

Eritrea

Fisheries Resources Management Programme

Supervision Report

Main report and appendices

Mission Dates: October-November 2018
Document Date: 19/03/2019
Project No. 2000001144
Report No. 4991-ER

East and Southern Africa Division
Programme Management Department

Abbreviations and Acronyms

AWPB	Annual Work Plan and Budget
CSU	Co-operative Support Unit
FDP	Fisheries Development Project
FReMP	Fisheries Resources Management Programme
FAO	Food & Agriculture Organisation
GEF	Global Environment Facility
GoE	Government of Eritrea
MMR	Ministry of Marine Resources
MRDD	Marine Resources Development Department
NPCO	National Programme Coordination Office
NUESY	National Union of Eritrean Students and Youth
NUEW	National Union of Eritrean Women
PIM	Programme Implementation Manual
TA	Technical Assistance
ZPCO	Zoba Programme Coordination Office
ZNRS	Zoba Northern Red Sea
ZPCO	Zoba Programme Coordination Office
ZSRS	Zoba Southern Red Sea

A. Project Overview

Region:	East and Southern Africa Division	Project at Risk Status:	Potential problem
Country:	Eritrea	Environmental and Social Category:	B
Project Name:	Fisheries Resources Management Programme	Climate Risk Classification:	2
Project Id:	2000001144	Executing Institution:	Ministry of Marine Resources
Project Type:	Fisheries	Implementing Institutions:	Ministry of Marine Resources
CPM:	Esther Kasalu-Coffin		
Project Director:			
Project Area:	National in scope (all six Zobas/Regions of the Country)		

Approval Date	26/11/2016	Last audit receipt	30/08/2018
Signing Date	06/12/2016	Date of Last SIS Mission	30/11/2018
Entry into Force Date	06/12/2016	Number of SIS Missions	2
Available for Disbursement Date	21/04/2017	Number of extensions	0
First Disbursement Date	01/05/2017	Effectiveness lag	1 month
MTR Date	not available yet		
Original Completion Date	31/12/2023		
Current Completion Date	31/12/2023		
Financial Closure	not available yet		

Project total financing

IFAD Financing breakdown	Debt Sustainability Framework	\$15,000,000
Domestic Financing breakdown	Beneficiaries	\$1,351,000
	National Government	\$1,417,000
Co-financing breakdown,	Germany	\$11,550,000
	Food and Agriculture Organization of the United Nations	\$500,000
	Global Environmental Facility	\$7,890,000
Project total financing		\$37,708,000

Current Mission

Mission Dates:	October-November 2018
Days in the field:	3 days: 30th & 31st October, 1st November 2018
Mission composition:	Esther Kasalu-Coffin, Country Director / Head of IFAD Eastern Africa and Indian Ocean Hub Richard Abila, Senior Technical Specialist - Fisheries and Aquaculture Edith Kirumba, Environment and Climate Officer Henry Anim-Somuah, Senior Consultant - Technical Mission Leader Peter Byakika, Consultant - Financial Management Specialist Faten Bokri, Programme Management & Implementation Support Consultant Meala Tesfamichael, Knowledge Management and Liaison Support Consultant Dawit Berhane, Water Specialist Consultant Mr Ndawazhile Kaluwa, Consultant, M&E System and Information Management Specialist
Field sites visited:	Zoba Debub; Zoba Makael and Zoba Northern Red Sea

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	3	Project Management	3
Effectiveness	3	Quality of Project Management	3
Targeting and Outreach	3	Knowledge Management	3
Gender equality & women's participation	4	Value for Money	4
Agricultural Productivity	N/A	Coherence between AWPB and Implementation	2
Nutrition	3	Performance of M&E System	3
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	N/A	Acceptable Disbursement Rate	4
Partnership-building	3	Quality of Financial Management	3
Human and Social Capital and Empowerment		Quality and Timeliness of Audit	4
Quality of Beneficiary Participation	4	Counterparts Funds	4
Responsiveness of Service Providers	4	Compliance with Loan Covenants	5
Environment and Natural Resource Management	4	Procurement	3
Exit Strategy			
Potential for Scaling-up			

