <ul style="list-style-type: none"> Detailed update on Agribusiness Grants (RRP) Detailed update on Women Grants (RRP) Detailed update on VC Associations (RRP, IRECR) Q&A 	VC and RF Specialists (IFAD and CPIU), IFAD Gender ad M&E Specialists	Ghenadie: ghenadie.sandu@ucipifad.md Elena: elena.burlacu@ucipifad.md Natalia: natalia.manea@ucipifad.md Inga: inga.covalciuc@ucipifad.md Isabelle: zimex@wanadoo.fr Wietse: wietse.michiels@gmail.com Beatrice: b.gerli@ifad.org Laure: laure.martin.inapg@gmail.com Rachele: r.arcese@ifad.org
Wednesday 11 Nov 2020	10:00-12:00	Meeting with Ghenadie, Elena, Natalia and Inga (VC Aspects, Agribusiness support) <ul style="list-style-type: none"> Detailed update on Agribusiness Grants (RRP) Detailed update on VC Associations (RRP, IRECR) Q&A 	VC and RF Specialists (IFAD and CPIU), IFAD Gender ad M&E Specialists	Ghenadie: ghenadie.sandu@ucipifad.md Elena: elena.burlacu@ucipifad.md Natalia: natalia.manea@ucipifad.md Inga: inga.covalciuc@ucipifad.md Isabelle: zimex@wanadoo.fr Wietse: wietse.michiels@gmail.com Beatrice: b.gerli@ifad.org Laure: laure.martin.inapg@gmail.com Rachele: r.arcese@ifad.org

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
	10:00-17:00	<ul style="list-style-type: none"> Continue discussions with CPIU and stakeholders (TBD) CPIU Specialists to interview beneficiaries (phone, email) based on questionnaires 	IFAD, CPIU, + CLD, NCFM, PFI, VC Associations Representatives, etc.	(TBD) – this can include one-to-one meetings/communications (email, WhatsApp, Skype, etc.)
	14:00-15:00	Physical and Financial Progress, AWPB for 2021 and Other Technical subjects	Infrastructure Development Unit and IFAD Rural Infrastructure Specialist	Victor Cervatuic Ecaterina Mihalcean Samvel Ghazaryan
Thursday 12 Nov 2020	10:00-17:00	<ul style="list-style-type: none"> Continue discussions with CPIU and stakeholders (TBD) CPIU Specialists to interview beneficiaries (phone, email) based on questionnaires 	IFAD, CPIU, + CLD, NCFM, PFI, VC Associations Representatives, etc.	(TBD) – this can include one-to-one meetings/communications (email, WhatsApp, Skype, etc.)
	09:00-10:45	<ul style="list-style-type: none"> Meeting with SCA Grimancauti and beneficiaries 	IFAD, CPIU, SCA and 3 beneficiaries	Elena: elena.burlacu@ucipifad.md Inga: inga.covalciuc@ucipifad.md Olga: olgatomilova@yahoo.com Isabelle: zimex@wanadoo.fr Julia: j.marin-morales@ifad.org Eduard GOJAN SCA Grimancauti, Executive Director: egojan@yandex.ru Vadim CEBOTARI, MEs beneficiary: cebotarivadim.md@gmail.com Vadim AMBROS, MEs beneficiary: vadim.ambros2@mail.ru Dorina CERNEI, MEs beneficiary: dordinu@mail.ru
	10:45-11:30	<ul style="list-style-type: none"> Meeting with National Central Association of Savings and Credit Associations (CNASCA) 	IFAD, CPIU, CNASCA	Elena: elena.burlacu@ucipifad.md Inga: inga.covalciuc@ucipifad.md Olga: olgatomilova@yahoo.com Julia: j.marin-morales@ifad.org Andrei CALIN, Executive Director of NCASCA: acalin@uc.md
	11:00-12:00	Meeting with Nicolae Barabara and Nadejda Russu CPIU procurement officers <ul style="list-style-type: none"> Procurement 	Procurement specialists (IFAD and CPIU)	Ermina Mulahusic Nicolae Barabara Nadejda Russu
	11:30 – 13:00	<ul style="list-style-type: none"> Discussion on outreach of YEs and women 	IFAD, CPIU	Wietse: wietse.michiels@gmail.com Beatrice: b.gerli@ifad.org natalia.manea@ucipifad.md
	16:00 – 16:40	<ul style="list-style-type: none"> Meeting with SME beneficiary Sipecofruct (Josan Andrei) 	IFAD, CPIU, beneficiary	Olga: olgatomilova@yahoo.com natalia.manea@ucipifad.md Beatrice: b.gerli@ifad.org Josan Andrei
	16:40 – 17:20	<ul style="list-style-type: none"> Meeting with YEs beneficiary GT Ignat Elena 	IFAD, CPIU, beneficiary	Olga: olgatomilova@yahoo.com

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
				natalia.manea@ucipifad.md Beatrice: b.gerli@ifad.org Rachele: r.arcese@ifad.org Ignat Elena
	11:00-13:30	Continue discussion on M&E	IFAD M&E Expert and PO and CPIU M&E team	Laure Martin Rachele Arcese Alexandru Anton Olesea Mahnovschi
	15:00-18:00	Continue discussion on M&E	IFAD M&E Expert and PO and CPIU M&E team	Laure Martin Rachele Arcese Alexandru Anton Olesea Mahnovschi
	15:30-17:30	FM related discussions and FMAQ	IFAd and PCIU Finance specialists	Sengul James Svetlana Brumarel
		Meeting on Component 2 (remittances)	SCA Grimancauti beneficiaries, SCA Manager and National Central Association of SCAs	Julia SCA Grimancauti beneficiaries, SCA Manager and National Central Association of SCAs
Friday 13 Nov 2020	10:00-15:00	• Continue discussions with CPIU and stakeholders (TBD)	IFAD, CPIU, + CLD, NCFM, PFI, VC Associations Representatives, etc.	(TBD) – this can include one-to-one meetings/communications (email, WhatsApp, Skype, etc.)
	08:00-09:00	• Meeting with CB Moldova Agroindbank representatives	IFAD, CPIU, PFI	Elena: elena.burlacu@ucipifad.md Natalia: natalia.manea@ucipifad.md Inga: inga.covalciuc@ucipifad.md Olga: olgatomilova@yahoo.com Lilia Vrabie, CB Moldova-Agroindbank, Head of Sales and Special Resources Direction, lilia.vrabie@maib.md Galina Vasilita CB Moldova-Agroindbank, Head of SME Sales Department, Galina.Vasilita@MAIB.MD Ala Polustanova CB Moldova-Agroindbank, Head of SME Product Development Department Ala.Polustanova@maib.md
	10:00 – 13:00	• Meeting with Service Provider Women Pilot Project (AO Mega) and women beneficiaries	IFAD, CPIU, beneficiaries, Service provider	natalia.manea@ucipifad.md Elena: elena.burlacu@ucipifad.md Beatrice: b.gerli@ifad.org Wietse: wietse.michiels@gmail.com Vasile Zagorodniuc, zagorodniuc_v@mail.ru Arnaut Ana

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
				Gotornicean Ludmila Lisnic Ala
	11:00-12:00	<ul style="list-style-type: none"> Physical and Financial Progress, AWPB for 2021 and Other Technical subjects 	Infrastructure Development Unit and IFAD Rural Infrastructure Specialist	Victor Cervatuic Ecaterina Mihalcean Samvel Ghazaryan
	15:00-16:00	<ul style="list-style-type: none"> Meeting with YEs beneficiary Chinchilla Silver 	IFAD, CPIU, beneficiary	Olga: olgatomilova@yahoo.com natalia.manea@ucipifad.md Condrea Cristina
	16:00-17:00	<ul style="list-style-type: none"> Meeting with External Assistance Program Management Office (EAPMO) 	IFAD, CPIU, EAPMO	Samir: s.bejaoui@ifad.org Isabelle: zimex@wanadoo.fr Olga: olgatomilova@yahoo.com Victor: victor.rosca@ucipifad.md Elena: elena.burlacu@ucipifad.md Inga: inga.covalciuc@ucipifad.md Raisa CANTEMIR, Head of EAPMO, raisa.cantemir@arax.md Maria Vilcu, Deputy of EAPMO, maria.vilcu@arax.md
	15:30 – 18:30	Continue discussion on M&E	IFAD M&E Expert and PO and CPIU M&E team	Laure Martin Rachele Arcese Alexandru Anton Olesea Mahnovschi
Saturday 14 – Sunday 15 Nov 2020	10:30 – 16:00	Mission team meeting <ul style="list-style-type: none"> Individual debrief on key findings Discussions and way forward 	IFAD Mission team (zoom link provided by IFAD Istanbul hub)	Home-based work
	Rest of the day	<ul style="list-style-type: none"> Analysis of project documents and progress reports Drafting of RRP MTR report Drafting of IRECR ISM report 	IFAD Mission team	Home-based work
	10:00-11:00	Meeting on RF activities	CPIU and IFAD	Elena Natalia Inga Olga Julia Beatrice
Monday 16 Nov 2020	9:00-18:00	<ul style="list-style-type: none"> If necessary, one to one meetings/communications (email, WhatsApp, Skype, etc.) (TBD) Drafting of RRP MTR report Drafting of IRECR IS Report (Olga & Isabelle) 	IFAD Mission Team; CPIU team	(TBD) based on the requests of the mission members
	09:00-10:00	Meeting with CB Fincombank representatives	IFAD, CPIU, PFI	Olga: olgatomilova@yahoo.com

