

Afghanistan

Community Livestock and Agriculture Project Supervision Report

Main report and appendices

Mission Dates: 11 November - 18 December
Document Date 29/01/2020
Project No. 1100001637
Report No. 5331-AF

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

| | |
|----------------|--|
| AWPB | Annual Work Plan and Budget |
| BVW | Basic Veterinary Workers |
| CDC | Community Development Council |
| CLAP | Community Livestock and Agriculture Project |
| CLAP-AF | Community Livestock and Agriculture Project-Additional Financing |
| COSOP | Country Strategic Opportunities Program |
| DAIL | Department of Agriculture, Irrigation and Livestock |
| DCA | Dutch Committee for Afghanistan |
| FAO | Food and Agriculture Organization of the United Nations |
| FLRC | Farmers Learning and Resource Centres |
| FY | Fiscal Year |
| GoIRA | Government of the Islamic Republic of Afghanistan |
| HHs | Households |
| HLP | Horticulture and Livestock Project |
| ICARDA | International Centre for Agricultural Research in the Dry Areas |
| IA | Integrated Area |
| IDS | Integrated Dairy Scheme |
| ISAF | International Security Assistance Force |
| KM | Knowledge Management |
| M&E | Monitoring and Evaluation |
| MAIL | Ministry of Agriculture, Irrigation and Livestock |
| MIS | Management Information System |
| MRRD | Ministry of Rural Rehabilitation and Development |
| MTR | Mid-Term Review |
| NSP | National Solidarity Programme |
| O&M | Operations and Maintenance |
| OFWM | On-Farm Water management |
| PCC | Project Coordination Committee |
| PME | Participatory Monitoring and Evaluation |
| PSC | Project Steering Committee |
| PST | Program Support Team |
| PY | Project Year |
| OFWM | On-Farm Water management |
| PCC | Project Coordination Committee |
| PME | Participatory Monitoring and Evaluation |
| RIMS | Results Implementation Management System |
| RMLSP | Rural Microfinance and Livestock Support Programme |
| SNaPP2 | Support to National Priority Programme 2 |
| SP | Service Provider |
| VPPG | |

A. Project Overview

| | | | |
|-------------------|--|------------------------------------|---|
| Region: | Asia and the Pacific Division | Project at Risk Status: | Not at risk |
| Country: | Afghanistan | Environmental and Social Category: | B |
| Project Name: | Community Livestock and Agriculture Project | Climate Risk Classification: | 1 |
| Project ID: | 1100001637 | Executing Institution: | Ministry of Agriculture, Irrigation and Livestock |
| Project Type: | Agricultural Development | Implementing Institutions: | Ministry of Agriculture, Irrigation and Livestock |
| CPM: | Candra Samekto | | |
| Project Director: | Maria Wafa | | |
| Project Area: | Kabul, Parwan, Logar, Balkh, Herat, Nangarhar, and Baghlan | | |

| | | | |
|----------------------------------|-------------------|---------------------------|------------|
| Approval Date: | 13/12/2012 | Last audit receipt: | 15/07/2019 |
| Signing Date: | 08/04/2013 | Date of Last SIS Mission: | 18/12/2019 |
| Entry into Force Date: | 08/04/2013 | Number of SIS Missions: | 11 |
| Available for Disbursement Date: | 08/04/2013 | Number of extensions: | 1 |
| First Disbursement Date: | 12/11/2013 | Effectiveness lag: | 4 months |
| MTR Date: | 24/11/2016 | | |
| Original Completion Date: | 30/06/2019 | | |
| Current Completion Date: | 30/06/2022 | | |
| Financial Closure: | not available yet | | |

Project total financing

| | | |
|-------------------------------------|---|---------------------|
| IFAD Financing breakdown | Debt Sustainability Framework | \$24,999,999 |
| | Debt Sustainability Framework | \$58,001,000 |
| Domestic Financing breakdown | National Government | \$3,576,000 |
| | Beneficiaries | \$3,481,000 |
| | Beneficiaries additional financing | \$1,844,000 |
| | National Government (add) | \$191,000 |
| Co-financing breakdown, | Food and Agriculture Organization of the United Nations | \$456,000 |
| | To be determined | \$387,000 |
| Project total financing: | | \$92,935,999 |

Current Mission

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|----------------------|---|
| Mission Dates: | 11 November - 18 December |
| Days in the field: | n/a |
| Mission composition: | Candra Samekto, Country Programme Manager; Liam Chicca, Portfolio Advisor; Claudio Mainella, Finance Officer; Sengul James, new Finance Officer, Martina Huonder, Programme Liaison Associate, Waseem Shahzad, Procurement. |
| Field sites visited: | n/a |

B. Overall Assessment

| Key SIS Indicator #1 | Ø | Rating | Key SIS Indicator #2 | Ø | Rating |
|---|---|--------|--|---|--------|
| Likelihood of Achieving the Development Objective | | 4 | Assessment of the Overall Implementation Performance | | 4 |

| | | | |
|--|----------|---|----------|
| Effectiveness and Developmental Focus | 4 | Project Management | 4 |
| Effectiveness | 4 | Quality of Project Management | 4 |
| Targeting and Outreach | 4 | Knowledge Management | 4 |
| Gender equality & women's participation | 4 | Value for Money | 4 |
| Agricultural Productivity | 4 | Coherence between AWPB and Implementation | 4 |
| Nutrition | N/A | Performance of M&E System | 4 |
| Adaptation to Climate Change | 4 | Requirements of Social, Environmental and Climate Assessment Procedures (SECAP) | 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 | 4 |
| Human and Social Capital and Empowerment | 4 | Quality and Timeliness of Audit | 3 |
| Quality of Beneficiary Participation | 4 | Counterparts Funds | 4 |
| Responsiveness of Service Providers | 4 | Compliance with Loan Covenants | 4 |
| Environment and Natural Resource Management | 4 | Procurement | 4 |
| Exit Strategy | 4 | | |
| Potential for Scaling-up | 4 | | |

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|------------------|----------|
| Relevance | 4 |
|------------------|----------|

C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The Community Livestock and Agriculture Programme (CLAP) is an International Fund for Agricultural Development (IFAD)-funded investment, the total cost of which is USD 93 million, including a USD 83 million Debt Sustainability Framework (DSF) grant from two IFAD financing sources. A financing agreement for a DSF grant in the amount of SDR 37.65 million (equivalent to approximately USD 58 million) entered into force in April 2013. This was followed by an additional financing of SDR 17.7 million (equivalent to USD 25 million), made available to the Islamic Republic of Afghanistan (Recipient) as a DSF grant in December 2017. The Programme completion and closing dates are 30 June and 31 December 2022, respectively.

CLAP covers the seven selected provinces of Kabul, Parwan, Logar, Balkh, Herat, Nangarhar, and Baghlan, and its development objective is to improve the food security of about 223,000 rural poor households by increasing agriculture and livestock productivity and reducing gender disparities. The programme has three components, namely: (i) Community Development, including Productive Infrastructures and Institutional Strengthening; (ii) Livestock and Agriculture Development; and (iii) Project Management, Policy Support and Young Professionals Programme.

Table 1. Budget Allocation per Component by Financing Source

| Component/Sub-Component | CLAP1 | CLAP2 (AF) | TOTAL Allocation | |
|--|--------------|--------------|------------------|--|
| | | | | |
| | | | | |
| Component 1: Community Development: Productive Infrastructure and Institutional Strengthening | 21.19 | 10.24 | 31.43 | |
| Sub-component 1.1 Productive Infrastructure | 8.6 | 10.24 | 8.6 | |
| Sub-component 1.2 Community Development | 11.49 | | 21.73 | |
| Sub-component 1.3 Gender Mainstreaming | 1.1 | | 1.1 | |
| Component 2: Livestock and Agriculture Development | 25.28 | 10.23 | 35.51 | |
| Sub-component 2.1 Dairy Development | 8.5 | 0.69 | 9.19 | |
| Sub-component 2.2: Poultry Development | 4.99 | 3.88 | 8.87 | |
| Sub-component 2.3: Improved Food, Fodder, and Vegetable Crops | 6.8 | 0.48 | 7.28 | |
| Sub-component 2.4: Livestock Development among the Kutchi | 4.99 | 5.18 | 10.17 | |

| | | | | |
|--|--------------|-------------|--------------|--|
| Component 3: Project Management | 11.68 | 4.49 | 16.17 | |
| TOTAL | 58.15 | 25.0 | 83.1 | |

The Lead Programme Agency is the Ministry of Agriculture, Irrigation, and Livestock (MAIL). The latest joint IFAD and Government of Afghanistan (GoA) supervision mission took place from 23 September to 04 October 2018, and the latest Implementation Support mission was on 14-15 September 2019.

A remote supervision mission for CLAP was conducted from 11 November to 18 December 2019 to: (i) assess the Programme's progress and performance towards achieving its objectives; (ii) review its effectiveness and efficiency; and (iii) identify any implementation issues and make recommendations to address these. Due to security constraints, the mission was conducted remotely through email exchanges and skype calls, which facilitated – to a certain extent - the collection of data and the sharing of updates related to Programme implementation.

Such remote supervision arrangements are less than ideal as the IFAD delegation members had no means to validate the data, collect evidence from the field, and interact directly with Programme beneficiaries and other relevant stakeholders. It is thus noted that the review and assessment on the Programme's performance were conducted based on the information provided to IFAD by Programme staff as well as the representatives of the Lead Programme Agency and Ministry of Finance of the Islamic Republic of Afghanistan, on the assumption that the information and data shared are accurate, reliable and current. The Programme's progress, performance and implementation challenges, as well as relevant recommendations were discussed at a wrap-up meeting in Dubai on 18 December 2019.

The members of the IFAD delegation would like to thank the Government of the Islamic Republic of Afghanistan and the Programme team for their support in facilitating the success of the mission.

Key Mission Agreements and Conclusions

The project seems to make progress in most of the sub components, except for Sub-Component 2.2 Poultry Development that needs to be adjusted in response to changes in the implementation approach and methodology.

The mission receives information suggesting that irrigation works under Sub Component 1.1 Productive Infrastructure has made achievements, include the increase of irrigated areas (which was previously planned at 64,000 Ha becomes 113,014 Ha), and an average of 32% higher agriculture productivity. The construction cost efficiency also has provided the opportunity to expand the rehabilitation works to additional irrigation schemes in the target areas. However the mission noted that expenditure of the advance to MRRD in the amount of USD 831,000 needs to be justified and has been agreed to be submitted to IFAD by 31 January 2020. It was also agreed that IFAD would give due consideration to any request that should be received by the Ministry of Finance by 31 January 2020 to reallocate to MAIL the amount of USD 3.2 million previously assigned to MRRD, to implement additional activities under Sub-component 1.1 (Infrastructure Development).

Considering the potential market and the recent updates on the dairy production capacity, the IFAD delegation agreed to the Government of Afghanistan's request to upgrade a dairy processing plant from pasteurisation to ultra-high temperature processing (UHT), with increased overall capacity, for an overall additional investment of USD 2.2 million to be covered through reallocations within existing disbursement categories.

It is noted that the Programme will no longer implement the backyard poultry model as this will be replaced by the more effective matching grants model for poultry activities. While 80% of the preparatory work therefor as foreseen under the 2019 AWPB has been achieved, the mission noted that the 40,000 household target for CLAP-1 and 2 might not be achieved by the Programme completion date owing to increased cost per beneficiary arising from the matching grant system.

Considering the ongoing data validation constraints, the mission and the project agreed to develop a Geographic Information System (GIS)-based M&E system that will be merged with the MIS in the long run. In addition, to enhance the reliability of reported Programme results, the IFAD delegation agreed to explore the possibility of contracting the United Nations Food and Agriculture Organization (FAO) to carry out a validation study of Programme outputs/outcomes, other than those under their direct implementation responsibility, to be financed from CLAP resources subject to the agreement of the Recipient and IFAD.

D. Overview and Project Progress

CLAP suffered a delayed start-up for the first 3.5 years due to security challenges and Government changes. With 2.5

years remaining until Programme completion, CLAP has allegedly made significant implementation progress and is in a position to deliver on its objectives. The 2019 AWPB achievement of physical targets by the end of October 2019 is assessed at 69.9%. Despite the relevance of CLAP and the potential capacity of the implementing partners to deliver 100% of the AWPB, compliance with country systems limits the efficiency of the funds flow arrangements.

Component 1: Community Development, including Productive Infrastructures and Institutional Strengthening

1.1. Productive Infrastructure

Irrigation Directorate: The MAIL/ID (Irrigation Directorate) had originally designed and planned the rehabilitation of 25 irrigation schemes under CLAP1 for which they have allegedly achieved 100% overall progress. At commencement of these schemes, the subjected cumulative command area was 5,415 ha. Upon completion thereof, the cumulative area had increased to 6,552 ha with new additions of 1,137 ha. This represents a 20% increase in terms of cultivating land and a 31% growth in production. 25 hand-over certificates are available for the schemes.

Under CLAP2, the rehabilitation of 41 irrigation schemes was originally planned. Due to savings secured by the Programme owing to favourable exchange rates and price efficiencies, such number was increased to 71 irrigation schemes (for a total financing of USD 10.24 million) the implementation works of which MAIL/ID has overseen. Planning and designing works have allegedly been completed for 71 irrigation schemes and 10 of these have now been completed, whereas 25 schemes are under construction, 6 schemes are in contract award stage, and the remaining 30 schemes are planned for 2020. The mission recommends completing the procurement of all 30 schemes by May 2020 and completing all the construction works by June 2021.

MRRD: The Ministry of Rural Rehabilitation and Development (MRRD) has allegedly planned, designed, and constructed 106 schemes adding 92,765 Ha with the aim of achieving overall physical progresses of 96% by the end of December 2019, and the remaining 4% by April 2020 upon resumption of activities suspended due to adverse weather conditions. In this regard, it is noted that the full amount of the relevant budget has been made available by MRRD to the targeted community development councils (CDCs).

The hand-over certificates of 100 such irrigation schemes have been completed, while those for the 6 remaining schemes will be processed by May 2020.

The mission agreed that the justification of expenditures in the amount of USD 831,000 representing the advance transferred to MRRD is to be submitted to IFAD by 31 January 2020.

It was agreed that IFAD would give due consideration to any request that should be received by the Ministry of Finance by 31 January 2020 to reallocate to MAIL the amount of USD 3.2 million previously assigned to MRRD, to implement additional activities under Sub-component 1.1 (Infrastructure Development).

1.2. Institutional Strengthening

The IFAD delegation was informed that 138 irrigation associations have been established and registered with MAIL, one for each of the 138 irrigation schemes. The associations are responsible for the sustainable management of water and for the maintenance of the irrigation schemes in accordance with the Irrigation Association Manual, which details - inter alia - book keeping modalities, membership details with land holding, and provides for quarterly reporting on crop yield/income for each member. The vision should be for these irrigation associations to grow into mature associations providing market access to the members for their agriculture produce.

1.3. Gender Mainstreaming and Capacity Building

The IFAD delegation was advised that the Programme has made some notable strides in gender mainstreaming. In particular, 49% of CLAP's beneficiaries are women and 8% of the latter head households.

The members of the IFAD delegation were advised that for the first time many women participants were afforded economic opportunities and that their voice was heard through the VPPGs (Village Poultry Producers Groups). In particular, 27 female graduates were recruited in 2019 (increasing the total number to 108) to promote kitchen gardening among women beneficiaries under component 2.3 and, at mid-December 2019, 1,180 women beneficiaries had established kitchen gardens (327 in 2019 alone). In addition, it was acknowledged that 55 Self-Help Groups (SHGs) were set up to receive in-kind support and equipment under Kuchi and dairy development activities. Finally, the Afghan delegation confirmed that 3,064 women farmers (521 in 2019) under dairy development had received milk hygiene kits, and trained accordingly.

The Afghan delegation advised that the gender unit had prepared a gender strategy note to increase women participation under the Programme together with an action plan to incorporate activities on literacy and to prepare women to interact within women poultry and dairy associations at provincial level.

Component 2: Livestock and Agriculture Development

2.1. Dairy Development

The key physical targets under this subcomponent have allegedly also been achieved or exceeded. To date, 4,362 beneficiaries have been reached against the appraisal target of 5,000. A total of 3,189 demo plots of different fodder crops have been developed against the 3,000 Programme target. Certain activities have brought even bigger multiplier effects where animal health services were made available through private sector providers.

Yet, challenges remain in terms of enterprise development related to commercialization of dairy products. Should this not be achieved, the sustainability of the overall dairy subcomponent would be jeopardised. Considering the potential market and the recent updates on the dairy production capacity, the IFAD delegation agreed to the Government of Afghanistan's request to upgrade a dairy processing plant from pasteurisation to ultra-high temperature processing (UHT), with increased overall capacity, for an overall additional investment of USD 2.2 million to be covered through reallocations within existing disbursement categories, as per the annex 1 hereto. To avoid inefficiencies in related processes, it was agreed that milk would be sold directly to the plant through members of the dairy associations at the duly established milk collection points.