Relevance	6
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

From 29 October to 06 November 2018, IFAD and the Government of Eritrea (GoE) undertook a joint supervision mission for the Fisheries Resources Management Programme (FReMP). The main objectives of the mission were to (i) review implementation progress and achievement of outputs by component since the project start up; (ii) identify implementation constraints and agree on actions to address them; and (iii) review the quality of financial and procurement management. More specifically, the mission reviewed:

1. Status of implementation against expected outputs since project start up and the 2018 Annual Work Plan and Budget (AWPB);
2. Status of execution of agreed actions during the last mission (June 2018);
3. Financial and procurement management;
4. Effectiveness of Programme Coordination; and
5. Development results to date.
6. The mission members also provided support and recommendations to the NPCO and implementing partners to:
7. Ensure the delivery of high quality programming (AWPB) and reporting;
8. Operationalise IFAD key concerns, such as targeting, gender mainstreaming, participation, empowerment, and knowledge management;
9. Establish a cost effective and pragmatic systems for monitoring and evaluation, including reporting under the ORMS format;
10. Resolve financial and procurement and other management issues; and
11. Identify technical assistance needs to strengthen the capacity of the NPCO and fast-track programme implementation. Between 30th October and 1st November, field visits were organised a) with beneficiaries (women groups) in Foro and Hirgigo, where also a visit to the mangrove plantation took place (Zoba Southern Red Sea); b) at the MMR headquarters, the National Fisheries Corporation, the NRSR and the ZNPCO, and the fish landing site in Massawa (Zoba Northern Red Sea); c) at the Mai Sirwa Inland Fisheries Research Centre (Zoba Maekel); and d) with the fisherman community (men & women groups) surrounding the Semomo Dam (Zoba Debub – Adiquala Sub-Zone).
12. A pre-wrap up meeting was held on 31 October 2018 with the Minister of Marine Resources and the staff of the National Project Coordination Office (NPCO). The purpose of this meeting was to discuss the Mission's observations, conclusions and recommendations with the FReMP staff and to agree on the key actions and the associated timeframe. The IFAD team would like to express its appreciation to GoE for the hospitalities and courtesies extended and to the FReMP staff for their contributions to the Mission's outputs.
13. The mission was also accompanied by a representative of the German Government as a co-financier of FReMP, Mr Elmar Kreutzer. Ms Juliet Kabegbe, a representative of UNIDO, is expected to join from 03 to 06 November to provide technical expertise on solar powered fish drying, ice making and desalinization technologies.

Key Mission Agreements and Conclusions

The GoE has address the challenges with staffing and has work assiduously to get all the staff filled and with a strong leadership. However, the mission observed the need to quickly support the team in areas where they have acknowledged gaps in their competencies in procurement, financial management and monitoring and evaluation. IFAD is committed resources to offer hands-on training in the three disciplines in November and December 2018 to address the competency gaps. IFAD will continue to support and guide the FReMP Team to successfully implement the programme.

The mission observed that there is a lot of data currently being collected by FReMP especially at the Zoba and sub-Zoba level, however the data is collect mainly using paper in a rather unstructured manner. The mission recommends that the data be structured using an excel template and properly organized to serve as a foundation for the M&E system. IFAD has thus secured an M&E and Management Information System Expert to provide hands-on training for all the M&E and Planning personnel at both the national and Zoba levels to get the system in place.

The PCO is making very frantic efforts to address the challenges with implementation of the planned activities since the June mission. This is very commendable, however the FReMP team acknowledges challenges in providing technical specifications and accessing information on improved technology for solar dryers, ice making plants, and desalination plants which they will need support from IFAD to address these implementation bottlenecks.