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
Tuesday 17 Nov 2020	10:00-11:00	Meeting with CB Fincombank representatives	IFAD, CPIU, PFI	<p>Elena: elena.burlacu@ucipifad.md Olga Naconecinaia, CB Fincombank, Head of the Treasury, onaconecinaia@fincombank.com Iulia Maximova CB Fincombank, Treasury chief specialist, imaximova@fincombank.com Alla Vidrasco CB Fincombank, Head of the Small and Medium Business Lending Department, avidrasco@fincombank.com</p>
	19:00	Various sections of the RRP MTR report shared by mission members with the Team Leader	IFAD Mission Team	<p>Olga: olgatomilova@yahoo.com Elena: elena.burlacu@ucipifad.md Natalia: natalia.manea@ucipifad.md Inga: inga.covalciuc@ucipifad.md Svetlana Armasu BC Mobiasbanca-OTP Group, Head Department Relations with IFI Svetlana.Armasu@mobiasbanca.md Stela Fabian BC Mobiasbanca-OTP Group, Manager Relations with IFI, stela.fabian@mobiasbanca.md Tatiana Popescu BC Mobiasbanca-OTP Group, Head of Corporate Product Management Department, tatiana.popescu@mobiasbanca.md Ecaterina Donici BC Mobiasbanca - OTP Group, Head of the Financing Products Department, ecaterina.donici@mobiasbanca.md Tatiana Maximov BC Mobiasbanca-OTP Group, Head of the Agro Business Department, tatiana.maximov@mobiasbanca.md</p>
	9:00-12:00	Compilation of 1 st draft of RRP MTR Report	IFAD Team Leader	Home-based work
	12:00-15:00	Review of compiled 1 st draft RRP MTR report by IFAD ICO	IFAD CD and PA	Home-based work
	15:00	1 st draft of RRP MTR report shared with CPIU	IFAD Team Leader	Home-based work
	12:00-15:00	Compilation of 1 st draft of IRECR ISM report	IFAD Team Leader	Home-based work
	15:00-18:00	Review of compiled 1 st draft IRECR ISM report by IFAD ICO	IFAD CD and PA	Home-based work
	19:00	1 st draft of IRECR IS report shared with CPIU	IFAD Team Leader	Home-based work

Date	Time (Chisinau)	Event	Participants	Participant email addresses for Zoom invitations
	10:00-19:00	Drafting of various RRP report Appendices, including Technical Annexes when relevant	IFAD Mission Team	Home-based work
Wednesday 18 Nov 2020	11:30-17:00	Pre- wrap-up meeting with CPIU to discuss RRP MTR report	IFAD Mission Team, CPIU RRP team	IFAD Mission Team + CPIU RRP Team
	17:00-19:00	Based on discussions with CPIU, finalization of reports by mission members (RRP) + IRECR (Olga & Isabelle with Sam's inputs)	IFAD Mission team	Home-based work
Thursday 19 Nov 2020	8:00-19:00	Finalization of RRP and IRECR report	IFAD Team Leader	Home-based work
	19:00-20:00	Review of Final draft IRECR ISM report by IFAD ICO	IFAD CD and PA	Home-based work
	20:00-22:00	Review of Final draft RRP MTR report by IFAD ICO	IFAD CD and PA	Home-based work
	21:00	Final draft of RRP MTR report shared with CPIU for circulation to the Government	IFAD Team Leader	Home-based work
	23:00	Final draft of IRECR ISM report shared with CPIU for circulation to the Government	IFAD Team Leader	Home-based work
	9-18:00	Finalization of various RRP report Appendices, including Technical Annexes when relevant	IFAD Mission team	Home-based work
Friday 20 Nov 2020	14:00-16:00	Wrap up meeting with CPIU and Government representatives on RRP MTR Report and IRECR implementation support mission report	IFAD Mission Team; CPIU Director; RRP team	IFAD Mission Team + CPIU RRP/IRECR Team + Government representatives: Raisa CANTEMIR, Head of EAPMO, raisa.cantemir@arax.md Elena Matveeva, Head of the Public Debt Division, MoF: elena.matveeva@mf.gov.md Diana Lupan, representing MARDE Igor Gorasov, Consultant on RRP Exit Strategy: igorashov@gmail.com
	19:00	Final inputs to RRP Supervision Report (incl. all appendices), to be compiled by Isabelle	IFAD Mission Team	Home-based work

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Republic of Moldova

Rural Resilience Project

Mid-term Review

Appendix 6: Procurement

Mission Dates: 9 to 20 November 2020
Document Date: 17/12/2020
Project No. 2000001156
Report No. 5583-MD

Near East, North Africa and Europe Division
Programme Management Department

Appendix 6: Procurement Procedure Review Report

Overall, the performance of procurement is considered to be **moderately unsatisfactory (Rating: 3)**.

I. Background

1. The Rural Resilience Project (RRP) is being implemented by the same Consolidated Project Implementation Unit which is implementing IFAD's on-going investments in the country. Thus, most of the implementation arrangements are in place apart from some that require service providers or partnerships. The project was officially launched on 5th October 2017.

II. Key outcomes/issues and recommendations

2. Procurement Unit. The procurement and financial management functions are not separated (according to CPIU organigram, procurement specialist is placed under finance manager). During the previous mission merging of procurement and financial department was discussed, which is not a good practice and should be kept separate. CPIU Procurement Unit composed of Procurement Officer and Procurement consultant. Procurement officer is appointed for IRECR and Procurement consultant for RRP. Both have experience in the national procurement procedures as well as IFAD's procurement procedures. Also, they attended to the special course in procurement procedures which was organized by IFAD's professional staff in August 2020.

3. Project Procurement Manual (PPM). The Project Implementation Manual (PIM) is used in the project activities but it has very limited information on procurement specific procedures. There is no project procurement manual for RRP in place. The mission recommended that manual needs to be finalized and submit to IFAD for No-objection.

4. Letter to the Borrower (LTB) defines the thresholds for goods, non-consulting services or works amounting to less than USD 1,000 per one single purchase, the project shall proceed with purchases based on one invoice without prior review of IFAD up to an aggregate amount not exceeding the figure mentioned and approved in the AWPB. For any single-source of consultant for the provision of services amounting to less than USD 1,000 per one single contract, the project shall proceed with the Contract without the prior review of IFAD provided that this contracted is listed on the approved PP. Current procedures require project plan upgrades even in cases of purchases with relatively small amounts which causes unnecessary overhead.

Recommendation: Amendment of the current LTB to change the requirements for purchases of goods, non-consultancies, works and consultancies amounting to less than USD 1,000 per one single purchase/Contract to conduct them even if they were not listed in AWPB and PP.

III. Review of Procurement Plan

4. The annual procurement plan (PP) is prepared by project staff and stakeholders in a participatory manner, which was submitted to IFAD's No-Objection as an integral part of AWPB. The PP was upgraded several times in 2020 while the 2020 AWPB was not upgraded post approval in February 2020, showing a non-alignment between PP and AWPB. PP follows the IFAD PP template and received IFAD's non objection through NOTUS system on 22 January 2020. The mission has reviewed Procurement Plan (PP) and noted that the applied forms reflects the process of procurement activities and actual implementation dates are filled out. Delays are experienced at the level of Procurement processing. PP is not advertised publicly. The PP was upgraded numerous times and this should be limited as much as possible along with better planning.

5. The 2020 PP included 10 packages for works, 44 packages for consultancy and 18 for non-consultancy assignments with total cost estimate USD 2,292,290.00. As of November 2nd 2020, the procurement process for 2 packages for works, and 13 for services (which includes non-consultancy services) at a total value of USD 484,373.00 were contracted by the Project constituting around 22.37% of the originally planned amount.

Recommendation: Procurement plan along with AWPB needs to be submitted 60 days before the next financial year starts processes to provide sufficient time for preparation of documents, and necessary approvals in order to avoid potential delays. PP should be advertised publicly.

IV. Review of Prequalification and Bidding Processes

6. The assessment of the procurement processes conducted for a sample of contracts and noted that the proper procurement methods were used for each activity based on the cost estimate applied.