2.2. Poultry Development

As of today, 13,332 households (or 66% of the appraisal targets) have benefited under the poultry subcomponent in Kabul, Logar, and Parwan provinces and targeted women have been organized under Village Poultry Producer Groups (VPPGs). It is noted that the Programme will no longer implement the backyard poultry model as this will be replaced by the more effective matching grants model for poultry activities. While 80% of the preparatory work therefor as foreseen under the 2019 AWPB has been achieved, the mission noted that the 40,000 household target for CLAP-1 and 2 might not be achieved by the Programme completion date owing to increased cost per beneficiary arising from the matching grant system.

Under the backyard poultry model, the project established 267 Village Poultry Producer Groups (VPPG) and identified one village group leader (VGL) to facilitate market linkages. While these leaders are provided with in-kind support to act as intermediaries in value chains between beneficiaries (suppliers) and purchasers, thus reducing overall transaction costs, the mission recommends that they receive further business management training to enhance results.

2.3. Improved Food, Fodder, and Vegetable Crops

The IFAD delegation was advised that to-date, 104,000 beneficiaries have been reached under sub-component 2.3 against the appraisal target of 120,000. Most of these targets are achieved through the selling of wheat seed from Village-based Seed Enterprises (VBSEs) to smallholder farmers.

For the purpose of creating synergy between the research and investment activities on the ground, the Programme developed demonstration plots using different varieties of certified products in all rehabilitated irrigation schemes under the community infrastructure sub-component. In this regard, the mission recommends that ICARDA increase the ratio of demonstration plots versus beneficiaries.

2.4. Livestock Development among the Kutchi

As at mid-December 2019, 38,624 households have allegedly been reached against the 50,000 household appraisal target and 52 para veterinarians from the Kuchi community have been equipped with complete veterinary field unit (VFU) packages. Moreover, 79 existing veterinary field units were allegedly contracted to provide veterinary services resulting in increased animal health management services. Due to these interventions, mortality rates have reportedly dropped from 15% to 6.2%.

| Agreed Action | Responsibility | Agreed Date |
|--|----------------------------------|--------------------|
| Include development of new dairy processing plant in 2020 AWPB | PMU | 12/2019 |
| Irrigation Rehabilitation Government to notify IFAD of its position iro the MRRD allocation for action as appropriate | Ministry of Finance, PMU and PSC | 01/2020 |
| Irrigation Rehabilitation Subject to the above, include the USD 3.2 million allocation from MRRD to MAIL in 2020 AWPB and PP | PMU | 01/2020 |
| Completion of Hand over certificates of 6 irrigation schemes | PMU | 05/2020 |
| Procurement of remaining 30 irrigation schemes | PMU | 05/2020 |
| MIS Development | PMU/M&E officer | 06/2020 |
| Completion of construction works for the remaining 30 irrigation schemes | PMU | 06/2021 |

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

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|----------------------|------------------|---------------------------|
| Effectiveness | Rating: 4 | Previous rating: 4 |
|----------------------|------------------|---------------------------|

Justification of rating

To date, approximately 74.8% of the revised outreach appraisal target has allegedly been reached against 223,000 HHs. In terms of output, outcomes and impact, CLAP interventions, both at community level and household level, has resulted in substantial improvements in household incomes, economic and social empowerment as well as women empowerment. The project has shown improved physical progress since MTR, and is in a position to deliver its objectives by the project completion. Some of the main indicators in the logframe has been already achieved or exceeded. In its sixth year of implementation, the Programme shows cumulatively disbursement at USD 46.8 million (or 60% of the total funding available, or 45% net of advances).

Log-Frame Analysis & Main Issues of Effectiveness

CLAP outreach is to-date significant, with approximately 166,833 HHs - about 949,537 persons (consist of 484,852 males and 464,685 female) has been reached against 223,000 HHs. There was a significant delay in completing the irrigation schemes carried out by MRRD due to emerging security issues in Logar province. However working with community development councils significantly reduces the security concerns.

Currently the construction works of 137 irrigation schemes (out of 187 schemes total target) have been completed with respective water user association have been established for each irrigation scheme. The water efficiency reached from the enhancement of the irrigation infrastructure is expected to increase the irrigated agriculture areas previously from 64,000 Ha to 113,014 Ha. Crop production among 90% beneficiaries also has been reported to increase due to the use of improved seeds, access to increased water, greater awareness and knowledge on agriculture best practices resulted in higher production.

Under dairy subcomponent, the number of milking cow per HH increased from 1.25 to 1.8, against the logframe target at 1.75 per household. It is also reported that dairy cattle of the member farmers protected from infectious and non-infectious disease through preventive measures and training, resulting in safer milk for local consumers. 100% of the HH have received vaccination for Foot and Mouth Diseases, and more than 90 % HH have received treatment services for different

diseases.

Enhanced genetic potential of the dairy cows has been achieved through the provision of improved sires in Artificial Insemination (AI) and monitoring the impact of the breeding programme. The provision of extensive AI services through 10 trained and equipped AI service providers has resulted the number of low producing local breed decreased from 41% to 21%, while proportion of exotic breed proportion increased from 4% to 14%. Similarly, the proportion of cross breed also increased from 55% to 66%.

Table 2. Progress Achieved in Dairy Subcomponent

| Indicators | Baseline | Logframe Target | Achieved to date |
|-------------------------------------|----------|-----------------|------------------|
| Number milk cow /HH | 1.25 | 1.75 | 1.8 |
| Daily milk yield/ cow (Litter) | 3.5 | 8 | 10.88 |
| Milk production per HH/day (litter) | 4.37 | 14 | 14.75 |
| Lactation period – days/ year | 210 | 275 | 275 |
| Milk consumption/HH/ day (L) | 1.5 | 2 | 3.6 |
| Milk produced all HH (annual MT) | 2,756 | 11,550 | 16,350 |
| Milk price / litter | 15 | 22 | 29.5 |
| Milk supplied to dairy plant | - | 60% | 26.6% |
| Male calve value (1 year old) Afgs | 7,000 | 10,000 | 25,000 |

Under poultry development, against the revised target of 40,000, the project has achieved only 13,300 beneficiaries through the backyard poultry model. The previous mission recommended to change in the implementation arrangement from outsourcing through the IPs to Matching Grant approach following the agreed Grant Manual guideline. In order to improve project effectiveness to achieve at least USD 100 net income/family/month target, it was also recommended to shift from the backyard poultry to semi commercial model. This activity experienced some implementation delays in 2019 since the new approach requires a number of stages including project announcement on village level, collection of applications, screening of applications, crosscheck of selected applicants, training of selected applicants, procurement and distribution of poultry packages through suppliers and follow-up.

Livestock Development among the Kutchi sub component, the progress explained in the table below:

| Indicators | Baseline | Mid-line | % Changes |
|--|----------|----------|---------------|
| 5% increase in the average income of livestock keeping households at project completion date. | 11,155 | 15,790 | 42% increase |
| 5% increase in the average number of small ruminants owned per household at project completion date. | 132 | 134 | 1.5% increase |

| Indicators | Baseline | Mid-line | % Changes |
|--|----------|-----------|-------------------------------|
| 5% increase in average livestock milk production at project completion date compared to baseline | 1.62 Lt | 2.58 Lt | 59% increase |
| 10-15% decrease in the annual mortality rate of small ruminants at project completion date. | 15% | 6.2% | 8.8% decrease |
| 30% of targeted Kuchi households have used the services of the VFUs. | 11% | 95% | of the targeted beneficiaries |
| # of Para-Vets trained and equipped (60) | | 52 Person | Trained and equipped |
| # of fodder bank established (15) | 0 | 15 | Established |
| Outreached covered (Target 50000 HHs) | | 40000 HHs | |

Development Focus

Targeting and Outreach

Rating: 4

Previous rating: 5

Justification of rating

The project has been designed to target the vulnerable such as women, smallholder farmers and livestock keepers including the landless. Women in Afghanistan generally possess fewer assets, receive less education and have less employment due to traditional restrictions on their activities outside the home. Thus, the project primary target groups consist of women for most of the investment, primarily under the poultry and the dairy development. Within the single community, the needs assessment is done through the Community Development Councils, facilitated by the service providers, in separate meetings with males and females. The project is designed in such a way that all beneficiaries of the targeted geographical area can benefit from at least one of the project activities. Backyard poultry is targeted at the poorest and landless, and another opportunity for the most vulnerable is provided by working as wage labours in the construction of irrigation schemes.

Targeting performance of the project is continuously monitored. Some adequate corrective measures have been recorded to be undertaken based on the updated situation, e.g. change made through the adoption of matching grant approach from previously backyard poultry model, and the expansion of geographical target areas including the adjustment made to match with and complement SNaPP2. The project shows its efforts to effectively reach out to the intended target groups, although the mission faced some difficulties to collect evidence and validate the provided data because of the limitation to go to the field due to security concern.

Main issues

The Kuchis (the nomadic herders) are considered to be one of the largest vulnerable groups (about 1.5 million) and over the years, many of them have lost their herds (drought, diseases, war, etc.). The increase of the project area after the MTR has provided the opportunity to extend the scope of the subcomponent for Kutch livestock development to cover the entire migration trail during summers and winter.

Gender equality & women's participation

Rating: 4

Previous rating: 5

Justification of rating

In addition to the Gender Mainstreaming Sub-Component, an opportunity for women's participation is also cross cutting throughout the components of the project. The project reached out to women beneficiaries who are promoted or supported by the project is 49% (464,685 female beneficiaries out of 949,537 total outreach). A gender strategy and guideline as well as Gender overall action plan have been developed under the project.

The project has a dedicated gender focal point who is responsible also for the other IFAD-financed project, SNaPP2. The Gender Unit has a separate budget available for their activities. As per project design, many of the interventions are addressed specifically to women. Women are the main beneficiaries of the poultry sub-component, are included in the dairy development as livestock keepers and benefit from capacity building activities.

Main issues

In 2019, the poultry sub-component has not seen any progress due to a revision of the activities which has yet to be approved by the technical evaluation committee. Since the beginning of the project, 108 Village Female Facilitators have been hired, 27 of which in 2019. The figure of the Village Female Facilitator is central to implementation in traditional areas, where women beneficiaries can be approached only by other women.

As per recommendation on the 2018 supervision report, literacy classes have been organized, but only 60 women have received training so far. At date, 250 women are members of the village level cooperatives and 8 women are members of the Steering Committees, in addition one cooperative is formed exclusively by women. Among the 7 established village seed enterprises, one is headed by women. Under the crop production training, women constitute about 50% out of 3,098 beneficiaries trained.

The mission noted that women do have full control over money earned by themselves as part of the traditional custom that men do not to take/accept any money from a woman. With regards to the gender ratio among project staff, out of 54 staff, female staff are at 16% with 9 women. The decrease on the number of female staffs compared to the situation captured during the 2018 supervision mission (33% female staff) is due to the halt in the progress of poultry component in the current year which is implemented mainly by female staff.

| | | |
|----------------------------------|------------------|---------------------------|
| Agricultural Productivity | Rating: 4 | Previous rating: 5 |
|----------------------------------|------------------|---------------------------|

Justification of rating

Project has allegedly made concentrated effort in accelerating agriculture productivity through a number of project interventions like irrigation infrastructure rehabilitation, introduction of high quality seeds, improved fodder, and vegetable crops, enhanced milk production and livestock development among Kuchis. The decreased water loss and improved water used efficiency has resulted additional irrigated agriculture areas (which was previously planned at 64,000 Ha becomes 113,014 Ha). Combined with the result of demonstrations plots using quality seed and technologies, it is recorded that farmers obtained on an average a 32% higher productivity over local practices and own seed.

The introduction of improved varieties of fodder crops such as berseem, lucerne, oats, and sorghum, has made the yield per unit land of fodder increased, resulting in improved nutrition of cattle. In addition, the targeted farmers also have been trained in effective fodder cultivation, seed production, processing and storage.

The project has recorded an improved productivity of targeted dairy cows which mainly achieved through breed improvement through AI, improved livestock health and nutrition. The productivity of the local cows increased from 3.5 L/cow/day (baseline) to 10.88 Litters, in results the milk production per HH subsequently increased from 4.37 to 14.75 Litter per day. Meanwhile the poultry production increased from 160 eggs/year(local layers) to 220 (improved crossbred layers)

A decreased mortality rate also has been achieved through enhanced access to quality veterinary services as a result of Para-Vets training (52 New Para-Vets Newly Trained), Basic Veterinary Worker Training (49 BVWs Trained), Establishment of Feeder Banks (15 Feeder Banks Established), distribution of new dairy processing technology, organising subsidised vaccination and deworming campaigns which directly affect livestock productivity.

Main issues

The extreme climate events such as long drought and thrilling winter become continued treats to the agriculture productivity. Farmers' awareness and adoption of proper climate adaptation measures are very essential for the sustainability of project impacts in the long run.

| | | |
|------------------|--------------------|---------------------------|
| Nutrition | Rating: N/A | Previous rating: 5 |
|------------------|--------------------|---------------------------|

Main issues

Vis-à-vis various achievements in the area of nutrition, the project should start collecting evidence in order to have reliable data available for the project completion. The project may consider to add nutrition indicator(s) in the M&E and include them in the project report. The achievements in the area of nutrition are the consequence of the success of interventions in other areas, more than the result of nutrition focused activities. The establishment of kitchen gardens to the sole activity typical for nutrition-sensitive.

| | | |
|-------------------------------------|------------------|---------------------------|
| Adaptation to Climate Change | Rating: 4 | Previous rating: 4 |
|-------------------------------------|------------------|---------------------------|

Justification of rating

Project design is largely oriented to address existing environmental challenges and social conditions in the target area. Although during the design of CLAP 1 there was no SECAP required, but the SECAP review note prepared for CLAP-AF design acknowledged these conditions. The specific relevant climate sensitive activities of the CLAP Project include improving irrigation system and management through productive infrastructure, capacity building for construction/rehabilitation of irrigation systems efficient use of water resources, support for community-based sustainable

agriculture and livestock activities including capacity building of communities and government staff for sustainable management of rangeland, introduction of drought resistant agriculture technologies, farmer-to-farmer dissemination of information and training, and building rural population managerial capacities to organise independently around various activities and markets. The SECAP review note concluded that potential impacts are relatively minor especially because that the project design provides appropriate actions on adaptation and mitigation measures.

Through livestock vaccinations, fodder production and improved animal husbandry practices, and easy access to concentrate feed has helped farmers adapt to the possible effects of climate change. The provision of improved seeds have introduced new crop varieties that are resilient to climate change such as low water availability and can produce significantly high yield under supplementary irrigation. Along with this, the project identified promising lines suitable for rain-fed production. Moreover, in order to decrease feeding pressure from grazing land and hills the CLAP has established fodder banks through its Kuchi project. A new simple agriculture technique of wheat and barley using Hydroponic Forage was also introduced as a cheap and best winter feed option for the poultry producers. The Conservation Agriculture (CA) concept, as a newly implemented technology in Afghanistan, is important for sustainability of agricultural and farming systems in the country. Besides improving soil and water efficiency, Conservation Agriculture (CA) following three basic principles of 1) minimum soil disturbance, 2) permanent soil cover, and 3) crop diversification intends to achieve sustainable and profitable agricultural production systems and consequently aims at improved livelihoods of farmers. It will support sustainable agricultural production through increasing the farmers' economic gains and environmental safety, while enhancing production and productivity. In 2019, 10 trials in 2 locations have been implemented and the result we achieved from the introduction of technology, has good potential for large scale adoption.

Main issues

CLAP-AF emphasises training of project staff at all levels in climate change adaptation issues and equipped with the necessary didactic and promotional material in this regard whereby using real field settings such as assessing technology options promoted under the four sub components of Agriculture, Horticulture, Livestock and Capacity building. The training should be expanded to also cover small-holders farmers to increase their awareness to climate change impacts and understand the options of implementable climate adaption measures. Increased awareness of the farmers will improve their adoption levels to a new technology and climate smart agriculture practices.

b. Sustainability and Scaling up

| | | |
|---|------------------|---------------------------|
| Institutions and Policy Engagement | Rating: 4 | Previous rating: 4 |
|---|------------------|---------------------------|

Justification of rating

The project to some extent has had influence on and facilitated the policy dialogue and institutional framework through drawing policy makers' attention to certain issues. The project's Policy Support Fund Sub-Component supports the formulation, development, follow-up or completion of draft policies, strategies and legislations required by MAIL to nurture an enabling environment. It has funded the authoring of the Comprehensive Agricultural Development framework (CAD) which forms a key pillar of the NPDP (2017 - 2021). Main features of the CADF include support to local institutions, innovative approaches to rural finance and inclusive development, which fully compliments the NPD. In addition, the National Dairy Policy also has been drafted and submitted for further process to Planning and policy department of MAIL. The project is pursuing strengthening of local public and community institution institutions in the IFAD programme area to gradually change of role for SPs from execution of projects to facilitator and ultimate taking charge of the developmental processes.