FReMP has a full staffing for the Co-operative Support Unit (CSU) in place now. However, there is the need to orient the CSU to focus on enterprise development and get the basics of developing bankable business plans for the various co-operatives and its members to ascertain the commercial viability of enterprises before the provide them with credit.

The programme complies with the key covenants of the Financing Agreement and the mission performed the FMA and rates the overall project fiduciary risk as medium.

D. Overview and Project Progress

The Fisheries Resources Management Programme (FReMP) was approved by IFAD Executive Board on 26 November 2016, became effective on 6 December 2016 and expected to be completed on 31 December 2023. FReMP is a follow-up programme on the Fisheries Development Programme's successful interventions and focuses both on marine and inland fisheries, covering all the six Zobas in the State of Eritrea. The implementing agency of this programme is the Ministry of Marine Resources (MMR).

The total programme cost is USD 39.12 million with a total IFAD financing of USD15.0 million (representing 38.4%), Federal Republic of Germany grant financing of USD11.55 million (representing 29.5%), Food and Agriculture Organisation (FAO) contribution of USD 0.5 million, domestic financing of USD 2.77 million (representing 7.1%) and USD 9.3 was expected from Global Environment Facility (GEF). However, the anticipated co-financing from GEF and FAO did not materialise thereby creating a financing gap of about USD 9.8 million.

The programme's goal is to *contribute to household food and nutrition security and the alleviation of rural poverty* and its development objective is *increased incomes and improved nutrition situation for targeted beneficiaries and sustainable management of natural resources*. In pursuit of this objective, FReMP will support the marine and inland small-scale fishers to produce a surplus, within the maximum sustainable yield of the fisheries, for the market and forge sustainable partnerships linkages with various actors along the fish production and marketing channel. The aim will be to transform the small-scale fisheries sector in Eritrea from subsistence to a sustainable commercial sector.

The programme's development objective will be achieved through the effective implementation of two components supported by capacity building and implementation support services.

Component 1: Develop Sustainable Fisheries Systems – The component provides support for the establishment of infrastructure and technologies needed for sustainable production and post-harvest operations, and promotes consumption of both marine and inland fisheries. It has three sub-components;

- **Subcomponent 1.1: Develop Marine Fisheries Production and Post-Harvest Systems**– The interventions under this sub-component aim to improve and develop fish landing sites along the marine coast by establishing solar fish drying facilities, ice production capacity and multi-purpose centres, and provision of potable water. The sub-component promotes ecosystem management mainly through mangrove re-forestation activities.
- The cumulative physical implementation achievement under the sub-component is low on the infrastructure, however significant progress has been made on ecosystem management. All the sites for construction of solar fish drying facilities have been identified, through a participatory process involving the project beneficiaries and other stakeholders. In Zoba Northern Red Sea (ZNRS), Abdur, Zoba Southern Red Sea (ZSRS), two sites have been confirmed Ras Tarma and Deres. The third identified location is Kedarasi, which needs to undergo further assessment by engineers to verify its suitability. The sites for constructing multi-purpose centres have all been identified, Gelalo in ZNRS and in Eddi and Tio in ZSRS. The local administrations have made a commitment to allocate adequate land for developing these facilities.
- **Since the last supervision mission** effort has been put to complete the structural and architectural design drawings for both solar fish drying facility and multi-purpose centre and preparing the Bills of Quantities (BoQs), which have now been submitted to IFAD for No Objection. To meet increasing demand for ice by fishers, the project has initiated procurement of ice making plants and the technical specifications shared with IFAD for No Objection. The next step should focus on recruitment of TA to support the development of these infrastructure, and thereafter, initiate their construction. The fish drying facilities are critical for the small pelagics fish value chain and the project needs to give them high priority in order to open the way for investments in fishing operations and other post-harvest interventions.
- Comparatively, the project has performed well on coastal ecosystem management, involving the protection and expansion of mangrove forests. Community sensitisation and mobilisation events have been organized and training seminars conducted on mangrove plantation, conservation and protection in various sub-zones, including at Massawa, Dahlak and Hirgigo. MMR has carried out an assessment of an estimated 1,344 ha of naturally growing forests, of which the project has set a target to manage/protect 260 ha. Suitable sites have been identified for planting new mangroves; Dahlak Island, Gonforor and Hakamango. In 2018 the project planned to plant a total of 40 ha of mangrove forests (20 ha in ZNRS and 20 ha in ZSRS), of which only 10 ha have been planted due to low rainfall. In addition, the project had a target to plant 500 halophytes, of which 135 halophytes have been planted and 350 prepared for planting. The project fully achieved its seedlings target by producing 2,000 mangrove seedlings planned for the year. In the next steps, effort should be to plant all the seedlings that have been raised and train communities to take good care of the tender plants. The project should consider setting up mangrove nurseries within the communities to reduce transport and other costs, and impart new skills to the community members involved in this exercise. So far, the project has not initiated income-earning activities from mangroves, such as bee-keeping and fodder generation/harvesting, which could provide them with economic incentive to take care of the forests. They should liaise with the IFAD agricultural project, NAP, to develop these skills.
- Some progress has been made in piloting of different mariculture technologies, with the aim of increasing marine fisheries production. A total of 25 MMR staff received training on mariculture and 18 on inland aquaculture technologies. Following the training, MMR constructed cages and set up demonstrations for the culture of milkfish, mullet, oyster, grouper and rabbit fish. The pilots experienced some problems including; poaching of fish from the cages and lack of fish feed. Considering that a lot of resources have been invested in this activity, the project should continue with a more focused pilot with only three species which have good prospects, namely; Grouper,