The project has adopted one of the World Bank Standard bidding documents for the works as advised by the procurement specialist in the previous mission. CPIU was informed that IFAD is currently developing its standard bidding documents and once these are ready, CPIU will adopt them. However; the reviewed BDs did not include the list of debarred firms and cost estimate appearing in bidding document for works. NCB¹ was utilized for

¹ National competitive bidding

packages for works. The time line for this method is on the average about 30 days. As far as consultancies express of interest (EOI) is regularly advertised, but in some instances the deadline for submission had to be extended and in one instance it was cancelled all due to lack of interest from consultants. This causes delays in procurement processes. For procurement methods that require public bid opening, procurement unit comply with such procedures.

Recommendation: In order to avoid unnecessary delays in procurement processes for consultancies, CPIU should use short list created as a result of previous similar assignments instead of publicly advertising EOI each time specially for the relatively low value of the procurement. Also, the pre-proposal conference for short listed consultant should be planned, conducted and documented for future contracts to help clarify any concerns consultants may have with the contract documents, Tor and other details. The list of debarred firms should be included in BDs. The cost estimate must be kept strictly confidential and there should be no links between personnel having this knowledge and the bidders as advised by IFAD consultant during the last mission.

V. Review of Evaluation and Contract Award

8. Evaluation committee is appointed in each procurement, but member with the technical knowledge and experience coherence with the type of procurement is missing. The tender committee consists of at least 3 people. CPIU has two different committee, one was appointed for bid opening and the other for Bid evaluation. It was noticed that CPIU Director is one of the members of Bid Evaluation Committees which is also stated in the current version of the PIM. During the mission it was agreed that this will no longer be the case as this is not in line with procedure and it represents a conflict of interest. Also, procurement officer was not a part of Bid Opening Committee.

9. With the reference to the conducted procurement of construction of irrigation system for Saharna Noua village, Rezina district (Contract No C&W 27/20 PRR) it was noted that evaluation report was not signed by all committee members that decide on the final recommendations and scores. Also, this contract was initially signed on the amount of MDL 1,776,855.96. Due to the fact that the examination of the project documentation and the specifications were detected some volumes of works that are specified in the project but are not specified in the specifications, the contract was amended for additional amount of MDL 208,921.64. For this amendment IFADs No was requested and received.

10. With the reference to the conducted procurement of construction of irrigation system in Grimăncăuți village, Briceni district (Contract # C&W 29/20 PRR) it was noted that evaluation report was not signed by all committee members that decide on the final recommendations and scores. This contract was amended with new deadline for completion of works due to inability to execute the works due to effects of the pandemic. For this amendment IFAD's No was not requested.

11. With the reference to the conducted procurement of Exit Strategy to the Rural Resilience Project IFAD VII (Contract No B&S 58/20 PRR) it was noted that technical and financial reports were not signed by all committee members listed in the document header. Looking at the evaluation reports its not clear if they were not a part of the committee or for some other reason did not signed the report.

Recommendation: CPIU Director, as the authority that approves Evaluation of Bids, should not be involved in any way in Bid Evaluation. Ensure the involvement of procurement specialist as a secretary of every Bid Opening Committee. Procurement officer should be responsible for all administrative tasks related to bid/proposal opening and evaluation. All evaluation reports must be signed by all staff who have been involved in Bid evaluation. The list of committee members listed in the report should contain only the names of the committee members involved in Bid evaluation so there is no confusion related to the missing signatures. For contract amendment where there is a need to change any terms or conditions of the contract obtain necessary approvals. The PIM that reflects the involvement of CPIU director as a part of Bid Committee should be updated accordingly.

VI. Review of Contract Administration and Management

12. The mission noted that all signed contracts are entered in the Register of contracts. However, this register is not being sent to IFAD on a monthly basis which is mandatory according to LTB. For procurement procedures that require No-objection from IFAD, the NOTUS system was utilized. The contracts have got the standard commercial and contractual terms required for a proper procurement agreement. However, IFAD's right to audit is not mentioned in the Contracts for consultancies but it needs to be mentioned in all Contracts. No complaints were received on the procurement processes undertaken so far. The contract payment monitoring form is being consistently used and updated by the procurement specialist. Vendor Assessment Form (VAF) that was provided during IFADs last mission in July 2020 is being used by procurement officers. However, the procurement officers are still not a part of acceptance committee and they are not able to conduct an acceptance. Ensure that procurement officer is in the acceptance committee in order to confirm compliance of the deliverables with the contract requirements.

14. During the mission CPIU presented the draft of contract agreement with implementation partner (NCASCA). The mission noted that in the procurement related clause it was stated that procurements will be conducted in accordance to the internal procurement procedures which is not in line with LTB. The procurement guidelines of

partners (NCASCA, NCFM and LPAs) need to be adjusted to reflect the project procurement manual as per the Borrower's Procurement Procedures and ensure that they are in line with IFAD's Procurement Guidelines and Handbook.

Regarding to the Partnership agreement with Value Chain Associations each partnership agreement's beneficiaries should provide the list of expenditures and for each of them, submit a description on how the goods and services were procured, for eligibility assessment by IFAD. All future procurement under VCAs will be undertaken directly by CPIU. The new partnership agreements will reflect this provision.

VII. Review of project's record retention/procurement filing system and the ease of document retrieval

15. Each procurement has its own separate folder where records and all procurement documents are kept properly in hard files and electronic files as well. The procurement unit securely keeps the received bids until the bid evaluation date.

VIII. Review of issues identified in the previous review and aide-mémoire and procurement related issues identified in project audit reports

16. In audit report for 2019 there are no issues identified for procurement.

17. Recommendations of the previous IFAD mission (October 2019) and agreed actions:

#	Recommendations	Status
1	Plan be submitted on participation of Procurement Consultant in ILO (Goods & Works and Selection of Consultancy Services) procurement trainings for 2020.	Agreed action fully executed (100%) Procurement specialist participated in IFADs procurement training sessions in the end of August 2020
2	The qualification requirements for each tender to be approved by the tender committee members before advertising.	Agreed action not executed (0%) The qualification requirements are usually established at the elaboration of the ToR with the component manager depending on the requirements, before the launch of the competition. There is no documentary evidence that the committees are established early in the process when the criteria are being set.
3	Minutes of bids/proposals public opening meetings Ensure the involvement of procurement specialist in the bids/proposals public opening meetings as a secretary of the meeting responsible for preparation of the minutes of meetings	Agreed action initiated but not yet completed (70%) Procurement specialist is involved as an assistant in the bids/proposals public opening meetings. The secretary of the meeting, responsible for preparation of meeting minutes is the chairperson of the opening committee, according to the PIM.
4	Always specify duration of works in BDs to avoid different time proposals from bidders that complicates fair completion.	Agreed action fully executed (100%) Maximum construction period (including preparation period) was included in BDs
5	To ensure procurement methods be consistent with estimated budgets, procurement category and nature of tasks: - CQS be used instead of LCS for individuals. - For small estimated budget consultancies CQS be used instead of two envelope biddings such as QCBS, LCS or FBS.	Agreed action fully executed (100%) CPIU utilise ICS method instead of LCS for individual consultants (designers, technical supervisors) and CQS for small estimated budget consultancies. CPIU never applied LCS, NCB, NSH methods for consulting services (firms).
6	Procurement Plan be improved by the following actions: - Combine activities in more big packages to attract more experienced and qualified in the field companies taking into account their capacity and ensure required level of competition. - Operation costs such as participation of staff in the conferences, car insurances and other operational costs be removed from PP or transferred from G/W/C categories of PP to the separate sheet. - Use only one currency in PP. - Specify full contract amount in PP, instead of annual budget.	Agreed action fully executed (100%) Currently CPIU uses the Procurement Plan presented at the IFAD Procurement Workshop of December 2019. All tenders, subjects of Prior review were approved in NOTUS following the system steps.