The project also facilitated the set-up of new institutional arrangements, such as the establishment of water user associations (WUAs) in each and every irrigations schemes that have been rehabilitated. The WUAs will be responsible for operation and small maintenance of the irrigation canals and other supporting infrastructures.

Thirty-six village level cooperatives have been formed through the Project covering 3,148 poor rural households. The steering committee (Five executive member and three monitoring member) is selected by the community members to present the community' interest. The cooperative directorate of Ministry of Agriculture Irrigation and Livestock (MAIL) is responsible to document the process of the registration but recently the license right has been given to the Ministry of Commerce and Trade (MCT).

Main issues

No particular issue. However the CLAP Project Support may need to explore the possibility to engage and discuss with the FOs regarding a policy action plan as recommended by the previous mission.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| Development of Policy Action Plan - Develop the Policy Action Plan - Discuss with FOs | PMU | 08/2020 |

Partnership-building

Rating: 4

Previous rating: 5

Justification of rating

The project is meeting most expectations in terms of potential partners and areas of collaboration and are making efforts to improve, though the project does not necessarily have a specific strategy for leveraging those partnerships. Results have been generated in terms of both, public and private sectors. In term of coordination, the project team makes efforts to get involved in formal coordination mechanisms or processes. The project has been noted to successfully partner with FAO, ICARDA, DCA, MRRD, MAIL/ID and local NOGs (BESO and ASIO) for the implementation of Dairy development, food forage and vegetables, Kutchi livestock, rehabilitation of irrigation schemes and poultry development.

Main issues

Table 3. Partnerships Built

| Partner Name | Details of partnership |
|--|--|
| Cofinancing partnerships | |
| FAO, ICARDA, DCA, Afghanistan, government, communities, NHLP | <p>FAO contributed USD 66,000 for the construction of two buildings for MCLSC. FAO also contributed additional USD 95,000 for the training activities complementary to the project through LOA with Kabul Dairy Union and ADPA.</p> <p>MAIL has contributed to 8 jeribs of land in Reshkhori Dairy Farm Area, Kabul, for establishing the dairy plant.</p> <p>Communities mostly contributed land for the establishment of VFUs, VBSEs, Chilling centres, milk collection points, fodder banks</p> |
| National Horticulture and Livestock Project (NHLP) | The project facilitated agreement between milk cooperatives and NHLP for construction of 7 chilling canter and 8 milk collection centres in the target project area. According to the agreement, the cooperatives will provide land by the cooperatives and the NHLP will construct the milk collection and chilling centres. |
| KM and Policy partners | |
| Livestock directorate of MAIL | The project professional staff was part of policy making committee for developing policy for breeding and dairy. |
| Private Sector | |

| Partner Name | Details of partnership |
|---|---|
| Dehqan Roz Dairy Plant Mushtary Dairy Plant Neshat Dairy Plant VFUs Fodder banks VBSEs (Village Based Seed Enterprises) | The project facilitated agreement between village milk producers' cooperatives societies and milk processors in Kabul city. According to the agreement, the cooperative will supply high quality milk to dairy plant and will receive the payment regularly based on pre-specified price. Village Based Seed Enterprises facilitate the provision of high quality seeds produced by the Project. |
| Coordination/Implementing Partners | |
| MAIL CLAP IPs Provincial Agriculture Department Dairy Stakeholders VFUs ARIA (Agriculture Research Institute of Afghanistan) | Close collaboration with the PMU, DAIL, MAIL, cooperatives / dairy union leadership. Livestock and farming are key livelihood options for many farmers, hence very high motivation from the farmers. |

Human and Social Capital and Empowerment

Rating: 4

Previous rating: 5

Justification of rating

Smallholders are benefitting from the provision of support in the form of skill development including through trainings, asset transfer and market linkages, as well as extension services to enhance productivity of the farming activities in which they engage in, which in turn is expected to have significant impact on their income level and economic empowerment. CLAP mainly focus on women beneficiaries and development of community institutions (CDC & IAs). The establishment of dairy cooperatives include female members and the backyard poultry activity targets purely women beneficiaries. In addition to that, the establishment of WUAs and Cooperatives has been proven to enhance social capital in the community.

Main issues

IAs and CDCs are expected to take responsibility for the agriculture development in their catchment area; these organizations need to be supported to build capacity to lead the process, have full knowledge of their membership and area potential, and provide services to their members.

Quality of Beneficiary Participation

Rating: 4

Previous rating: 5

Justification of rating

CLAP has applied participatory processes to mobilize households to participate in project activities and implementation. The midterm evaluation reports 90% of beneficiaries' satisfaction with the project activities. Strong beneficiary participation, especially of women and youth, is a salient feature of CLAP implementation. The project uses targeting approach for the selection of the worthy beneficiaries. Before any intervention, a consultation meeting is conducted with provincial agriculture department, DDA and CDCs. It plays a vital role in the identification and selection of the beneficiaries. CDCs members are involved in all stage of the project implementation particularly in the planning stages, for instant the irrigation schemes diagnosis study and technical survey mostly carried out with close consultation of CDC members. Survey and design of irrigation canals have been preformed where all farmers whom lands to be irrigated are consulted on the type of structure, length of canal and some other relevant issue. CNNP/ MRRD revised all CDC community development where majority of villager took part and in the prioritization of their needs.

Regular field visits are conducted by the project and SPs staffs for interaction and feedback with beneficiary groups and individual HH. Development approach and processes are used for identification and participation of beneficiaries. Project interventions are planned and implemented in consultation and by the community institutions. Project and SPs staff proactively engages with communities for planning, implementation, participatory M&E. There is a need for identification of vulnerable HHs in community institutions for targeting of specific activities.

| | | |
|--|------------------|---------------------------|
| Responsiveness of Service Providers | Rating: 4 | Previous rating: 4 |
|--|------------------|---------------------------|

Justification of rating

Project's service providers include various directorate of MAIL, MRRD and service providers (FAO, ICARDA, DCA and local NGOs) for agriculture and livestock development component. Contract Agreements with SPs and NGOs govern the provision of services by these partners while MOU's with government agencies guide provision of their services. PSU/PMU has successfully forged strong, responsive and accountable partnerships with all service providers and project's excellent performance.

Quality of services is considered to be of acceptable quality, with some payment delays have been reported by some SPs. As clearly stated in the grant agreement FAO, DCA and ICARDA use direct payment arrangement. For the implementation of the direct payment, MoF recommended changes in the payment process from advance to reimbursement method. SPs receiving payments quarterly where technical team and M&E review the physical performance against the expenditure and to be in line with ANWP&B. Once the physical and financial performance of the SPs is confirmed by technical team, finance team proceed with the payment process.

SPs are finding flexible project implementation approaches to adapt to emerging challenges. In the case of unforeseen constraints, SPs have either mobilised their own resources or developed solutions and requested the advice of the project to ensure seamless project implementation. The mission noted that CLAP/MAIL also have been responsive and supportive to our work as partners.

Main issues

The partnership with MRRD needs to be reviewed in light of the not completed work and unjustified advances after the deadline agreed during the mission.

| | | |
|--|------------------|---------------------------|
| Environment and Natural Resource Management | Rating: 4 | Previous rating: 4 |
|--|------------------|---------------------------|

Justification of rating

Climate change impacts with frequent long dry spells or excessive floods is being experienced in project implementation areas. The project is working with ICARDA to develop drought and disease resistant varieties as well as to rehabilitate the irrigation schemes resulting in water savings has positive impact on climate change adaptation efforts.

The Project facilitated ICARDA and Afghanistan Research Institute of Afghanistan (ARIA) to initiate the adaptive research and development of Conservation Agriculture (CA) based technologies in three provinces. It will help to reduce the ploughing cost, ensure timely sowing of wheat crop, improve farmers' income by introducing additional crop of mungbean, as well as improve the soil health. The farmers are also trained regarding the proper management of pesticides and herbicides that will result in the decreased usage of chemical in the field. Under the Kuchi livestock and veterinary services Sub-Component, DCA initiated establishment of feed banks across the target area which not only provide animal with sufficient feed but also reduced the pressure to pasture sustainability. Moreover, FAO supported fodder production positively impacts the environmental preservation and also reduced degradation of pasture. Fodder crops also serve for crop rotation, hence improving production, improve nitrogen fixation and replacement of chemical fertilizer application by organic manure and compost. The rehabilitation of irrigation schemes led to control water wastages up to 40% and increase command area up to 20% which triggers significant improvement on environment and natural resources.

Main issues

Considering the on-going drought due to La Niña (70% rain and snow deficit), the mission recommends to up-scale on-going field trials of Cactus and drought tolerant fodder varieties which is being done under the different project and as well identify additional tree fodder and leguminous varieties for new trials. For the Cactus and drought tolerance fodder varieties the project should prepare an action plan to incorporate these fodder varieties for other subcomponent beneficiaries.

| | | |
|----------------------|------------------|---------------------------|
| Exit Strategy | Rating: 4 | Previous rating: 5 |
|----------------------|------------------|---------------------------|

Justification of rating

In the preparation of project completion, a project-wide exit strategy has not yet been developed while strategy for some particular project interventions have been developed including the establishment or selection of institutions or services. The project hands over the completed irrigation schemes to the IAs/WUAs that have been established for every single irrigation schemes, capacitated, and being involved along with CDCs in all stages specifically, irrigation selection, survey,

design, and implementation. The project also facilitate the development of O&M plan and manual. The IAs are expected to maintain these schemes and play an active role in the water management as well as conducted small canal maintenance. Each IA collects contributions from its farmer members that will be used for operation and maintenance of the scheme. Similarly, under dairy development the farmers are organised into cooperatives and linked to market through collection centres and chilling centres. As well, the village poultry groups' leaders are identified and given assets for them to act as a bridge between the women egg producers and market. Furthermore the planned new dairy processing plant will be operated by Kabul Dairy Union following an agreed business plan. These initiatives are in line to ensure the sustainability of these interventions once the project is finished.

Main issues

The main issue is the capability of the IAs to manage the water management and maintenance of the irrigation schemes is different from one IA to another. The mission recommends the capacity building of these IAs in terms of training and assets. As well, the role of Village Poultry Leaders needs to be formalised in view of truing them into aggregators. A Project Exit Strategy needs to be developed and clearly defined for each type of CLAP activities in order to strengthen the capacities of the institutions that will remain after CLAP completion date.

| | | |
|---------------------------------|------------------|---------------------------|
| Potential for Scaling-up | Rating: 4 | Previous rating: 5 |
|---------------------------------|------------------|---------------------------|

Justification of rating

The project is very relevant to IFAD target group and is trying to implement many innovations with a special focus on youth and women. Based on the success achieved in the implementation of CLAP-1 in three provinces, the project expanded its target areas to four more provinces under the additional financing (CLAP-2 / AF). Further geographical extension will remain a possibility beyond the 7 provinces reached by IFAD financing. The project reported that best practice for Integrated Dairy Scheme (IDS) has been copied by National Horticulture and Livestock project by replicating the establishment of milk collecting centres in their coverage area.

c. Project Management

| | | |
|--------------------------------------|------------------|---------------------------|
| Quality of Project Management | Rating: 4 | Previous rating: 4 |
|--------------------------------------|------------------|---------------------------|

Justification of rating

CLAP management has demonstrated capacity to implement the Programme and achieve its objectives, with a clear demarcation of roles and responsibilities of staff and more effective performance assessments thereof. The Project Management actively addresses implementation issues and consult with IFAD in finding any possible solutions. The Project Steering Committee (PSC) meets regularly or as required. When requested by the Project, NSC will provide advice, guidance and try to resolve any problems occurred in project management and implementation. On a separate, but related note, the mission requested that the recruitment process of the new National Programme Director be included in the revised Procurement Plan.

Main issues

While Programme Steering Committee meetings are held twice per year, it was agreed that these would be convened at shorter intervals should circumstances so dictate.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| PSC meeting Hold PSC meetings every 4 months | PMU and PSC | |

| | | |
|-----------------------------|------------------|---------------------------|
| Knowledge Management | Rating: 4 | Previous rating: 5 |
|-----------------------------|------------------|---------------------------|

Justification of rating

The KM quality is moderately satisfactory, publication activities are undertaken, and focal persons nominated. Unfortunately, the KM activities in 2019 were not well communicated to IFAD. As a consequence, IFAD did not receive any update nor evidence that related activities were being carried out until the time of the supervision mission. At the time of the wrap up meeting, the project shared with the mission the updated KM strategy and related activities in AWPB for 2019, as well as some videos and KM products which had been developed in past years. The KM position is filled with a dedicated officer.

Main issues

The mission recommends the project to regularly provide the updates on KM activities and sharing any KM materials to

The mission recommends the project to regularly provide the updates on KM activities and sharing any KM materials to IFAD. It is important to broadcast and outreach the KM products to broader audience through websites, the IFAD Asia Facebook site, or any other media channels. The Project is encouraged to produce video documentary to cover beneficiaries' success stories such as Village Poultry Groups and SHGs of Kutchi.

| | | |
|------------------------|------------------|---------------------------|
| Value for Money | Rating: 4 | Previous rating: 5 |
|------------------------|------------------|---------------------------|

Justification of rating

With a total investment of US\$ 92.5 million for both CLAP and CLAP-AF (including government and beneficiary contribution), the project is helping 223,000 rural poor households (1,338,000 persons) to increase their incomes. It comes to an average of USD 414 per household and USD 64 per head. Compared to the results achieved in terms of overall coverage, capacities built and services rendered and economic and social returns it is a very economical investment.

The benefit cost (B:C) ratio was noted to be 1.53 as per the updated economic and financial analysis at the time of design of CLAP AF. The average increase in income at the MTR stage for the benefitted HHs was estimated at US\$245 per household varying between US\$491 in the case of Community Development, Productive Infrastructures and Institutional Strengthening and US\$183 in the case of Livestock and Agriculture development. The average incremental benefit per household for poultry was noted to be US\$108, dairy at US \$ 32, Kutchi at US\$485 per household and in the case of crops incremental benefit was noted to be US\$590 per household. These results and impact were achieved despite the fact that grim security situation prevailing in the country.

| | | |
|--|------------------|---------------------------|
| Coherence between AWPB and Implementation | Rating: 4 | Previous rating: 4 |
|--|------------------|---------------------------|

Justification of rating

The mission noted that the execution rates of FY 2019 AWPB has improved over the previous years. The overall achievements of targets for most of the components approximately 75, except the Project Management component which is 40%. The project is in line to achieve most of the targets with the exception of delay in establishment of dairy processing plant due to the need to increase its processing capacity and method. As of September 2019, 66.4% of AWP&B has been achieved and overall project progress is 69%.

AWPB Inputs and Outputs Review and Implementation Progress

Table 4. Cumulative and Annual Progress in 2019

| No | Component | Cumulative progress against appraisal | Annual Progress Jan-Sep 2019 |
|--------------|-----------------------|---------------------------------------|------------------------------|
| 1 | Kutchi Project CLAP 1 | 81% | 74% |
| 2 | Kutchi Project CLAP 2 | 54% | 80% |
| 3 | Dairy Development | 72% | 67% |
| 4 | ICARDA | 83% | 85% |
| 5 | Irrigation CLAP 1 | 100% | 0% |
| 6 | Irrigation CLAP 2 | 26% | 26% |
| Total | | 69.3 % | 66.4% |

Table 5. Overall financial performance (USD)

| Component | Appraisal | Actual | % |
|-----------|-----------|--------|---|
|-----------|-----------|--------|---|

| | | | |
|---------------------------------------|-------------------|-------------------|------------|
| Community Development | 21,377,000 | 16,389,218 | 77% |
| Livestock and Agriculture Development | 25,246,000 | 19,145,001 | 76% |
| Project Management | 11,379,000 | 4,499,328 | 40% |
| Total | 58,002,000 | 40,033,547 | 69% |

Performance of M&E System

Rating: 4

Previous rating: 5

Justification of rating

The IFAD delegation was advised that the PMU had set up an excel-based monitoring and evaluation (M&E) system, which monitors processes as well as results, and the M&E unit produces regular progress reports and annual outcome surveys that feed into management decisions. The data and information are mostly collected by service providers on a regular basis, and then reviewed within the PMU. The MIS system, recommended by the 2018 supervision mission, has not been implemented yet and the position of the M&E Unit head is still vacant.

While the M&E system captures gender mainstreaming activities by reporting sex-disaggregated data since Programme inception, the mission noted with concern that CLAP has not yet started to report on certain outcome indicators, which is mandatory after Mid-term Review.

Owing to ongoing data validation constraints, the mission agreed to develop a Geographic Information System (GIS)-based M&E system to be merged with the MIS in the long run. To this end, a GIS expert will be recruited under the Programme in 2020 to work closely with IFAD technical staff to develop such a system as well as remote sensing and a geo-tagging system, subject to viability of this initiative.