	<ul style="list-style-type: none"> - Remove activities already procured in previous year. - Ensure that all SSS and DR contracts follow full prior review procedure as per agreement. - use the latest Procurement Plan template provided by IFAD 	
7	<p>Contracts documents to be improved as follows:</p> <ul style="list-style-type: none"> - In contacts with supervision engineers to have only contact amount without explanations that it comes from particular % of construction costs, which is not a common practice for IFAD projects. - All contracts shall include the missing clause for Contract Administration. - Contract number shall match with tender ID number and include project and selection methods acronyms. - Specify contract type (Lump-sum or Time-based). - To have Acceptance Letter, Letter of Bid, copy of Performance Security and Specifications in CW contacts. 	<p>Agreed action initiated but not yet completed (80%)</p> <ul style="list-style-type: none"> - The % of construction costs explanation is excluded from the contracts with the technical supervisors. - For all contracts the clause for contract administration was included - It is not possible to match the Contract number with tender ID number, because the Register of contracts has an ascending order, while tenders have different duration. - Contract type (Lump sum or time-based) was specified
8	<p>Process of QCBS to be improved as follows:</p> <ul style="list-style-type: none"> - To ensure 4 weeks for submission of proposal as per guidelines for QCBS.- - Evaluation of the quality of consultants' reports with previous customers is not a common practice for scoring. After the notifying evaluation results to consultants, they may protest using of subjective/unqualified opinion of CPIU during the evaluation of their deliverables. CPIU is recommended to ask consultants to submit recommendation letters/references to check their performance with previous clients. Those consultants who have proven non-performance with previous clients may be rejected. 	<p>Agreed action fully executed (100%)</p> <p>Recommendations are accomplished</p>
9	<p>Use existing IFAD Procurement Handbook and standard documents templates provided previously by IFAD before new Handbook and documents will be provided.</p>	<p>Agreed action fully executed (100%)</p>
10	<p>In the existing BDs for works to incorporate the following:</p> <ul style="list-style-type: none"> - Respective link list of debarred firms published by the World Bank: http://www.worldbank.org/en/projects-operations/procurement/debarredfirms. - 12-months Defect Liabilities Period for all construction/rehabilitation works, instead of 6 or 9 months currently used by CPIU - IFAD clause on fraud and corruption in the Bidding Documents. - 10% for Performance Security. 	<p>Agreed action initiated but not yet completed (70%)</p> <ul style="list-style-type: none"> - The reviewed BD didn't include the link/list of debarred firms - In the Contract were included: Warranty/defect liability period set at 12 months Corrupt and Fraudulent Practices are included 10% for Performance Security.
11	<p>Process of NCB for goods to be improved by following:</p> <ul style="list-style-type: none"> - To use BDs for NCB instead of Request for quotations (RFQ) defined for shopping. - To avoid advance payments made without Bank Securities in all tenders for goods (the same for works; for consultancy services advance payments are allowed for not more than 10% of the total contract amount, preferably against inception reports) - To ensure one contract per lot in case of multiple lots bidding 	<p>Agreed action fully executed (100%)</p> <p>CPIU utilise BD instead of RRQ</p> <p>There were no advance payments</p> <p>Each procurement/lot has separate contract</p>

During the mission a follow-up was made regarding the recommendations proposed by the mission in July 2020 for IRECR and which are also applicable for RRP

	Recommendations	Status
1	To ensure separation of duties between the procurement function and the finance function within CPIU, the PIM should be updated to include clear reporting structure and reporting lines as well as coordination between various teams as per the proposed Responsibility Assignment Matrix (RAM)	<p>Agreed action not executed (0%)</p> <p>The proposed Responsibility Assignment Matrix (RAM) was coordinated with all CPIU responsible staff and agreed but not implemented.</p>
2	Procurement staff managing the tender phase is recommended to continue to manage the resulting contracts jointly with their technical counterparts at CPIU. A RAM template is provided by the mission for adoption. Once completed and approved, this Matrix should be included in the updated PIM.	<p>Agreed action initiated but not yet completed (70%)</p> <p>On-going activity.</p>

3	CPIU Director, as the authority that approves opening and evaluation of bids, should not sit within opening and evaluation committees	Agreed action not executed (0%) It still not being implemented in the procurement prepared in august
4	CPIU to systematically appoint technical staff in acceptance committees different from those involved in evaluation and contract implementation. Similarly, for appointment of procurement staff to the committee. Furthermore, a Vendor Assessment Form (VAF) is shared by the mission for adoption. The formation of acceptance committees and the VAF shall be incorporated into the updated PIM.	Agreed action initiated but not yet completed (70%) CPIU IFAD have separated the members of Bid acceptance Committees but procurement officer was not included in acceptance committee VAF is being used by procurement officer but the PIM was not updated.
5	Despite the reasoning behind publishing the contract estimate in bidding documents for infrastructure works, it is imperative that this estimate not be published and other measures be put in place to prevent premature leaking of the estimate including but not limited to (limiting distribution of estimate to CPIU Director and Municipality head; monitoring bid pricing for suspicious signs; etc.)	Agreed action initiated but not yet completed (70%) Since the last mission there were no procurements for works for RRP. The BDs that were subject for review were dated before mission in July and at that time cost estimates were still present. It's taken in consideration for preparation of ongoing documents
6	CPIU to use the new IFAD 2020 SBD's once released. In the meantime, procurement specialist should use World Bank templates and to ensure that insurance clauses and payment terms are updated; set bid security as a fixed amount; increase bid submission time limits; and reduce qualification criteria.	Agreed action initiated but not yet completed (70%) CPIU has adopted one of the World Bank Standard bidding documents for the works as advised by the procurement specialist in the previous mission. The time line for NCB method is on the average about 30 days. For consultancies they used templates that were provided in previous missions.
7	Each evaluation process to include detailed analysis of prices (at the item level and in aggregate) and to incorporate comparison with previous pricing at CPIU-level and national catalogue prices published by competent authorities; the analysis and findings to be included in the report.	Agreed action initiated but not yet completed (70%) It's taken in consideration for preparation of ongoing documents.

IX. Review of any significant changes in the Borrower/Recipient's procurement system and practices

18. Public procurement in Moldova is regulated by Public Procurement Law (No. 131) which entered into force on July 03, 2015. Since then, several changes occurred including changing thresholds, exceptions to the law, time limits, changing the mandate of the Public Procurement Authority, etc.

The Public Procurement Agency of Moldova is a specialized administrative authority subordinated to the Ministry of Finance, established for the purpose of performing supervision, ex-post control and inter-branch coordination in the field of public procurement. On their website <https://tender.gov.md/ro/lista-de-interdictie> they published black list which is a good practice. The English version of the law published on the PPA site is that of 2015 <https://tender.gov.md/en/content/law-public-procurement>.

X. Assessment of further procurement staff training needs

19. Although the procurement officer has experience in the national procurement procedures as well as IFAD's procurement procedures, it is recommended to improve the knowledge of specialists through various training courses on IFAD procurement procedures and guidelines.

XI. Key findings and conclusions from the PRM assessment

20. PRM was conducted by IFAD consultant in July 2020 and since then there were no changes nor updates applied.

XII. Procurement performance indicator rating and justification

- 1. Procurement Planning Process: (3) Moderately Unsatisfactory:** The Procurement Plan is aligned with the AWPB, follows the IFAD PP template. PP is not advertised publicly. The PP was upgraded numerous times. Delays are noted. **resolution of issues/constraints is likely.**
- 2. Processes and Procedures from Prequalification to Bidding -: (3) Moderately Unsatisfactory:** the reviewed BDs did not include the list of debarred firms and cost estimate appearing in bidding document for works. Processes and procedures applied exhibit significant shortcomings and inconsistencies across

some of the requirements. Project implementation is negatively impacted and delayed; **resolution of issues/constraints is likely.**

3. **Process and Procedures for Evaluation and Contract Award - (3) Moderately Unsatisfactory:** CPIU Director is one of the members of Bid Evaluation Committees which is also stated in the current version of the PIM. Procurement officer was not a part of Bid Opening Committee; **resolution of issues/constraints is likely.**
4. **Contract Management and Administration – (3) Moderately Unsatisfactory:** Register of contracts is not being sent to IFAD on monthly basis as stated in LTB. IFAD's right to audit is not mentioned in the Contracts for consultancies. The procurement officers are still not a part of acceptance committee and they are not able to conduct an acceptance, resolution of issues/constraints is likely.
5. **Record Retention (5) Satisfactory:** Each procurement has its own separate folder where records and all procurement documents are kept properly in hard files and electronic files as well.

Overall rating: 3.4

Annex 1 - Post Review Checklist – Procurement Planning

#	Description	Check	Remarks
A	Procurement Planning (for entire PP)		
1.	Are there planned dates for all procurements?	Yes	
2.	Are the planned dates consistent with the procurement process and methods?	Yes	
3.	Are the procurement methods consistent with the estimated budget for each procurement?	Yes	
4.	Is the reviewed Procurement Plan an updated one?	Yes	
5.	How many updates of the current Procurement Plan was submitted for the year?	Yes	15 approvals for both projects
6.	How many upgrades of the current Procurement Plan was submitted for the year?	Yes	

A. Annex 2 - Post Review Checklist – Procurement

# 1	Description	Check	Remarks
Construction of irrigation system for Saharna Noua village, Rezina district -works Contract # C&W 27/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	item W 1 in PP2020 and item 1.1.1.1 AWPB
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Technical specifications were duly prepared and submitted
3	Is the Method proposed in the PP used?	Yes	NCB as per PP and LTB thresholds
4	Is enough done to demonstrate that competition was achieved?	Yes	
5	Is there time provided for bidders to request and receive clarifications, before the submission deadline?	Yes	
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	Yes	The SPN ² was advertised on 27/01/2020 in one national press (Logos-Press) and four websites: (www.ucipifad.md), (www.madrm.gov.md), (www.agrobiznes.md), (www.civic.md). Closing date 02/03/2020. (34 days)
7	Ensure that no late bids were accepted	Yes	According to the project records no late bid was accepted
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	Yes	

² Specific procurement notice

# 1	Description	Check	Remarks
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	Yes	The bids that did not meet the technical specifications are not accepted
3	Was Technical Evaluation done?	Yes	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	Yes	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objected to by IFAD before the Financial Proposal(s) was/were opened?	NA	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	Yes	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	Technical specifications drafted were disclosed to bidders hence the evaluation was clear against the technical specifications provided
8	Were bidders given enough time to submit a challenge/protest?	Yes	No protests were submitted
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	NA	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	NA	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	Yes	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	NA	
14	Were challenges/protests received? Were they handled properly?	NA	No protests received
15	Quotation Assessment Report and Date; comments, if any	Yes	Minutes of bid opening dated 02/03/2020.; Minutes of the evaluation of bids (Evaluation report) of the working committee dated 24/03/2020. with recommendation on contract awarding SRL Termosistem. Comment: Evaluation report was not signed from all committee members
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	No protests received
2	Ensure that negotiations were not held for Goods and Works	No	
3	Ensure that negotiations were held for consulting services?	NA	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	NA	

# 1	Description	Check	Remarks
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # C&W-27/20 PRR dated 22/04/2020. for amount MDL 1,776,855.96 (USD 103,413). Supplier Name: SRL Termosistem. The signed copies of the contracts were duly filed.
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	Yes	Amendment dated 27/07/2020. Comment: due to the fact that the examination of the project documentation and the specifications were detected some volumes of works that are specified in the project but are not specified in the specifications, the maximum amount agreed for additional work is 208,921.64 MDL. IFADs No objection obtained 23/07/2020
5	Delivery date (by contract / actual)	Yes	According to the contract: 22/06/2020 Actual date 22/06/2020 The payment status is in the file with the amount of 1,936,133.15 MDL The outstanding amount of 5% will be paid after the expiration of the warranty period (22/06/2021) Performance guarantee in the file with validity period 04/07/2020

#2	Description	Check	Remarks
Construction of irrigation system in Grimăncăuți village, Briceni district -works Contract # C&W 30/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	item W 2 in PP2020 and item 1.1.1.1 AWPB Planned amount USD 160,367.50 Contracted USD 261,827.00 The contracted amount is higher than planned in the PP
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Technical specifications were duly prepared and submitted
3	Is the Method proposed in the PP used?	Yes	NCB as per PP and LTB thresholds
4	Is enough done to demonstrate that competition was achieved?	Yes	
5	Is there time provided for bidders to request and receive clarifications, before the submission deadline?	Yes	
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	Yes	The SPN was advertised on 29/01/2020 in one national press (Logos-Press) and four websites: (www.ucipifad.md), (www.madrm.gov.md), (www.agrobiznes.md), (www.civic.md). Closing date 10/03/2020. (40 days)
7	Ensure that no late bids were accepted	Yes	According to the project records no late bid was accepted

#2	Description	Check	Remarks
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	Yes	
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	Yes	The bids that did not meet the technical specifications are not accepted
3	Was Technical Evaluation done?	Yes	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	Yes	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objectioned to by IFAD before the Financial Proposal(s) was/were opened?	NA	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	Yes	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	Technical specifications drafted were disclosed to bidders hence the evaluation was clear against the technical specifications provided
8	Were bidders given enough time to submit a challenge/protest?	Yes	No protests were submitted
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	NA	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	NA	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	Yes	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	NA	
14	Were challenges/protests received? Were they handled properly?	NA	No protests received
15	Quotation Assessment Report and Date; comments, if any	Yes	Minutes of bid opening dated 10/03/2020.; Minutes of the evaluation of bids (Evaluation report) of the working committee dated 24/03/2020. with recommendation on contract awarding SRL Capital Comment: Evaluation report was not signed from all committee members listed in the report.
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	No protests received
2	Ensure that negotiations were not held for Goods and Works	No	
3	Ensure that negotiations were held for consulting services?	NA	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	NA	

#2	Description	Check	Remarks
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # C&W-30/20 PRR dated 23/04/2020. for amount MDL 4 498 747,55 (USD 261,827.00) Supplier Name: SRL Capital. The signed copies of the contracts were duly filed. Comment: There is a discrepancy between contract number in the register of contracts (CW 29/20 PRR). The register needs to be updated and accurate.
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	Yes	Amendment dated 15/10/2020. Comment: in connection with the pandemic situation in the country, which impedes all contractors in the process of executing the works, also affected the construction works within the contract. The new deadline for completion of works in the context of the circumstances is 20/11/2020. IFADs No was not requested.
5	Delivery date (by contract / actual)	Yes	According to the contract: 23/09/2020 Actual date 20/11/2020 The payment status is in the file with the amount of MDL 3,376,657.58 Performance guarantee in the file with validity period 31/12/2020

# 3	Description	Check	Remarks
Feasibility studies for infrastructure component RRP-consultancies Contract # B&S 01/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	Item C 1.2.1 in PP 2019 and item 1.1.2.3 AWPB
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Tor is duly prepared and submitted
3	Is the Method proposed in the PP used?	Yes	QCBS as per PP and LTB thresholds
4	Is enough done to demonstrate that competition was achieved?	Yes	
5	Is there time provided for bidders to request and receive clarifications, before the submission deadline?	Yes	
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	Yes	The EOI was advertised on 02/10/2019 in national newspaper (Logos press) and 2 websites: (www.madrm.gov.md) and (www.civic.md). Closing date 16/10/2019. Due to lack of interest from consultant's deadline was extended until 30/10/2019.

# 3	Description	Check	Remarks
7	Ensure that no late bids were accepted	Yes	According to the project records no late bid was accepted
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	Yes	
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	Yes	The bids that did not meet the requirements are not accepted
3	Was Technical Evaluation done?	Yes	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	Yes	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objected to by IFAD before the Financial Proposal(s) was/were opened?	Yes	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	Yes	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	
8	Were bidders given enough time to submit a challenge/protest?	Yes	No protests were submitted
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	Yes	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	No	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	Yes	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	Yes	
14	Were challenges/protests received? Were they handled properly?	NA	No protests were submitted
15	Quotation Assessment Report and Date; comments, if any	Yes	Minutes of the evaluation of the working committee dated 16/12/2019. with recommendation on contract awarding Proconsulting SRL.
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	No protests received
2	Ensure that negotiations were not held for Goods and Works	NA	
3	Ensure that negotiations were held for consulting services?	Yes	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	No	
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # 01/20 PPR dated 02/01/2020 for amount USD 3,535.8 Company Name:

# 3	Description	Check	Remarks
			Proconsulting SRL. The signed copies of the contracts were duly filed.
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	No	
5	Delivery date (by contract / actual)	Yes	According to the contract: 28/02/2020 Actual date: 24/01/2020 The payment status is in the file with the total amount of MDL 65,082.66

# 4	Description	Check	Remarks
Study of the market offers for agricultural equipment's and machinery for the protection of crops from hazard factors and of the equipment used to produce crops in organic agriculture- Contract # B&S 03/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	item C.24 in PP 2020 and item 1.2.1.1 AWPB
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Tor is duly prepared and submitted
3	Is the Method proposed in the PP used?	No	SSS as per PP ICS IFADs No objection obtained 13/01/2020
4	Is enough done to demonstrate that competition was achieved?	NA	
5	Is there time provided for bidders to request and receive clarifications, before the submission deadline?	NA	
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	NA	
7	Ensure that no late bids were accepted	NA	
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	NA	
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	NA	
3	Was Technical Evaluation done?	NA	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	NA	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objected to by IFAD before the Financial Proposal(s) was/were opened?	NA	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	NA	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	
8	Were bidders given enough time to submit a challenge/protest?	NA	

# 4	Description	Check	Remarks
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	NA	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	No	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	NA	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	NA	
14	Were challenges/protests received? Were they handled properly?	NA	
15	Quotation Assessment Report and Date; comments, if any	Yes	Minutes of the negotiations of the working committee dated 27/12/2019. with recommendation on contract awarding Anatolie Fala.
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	
2	Ensure that negotiations were not held for Goods and Works	NA	
3	Ensure that negotiations were held for consulting services?	Yes	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	No	
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # B&S 03/19 PPR dated 13/01/2020 for amount USD 3,300.0 Company Name: Anatolie Fala. The signed copies of the contracts were duly filed. Comment: There is a discrepancy between contract number in the register of contracts (B&S 03/20 PPR). The register needs to be updated and accurate.
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	No	
5	Delivery date (by contract / actual)	Yes	According to the contract: 07/02/2020 Actual date: 06/02/2020. The payment status is in the file with the total amount of MLD 58,934