To enhance the reliability of reported Programme results, the IFAD delegation agreed to explore the possibility of contracting the United Nations Food and Agriculture Organization (FAO) to carry out a validation study of Programme outputs/outcomes, other than those under their direct implementation responsibility, to be financed from CLAP resources subject to the agreement of the Recipient and IFAD.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| GIS based M&E Recruit GIS/M&E expert | PMU/ M&E officer | 03/2020 |
| Contracting of FAO for output and outcome validation study | IFAD with PMU support | 03/2020 |
| M&E M&E vacancies to be filled | PMU | 04/2020 |
| GIS based M&E MIS Development | PMU/ M&E officer | 06/2020 |
| GIS based M&E Development and operationalization of GIS-based M&E system | PMU/ M&E officer | 09/2020 |
| M&E M&E unit to report on outcome indicators of the log frame, mandatory after MTR. | PMU | |

Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)

Rating: 4

Previous rating: 4

Justification of rating

A SECAP review note has been prepared for CLAP-AF design to review the social, environment and climate aspects of the project and address the existing environmental challenges and social conditions in the target area. The SECAP review classified the Project as Category B as far as its environmental classification is concerned, and recommended for continuous monitoring of land and water management and climate change related aspects during project implementation. However, the SECAP review note concluded that potential impacts are relatively minor especially because that the project design provides appropriate actions on adaptation and mitigation measures.

The Project adopted a whole system approach to food and feed production that sustains the health of soil, ecosystem and people. It addresses environmental issues through related components and sub-components conducted by all the stakeholders/service providers. Consultative and participatory approach have become the main feature in the project implementation. It was designed to address social issues particularly in potentially conflict communities and areas. Sustainable agriculture also being introduced based on the identification of major risks and challenges faced by the communities related to climate change, as of now there is severe drought visibly observed. Strategies need to be aimed at reducing vulnerabilities and increasing the resilience of the small holders' farmers.

SECAP Review

The mission observed that the water saving technologies like zero tillage needs to be scaled up. The project also needs to give special attention to the soil health as the key property that determines the agriculture productivity as well as resilience of agriculture under changing climate. Livestock intervention under SECAP like trails/demos being carried out for new drought variety fodder crops can be improved. The use of chemical fertilizers and pesticides had to be curtailed by introducing organic fertilizers and compost making from animal wastes that are easily available in the community. The project also need to carefully assess the potential risk of pasture degradation caused by the increasing number of livestock in the areas. M&E should do regular SECAP Assessment following the environment and social management plan and the process is incorporated fully into the project life cycle.

d. Financial Management & Execution

| | | |
|-------------------------------------|------------------|---------------------------|
| Acceptable Disbursement Rate | Rating: 3 | Previous rating: 3 |
|-------------------------------------|------------------|---------------------------|

Justification of rating

The Programme is in its sixth year of implementation, completion date has been postponed to 2022 due to the approval of an additional financing in 2017. Its disbursement rates on the IFAD initial DSF Grant (USD 58 million) and additional financing as of 12 December 2019 stand respectively at 79% and 19%. Cumulatively, the Programme disbursed USD 46.8 million (or 60% of the total funding available, or 45% net of advances).

Main issues

Overall Financial Performance: Disbursement performance significantly improved since the last joint IFAD – GoIRA implementation support mission in September 2019 with USD 3.1 million disbursed in less than three months. Part of disbursements were used to re-constitute the initial advances of the programme.

Submission and quality of WAs: In 2019 the Programme submitted 17 Withdrawal Applications (WAs). 4 for the PST and 13 for the four main Implementing Partners (IPs), namely FAO, DCA, ICARDA and MRRD. All WAs have been processed and disbursed. The mission reviewed 3 WAs from PST and 4 from IPs. These WAs have been found to be acceptable. While no major issues were identified, improvements are called for in terms of quality of the information provided (like contract monitoring forms), which is not always readily available.

The mission noted that disbursements under the operating cost category have reached 128% of the authorized allocation. With this in mind, and considering the merits of realigning Programme financing to operational needs, the Recipient proposed a budgeted reallocation as presented in the annex 2 to this Aide-Mémoire. In addition, it was agreed that the advance to DCA would be increased. The IFAD delegation endorsed the proposal for further internal processing.

| Agreed Action | Responsibility | Agreed Date |
|--|-----------------------|--------------------|
| Review of claims presented by IPs Improve the review of claims presented by IPs before submission of WAs to IFAD to reduce the risk of misclassification of expenditures | Finance team | 03/2020 |

| | | |
|--|------------------|---------------------------|
| Fiduciary aspects | | |
| Quality of Financial Management | Rating: 4 | Previous rating: 4 |

Justification of rating

The Programme's Financial Management function is moderately satisfactory and the FM risk is rated as Medium. Transition between Quickbooks and TOMPRO is expected to be completed by the end of the first semester 2020. Training on the use of TOMPRO needs to be enhanced. Despite the high level of disbursement made in 2019, budget execution is limited. Most of recommendations issued by previous missions have been implemented; the main outstanding recommendation relates to the non-clearance of the advance still available to MRRD, which needs to be cleared in order to avoid ineligibility.

Main issues

Staffing: The Finance team is adequately staffed. The Finance and Accounts Unit is combined for two programmes i.e. CLAP and SNaPP2. It consists of 1 Senior Manager Finance (SFM), 1 Finance Manager (FM), 3 Finance Officers dedicated to the programmes backed up by 1 Finance Assistant and 1 Cashier. Dedicated training to finance staff needs to continue to be run on a regular basis, especially on TOMPRO.

Accounting and Financial Reporting: The programme follows a cash basis of accounting and no accruals are taken into account. There is sufficient understanding of IFAD's Financial Management policies & procedures; financial reporting to IFAD is regular including preparation of cash flow forecasts, timely submission of un-audited and audited financial statements of the programme. The recent organizational related issues affected the quality of the programme's FM that is now going back to business as usual. The 2018 annual financial statements have been timely prepared; the 2019 accounts are kept in both QuickBooks and TOMPRO. The transition between the two software is not yet completed, also due to the limited TOMPRO training provided to-date. QuickBooks is expected to be phased out by the end of the first semester 2020, when TOMPRO will be fully operational also for preparation of financial reports and WAs. Transition must be completed smoothly in order to avoid impacts on the reliability of financial information. It is necessary to input all 2019 transactions in TOMPRO and utilize it as the main accounting tool at the earliest. It is necessary to contact TOMPRO software providers regarding the set up of segregation of duties in the software (users access/approvers/viewers). Upon full implementation of TOMPRO, the financial manual needs to be updated accordingly.

Internal controls: The programme uses GoIRA internal control procedures, which are adequate and include proper segregation of duties, expenditure authorization processes, etc. There is large use of cash for advances to staff traveling to provinces. Even if robust controls are in place, it is necessary to identify solutions to decrease number and amount of cash transactions. It is also necessary to increase the oversight over financial operations of provincial offices. The current set of regular reports provided needs to be validated through regular visits to the provinces by the finance team (at least once a year) and by the internal auditor (at least three times a year). These visits are necessary for mentoring and supervision purposes. Contract monitoring forms need to be continuously updated to reflect the level of disbursement of contracts and supplement the fact that the programme accounts are maintained following cash basis of accounting. It was agreed that a reallocation is needed for CLAP original financing to align funding availabilities to operational needs. Amounts and categories impacted are annexed to the Aide Memoire. Considering the original contract with DCA of USD 5 Million, its following amendment to include additional USD 5.2 Million, the current level of disbursement (USD 4.9 Million) and the cash-flow forecast for 2020 (USD 1.4 Million) it was agreed to provide another advance to DCA of USD 0.6 Million under the Additional Financing. It was also agreed to recover the current outstanding advance under the original financing (USD 0,1 Million) by the end of the first semester 2020.

Implementation of previous recommendations: Most of previous recommendations have been implemented and the programme is commended for this good work. The most important recommendation not implemented is in relation to the recovery of the advance to MRRD, currently amounting to USD 0.83 Million. Given the urgency and importance of the matter, and considering CLAP management information that the submission of the justification from MRRD is imminent, it was agreed that the programme will refrain from submitting to IFAD further WAs until the MRRD advance is fully recovered.

Budget management and execution: It was agreed to perform a reallocation for Grant 8112 to align financing categories to implementation needs – the detailed table is annexed to the Aide Memoire. In this context, it was also agreed to increase the advance to DCA. Despite the high level of disbursement made in 2019, budget execution is limited. In 2019 CLAP original financing budget was approved for USD 7.4 Million and then reduced to USD 5.4 Million. As of Nov 2019 USD 3.7 Million, which makes 69% of the total budget, was executed. Execution of the component 'Community Development' stands at 35% and is low compared to the actual budgeted amount, while the component 'Livestock and Agriculture Development' is at 66% of budgeted amount.

In 2019 CLAP additional financing budget was approved for USD 6.2M and then reduced to USD 4.2 million. As of November 2019 only 0.89M USD is executed which makes 21% of the total budget. Compared to the budgeted amount, the execution is particularly low, and there is a need of improvement in preparation of annual budgets. The preparation of the budget needs to be mindful of implementing challenges, and the budget needs to be based on more realistic figures. Execution of the component 'Community Development' stands at 3% and is low compared to the actual budgeted amount, while the component 'Livestock and Agriculture Development' is at 74% of budgeted amount.

The reduction of the budget was due to the slowdown of programme activities during the change management process

and the poultry contract (due to change to matching grant).

Out of a total 2019 original budget of USD 13.6 M (reduced to a total of USD 9.6 Million) it has been executed a total of USD 4.6M (48%).

The budget for 2020 has been submitted with delay; for the future it is necessary to respect the deadline stipulated (submission to IFAD 60 days before the end of the year).

Internal audit: An internal auditor has been hired in 2018 and has started its activities; the 2019 audit plan included visits to SNAPP2 provinces and activities in the central office. No CLAP-specific activity has been performed, only some of the HQ-related ones. Reports heretofore prepared are of good quality. It is necessary to take action on the implementation of internal audit recommendations. It is further noted that an accountability issue needs to be addressed, as it is not good practice for the internal auditor to report only to the Programme Director. It is recommended that the internal auditor presents the finding of his/her work to every PSC meeting, and that relevant minutes of the meetings are prepared. In this regard it is important PSC meetings are held regularly, at least every four months. It is further recommended to provide training opportunities to the internal auditor to further strengthen relevant professional skills.

| Agreed Action | Responsibility | Agreed Date |
|---|---|--------------------|
| Recovery of MRRD advance Recover in full the MRRD advance before submission of other WAs to IFAD for disbursement. This recommendation is made for the second time. | PMU Finance Team and Programme Director | 01/2020 |
| Resolve accountability issue for the internal auditor and action on internal audit recommendations. | PMU | 03/2020 |
| New advance to DCA under the Additional Financing Provide a new advance to DCA of US 0,6 Million under the Additional Financing and recover the outstanding advance under the original financing. | PMU Finance Team | 03/2020 |
| Fixed assets management Fixed assets verification to be performed on a six monthly basis, properly documented, the report needs to be printed out and signed off by PST Director and Admin Manager | Admin Officer | 06/2020 |
| Record of transactions Ensure parallel and timely recording of financial transactions both in Quickbooks and TOMPRO until the new software is fully deployed, training delivered and the finance staff becomes familiar with it. | finance team | 06/2020 |
| Customization of TOMPRO and training. Contact TOMPRO provider to finalize customization and training. It is the third time this recommendation is repeated. PIM to be updated when phase-in of TOMPRO is concluded Ensure phase-out of Quickbooks by the end of first semester 2020 | PMU Finance Team | 07/2020 |
| Internal control mechanisms Ensure the following internal control mechanisms are fully operational: <ul style="list-style-type: none"> - Contract monitoring forms always updated - Increased control on cash advances and limit the utilization of these - Realistic budget preparation and submission to IFAD within 60 days before year end | PMU and Programme Director | |

Quality and Timeliness of Audit

Rating: 3

Previous rating: 4

Justification of rating

The audit report for 2018 has been submitted to IFAD within the stipulated deadline. The auditor submitted the audit report for both financial products. A private auditor audited the statement of cash receipts and disbursement of the project and it was considered unqualified with emphasis of matter.

Main issues

The audit report for 2018 has been submitted to IFAD within the stipulated deadline. The auditor submitted the audit report for both financial products. A private auditor audited the statement of cash receipts and disbursement of the project and it was considered unqualified with emphasis of matter.

| Counterparts Funds | Rating: 4 | Previous rating: 3 |
|--------------------|-----------|--------------------|
|--------------------|-----------|--------------------|

Justification of rating

As of Nov 2019: the Government has contributed 59% of the budgeted amount; beneficiaries contributions amount to 19% of the budgeted amount, with no increase from 2018 since we have no beneficiary contribution in 2019; co-financiers contributions amount to 50% of the budgeted amount.

Main issues

The Government's contribution at appraisal was budgeted at USD 3.8 million (including CLAP1 and 2). As of November 2019, the amount of USD 2.1 million (59%) has been made available by the Government. In 2019, the counterpart contribution was estimated at USD 0.04 million and as of November 2019 it was fully contributed.

The government contributions are in-kind and they are provided in form of office space, electricity, internet, water, and security expenses provided to PST and in the implementation of Irrigation schemes by the MAIL & MRRD. In-kind contributions are evaluated every two years based on fair market value. Last evaluation was performed in 2018. The GoIRA team underlined that the counterpart contribution provided has to be considered to be made available for both financings.

Beneficiaries' contributions at appraisal were budgeted at USD 5.3 million (both financings). As at November 2019, USD 1million (19%) has been contributed by beneficiaries. No beneficiary contribution was accounted for in 2019.

Co-Financiers' contribution at appraisal was budgeted as USD 0.8 million (for both financings). As of November 2019 USD 0.4 million (50%) had been contributed through in-kind contributions such as use of vehicles, technical support, office equipment and materials

| Compliance with Loan Covenants | Rating: 4 | Previous rating: 4 |
|--------------------------------|-----------|--------------------|
|--------------------------------|-----------|--------------------|

Justification of rating

68. The borrower/implementing agency complies with most of the legal covenants, importantly those that are related to the performance of the Project in achieving development objectives and in meeting IFAD's statutory requirements. The non-compliance to the financing agreement will not affect project implementation or achievement of development objectives, nor violate IFAD's statutory requirements.

| Procurement |
|-------------|
|-------------|

| Procurement | Rating: 4 | Previous rating: 4 |
|-------------|-----------|--------------------|
|-------------|-----------|--------------------|

Justification of rating

The progress against the approved Procurement Plan 2019 until the supervision mission remained considerably behind schedule. There is a consistent lack of forward planning for procurement plan preparation and its execution. In some cases, the planned procurement activities could not be completed due to management issues. Overall, the PST needs to improve the procurement planning and execution. It was also observed the national shopping cases were not part of the approved procurement plan; the mission also noted that different types of items were merged in one package e.g. procurement of "furniture, material, equipment and IT Equipment". Moderate quality of procurement documentation and procurement decisions.

Procurement Review

Procurement Plan updates and revisions are not submitted timely to IFAD for its review and No Objection. Methods of procurement applied in the procurement plan and actual procurement are consistent with the provisions of the Financing Agreement, Letter to the Borrower (LTB) and the National Procurement Regulations of Afghanistan. Generally, the PP is logically grouped, packaged and costed in line with the implementation strategy and consistently follows competitive

methods of procurement. The procurement plan is not accessible publicly. Delays have been noted for the procurement of goods and consultancy cases under PP 2019, the activities were planned in the begging of the year and so for not yet started due to internal procedural delays for the procurement of goods and hiring consultancy/staffing positions.

Review of Ongoing/Completed Procurement Activities and Documentation: During the mission the randomly selected procurement packages were reviewed. The processes and procedure are in compliance of the National Procurement Regulations of Afghanistan which are consistent with IFAD's Procurement Guidelines. The PST undertakes open competitive processes to ensure the consistency, fairness, value for money, competition and efficiency.

Process and Procedures for Evaluation and Contract Award: Based on a review of prior review cases, the evaluation and award stages indicate several incidences of back and forth correspondences with the PST, who in turn reverts back to the evaluation committee for clarification and changes. In some instances, IFAD's guidance helped avert the possibility of mis-procurement through timely advice on the evaluation reports and recommendations. Such issues primarily cropped up due to issues with the capacity and understanding of the evaluation panel members in evaluating bids.

Review of Contract Administration and Management: The Contracts Register (C10) and Contract Information/Payment Monitoring Forms (C11) are up to date, with information on all the awarded contracts for the life of the project. The Contract Monitoring Officer at PST who is responsible and acting as a reviewer of documents for payments purposes rather than managing contracts. The technical units are playing a small role in communication with contracted parties, however, there is limited authority level with MAIL. CMO is tracking the activities on excel database and maintains the C10 register of contracts and form C11 contract payment monitoring form. Due the to remotely supervision mission, the mission did not perform the spot check of the documents related to contract administration review; this include bank guarantee, performance bonds certificates, performance security, insurance policies and validity etc.

Review of project's procurement filing system and the ease of document retrieval: Due to remotely supervision, the required data submitted by the Procurement Unit on time and provided all the required details it shows the accuracy of the documentation. Based on the assessment the mission recommends satisfactory (5) rating for this section.

The agreed actions of the last supervision missions have not been shared by the PST; however, the Senior Procurement Specialist informed the mission the all the agreed actions have addressed successfully. A full review of the Procurement Working Paper and function is attached in the Appendix along with detailed recommendations and agreed actions.

| Agreed Action | Responsibility | Agreed Date |
|---|-----------------------|--------------------|
| Procurement Plan Submit the revised updated Procurement Plan to IFAD for No Objection. Finalize the on-going procurement activities of goods and works on schedule time. The PST should not undertake any procurement that is not part of the AWP&B, and is approved by PSC. Use IFAD appropriate template of procurement plan for consulting services. Carry forward the planned procurement activities of services. The procurement unit should segregate all the procurement activities item by item and process the procurement item wise. | ADP/PMU | |

e. Key SIS Indicators

| | | |
|--|------------------|---------------------------|
| Likelihood of Achieving the Development Objective | Rating: 4 | Previous rating: 5 |
|--|------------------|---------------------------|

Justification of rating

Rated moderately satisfactory

| | | |
|---|------------------|---------------------------|
| Assessment of the Overall Implementation Performance | Rating: 4 | Previous rating: 4 |
|---|------------------|---------------------------|

Justification of rating

Rated moderately satisfactory

F. Relevance

Justification of rating

The project has been designed in close consultation with the Government and is consistent with the needs of the target groups as well as IFAD and Government policies, national priorities, and development objectives. The design was developed based on the country and local context as agreed in the objectives and outcomes.

The development objective is still relevant. Livelihood improvement and reduction of hunger is still the top most development priority in the country. For dairy products, Afghanistan heavily depends on imports from other countries, mainly from Iran and Pakistan. In 2015-16, Afghanistan imported 49,096 MT dairy products, whereas import increased by 27% and reached to 62,725 MT in 2017-17 (Refer to table below). Such steep growth in import of the dairy products justifies the need for the focus on dairy sector development so that the import of dairy products can be substituted, along with improving livelihood of the rural Afghan farmers.

Integrated dairy schemes sub component has allegedly increased milk production and productivity. The milk consumption per household also increased from 1.5 L to 3.5 L per day. The household income is also recorded to have increased, estimated at 870 USD per year from 370 USD per year per household.

Regarding women empowerment at household level, dairy project are considered as a good example in rural areas. Studies have showed that almost 84 % of the cash income received by a household from sales of milk is received by women, who rightfully use this income to fulfil different family needs, such as, children's education, food, clothing, medicines, feed for dairy animals, and expenses for cultural celebrations. This impact is relevant to address the gender mainstreaming that is a crucial issue in the country.

Main issues**G. Project Modifications**

| Responsibility | Modification type | Description |
|----------------|----------------------|--|
| GoA, PMU, IFAD | Reallocation | <p>The key physical targets under Dairy Development Subcomponent have allegedly been achieved or exceeded. To date, 4,362 beneficiaries have been reached against the appraisal target of 5,000. A total of 3,189 demo plots of different fodder crops have been developed against the 3,000 Programme target. Certain activities have brought even bigger multiplier effects where animal health services were made available through private sector providers.</p> <p>Yet, challenges remain in terms of enterprise development related to commercialization of dairy products. Should this not be achieved, the sustainability of the overall dairy subcomponent would be jeopardised. Considering the potential market and the recent updates on the dairy production capacity, the IFAD delegation agreed to the Government of Afghanistan's request to upgrade a dairy processing plant from pasteurisation to ultra-high temperature processing (UHT), with increased overall capacity, for an overall additional investment of USD 2.2 million to be covered through reallocations within existing disbursement categories, as per the annex 1 of the mission Aide Memoire hereto. To avoid inefficiencies in related processes, it was agreed that milk would be sold directly to the plant through members of the dairy associations at the duly established milk collection points.</p> |
| IFAD | Additional Financing | Based on the assessment of MTR and additional financing design mission in terms of output, outcomes and impact, and additional financing of USD 25 million was provided to increase the outreach and expand the results, innovations and best practices of the Project. |

| Responsibility | Modification type | Description |
|----------------|-------------------|--|
| IFAD | Project Area | In order to increase the impact through synergy and complementarities of the project activities with the IFAD-financed ongoing project, Support to National Priority Programme2 (SNaPP2), the geographic scope of CLAP was expanded to the additional districts within the initial three provinces (Kabul, Parwan and Logar) as well as to new provinces covered under SNaPP2 (Baghlan, Balkh, Herat and Nangarhar). Additionally, the geographic scope of the project will also include other/additional provinces to cover the entire Kuchi winter and summer trail. |
| IFAD | Reallocation | The provision of AF required adjustments and reallocation of grant categories |
| IFAD | Completion Date | Extension of completion date. The Additional Financing project period was extended by 3 year to consolidate the existing activities to ensure impact and sustainability through the agriculture and livestock development intensification, maximize the benefits of initial investments and scaling-up of successful activities through increased outreach and geographical expansion and provision of synchronisation and complementarities with the IFAD financed ongoing SNaPP2. |
| IFAD | Logical Framework | The log frame has been revised and indicators have been updated for the activities that will benefit from the additional financing. |

H. Agreed Actions

| Agreed Action | Responsibility | Agreed Date |
|--|----------------------------------|-------------|
| Overview and Project Progress | | |
| Include development of new dairy processing plant in 2020 AWPB | PMU | 12/2019 |
| Irrigation Rehabilitation Government to notify IFAD of its position iro the MRRD allocation for action as appropriate | Ministry of Finance, PMU and PSC | 01/2020 |
| Irrigation Rehabilitation Subject to the above, include the USD 3.2 million allocation from MRRD to MAIL in 2020 AWPB and PP | PMU | 01/2020 |
| Completion of Hand over certificates of 6 irrigation schemes | PMU | 05/2020 |
| Procurement of remaining 30 irrigation schemes | PMU | 05/2020 |
| MIS Development | PMU/M&E officer | 06/2020 |
| Completion of construction works for the remaining 30 irrigation schemes | PMU | 06/2021 |
| Sustainability and Scaling up | | |

| | | |
|---|---|---------|
| Development of Policy Action Plan - Develop the Policy Action Plan - Discuss with FOs | PMU | 08/2020 |
| Project Management | | |
| GIS based M&E Recruit GIS/M&E expert | PMU/ M&E officer | 03/2020 |
| Contracting of FAO for output and outcome validation study | IFAD with PMU support | 03/2020 |
| M&E M&E vacancies to be filled | PMU | 04/2020 |
| GIS based M&E MIS Development | PMU/ M&E officer | 06/2020 |
| GIS based M&E Development and operationalization of GIS-based M&E system | PMU/ M&E officer | 09/2020 |
| PSC meeting Hold PSC meetings every 4 months | PMU and PSC | |
| M&E M&E unit to report on outcome indicators of the log frame, mandatory after MTR. | PMU | |
| Financial Management & Execution | | |
| Recovery of MRRD advance Recover in full the MRRD advance before submission of other WAs to IFAD for disbursement. This recommendation is made for the second time. | PMU Finance Team and Programme Director | 01/2020 |
| Review of claims presented by IPs Improve the review of claims presented by IPs before submission of WAs to IFAD to reduce the risk of misclassification of expenditures | Finance team | 03/2020 |
| Resolve accountability issue for the internal auditor and action on internal audit recommendations. | PMU | 03/2020 |
| New advance to DCA under the Additional Financing Provide a new advance to DCA of US 0,6 Million under the Additional Financing and recover the outstanding advance under the original financing. | PMU Finance Team | 03/2020 |

| | | |
|--|----------------------------|---------|
| Fixed assets management Fixed assets verification to be performed on a six monthly basis, properly documented, the report needs to be printed out and signed off by PST Director and Admin Manager | Admin Officer | 06/2020 |
| Record of transactions Ensure parallel and timely recording of financial transactions both in Quickbooks and TOMPRO until the new software is fully deployed, training delivered and the finance staff becomes familiar with it. | finance team | 06/2020 |
| Customization of TOMPRO and training. Contact TOMPRO provider to finalize customization and training. It is the third time this recommendation is repeated. PIM to be updated when phase-in of TOMPRO is concluded Ensure phase-out of Quickbooks by the end of first semester 2020 | PMU Finance Team | 07/2020 |
| Internal control mechanisms Ensure the following internal control mechanisms are fully operational: <ul style="list-style-type: none"> - Contract monitoring forms always updated - Increased control on cash advances and limit the utilization of these - Realistic budget preparation and submission to IFAD within 60 days before year end | PMU and Programme Director | |
| Procurement Plan Submit the revised updated Procurement Plan to IFAD for No Objection. Finalize the on-going procurement activities of goods and works on schedule time. The PST should not undertake any procurement that is not part of the AWP&B, and is approved by PSC. Use IFAD appropriate template of procurement plan for consulting services. Carry forward the planned procurement activities of services. The procurement unit should segregate all the procurement activities item by item and process the procurement item wise. | ADP/PMU | |

Community Livestock and Agriculture Project

Logical Framework

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|-----------------------|--------------------------------|----------------|---|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2019) | Cumulative Result (2019) | Cumulative Result % (2019) | Source | Frequency | Responsibility | |
| Outreach | 1 Persons receiving services promoted or supported by the project | | | | | | | | | | |
| | Females | | | | | | | | | | |
| | Males | | | | | | | | | | |
| | Total number of persons receiving services | | | | | | | | | | |
| | Female | | | | | | | | | | |
| | 1.a Corresponding number of households reached | | | | | | | | | | |
| | Women-headed households | | 86 724 | | 1 707 | 17 215 | | | | | |
| | Non-women-headed households | | 8 577 | | 17 245 | 149 618 | | | | | |
| | Households | | 95 281 | 223 000 | 18 952 | 166 833 | 74.8 | | | | |
| | 1.b Estimated corresponding total number of households members | | | | | | | | | | |
| | Household members | | 571 809 | 1 338 000 | 113 712 | 949 539 | 71 | | | | |
| Project Goal To contribute to reduce poverty in rural Afghanistan | Decrease of population below the poverty line | | | | | | | RIMS impact survey | Baseline, mid-term, completion | PST | Inflation remains low; no security challenges in project area |
| | Population below poverty line | 69 | 71 | 59 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|---|----------|----------|------------|----------------------|--------------------------|----------------------------|------------------------------|----------------------|------------------------|---|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2019) | Cumulative Result (2019) | Cumulative Result % (2019) | Source | Frequency | Responsibility | |
| Development Objective To improve food security of rural households in selected districts of the provinces of Kabul, Parwan, Logar, Herat, Nangarhar, Balkh and Baghlan by increasing agriculture and livestock productivity | Households reporting decreased food insecurity | | | | | | | outcome survey | start, mid-term, end | service providers, PMU | No major security problems in the project target areas. No major natural disasters. No major drought. |
| | food insecure households | 38 | 1.8 | | | | | | | | |
| | Households reporting an increase in income | | | | | | | | | | |
| | households | | 18 | 30 | | | | | | | |
| Outcome 1. Enhanced capacities of local communities and local institutions for the participatory planning and operation of small and medium scale irrigation infrastructure | Households expressing satisfaction with the quality of services provided by local government agencies staff | | | | | | | AOS, key informant interview | Annual | service providers, PMU | No major security problems in the project target areas. No socio-cultural barriers for the participation of poorest and marginalized households in local planning processes. No resistance from traditional leaders vis à vis women participation in local planning and decision-making processes. Clear roles and responsibilities for irrigation development. |
| | households | | 34 | 70 | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|------------------------------------|-----------|-------------------|--|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2019) | Cumulative Result (2019) | Cumulative Result % (2019) | Source | Frequency | Responsibility | |
| Output 1.1 Creation and completion of small- and medium-scale irrigation infrastructure and drinking water schemes | 1.1.2 Farmland under water-related infrastructure constructed/rehabilitated | | | | | | | outcome surveys | annual | PMU | No major security problems in the project target areas. No socio-cultural barriers for the participation of poorest and marginalized households No resistance from traditional leaders vis à vis women participation in local planning and decision-making processes. Clear roles and responsibilities between MRRD and MAIL for irrigation development. |
| | Hectares of land | | 4 058 | 64 600 | 20 617 | 119 934 | 185.7 | | | | |
| | Other productive infrastructure constructed/rehabilitated | | | | | | | records | annual | PMU | |
| | irrigation schemes | | 37 | 164 | 64 | 142 | 86.6 | | | | |
| Output 1.2 Capacity of population and local institutions strengthened | CDC members trained in infrastructure operation and maintenance | | | | | | | CDC/group records, outcome surveys | annual | service providers | No major security problems in the project target areas. No socio-cultural barriers for the participation of poorest and marginalized households No resistance from traditional leaders vis à vis women participation in local planning and decision-making processes. |
| | Males | | 1 728 | 13 532 | 100 | 1 828 | 13.5 | | | | |
| | Females | | 440 | 6 766 | 0 | 420 | 6.2 | | | | |
| | Establishment of irrigation associations and capacity building | | | | | | | | | | |
| | Irrigation associations established | | 127 | 164 | 11 | 138 | 84.1 | | | | |
| | members trained | | 381 | 492 | 220 | 601 | 122.2 | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|--------------------------------------|-----------|------------------------|--|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2019) | Cumulative Result (2019) | Cumulative Result % (2019) | Source | Frequency | Responsibility | |
| Outcome 2. Increased agriculture and livestock productivity and incomes, in particular for women-headed households and vulnerable and marginalized rural communities | 1.2.4 Households reporting an increase in production | | | | | | | CDC records, key informant interview | annual | service providers, PMU | No major security problems in the project target areas No major natural disasters in the project target areas. Sufficient rainfalls. Irrigation infrastructure is used for growing legal crops. No major animal disease outbreak (such a bird flu disease). |
| | Households | | 85 | 100 | | | | | | | |
| Output 2.1 Establishing and strengthening diary milk production and a centralised Dairy Federation | New livestock production groups/cooperatives established/strengthened | | | | | | | CDC records | annual | service providers, PMU | No animal disease outbreak |
| | groups | | 33 | 90 | 1 | 36 | 40 | | | | |
| | Members of livestock groups/cooperatives | | | | | | | CDC records | annual | service providers, PMU | |
| | Males | | 3 036 | 5 000 | 123 | 4 302 | 86 | | | | |
| | Females | | 60 | | 0 | 60 | | | | | |
| | 1.1.4 Persons trained in production practices and/or technologies | | | | | | | surveys | annual | PMU | |
| | Men trained in livestock | | 3 060 | 5 000 | 1 274 | 4 684 | 93.7 | | | | |
| | Women trained in livestock | | 2 928 | 5 000 | 572 | 3 750 | 75 | | | | |
| | Total persons trained in livestock | | 5 988 | 10 000 | 1 846 | 8 434 | 84.3 | | | | |
| | fodder seeds and fertilizers distributed | | | | | | | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|--|---|----------|----------|------------|----------------------|--------------------------|----------------------------|-----------------------|-----------|------------------------|--|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2019) | Cumulative Result (2019) | Cumulative Result % (2019) | Source | Frequency | Responsibility | |
| | tonne | | 51 | 101 | 4.27 | 67.97 | 67.3 | | | | |
| | Trainings provided to farmers | | | | | | | CDC records | annual | PMU | |
| | days per farmer | | 5 988 | | 1 274 | 4 719 | | | | | |
| Output 2.2 Poultry development to improve food and nutritional security through enhanced poultry production and productivity | 1.1.8 Households provided with targeted support to improve their nutrition | | | | | | | outcome survey | annual | service providers, PMU | no major animal disease outbreak |
| | Households | | 13 332 | 40 000 | | | | | | | |
| | Households receiving animals from restocking/redistribution | | | | | | | | | | |
| | households | | 13 332 | 40 000 | 0 | 13 332 | 33.3 | | | | |
| | 1.1.4 Persons trained in production practices and/or technologies | | | | | | | surveys | annual | PMU | |
| | Men trained in livestock | | | 0 | | | | | | | |
| | Women trained in livestock | | 13 332 | 40 000 | 0 | 13 332 | 33.3 | | | | |
| | Total persons trained in livestock | | 13 332 | 40 000 | 0 | 13 332 | 33.3 | | | | |
| | | | | | | | | | | | |
| Outcome 3. Introducing, developing and promoting new drought-resistant and high yielding improved varieties of production | 1.2.2 Households reporting adoption of new/improved inputs, technologies or practices | | | | | | | outcome survey | annual | service providers, PMU | Research activities and trials are successful; relevance of new varieties to farmers' needs; availability of necessary resources and equipment |
| | Households | | 40 007 | 120 000 | 7 537 | 104 475 | 87.1 | | | | |
| | Village Based Seed Enterprises (VBSE) producing 1000-2000 MT of certified seeds | | | | | | | surevys | annual | PMU | |
| | tons of production of certified seeds | | 400 | 2 000 | 776 | 2 769 | 138.5 | | | | |
| | | | | | | | | | | | |

| Results Hierarchy | Indicators | | | | | | | Means of Verification | | | Assumptions |
|---|---|---|----------|------------|----------------------|--------------------------|----------------------------|--|-----------------|------------------------|--|
| | Name | Baseline | Mid-Term | End Target | Annual Result (2019) | Cumulative Result (2019) | Cumulative Result % (2019) | Source | Frequency | Responsibility | |
| Output 3.1 Demonstration and dissemination of high yielding crop varieties organised through participatory approaches | 1.1.4 Persons trained in production practices and/or technologies | | | | | | | CDC records, training reports, SPC reports | annual | service providers, PMU | Research activities and trials are successful; relevance of new varieties to farmers' needs; availability of necessary resources and equipment |
| | Men trained in crop | | 2 745 | | 263 | 3 098 | | | | | |
| | Women trained in crop | | 624 | | 122 | 1 398 | | | | | |
| | Total persons trained in crop | | 3 369 | 7 237 | 385 | 4 496 | 62.1 | | | | |
| | VBSE members trained in seed production | | | | | | | | | | |
| | Males | | 350 | | 465 | 924 | | | | | |
| | Females | | 66 | | 89 | 521 | | | | | |
| | Output 3.2 Promoting livestock development among Kuchis to enhance livelihoods and resilience against predictable livestock emergencies | Kutchi households benefitting from Kutchi component | | | | | | | outcome surveys | annual | |
| Kuchi households | | | 10 584 | 50 000 | 7 024 | 38 624 | 77.2 | | | | |
| 1.1.3 Rural producers accessing production inputs and/or technological packages | | | | | | | | | | | |
| Females | | | | 2 250 | 855 | 4 029 | | | | 179.1 | |
| Males | | | | 2 250 | 0 | 14 240 | | | | 632.9 | |