# 5	Description	Check	Remarks
Technical supervision of construction for irrigation system from Saharna Noua village, Rezina district - consultancies Contract # B&S 28/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	Item C 1-4 in PP 2020 and item 1.1.2.1 AWPB
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Tor is duly prepared and submitted
3	Is the Method proposed in the PP used?	Yes	ICS as per PP and LTB thresholds
4	Is enough done to demonstrate that competition was achieved?	Yes	
5	Is there time provided for bidders to request and receive clarifications, before the submission deadline?	Yes	
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	Yes	The EOI was advertised on 05/02/2020 in national newspaper (Logos press) and 2 websites: MADRMN (www.madrm.gov.md) and portal CIVIC (www.civic.md). Closing date 05/03/2020. (30 days)
7	Ensure that no late bids were accepted	Yes	According to the project records no late bid was accepted
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	Yes	
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	Yes	The bids that did not meet the requirements are not accepted
3	Was Technical Evaluation done?	Yes	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	Yes	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objectioned to by IFAD before the Financial Proposal(s) was/were opened?	Yes	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	Yes	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	
8	Were bidders given enough time to submit a challenge/protest?	Yes	
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	NA	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	No	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	Yes	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	NA	
14	Were challenges/protests received? Were they handled properly?	NA	
15	Quotation Assessment Report and Date; comments, if any	Yes	Minutes of the evaluation of the working committee dated 17/04/2020. with

# 5	Description	Check	Remarks
			recommendation on contract awarding Leonid Turea.
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	No protests received
2	Ensure that negotiations were not held for Goods and Works	NA	
3	Ensure that negotiations were held for consulting services?	Yes	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	No	
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # 28/20 PPR dated 22/04/ 2020 for amount MDL 19,000.0 Consultants name: Leonid Turea. The signed copies of the contracts were duly filed.
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	No	
5	Delivery date (by contract / actual)	Yes	According to the contract: 22/06/2021 Ongoing contract. The payment status is in the file with the total amount of MDL 13,300.00
6	Discussion the available problems and their further improvement by the procurement staff	Yes	General discussions were held related to the calculation of the costs for supervision of works: Into national law they have the normative document CP L.01.01-2012 "Instructions on the preparation of their estimates for construction-assembly works by the resource method" about the expenditure limits for the maintenance of the direction (technical supervision) in constructions applying to determine the value of the estimated object, in the execution projects and have the following values until 50 mil. MDL (about 2.918.310,65 USD) for technical supervisor is 1,1 % According to the manual for component 3 infrastructure for rural resilience and growth (component costs): Cost of the supervision works to hired Site Supervisors will not exceed 2% of the total construction cost. The PIM should be updated to be in compliance with national regulation.

# 6	Description	Check	Remarks
Exit Strategy to the Rural Resilience Project IFAD VII/consultancies B&S 58/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	Item C 43 in PP 2020 and item 3.1.3.3 AWPB
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Tor is duly prepared and submitted
3	Is the Method proposed in the PP used?	Yes	ICS as per PP and LTB thresholds
4	Is enough done to demonstrate that competition was achieved?	Yes	
5	Is there time provided for bidders to request and receive clarifications before the submission deadline?	Yes	
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	Yes	The EOI was advertised on 07/08/2020 in national newspaper and 2 websites: (www.madrm.gov.md) and (www.civic.md). Closing date 21/8/2020. Due to lack of interest from consultant's deadline was extended until 10.09.2020.
7	Ensure that no late bids were accepted	Yes	According to the project records no late bid was accepted
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	Yes	
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	Yes	
3	Was Technical Evaluation done?	Yes	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	Yes	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objectioned to by IFAD before the Financial Proposal(s) was/were opened?	NA	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	Yes	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	
8	Were bidders given enough time to submit a challenge/protest?	Yes	
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	Yes	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	No	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	Yes	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	NA	
14	Were challenges/protests received? Were they handled properly?	NA	
15	Quotation Assessment Report and Date; comments, if any	Yes	Minutes of the evaluation of the working committee dated 15/10/2020. with

# 6	Description	Check	Remarks
			recommendation on contract awarding Igor Gorasov. Comment: Technical and financial reports were not signed by all committee members listed in the document header.
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	No protests received
2	Ensure that negotiations were not held for Goods and Works	NA	
3	Ensure that negotiations were held for consulting services?	Yes	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	No	
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # B&S 58/20 PRR dated 02/11/2020 for amount USD 3,000.0 Consultants name: Igor Gorasov. The signed copies of the contracts were duly filed.
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	No	
5	Delivery date (by contract / actual)	Yes	According to the contract: within 30 calendar days from the date of signing this Contract or until November 30, 2020. Ongoing contract.

# 7	Description	Check	Remarks
Ajustare video spot-services, Contract # B&S 43/20 PRR			
A	Bidding Process (for each procurement)		
1	Is the item in the Procurement Plan?	Yes	item NC 5 in PP 2020 and item 1.2.3.1 AWPB
2	Is there a formal Procurement Requisition that initiates the process?	Yes	Technical specification is duly prepared and submitted
3	Is the Method proposed in the PP used?	Yes	DC as per PP and LTB thresholds According to the LTB for goods for any single-source of consultancies/non-consultancies amounting to less than USD 1,000 per one single contract/invoice, the project shall proceed with the contract without prior review of IFAD provided that this contracted is listed on the approved PP.
4	Is enough done to demonstrate that competition was achieved?	NA	
5	Is there time provided for bidders to request and receive clarifications, before the submission deadline?	NA	

# 7	Description	Check	Remarks
6	Is there sufficient time allotted for bidders to prepare quotations, bids and proposals	NA	
7	Ensure that no late bids were accepted	NA	
B	Evaluation Process (for each procurement)		
1	Was Preliminary Examination done?	NA	
2	Are there objective and justifiable reasons for rejections at Preliminary Examination?	NA	
3	Was Technical Evaluation done?	NA	
4	Are there objective and justifiable reasons for rejections at Technical Evaluation?	NA	
5	For QCBS and QBS was a Technical Evaluation Report submitted to and no-objected to by IFAD before the Financial Proposal(s) was/were opened?	NA	
6	For all advertised procurement, were bidders informed of the (technical) evaluation outcome?	NA	
7	Were the bidders given sufficient explanation as to their performance at the (technical) evaluation, if one or more requested this information?	Yes	
8	Were bidders given enough time to submit a challenge/protest?	NA	
9	For consulting services under QCBS, QBS and LCS, was there a formal opening of financial proposals?	NA	
10	Was Financial evaluation done and properly?	Yes	
11	Were corrections to Bidders' financials/prices were done, is there correspondence to show that the bidders were (i) notified and (ii) accepted the correction?	No	
12	Are there objective and justifiable reasons for rejections at Financial Evaluation?	NA	
13	For consulting services under QCBS, were bidders provided the results of the combined evaluation and accorded sufficient time to challenge/protest?	NA	
14	Were challenges/protests received? Were they handled properly?	NA	
15	Quotation Assessment Report and Date; comments, if any	NA	
C	Award and Negotiations (for each procurement)		
1	Was award done after all challenges/protests were received?	NA	
2	Ensure that negotiations were not held for Goods and Works	NA	
3	Ensure that negotiations were held for consulting services?	NA	
4	Did the negotiations significantly alter (i) the scope, (ii) the duration and (ii) the prices?	No	
D	Contract, Contract Administration and Management Process (for each procurement)		
1	Was the Contract signed by both parties? (A copy must be evident in file)	Yes	Contract # B&S-043/20 dated 04/08/2020 for amount USD 320.00 Supplier Name: Jevise SRL (Agro TV Moldova). The signed copies of the contracts were duly filed.

# 7	Description	Check	Remarks
2	Has the contract the standard commercial and contractual terms required for a proper procurement agreement, as per relevant category and method?	Yes	
3	Is the procurement requirement (terms of reference, description of services, schedule of requirements, technical specifications) expressed in the contract as consistent with the successful bidder's bid, evaluation report and negotiated outcome?	Yes	
4	Was a Contract amendment made to extend	No	The contract was not extended
5	Delivery date (by contract / actual)	Yes	According to the contract: not later than August 31, 2020. Actual date: 17/08/2020 The payment status is in the file with the amount of MLD 5,325.65

Appendix 7: Mid-term review of the RRP Economic and Financial Analysis

A. Introduction and Background

1. The Rural Resilient Project (RRP) project entered into force in August 2017 and is scheduled to be completed in six years (September 2023) with a financing closing date of 31st March 2024. The development objective of RRP is to strengthen the resilience and improve economic opportunities for the rural poor while reducing vulnerability to climate change and migration outflow from rural areas. This main objective will be achieved through:

- i. Investments in irrigation infrastructure, water management and climate adaptation technologies and practices;
- ii. Financial support for agribusiness development for small-medium enterprises and young rural entrepreneurs

2. At the time of appraisal, project activities were expected to benefit targeted communities by increasing their access to water and financial resources to enhance production systems and facilitate transition to better technologies, hence leading to increase in on-farm and off-farm income while also reducing poverty.