Afghanistan

Community Livestock and Agriculture Project

Supervision Report

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

Mission Dates: 11 November - 18 December
Document Date 29/01/2020
Project No. 1100001637
Report No. 5331-AF

Asia and the Pacific Division
Programme Management Department

Financial: Actual financial performance by financier, by component and disbursements by category

Table 5A: Financial performance by financier

| Financier | Appraisal (USD '000) | | Disbursements (USD '000) | | Per cent disbursed | | Overall |
|---------------|------------------------|------------------------|--------------------------|-----------------------|--------------------|------------|------------|
| | CLAP I | CLAP II | CLAP I | CLAP II | CLAP I | CLAP II | |
| IFAD loan | | | | | | | |
| IFAD grant | \$58 002 000.00 | \$25 000 000.00 | \$40 033 546.82 | \$2 625 457.26 | 69% | 11% | 51% |
| Co-financier | \$456 000.00 | \$387 200.00 | \$450 396.00 | \$0.00 | 99% | 0% | 53% |
| Government | \$3 574 000.00 | \$191 400.00 | \$2 123 113.63 | \$0.00 | 59% | 0% | 56% |
| Beneficiaries | \$3 481 000.00 | \$1 801 301.94 | \$1 045 293.26 | \$0.00 | 30% | 0% | 20% |
| Total | \$65 513 000.00 | \$27 379 601.94 | \$43 652 349.71 | \$2 625 457.26 | 67% | 10% | 30% |

Table 5B: CLAP I Financial performance by financier by component (USD '000)

| Component | IFAD loan | | | IFAD grant | | | Beneficiaries | | | Government | | | Co-financier | | | Total | | |
|---------------------------------------|-----------|--------|---|----------------------|----------------------|------------|---------------------|---------------------|------------|---------------------|---------------------|------------|-------------------|-------------------|------------|----------------------|----------------------|------------|
| | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % |
| Community Development | | | | 21 377 000.00 | 16 389 217.51 | 77% | 2 303 000.00 | 560 483.06 | 24% | 1 693 000.00 | 1 692 896.82 | 100% | - | - | | 25 373 000.00 | 18 642 597.39 | 73% |
| Livestock and Agriculture Development | | | | 25 246 000.00 | 19 145 011.12 | 76% | 1 178 000.00 | 484 810.20 | 41% | 1 581 000.00 | 177 802.19 | 11% | 456 000.00 | 450 396.00 | 99% | 28 461 000.00 | 20 258 009.51 | 71% |
| Project Management | | | | 11 379 000.00 | 4 499 328.19 | 40% | | | | 300 000.00 | 252 414.62 | 84% | - | - | | 11 679 000.00 | 4 751 742.81 | 41% |
| Total | | | | 58 002 000.00 | 40 033 546.82 | 69% | 3 481 000.00 | 1 045 293.26 | 30% | 3 574 000.00 | 2 123 113.63 | 59% | 456 000.00 | 450 396.00 | 99% | 65 513 000.00 | 43 652 349.71 | 67% |

Table 5C: CLAP II Financial performance by financier by component (USD '000)

| Component | IFAD loan | | | IFAD grant | | | Beneficiaries | | | Government | | | Co-financier | | | Total | | |
|---------------------------------------|-----------|--------|---|-------------------|------------------|------------|------------------|----------|-----------|----------------|----------|-----------|-------------------|----------|-----------|-------------------|------------------|------------|
| | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % | Appraisal | Actual | % |
| Community Development | | | | 10 240 268 | 835 207 | 8% | 867 697 | - | 0% | 10 400 | - | 0% | 387 200.00 | - | 0% | 11 107 965 | 835 207 | 8% |
| Livestock and Agriculture Development | | | | 10 260 161 | 1 790 250 | 17% | 933 605 | - | 0% | 181 000 | - | 0% | - | - | | 13 591 366 | 1 790 250 | 13% |
| Project Management | | | | 4 499 625 | - | 0% | | | | | | | - | - | | 4 499 625 | - | 0% |
| Total | | | | 25 000 000 | 2 625 457 | 11% | 1 801 302 | - | 0% | 191 400 | - | 0% | 387 200.00 | - | 0% | 27 379 602 | 2 625 457 | 10% |

Table 5D: CLAP I IFAD Grant disbursements (SDR, as at 30 November 2019)

| Category | Category Description | Original Allocation | Revised Allocation | Disbursement | W/A pending | W/A Not Yet Claimed | Balance | Percentage |
|----------|--|----------------------|--------------------|----------------------|-------------|---------------------|---------------------|------------|
| 73045 | Authorized Allocation | | | 1 446 935.80 | | | (1 446 935.80) | |
| 250001 | Advance Account | | | 522 536.99 | | | (522 536.99) | |
| 250002 | Advance Account | | | 332 695.21 | | | (332 695.21) | |
| 250003 | Advance Account | | | 605 717.41 | | | (605 717.41) | |
| 250004 | Advance Account | | | 82 877.24 | | | (82 877.24) | |
| 122426 | Civil Works, Community and Infrastructure | 12 750 000.00 | | 10 963 251.93 | | 88 903.00 | 1 786 748.07 | 86% |
| 122427 | Vehicles, Motorcycles, Equipment and Materials | 2 640 000.00 | | 1 728 484.63 | | 303 339.32 | 911 515.37 | 65% |
| 122428 | Technical Assistance, Training and Studies | 7 600 000.00 | | 4 554 986.63 | | | 3 045 013.37 | 60% |
| 122429 | Salaries and Allowances | 6 620 000.00 | | 7 391 493.89 | | | (771 493.89) | 112% |
| 122430 | Incremental Operating Cost | 1 430 000.00 | | 1 843 485.12 | | | (413 485.12) | 129% |
| 122431 | Policy Support Fund | 320 000.00 | | 361 477.96 | | | (41 477.96) | 113% |
| 122432 | Special Financing Facility | 2 270 000.00 | | - | | | 2 270 000.00 | 0% |
| 122433 | Unallocated | 4 020 000.00 | | - | | | 4 020 000.00 | 0% |
| | Total | 37 650 000.00 | - | 29 833 942.81 | - | 392 242.32 | 7 816 057.19 | 79% |

Table 5E: CLAP II IFAD Grant disbursements (SDR, as at 30 November 2019)

| Category | Category Description | Original Allocation | Revised Allocation | Disbursement | W/A pending | W/A Not Yet Claimed | Balance | Percentage |
|----------|-------------------------|----------------------|--------------------|---------------------|-------------|---------------------|----------------------|------------|
| 270001 | Advance Account | | | 1 532 918.46 | | | (1 532 918.46) | |
| 200003 | Works | 6 300 000.00 | | 590 855.61 | | | 5 709 144.39 | 9% |
| 200004 | Project Component | 400 000.00 | | - | | | 400 000.00 | 0% |
| 200016 | Operating Costs | 1 400 000.00 | | 72 241.87 | | | 1 327 758.13 | 5% |
| 200018 | Salaries and Allowances | 2 800 000.00 | | 66 341.31 | | | 2 733 658.69 | 2% |
| 200019 | Training | 4 700 000.00 | | 1 161 643.35 | | | 3 538 356.65 | 25% |
| 290001 | Unallocated | 2 100 000.00 | | - | | | 2 100 000.00 | 0% |
| | Total | 17 700 000.00 | - | 3 424 000.60 | - | - | 14 275 999.40 | 19% |

Afghanistan

Community Livestock and Agriculture Project Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 11 November - 18 December
Document Date 29/01/2020
Project No. 1100001637
Report No. 5331-AF

Asia and the Pacific Division
Programme Management Department

| Objective Hierarchy | Indicator | | Period: Jan - Sep 2019 | | | Cumulative Actual | Appraisal Target | % |
|--|---|--|-------------------------|------------|----------|--------------------|------------------|--------|
| | | | Baseline | Midterm | End line | | | |
| Goal: To contribute to reduce poverty in rural Afghanistan Development objective: To improve food security of 169,500 rural households in selected districts in the provinces of Kabul, Parwan, and Logar by increasing agriculture and livestock productivity. | % decrease in population below the poverty line (Target: 10% decrease from 2012 baseline) | | 69 | 71% | 59% | 71% | 10% | -2% |
| | % increase of agriculture/livestock productivity (measured as quantity of milk/cow, n. of eggs/chick, yield/ha) among households targeted by the project | | 0 | 230/eggs | 100% | 230eggs/Chick/year | 230 | 100% |
| | ■ Targets: - 100% increase in milk/cow | | 3.5 Lit | 9 | 8 | 10.88 | 8 Lit | 100% |
| | - 100% increase in annual milk production/hh | | 917 | 3850 | | 4056 | 2200 | 182.5% |
| | - 1.16 m eggs produced by beneficiary hh in Yr 6 | | | 10.8 M | | 18.9 | 1.16 m | 1629% |
| | - Yield/ha (kg) of certified seeds (1 st and 2 nd planting): wheat (3.4, 2.55); lentil (0.5, 0.38); chickpea (1.0; 0.73); mungbean (0.9, 0.7); potato (19.1, 14.34); tomato (38.3, 28.69); onion (31.9, 23.91); beans (0.7, 0.48) | | 2.96 Metric tonnes/ Hec | 3.85 Mt/ha | | 3.85 Mt/ha | NA | |
| | | | 0.2 | 0,87 t/ha | | 0,87 t/ha | NA | |
| | | | 0.26 T/Ha | 1.46 t/Ha | | 1.46 t/Ha | NA | |
| | | | 0,16 t/ha | 0,58 t/ha | | 0,58 t/ha | NA | |
| | | | 21.23 t/ha | 28.83 t/ha | | 28.83 t/ha | NA | |
| | | | 22.21 t/ha | 29/11 | | 29/11 | NA | |
| | | | 15 t/ha | 19.21 t/ha | | 19.21 t/ha | NA | |
| | - No. of households with increased agriculture productivity (Target: | | | 29829 | | 103500 | 115000 | 90% |

| | | | | | | | | |
|--|--|---------|--------------|-----------|-----------|--------|---------|--------|
| | 115000) | | | | | | | |
| | No. of households with increased livestock productivity (Target: 91332) | Dairy | 0 | 3000 | 5000 | 4302 | 5000 | 86% |
| | | Poultry | 0 | 13332 | 18332 | 13332 | 18332 | 72.7% |
| | | Kuchi | 0 | 10584 | 50000 | 38624 | 50000 | 77.24% |
| Outcome 1 (Community Development) Capacity of local communities and local institutions enhanced, cultivable land increased, agriculture production/productivity increased, health condition improved and water-borne diseases decreased. | - % increase in agriculture productivity (yield/ha) (Target: +10%) | | 2.2 ton/hect | 2.9 MT/ha | 2.42MT/ha | 32% | 10% | 320% |
| | - No of households benefiting from productive infrastructures (Target: 115,000). | | 0 | | | 103500 | 115,000 | 90% |
| Output 1.2 (Community Development and Institutional Strengthening) Capacity of beneficiary communities/community organizations and local government agencies strengthened. | - % of beneficiaries expressing satisfaction on the quality of services provided by local government agencies staff (measured through questionnaires) | | | | | 96% | 80% | 120% |
| | ▪ (Target: at least 80%) - % of organization members expressing satisfaction on the quality of management of community organizations (measured through questionnaires) (Target: at least 80%) ^b | | | | | 99% | 80% | 123% |
| Output 1.3 (Gender Mainstreaming) Role/Involvement of | - % increase of women who have control of productive assets | | | | | 0 | | |

| | | | | | | | | |
|---|--|--|--------------|--------|------|-------|--------|--------|
| women in productive activities and productive potential increased. | - % increase in net income among women ^c | | | | | 0 | | |
| | - % of female professional staff (among MAIL/DAIL and SPs) (Target: at least 25%). | | | | | 14% | 25% | |
| Outcome 2 (Livestock and Agriculture Development) Increased agriculture and livestock productivity | - Increase in average hh income from dairy | | 26% | | 100% | 82% | 200 | 17.5% |
| | ▪ (Target: +200%) (Expected n. of beneficiary hh: 8000)* | | 1000 | 10001 | 100% | 3036 | 3000 | 101% |
| | - Increase in net income of poultry keeping hh | | \$ 250/annum | \$ 301 | 120% | \$250 | 25,000 | |
| | ▪ (Target: +400%) (Expected n. of beneficiary hh:25,000) | | | | | | | |
| | - Increase in net income of adopters | | Not planed | | | | | |
| | ▪ (Target: at least 100%) (Expected n. of beneficiary hh: 81,055) | | | | | 0 | 81,055 | |
| Output 2.1 (Dairy Development) Milk production and productivity increased; dairy milk processing and marketing improved | - Increase in net income of livestock keepers | | | | | | | |
| | ▪ (Target: +25%) (Expected n. of beneficiary hh: 50000) | | | | | 0 | 20,000 | |
| | - Increase in average number of cattle per family (Target: from 1.254 to 1.75) | | 1.25 | | 1.75 | 1.8 | 1.75 | 102.5% |
| | - Increase in milk consumption at hh level (Target: 1.5 l/day) | | 1.5 | | | 3.6 | 1.5 | 226% |
| | - Increase in average hh income from dairy (Target: +200%) | | 10 | 10 | 100% | 35 | 200 | 17.5% |
| | - Nb of demonstration plots | | 500 | 198 | 39% | 3189 | 3000 | 100% |

| | | | | | | | | |
|---|--|--|---------|----------|------|--------|--------|------|
| | - Seeds distributed (Kg) | | 3000 | 243 | 8% | 9459 | 15000 | 63% |
| | - Number of cattle vaccinated | | 7500 | 21383 | 100% | 117540 | 12000 | 100% |
| | - Number of cattle de-wormed | | 6000 | 8486 | 100% | 52097 | 12000 | 100% |
| | - Treatment of individual cattle | | 1000 | 9465 | 100% | 47829 | 2500 | 100% |
| | - Number of dairy cows regularly monitored for fertility. | | 2500 | 1950 | 78% | 8974 | 6000 | 100% |
| | - Nb of inseminated cows | | 5000 | 8808 | 100% | 39204 | 23000 | 100% |
| | - Nb dairy kite distributed to women | | 800 | 521 | 65% | 3064 | 3000 | 100% |
| | - Nb of Farmer trained for preventive animal health | | 2000 | 2329 | 100% | 14303 | 6000 | 100% |
| Output 2.2 (Poultry Development) Traditional fowl systems strengthened; small-scale commercially viable poultry systems developed | - Increase in egg production for traditional birds (Target: 12 per annum) | | 0 | 0 | 0% | 230 | 153% | |
| | - Decrease in mortality rate (Target: from 3% to 1.5%) | | 3 -1.5% | 3 – 1.5% | 50% | 3-1.5% | 3-1.5% | |
| | - Increase in net income of poultry keeping hh (Target: +400%) | | \$ 18 | \$ 301 | | \$ 301 | 1672% | |
| | - No of beneficiaries selected & trained (female only) | | 0 | 0 | 0% | 13332 | 20000 | 66% |
| | - No of beneficiaries receiving pullets | | 0 | 0 | 0% | 13332 | 20000 | 66% |
| | - No of pullets distributed | | 0 | 0 | 0% | 199980 | 300000 | 66% |
| Output 2.3 (Improved Food, Fodder, and Vegetable Crops) New drought resistant and | - Number of farmers adopting new seeds and related best practices (Target: +121,000) | | | 6926 | | 103754 | 121000 | 86% |

| | | | | | | | | |
|---|---|--|-----|-----|------|-------|------|--------|
| high yielding improved varieties of wheat, food and forage legumes, and vegetables developed and adopted. | - % increase of food, fodder, and vegetable production (Target: +30-60% over existing rates) | | 30 | 63 | 210% | 36.75 | 30 | 122.5% |
| | - Increase in net income of adopters (target: at least +100%). | | | 118 | | | 178 | |
| | - Number of participatory evaluations Trials conducted | | 60 | 86 | 100% | 487 | 222 | 100% |
| | - No. of participatory demonstrations with improved crop cultivars and with good agricultural practices laid out. | | 213 | 222 | 100% | 1422 | 1353 | 100% |
| | - No. of farmers visited the demonstration fields during field days. | | 300 | 222 | 74% | 3001 | 3300 | 91% |
| | - No. of Field days conducted | | 3 | 3 | 100% | 26 | 33 | 78% |
| | - No. of FFS organized | | 0 | 0 | 0% | 6 | 6 | 100% |
| | - Number of VBSEs that developed linkages with market agencies (bags, testing) | | 9 | 9 | 100% | 9 | 9 | 100% |
| | - No. of VBSEs registered | | 0 | 0 | 0% | 7 | 7 | 100% |
| | - No. of Kitchen Gardens established | | 327 | 326 | 100% | 1180 | 853 | 100% |
| | - Excremental trials/ nurseries obtained from international centers (wheat, chickpea, lentil, Grasspea, Fababean) | | 16 | 16 | 100% | 87 | 45 | 100% |
| | - Distribution of the trials/ nurseries (wheat, chickpea, lentil, Mung | | 16 | 16 | 100% | 87 | 45 | 100 % |

| | | | | | | | | |
|---|--|--|---------------------|-----------|------|-----------|-----------|-------|
| | bean) | | | | | | | |
| Output 2.4 (Livestock Development among the Kutchi) Livelihoods among Kutchi enhanced | - % reduction in prevailing mortality rates for shoats and cattle (Target: +10%) | | 2% | 2% | 100 | 6% | 10% | 60% |
| | - Increase in daily milk production (Target: +0.05 l) | | 0.2 inc/Liter/sheep | 0.1 | 50% | 0.4 | 0.5 | 80% |
| | - Increase in net income of livestock keepers (Target: +25%) | | 12% | 12% | 100% | 24% | 25% | 96 |
| | - Vaccination | | 741,190 | 1,232,850 | 100% | 3,713,688 | 5,000,000 | 74% |
| | - Treatment | | 237,634 | 609,390 | 100% | 1,495,218 | 2,000,000 | 99% |
| | - De worming | | 298,955 | 839,185 | 100% | 2,409,567 | 2,000,000 | 100 % |
| | - Farmers trained in extension by sessions | | 5,500 | 14,605 | 100% | 38,328 | 21,000 | 100% |
| | - VFU monthly Support Package (Report Writing, Rent etc) \$40 pm | | 130 | 114 | 87% | 114 | 174 | 65% |
| | - Need assessment Survey | | 1 | 0 | 0% | 3 | 3 | 100% |
| | - Refurbishments of selected VFUs | | 33 | 29 | 87% | 70 | 95 | 73% |
| | - Train VFU staff and field extension workers on extension package | | 20 | 21 | 100% | 164 | 210 | 78% |
| | - Number of Para-vet trained | | 8 | 7 | 87% | 36 | 60 | 60% |
| | - Number of feeder bank established | | 2 | 2 | 100% | 16 | 15 | 100% |

Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

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Community Livestock and Agriculture Project Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 11 November - 18 December
Document Date 29/01/2020
Project No. 1100001637
Report No. 5331-AF

Asia and the Pacific Division
Programme Management Department

Appendix 3: Compliance with legal covenants: Status of implementation

| Section | Covenant | Target/Action Due Date | Compliance Status/Date | Remarks |
|---|---|-----------------------------------|------------------------|--|
| Grant Agreement Section B – Para 3, Section E Para 2(d) | The recipient shall open and maintain a Designated Grant Account denominated in USD in a bank acceptable to the Fund for purpose of receiving Grant Financing for the project. The Designated Grant Account shall be operated by the Ministry of Finance. | On Grant effectiveness | Complied | Both project and SPs opened specific DA in USD |
| Grant Agreement Section B – Para 4 | The Recipient shall provide in-kind contribution financing for the project in the amount of USD 3.57 million. | Throughout the project | Ongoing | New contribution target (CLAP 1 and 2): USD 3.8 million As of November 2019 the Government has contributed USD 2.1 million (59%) |
| Grant Agreement Section B – Para 4 | The beneficiaries shall contribute to the Project up to the amount of USD 3.48 million in the form of cash, in kind and/or through labour. | Throughout the project | Ongoing | Beneficiaries' contributions at appraisal were budgeted at USD 5.3 million (both financings CLAP 1 and 2) As at November 2019, USD 1million (19%) has been contributed by beneficiaries Co-financiers' contribution at appraisal was budgeted as USD 0.8 million (for both financings, CLAP 1 and 2), and has accounted for USD 0.4 million (50%) as of November 2019. |
| Grant Agreement Section E – Para 2 Sub Clause (a) and Section 7.11 of the General Conditions. | The National Project Director shall have been appointed | Condition precedent to withdrawal | Complied | Currently the programme is managed by Acting National Programme Director supported by Project Managers. Recruitment process for (definitive) National Programme Director is underway to ensure continuation of stable implementation. |
| Grant Agreement Section E Para 2 Sub Clause (b) | The Programme Support Team (PST) must have been established | Condition precedent to withdrawal | Complied | |
| Grant Agreement Section E Para 2 Sub Clause (c) | The Project Steering Committee shall have been established | Condition precedent to withdrawal | Complied | |
| Grant Agreement Section E – Para 2 Sub Clause (d) | The PIM shall have been adopted by the Lead Project Agency, substantially in the form approved by the Fund | Condition precedent to withdrawal | Complied | |
| Grant Agreement Section E – Para 3 Sub Clause (a) | A MOU shall have been executed between the LPA and the MRRD | Condition precedent to withdrawal | Complied | |

| Section | Covenant | Target/Action Due Date | Compliance Status/Date | Remarks |
|--|--|--|------------------------|---|
| Grant Agreement Section E – Para 3 Sub Clause (b) | Contracts for Services shall have been executed between the LPA and the Service Providers and IFAD has endorsed respective AWPB as approved by PSC. | Condition precedent to withdrawal for SPs | Complied | |
| Grant Agreement Section E – Para 3 Sub Clause (c) | IFAD approval of proposal of expenditure under Policy Support Fund and Special Financing Facility | Condition precedent to withdrawal for Category VI and VII. | Partially Complied | Expenditure under Policy Support Fund is bring incurred while no expenditure under Special Financing Facility is bring incurred. |
| Grant Agreement Schedule3 – Para 7 | The agreement/contract of services of each Service Provider (SP) shall specify that the SPs will make available to the recipient through the PST the statement of sources and uses of funds in respect of each fiscal year within two months of the end of each fiscal year. | Throughout the programme period | Not fully Complied | Not all agreements/MOUs with SPs specify provision of statement within two months of the end of the fiscal year. |
| Grant Agreement Schedule3 – Para 8 | The agreement/contract of services of each Service Provider (SP) shall specify that the SPs will appoint an external independent auditor to audit their financial statements relating to the project and should be submitted to the recipient through the PST, within five months after the end of each fiscal year. | Throughout the programme period | Complied | |
| General Conditions – Section 4.02 (b) | No withdrawal shall be made until the first AWP&B has been approved by the Fund. | From first year of programme | Complied | |
| General Conditions – Section 7.01 (b) (ii) | The LPA shall submit the draft AWP&B to the Fund no later than sixty days before the beginning of the relevant project year | 21 October 2017 | Complied | 2018: Complied 2019: Complied, but need revision |
| General Conditions – Section 7.08 (b) (ii) | The Recipient shall insure goods which are financed by the Financing against hazards in accordance with sound commercial practice. | Throughout the programme period | Not Complied | No reliable insurance companies in Afghanistan |
| General Conditions – Section 8.03 (a) | The LPA should submit progress reports to the Fund containing at least the minimum information spelt therein. | Throughout the programme period | Complied | |
| General Conditions – Section 11.01 Letter to Recipient- Paragraph 6 | The proceeds of the financing shall not be used for the payment of taxes | Throughout the programme period | Complied | Taxes on Salaries of project team is financed through IFAD Grant. This is allowed under General Conditions |
| Letter to Recipient- Para 20 | IFAD prior review of procurement for goods and works above USD 50,000 and consulting services above USD 30,000 | Throughout the programme period | Complied | |
| Letter to Recipient- Para 25 | The first auditor should have been appointed within 120 days from the date of entry into force | First Year | Not Complied | |
| Letter to Recipient- Para 25 | For each fiscal year, the auditors should be appointed within 120 days of the beginning of the fiscal year. As per the new IFAD's Handbook for Financial Reporting and Auditing of IFAD Financed Projects, the auditors should be appointed 30 days before the start of the financial year. | 21 Mar 2016 (2016) 21 Mar 2017 (2017) 30 Nov 2017 (2018) 30 Nov 2018 (2019) | Not Complied | Auditors are usually appointed after the completion of the year end. A contract signed with audit firm in 2018 which is also covering FY2019. TOR is reviewed/ amended each year as recommended by IFAD. TOR for FY2019 has been amended in January 2020. |

| Section | Covenant | Target/Action Due Date | Compliance Status/Date | Remarks |
|--|---|------------------------|------------------------|---------|
| General Conditions – Section 9.03 (b) | The recipient shall within six months of the end of fiscal year furnish to the Fund, the audited financial along with the audit report. | 21 June 2019 | Complied | |

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Community Livestock and Agriculture Project Supervision Report

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

Mission Dates: 11 November - 18 December
Document Date 29/01/2020
Project No. 1100001637
Report No. 5331-AF

Asia and the Pacific Division
Programme Management Department

Aide-Mémoire

ISLAMIC REPUBLIC OF AFGHANISTAN

Community Livestock and Agriculture Programme (CLAP)

Remote Supervision Mission (SM) - 11 November to 18 December 2019

A. Mission Objectives and Key Conclusions

Background and main objective of the remote supervision mission

1. The Community Livestock and Agriculture Programme (CLAP) is an International Fund for Agricultural Development (IFAD)-funded investment, the total cost of which is USD 93 million, including a USD 83 million Debt Sustainability Framework (DSF) grant from two IFAD financing sources. A financing agreement for a DSF grant in the amount of SDR 37.65 million (equivalent to approximately USD 58 million) entered into force in April 2013. This was followed by an additional financing of SDR 17.7 million (equivalent to USD 25 million), made available to the Islamic Republic of Afghanistan (Recipient) as a DSF grant in December 2017. The Programme completion and closing dates are 30 June and 31 December 2022, respectively.
2. CLAP covers the seven selected provinces of Kabul, Parwan, Logar, Balkh, Herat, Nangarhar, and Baghlan, and its development objective is to improve the food security of about 223,000 rural poor households by increasing agriculture and livestock productivity and reducing gender disparities. The programme has three components, namely: (i) Community Development, including Productive Infrastructures and Institutional Strengthening; (ii) Livestock and Agriculture Development; and (iii) Project Management, Policy Support and Young Professionals Programme.
3. The Lead Programme Agency is the Ministry of Agriculture, Irrigation, and Livestock (MAIL). The latest joint IFAD and Government of Afghanistan (GoA) supervision mission took place from 23 September to 04 October 2018, and the latest Implementation Support mission was on 14-15 September 2019.
4. A remote supervision mission for CLAP was conducted from 11 November to 18 December 2019 to: (i) assess the Programme's progress and performance towards achieving its objectives; (ii) review its effectiveness and efficiency; and (iii) identify any implementation issues and make recommendations to address these. Due to security constraints, the mission was conducted remotely through email exchanges and skype calls, which facilitated – to a certain extent - the collection of data and the sharing of updates related to Programme implementation.
5. Such remote supervision arrangements are less than ideal as the IFAD delegation members had no means to validate the data, collect evidence from the field, and interact directly with Programme beneficiaries and other relevant stakeholders. It is thus noted that the review and assessment on the Programme's performance were conducted based on the information provided to IFAD by Programme staff as well as the representatives of the Lead Programme Agency and Ministry of Finance of the Islamic Republic of Afghanistan, on the assumption that the information and data shared are accurate, reliable and current. The Programme's progress, performance and implementation challenges, as well as relevant recommendations were discussed at a wrap-up meeting in Dubai on 18 December 2019.

6. The members of the IFAD delegation would like to thank the Government of the Islamic Republic of Afghanistan and the Programme team for their support in facilitating the success of the mission.

B. Overview and Project Progress

7. CLAP suffered a delayed start-up for the first 3.5 years due to security challenges and Government changes. With 2.5 years remaining until Programme completion, CLAP has allegedly made significant implementation progress and is in a position to deliver on its objectives. The 2019 AWPB achievement of physical targets by the end of October 2019 is assessed at 69.9%. Despite the relevance of CLAP and the potential capacity of the implementing partners to deliver 100% of the AWPB, compliance with country systems limits the efficiency of the funds flow arrangements.

Component 1: Community Development, including Productive Infrastructures and Institutional Strengthening

1.1 Productive Infrastructure

8. **Irrigation Directorate:** The MAIL/ID (Irrigation Directorate) had originally designed and planned the rehabilitation of 25 irrigation schemes under CLAP1 for which they have allegedly achieved 100% overall progress. At commencement of these schemes, the subjected cumulative command area was 5,415 ha. Upon completion thereof, the cumulative area had increased to 6,552 ha with new additions of 1,137 ha. This represents a 20% increase in terms of cultivating land and a 31% growth in production. 25 hand-over certificates are available for the schemes.

9. Under CLAP2, the rehabilitation of 41 irrigation schemes was originally planned. Due to savings secured by the Programme owing to favourable exchange rates and price efficiencies, such number was increased to 71 irrigation schemes (for a total financing of USD 10.24 million) the implementation works of which MAIL/ID has overseen. Planning and designing works have allegedly been completed for 71 irrigation schemes and 10 of these have now been completed, whereas 25 schemes are under construction, 6 schemes are in contract award stage, and the remaining 30 schemes are planned for 2020. The mission recommends completing the procurement of all 30 schemes by May 2020 and completing all the construction works by June 2021.

10. **MRRD:** The Ministry of Rural Rehabilitation and Development (MRRD) has allegedly planned, designed, and constructed 106 schemes adding 92,765 Ha with the aim of achieving overall physical progresses of 96% by the end of December 2019, and the remaining 4% by April 2020 upon resumption of activities suspended due to adverse weather conditions. In this regard, it is noted that the full amount of the relevant budget has been made available by MRRD to the targeted community development councils (CDCs).

11. The hand-over certificates of 100 such irrigation schemes have been completed, while those for the 6 remaining schemes will be processed by May 2020.

12. The mission agreed that the justification of expenditures in the amount of USD 831,000 representing the advance transferred to MRRD is to be submitted to IFAD by 31 January 2020.

13. It was agreed that IFAD would give due consideration to any request that should be received by the Ministry of Finance by 31 January 2020 to reallocate to MAIL the amount of USD 3.2 million previously assigned to MRRD, to implement additional activities under Sub-component 1.1 (Infrastructure Development).

1.2 Institutional Strengthening

14. The IFAD delegation was informed that 138 irrigation associations have been established and registered with MAIL, one for each of the 138 irrigation schemes. The associations are responsible for the sustainable management of water and for the maintenance of the irrigation schemes in accordance with the Irrigation Association Manual, which details - inter alia - book keeping modalities,

membership details with land holding, and provides for quarterly reporting on crop yield/income for each member. The vision should be for these irrigation associations to grow into mature associations providing market access to the members for their agriculture produce.

1.3 Gender Mainstreaming and Capacity Building

15. The IFAD delegation was advised that the Programme has made some notable strides in gender mainstreaming. In particular, 49% of CLAP's beneficiaries are women and 8% of the latter head households.

16. The members of the IFAD delegation were advised that for the first time many women participants were afforded economic opportunities and that their voice was heard through the VPPGs (Village Poultry Producers Groups). In particular, 27 female graduates were recruited in 2019 (increasing the total number to 108) to promote kitchen gardening among women beneficiaries under component 2.3 and, at mid-December 2019, 1,180 women beneficiaries had established kitchen gardens (327 in 2019 alone). In addition, it was acknowledged that 55 Self-Help Groups (SHGs) were set up to receive in-kind support and equipment under Kuchi and dairy development activities. Finally, the Afghan delegation confirmed that 3,064 women farmers (521 in 2019) under dairy development had received milk hygiene kits, and trained accordingly.