3. Main project benefits were related to: (a) increased production and productivity for agricultural products (mainly cereal crop and fruit orchards) thereby increasing the share of marketed products; (b) better soil and water management techniques through adoption of climate-resilient production systems; (c) diversification of production and income thanks to increased access to finance; (d) reduction in post-harvest losses thanks to improved access to farm roads; (e) enhanced food/nutrition security and business diversification of women groups in vulnerable areas; and (f) reduced climate-related risks and improved ecosystem services for agriculture thanks to the support of investments in ecological restoration.

4. This annex presents the Mid-Term Review (MTR) Economic and Financial Analysis (EFA). This work is based on the original EFA carried out during the appraisal of RRP in 2016³. The key indicators used to carry out the analysis are Net Present Values (NPVs), Internal Rates of Returns (IRRs) and Benefit-Cost Ratios (BCRs) calculated over the project implementation phase (6 years) and its capitalization phase (14 years).

B. Approach, Assumptions and Data

5. The primary objective of the analysis is to validate the technical and financial viability of programme activities in light of the current status of work and progresses, and hence to examine the overall economic viability of the Project for the future.

6. **Main assumptions of the ex-ante EFA and the MTR-EFA.** The following table summarizes how key EFA assumptions at appraisal were considered and revised during the MTR mission.

Table 1: Summary of EFA assumptions

	EFA assumption at appraisal	EFA assumption at MTR
EFA TIMEFRAME	20-year analysis period including a six-year project investment period	Unchanged to allow comparability between the original and the MTR EFA analyses
PRICES	Agricultural inputs and outputs that are traded were valued at their farm-gate prices as at November 2016. These represented nominal constant values in 2016.	Revised - In order to ensure comparability across time, prices are based on 2020 PPP values, thus representing real values in 2020 Moldovan Leu (MLD). The cumulative annual national inflation of 13 percent has been accounted for in the 2016 EFA prices.
ECONOMIC COSTS	Economic investment costs were net of taxes and price contingencies. All costs directly associated with the incremental production were included in full, including incremental farm inputs and family labour.	Unchanged

³ The author is particularly grateful to Mrs. Agnese Tonnina - Economist and EFA specialist at the time of the RRP appraisal mission - for having shared all the analytical material developed during her assignment. This analysis has therefore largely benefitted from the solid analytical work developed in 2016 and has made adjustments to reflect actual performance and implementation progress until now.

CONVERSION FACTORS	A standard conversion factor (SCF) of 0.9 was applied in the conversion of financial prices. Ad-hoc shadow prices were estimated for relevant key agricultural commodities (mainly crops and fertilizers). The shadow wage for labour is equivalent to 96 percent of its financial price.	Unchanged - given that key variables affecting the calculation of shadow prices (i.e. VAT, duties and taxes rates) have not changed over the 2016-2020 period.
VALUE OF LABOUR	The financial price of labour (MDL 180 pers/day) reflected the value of the marginal product of agricultural male and female labour without the project	Revised - The current nominal values (2020) of the rural wage is equivalent to MDL 203 pers/day and it has been adjusted to reflect the current price index level.
BENEFITS	The analysis included on-farm benefits related to increase in production as well as benefits linked to water conservation, reduction in post-harvest losses, carbon sequestration and business development resulting from increasing access to finance.	Revised - The analysis included only those benefits (thus models) who have been so far recorded on the M&E system and those activities whose financing has been maintained or increased during the MTR mission. Benefits related to activities which were not yet implemented and whose financing has been reduced are disregarded from the MTR EFA scenarios.
FULL DEVELOPMENT STAGE	Time required for full development had been assumed between 5 to 8 years depending on the crop variety and including farming system development, dissemination of information and technology transfer, as well as establishment of improved farming	Unchanged
DISCOUNT RATE	The analysis employed an Opportunity Cost of Capital (OCC) at 12%	Unchanged to ensure comparability across scenarios
INCREASE IN PRODUCTIVITY IN AGRICULTURE	Productivity increases under agriculture interventions were assumed at different levels, ranging between 13% and 50% over the existing levels. Such increases were expected as a result of improved agronomic practices	Revised – data on yields and increase in productivity have been revised based on the most recent available statistics and past trends. Details on data, assumptions and results are provided in table 2 - 4.
INCREASE IN PRODUCTIVITY FROM RURAL ROADS	Existing rural roads are upgraded. This improvement will impact on reducing transport costs by 10%, reduction in losses in transport by 5% and productivity increases by 5% of vegetables;	Unchanged – Works on roads have not been implemented yet. The accounting of roads benefits and costs in the EFA has been postponed to the future, and based on the envisaged implementation schedule.
PROJECT OUTREACH	At design, it was assumed that about 44,000 households would be directly benefitting from various interventions.	Revised – As at MTR mission date, the project outreach is equal to 402 HHs. The RRP end target has been revised to 17,658 HHs. Three different scenarios are elaborated based on current and past performances. The scenarios differ in terms of final outreach and beneficiaries' inclusion pattern.

Table 2: Historical data on yields in Moldova (ton/ha)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	Average (ton/ha)
Apples	3.6	4.8	5.1	5.7	8.3	5.6	7.9	9.2	13.0	7.0
Cherries	3.3	3.5	3.6	2.8	3.1	4.0	2.4	3.0	3.4	3.2
Soybeans	1.9	1.4	0.8	1.7	2.1	0.7	1.2	1.4	2.1	1.5
Sunflower seed	1.5	1.6	1.0	1.8	1.8	1.5	1.9	2.1	2.2	1.7
Tomatoes	9.8	14.3	10.0	9.4	10.7	11.6	12.8	14.7	11.8	11.7
Walnuts, with shell	2.8	3.0	1.8	2.1	0.9	0.7	0.9	1.0	1.0	1.6

Wheat 2.3 2.6 1.6 2.8 3.2 2.7 3.5 3.7 3.1 2.8

Source 1: Faostat - Retrieved on November 2020

Table 3: EFA assumptions on yields (ton/ha – unless differently specified)

	Appraisal			MTR		
	WoP	WP	Δ %	WoP	WP	Δ %
Wheat	4.0	4.6	15%	2.8	3.5	25%
Sunflower	2.0	3.0	50%	1.7	2.4	40%
Blueberry	3.8	4.3	13%	3.0	4.0	33%
Cherry orchard	8.0	12.0	50%	2.4	8.0	232%
Walnut orchard	0	1.9	n/a	0	1.9	n/a
Apple orchard	0	22.0	n/a	0	16.0	n/a
Expansion of cherry orchard (5 ha)	14.0	37.5	168%	27.0	60.5	124%
Tomato greenhouse (0.1 ha)	0	15.0	n/a	0	8.0	n/a
Blackberry production (5 ha)	4.0	22.5	463%	6.0	15.0	150%

Table 4: Profitability results of financial models

Model	EFA at Appraisal			EFA at MTR		
	NPV @ 12% (MDL)	IRR	B/C ratio	NPV @ 12% (MDL)	IRR	B/C ratio
Wheat & soy bean (1 ha)	53,573	74%	1.6	30,530	43%	1.8
Sunflower & soy bean (1 ha)	64,344	75%	2.2	26,526	29%	1.8
Blueberry (1 ha)	123,642	24%	2.1	304,522	43%	2.0
Expansion of cherry orchard (5 ha)	422,763	17%	1.3	286,217	28%	1.1
Apple (1 ha)	83,427	31%	2.6	33,854	28%	2.1
Beekeeping	319,817	40%	1.6	307,619	36%	1.3
Tomato green house (0.1 ha)	430,951	74%	3.3	7,276	13%	1.1
Blackberry production (5 ha)	2,239,781	50%	2.9	236,132	16%	1.2
Dried fruits processing	3,892,328	79%	1.2	599,462	20%	1.1
Quail eggs and meat processing	1,142,226	60%	1.3	135,069	16%	1.1

7. **Simulation scenarios:** Three different scenarios simulating future implementation - and outreach - of the project have been elaborated to validate the economic performance of RRP with respect to main profitability indicators (i.e. NPVs, IRRs, and BCRs). These scenarios, their related implementation patterns and the above mentioned changes (see table 1) have been used to determine the overall value for money of the project. All three scenarios are based on past implementation trends as recorded during the MTR mission and extracted through a detailed analysis of the M&E database. Once projected in the future, the three scenarios differ in the projected annual growth and in the total number of beneficiaries included by the end of the programme. For instance, in the optimistic scenario, the revised target of 17,658 households will be reached. This scenario is nonetheless deemed optimistic as it requires increasing the implementation pace by a factor of 44 (i.e. forty-four times faster than the past). Profitability indicators related to future scenarios are then confronted to expected results calculated at appraisal.