17. The Afghan delegation advised that the gender unit had prepared a gender strategy note to increase women participation under the Programme together with an action plan to incorporate activities on literacy and to prepare women to interact within women poultry and dairy associations at provincial level.

Component 2: Livestock and Agriculture Development

2.1 Dairy Development

18. The key physical targets under this subcomponent have allegedly also been achieved or exceeded. To date, 4,362 beneficiaries have been reached against the appraisal target of 5,000. A total of 3,189 demo plots of different fodder crops have been developed against the 3,000 Programme target. Certain activities have brought even bigger multiplier effects where animal health services were made available through private sector providers.

19. Yet, challenges remain in terms of enterprise development related to commercialization of dairy products. Should this not be achieved, the sustainability of the overall dairy subcomponent would be jeopardised. Considering the potential market and the recent updates on the dairy production capacity, the IFAD delegation agreed to the Government of Afghanistan's request to upgrade a dairy processing plant from pasteurisation to ultra-high temperature processing (UHT), with increased overall capacity, for an overall additional investment of USD 2.2 million to be covered through reallocations within existing disbursement categories, as per the annex 1 hereto. To avoid inefficiencies in related processes, it was agreed that milk would be sold directly to the plant through members of the dairy associations at the duly established milk collection points.

2.2 Poultry Development

20. As of today, 13,332 households (or 66% of the appraisal targets) have benefited under the poultry subcomponent in Kabul, Logar, and Parwan provinces and targeted women have been organized under Village Poultry Producer Groups (VPPGs). It is noted that the Programme will no longer implement the backyard poultry model as this will be replaced by the more effective matching grants model for poultry activities. While 80% of the preparatory work therefor as foreseen under the 2019 AWPB has been achieved, the mission noted that the 40,000 household target for CLAP-1 and 2 might not be achieved by the Programme completion date owing to increased cost per beneficiary arising from the matching grant system.

21. Under the backyard poultry model, the project established 267 Village Poultry Producer Groups (VPPG) and identified one village group leader (VGL) to facilitate market linkages. While

these leaders are provided with in-kind support to act as intermediaries in value chains between beneficiaries (suppliers) and purchasers, thus reducing overall transaction costs, the mission recommends that they receive further business management training to enhance results.

2.3 Improved Food, Fodder, and Vegetable Crops

22. The IFAD delegation was advised that to-date, 104,000 beneficiaries have been reached under sub-component 2.3 against the appraisal target of 120,000. Most of these targets are achieved through the selling of wheat seed from Village-based Seed Enterprises (VBSEs) to smallholder farmers.

23. For the purpose of creating synergy between the research and investment activities on the ground, the Programme developed demonstration plots using different varieties of certified products in all rehabilitated irrigation schemes under the community infrastructure sub-component. In this regard, the mission recommends that ICARDA increase the ratio of demonstration plots versus beneficiaries.

2.4 Livestock Development among the Kutchi

24. As at mid-December 2019, 38,624 households have allegedly been reached against the 50,000 household appraisal target and 52 para veterinarians from the Kutchi community have been equipped with complete veterinary field unit (VFU) packages. Moreover, 79 existing veterinary field units were allegedly contracted to provide veterinary services resulting in increased animal health management services. Due to these interventions, mortality rates have reportedly dropped from 15% to 6.2%.

| <i>Actions</i> | <i>Responsibility</i> | <i>Deadline</i> | <i>Status</i> |
|--|----------------------------------|-----------------|---------------|
| Irrigation Rehabilitation Government to notify IFAD of its position on the MRRD allocation for action as appropriate | Ministry of Finance, PMU and PSC | 31 Jan 2020 | Agreed |
| Subject to the above, include the USD 3.2 million allocation from MRRD to MAIL in 2020 AWPB and PP | PMU | 31 Jan 2020 | Agreed |
| Completion of Hand over certificates of 6 irrigation schemes | PMU | May 2020 | Agreed |
| Procurement of remaining 30 irrigation schemes | PMU | May 2020 | Agreed |
| Completion of construction works for the remaining 30 irrigation schemes | PMU | June 2021 | Agreed |
| MIS Development | PMU/M&E officer | June 2020 | Agreed |
| Include development of new dairy processing plant in 2020 AWPB | PMU | December 2019 | Agreed |

Monitoring and Evaluation

25. The IFAD delegation was advised that the PMU had set up an excel-based monitoring and evaluation (M&E) system, which monitors processes as well as results, and the M&E unit produces regular progress reports and annual outcome surveys that feed into management decisions. The data and information are mostly collected by service providers on a regular basis, and then reviewed

within the PMU. The MIS system, recommended by the 2018 supervision mission, has not been implemented yet and the position of the M&E Unit head is still vacant.

26. While the M&E system captures gender mainstreaming activities by reporting sex-disaggregated data since Programme inception, the mission noted with concern that CLAP has not yet started to report on certain outcome indicators, which is mandatory after Mid-term Review.

27. Owing to ongoing data validation constraints, the mission agreed to develop a Geographic Information System (GIS)-based M&E system to be merged with the MIS in the long run. To this end, a GIS expert will be recruited under the Programme in 2020 to work closely with IFAD technical staff to develop such a system as well as remote sensing and a geo-tagging system, subject to viability of this initiative.

28. To enhance the reliability of reported Programme results, the IFAD delegation agreed to explore the possibility of contracting the United Nations Food and Agriculture Organization (FAO) to carry out a validation study of Programme outputs/outcomes, other than those under their direct implementation responsibility, to be financed from CLAP resources subject to the agreement of the Recipient and IFAD.

| <i>Actions</i> | <i>Responsibility</i> | <i>Deadline</i> | <i>Status</i> |
|---|------------------------------|------------------------|----------------------|
| GIS based M&E | | | |
| Recruit GIS/M&E expert | PMU/ M&E officer | March 2020 | Agreed |
| Development and operationalisation of GIS-based M&E system | PMU/ M&E officer | September 2020 | Agreed |
| MIS Development | PMU/ M&E officer | June 2020 | Agreed |
| Contracting of FAO for output and outcome validation study | IFAD with PMU support | April 2020April 2020 | Agreed |
| M&E unit to report on outcome indicators of the log frame, mandatory after MTR. | PMU | Continued | Agreed |
| M&E vacancies to be filled | PMU | April 2020 | Agreed |

Project Management

29. CLAP management has demonstrated increased capacity to implement the Programme and achieve its objectives, with a clearer demarcation of roles and responsibilities of staff and more effective performance assessments thereof. On a separate, but related note, the mission requested that the recruitment process of the new National Programme Director be included in the revised Procurement Plan.

30. While Programme Steering Committee meetings are held twice per year, it was agreed that these would be convened at shorter intervals should circumstances so dictate.

| <i>Action</i> | <i>Responsibility</i> | <i>Deadline</i> | <i>Status</i> |
|-----------------------------|------------------------------|------------------------|----------------------|
| Project Management | | | |
| PSC meetings every 4 months | PMU and PSC | Ongoing | Agreed |

Procurement

31. Procurement procedures are generally found consistent and transparent. However, in line with IFAD's new requirements, the PMU is invited to request clearance of procurement plans on a

quarterly or on a needs-be basis. There is a consistent lack of forward planning for procurement preparation and execution. In some cases, the planned procurement activities could not be completed due to management and external issues. It was also observed that national shopping activities were not part of the approved procurement plan and that different types of items were merged into one package.

| <i>Actions</i> | <i>Responsibility</i> | <i>Deadline</i> | <i>Status</i> |
|---|------------------------------|------------------------|----------------------|
| Procurement Plan Submit the revised updated Procurement Plan to IFAD for No Objection. | IFAD/PMU | 31 December 2019 | Agreed |
| Procurement Plan Finalize the ongoing procurement activities of goods and works on schedule | IFAD/PMU | Ongoing | Agreed |
| Procurement Plan The PST should not undertake any procurement that is not part of the AWP&B and approved by the PSC. | IFAD/PMU | Ongoing | Agreed |
| Procurement Plan Use IFAD appropriate template of procurement plan for consulting services. | IFAD/PMU | Ongoing | Agreed |
| Procurement Plan Carry forward the planned procurement activities of services. | IFAD/PMU | Ongoing | Agreed |
| Procurement Plan The procurement unit should segregate all the procurement activities item by item and process the procurement item wise. | APD/PU | Ongoing | Agreed |

Disbursements

32. The Programme is in its sixth year of implementation. Its disbursement rates on the IFAD initial DSF Grant (USD 58 million) and additional financing as of 12 December 2019 stand respectively at 79% (75% net of the initial advance of USD 4.3 million) and 19.34% (7% net of the initial advance of USD 3.0 million). Cumulatively, the Programme disbursed USD 46.8 million (or 60% of the total funding available, or 45% net of advances).

33. Disbursement performance significantly improved since the last joint IFAD – GoA implementation support mission in September 2019 with USD 3.1 million disbursed in less than three months. Part of the disbursements were used to re-constitute the initial advances of the Programme. In 2019 the Programme submitted 17 Withdrawal Applications (WAs). All WAs have been processed and disbursed. The mission reviewed 7 WAs and these have been found to be acceptable. While no major issues were identified, improvements are called for in terms of quality of the information provided which is not always readily available.

34. The mission noted that disbursements under the operating cost category have reached 128% of the authorized allocation therefor. With this in mind, and considering the merits of realigning Programme financing to operational needs, the Recipient proposed a budgeted reallocation as presented in the annex 2 to this Aide-Mémoire. In addition, it was agreed that the advance to DCA would be increased. The IFAD delegation endorsed the proposal for further internal processing.

Financial Management

35. The Programme's Financial Management (FM) function is moderately satisfactory and the Financial Management risk is rated Medium. Financial reporting to IFAD is regular including preparation of cash flow forecasts, timely submission of un-audited and audited financial statements. The 2018 annual financial statements have been timely prepared, the 2019 accounts are kept in both QuickBooks and TOMPRO. The transition between the two softwares has not yet been completed, also due to the limited TOMPRO training provided to-date. It is thus necessary to arrange additional training sessions and customize the system to improve its segregation of duties. It was agreed to phase out Quickbooks by the end of the first semester of 2020. The transition must be completed smoothly in order to avoid impacts on the reliability of financial information.

36. Despite the high level of disbursements achieved in 2019, budget execution is limited and it is necessary to prepare more realistic budgets considering implementation challenges. The 2019 budget was reduced during the year due to the slow-down of Programme activities. Most recommendations issued by previous missions have been implemented and the main outstanding recommendation relates to the non-clearance of the advance still available to MRRD. In order to avoid ineligibility, and considering the confirmation received by CLAP management that the advance will be cleared before the end of January 2020, it was agreed that the Programme would be authorized to submit WAs only after the MRRD advance has been fully cleared.

37. While the 2019 internal audit plan did not cover CLAP field-level activities except those conducted at the central office, field activities related to the other IFAD-financed SNaPP2 were performed. Reports heretofore prepared are of good quality. It is necessary to act on the implementation of internal audit recommendations. It is further noted that an accountability issue needs to be addressed as it is not good practice for the internal auditor to report only to the Programme Director. It is recommended that the internal auditor present the finding of his/her work to every PSC meeting, and that relevant minutes of the meetings are prepared. It is further recommended to provide training opportunities to the internal auditor to further strengthen relevant professional skills.

External Audit

38. The audit report FY2018 has been submitted to IFAD within the prescribed deadline. The audit was performed by a private audit company and the audit work has been conducted in accordance with ISAs. The opinion on financial statements was unqualified. The quality and timeliness of audit work is assessed as moderately unsatisfactory given the inconsistencies between the opinion expressed and the level of observations contained in the management letter.

Counterpart Funding

39. The Government's contribution at appraisal was budgeted at USD 3.8 million (including CLAP1 and 2). As of November 2019, the amount of USD 2.1 million (59%) had been made available by the Government. The GoA team underlined that the counterpart contribution covered both financings. In 2019, the counterpart contribution was estimated at USD 0.04 million and as of November 2019 it was fully contributed. Beneficiaries' contributions at appraisal were budgeted at USD 5.3 million (both financings). As at November 2019, USD 1million (19%) has been contributed by beneficiaries. No beneficiary contribution was accounted for in 2019. Co-financiers' contribution at appraisal was budgeted as USD 0.8 million (for both financings). As of November 2019, USD 0.4 million (50%) had been contributed through in-kind contributions such as use of vehicles, technical support, office equipment and materials.

Other actions required to improve the overall FM are listed in the following recommendations:

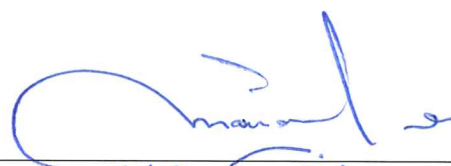
| Actions | Responsibility | Deadline | Status |
|---|----------------------------|--------------|--------|
| <p>Contact TOMPRO provider to finalize customization and training.</p> <p>PIM to be updated when phase-in of TOMPRO is concluded</p> <p>Ensure phase-out of Quickbooks by the end of first semester 2020</p> | PMU Finance Team | July 2020 | Agreed |
| <p>Ensure the following internal control mechanisms are fully operational:</p> <ul style="list-style-type: none"> - Contract monitoring forms always updated - Increased control on cash advances and limit the utilization of these - Realistic budget preparation and submission to IFAD 60 days before year end | PMU and Programme Director | Ongoing | Agreed |
| Recover in full the MRRD advance before submission of other WAs to IFAD for disbursement | PMU and Programme Director | January 2020 | Agreed |
| Provide a new advance to DCA of USD 0.6 million under the CLAP2 and recover the outstanding advance under CLAP1. | PMU | March 2020 | Agreed |
| Resolve accountability issue for the internal auditor and action on internal audit recommendations | PMU | March 2020 | Agreed |

40. The Government of the Islamic Republic of Afghanistan and IFAD endorse the findings of the remote supervision mission.



CANDRA SAMERTO
CPM for Afghanistan

18 December, 2019



Mariam Wafa
Acting Programme Director of CLAP

18 December, 2019

Annex 1

| COMPONENT / Sub Component | Approved Budget | Reallocated Budget |
|---|-----------------|--------------------|
| Component 1. Community Development | \$ 21.16 | \$ 20.33 |
| Sub-component 1.1 Productive Infrastructure | \$ 8.06 | \$ 6.80 |
| Sub-component 1.2 Community Development | \$ 12.00 | \$ 12.83 |
| Sub-component 1.3 Gender Mainstreaming | \$ 1.10 | \$ 0.70 |
| Component 2. Livestock and Agriculture Development | \$ 25.28 | \$ 26.20 |
| Sub-component 2.1 Dairy Development | \$ 8.50 | \$ 11.25 |
| Sub-component 2.2: Poultry Development | \$ 4.99 | \$ 2.54 |
| Sub-component 2.3: Improved Food, Fodder, and Vegetable Crops | \$ 6.80 | \$ 7.30 |
| Sub-component 2.4: Livestock Development among the Kutchi | \$ 4.99 | \$ 5.11 |
| Component 3. Project Management | \$ 11.65 | \$ 8.60 |
| PST/PMU Management | 8.15 | \$ 7.40 |
| Special Financing Facility | 3.5 | \$ 1.20 |
| Exchange rate deviation (SDR VS USD) | | \$ 2.96 |
| TOTAL | \$ 58.09 | \$ 58.09 |

Annex 2

Proposed Realignment for CLAP Amount expressed SDR

| ALLOCATION AND USE OF THE FUNDS | | As of 12 December | | | | |
|---------------------------------|---|-------------------|----------------|--------------------|-------------------------|---------------------------|
| Category Code | Category Description | Allocated | Disbursed | Balance | REALLOCAT ION NEEDED | Revised Allocation SDR |
| | | Amount SDR | SDR | SDR | | |
| | | a | b | =(a+b)-c | | |
| | Special Account IPs initial advance | | 1 446 1 543 | (1 446) (1 543) | | |
| I | 122426 Civil Works, Community and Infrastruc | 12 750 | 10 963 | 1 787 | 2 539.5 | 15 289 |
| II | 122427 Vehicles, Motorcycles, Equipment and M | 2 640 | 1 728 | 912 | 2 368.6 | 5 009 |
| III | 122428 Technical Assistance, Training and Studi | 7 600 | 4 555 | 3 045 | (1 397.3) | 6 203 |
| IV | 122429 Salaries and Allowances | 6 620 | 7 392 | (772) | 1 616.6 | 8 237 |
| V | 122430 Incremental Operating Cost | 1 430 | 1 844 | (414) | 214.4 | 1 644 |
| VI | 122431 Policy Support Fund | 320 | 361 | (41) | 48.2 | 368 |
| VI | 122432 Special Financing Facility | 2 270 | | 2 270 | (1 370.0) | 900 |
| r | 122433 Unallocated | 4 020 | | 4 020 | (4 020.0) | - |
| Total | | 37 650 | 29 832 | 7 818 | (0) | 37 650 |