Table 5: Annual beneficiary inclusion (cumulative no. of households) and project economic performance

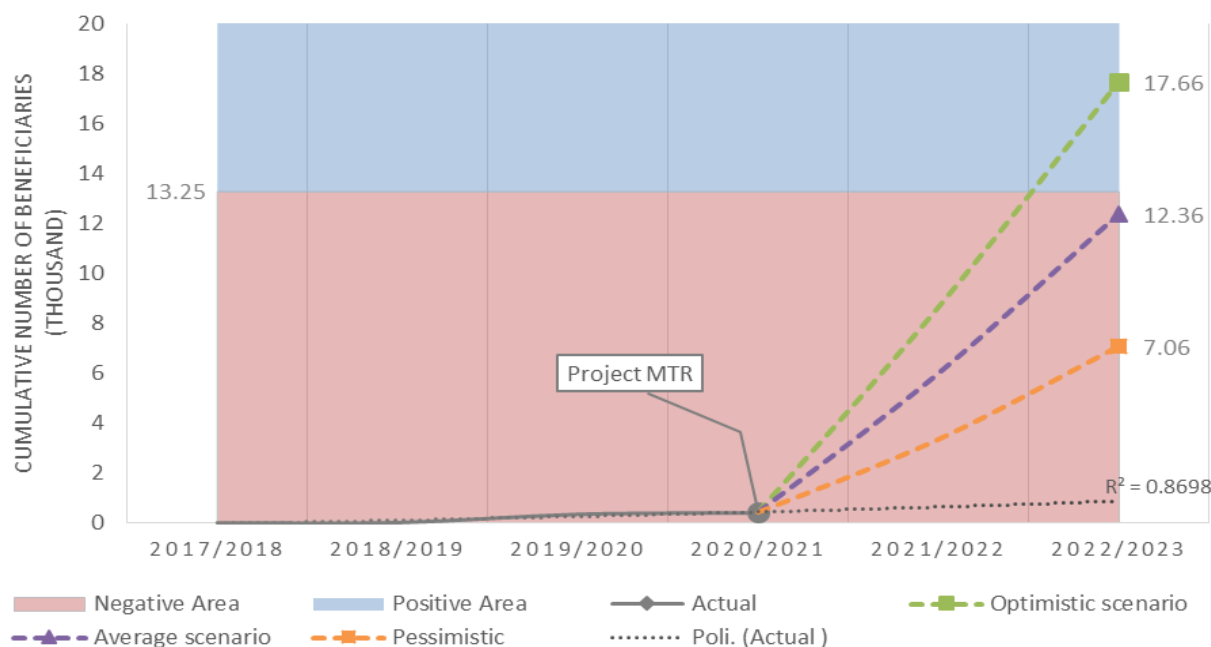
	17/18	18/19	19/20	20/21	21/22	22/23	NPV million)	(USD EIRR (%)	BCR
EFA at appraisal	0	8,800	24,200	35,200	42,240	44,000*	51.3	23	2.79
<< - - - - - Actual data - - - - - >> MTR <<- -Projected data- ->>									
Optimistic scenario	0	9	342	402	8,623	17,658*	6.8	14	1.32
Average scenario	0	9	342	402	5,974	12,361	(0.8)	11	0.95
Pessimistic scenario	0	9	342	402	3,326	7,063	(8.5)	8	0.57

‡: The net cash flow of the EFA at appraisal has been adjusted to 2020 price level to ensure comparability across scenarios

*: The original target of 44,000 has been reduced to 17,658 during MTR

8. The inclusion pattern for the three scenarios is also plotted in figure 1. Dotted lines represent possible inclusion patterns - as foreseen in the three scenarios - till project closing. Coloured areas depict all those levels of achievement deemed economically acceptable (blue area) or unacceptable (red area). On the basis of the simulation carried out, the break-even point is calculated at about 13,250 households. As one can notice, only under the optimistic implementation scenario, the project would be capable of producing positive economic returns - hence good value for money. All others scenarios would instead fall in the negative area. In addition, the plot includes a linear forecast for project outreach (grey dotted line) which is based exclusively on past implementation progresses. The latter shows that - assuming nothing changes in terms of status-quo and current implementation performance - the RRP project is far from being economically justified or characterized by any value for money.

Figure 1: Projections of cumulative outreach for different scenarios

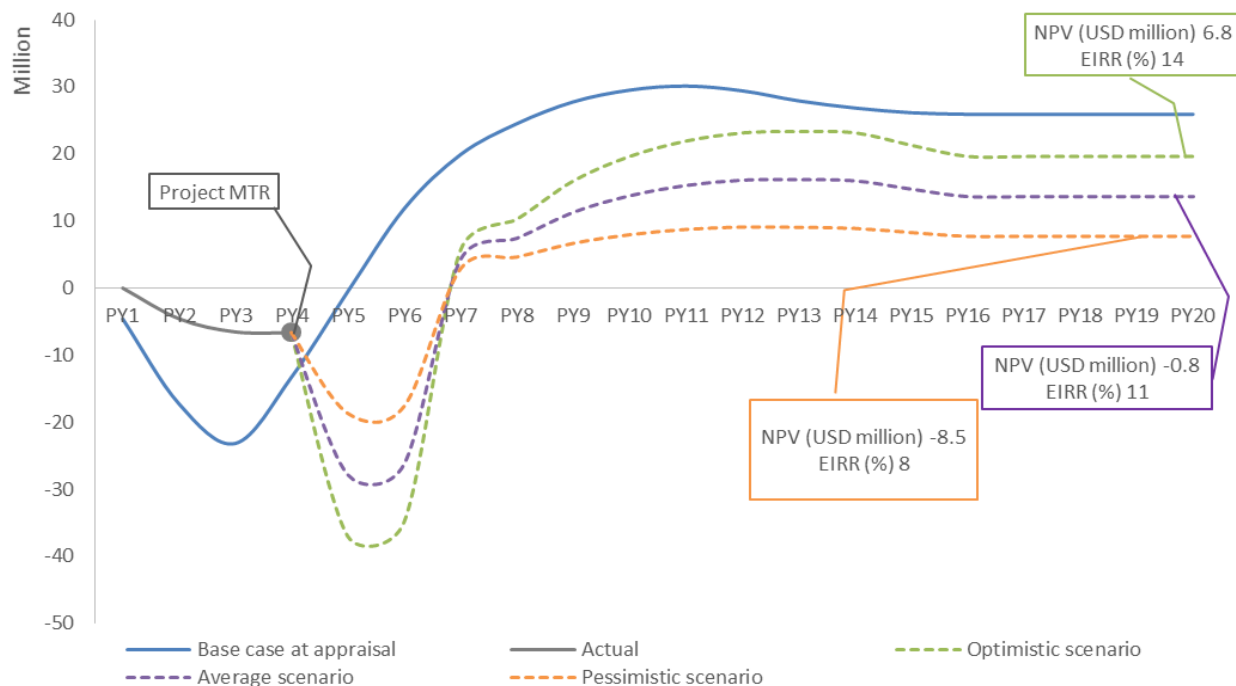


9. Lastly, figure 2 shows a comparison of net incremental income⁴ trends over the timeframe of the analysis (20 years). These are confronted to the expected net incremental income calculated at appraisal. It is worthwhile remembering that despite all trends are turning positive after year 7, only under the optimistic scenario the project

⁴ The Net Incremental Income is the difference between benefits minus costs for both the with-project and the without-project scenarios. In other words it represent the difference in difference for the two scenarios.

would be accomplish to off-set the initial negative cash-flow (from year 0 to 6) and still make an extra profit equal to MDL 6.8 M (the NPV).

Figure 2: Comparison of Net Incremental Income trends



C. Conclusions

10. The MTR EFA review made use of all available data and the original EFA work, to verify how the current implementation performance is going to affect the overall economic result of the project. Based on the simulations carried out, the value for money rating of the project is moderately unsatisfactory - equivalent to 3 as per IFAD scoring system.

11. Given the time leading to project closure (3 years), it is unlikely that RRP would successfully reach out the final target of 17,658 direct beneficiary. At the same time, it is still possible that the project will manage to benefit a number of households above and beyond the break-even point of 13,250 households. In order to reach this cut-off point, the implementation growth rate in the coming years has to increase substantially.

12. As seen in the simulation exercise (please refer to table 4 and figure 1), any results lower than the indicate threshold would deliver a negative NPV and a BCR lower than 1. Projections of the current implementation pace show a final outreach falling in the negative results area. Based on the above, the project implementation unit should consider speeding up preparatory and executing work to ensure a more efficient and cost-effective delivery of project benefits.