mullet and milkfish. It should include the provision of fish feed made locally, especially from fish wastes and other ingredients. In the new cycles, more attention should be put to monitor the inputs, fish growth and water quality assessment in the cages.

- MMR also continues to benefit from the FAO Technical Cooperation Programme (TCP) *on capacity building for management of the small pelagic fishery in Eritrea*, which was designed to complement and support FReMP. The TCP, launched in 2017, focuses on the management of small pelagic fisheries through an ecosystem approach, development of management plans and capacity building of MMR particularly in data management.
- **Subcomponent 1.2: Development and Sustainable Utilization of Inland Fisheries** – The sub-component aims to develop approaches for the sustainable utilization of fisheries in inland water reservoirs, targeting a total of 15 dams, selected through a set of transparent criteria. The sub-component also supports development of a fish hatchery and related research operations at Mai-Sirwa Research Centre. Good implementation progress has been made under this sub-component. Eight dams have been identified, namely; Mai-Nefhi and Adi-Shaka in Zoba Maekel, Fanco-Tsumue and Fanco-Rawi in Zoba Gash Barka Semomo and Qaqbda in Zoba Debub, Elaberid and Hashferai in Zoba Anseba. The selection process involved setting up a reservoir identification team, field visits, consultation and awareness raising for local administration and stakeholders. The major criteria for the selection included: water status (water quantity and carrying capacity, quality, colour, turbidity, the status of fish stocked in the dam and its production potential, dam accessibility, population living around the dam and the likelihood of drying up).
- **Since the last supervision mission:** focus has been on identifying and forming fishing and fish processing/marketing groups and capacity building of the groups. Youth fishing groups and women groups for fish processing and marketing have been formed in Zoba Maekel and Gash Barka, (a total of 10 groups and 90 beneficiaries). They have received initial training in fishing, fish processing/filleting and how to properly cook fish in their homes. The youth have been provided with fishing nets and boats, and initiated some fishing activities. For instance, in Sememo Dam in Zoba Debub, a total of nearly 400 Kg of fish have been caught in the past one month (five days of fishing). The selection of the beneficiaries has been participatory and involved the Zoba National Union of Eritrean Women (NUEW) and National Union of Eritrean Students and Youth (NUESY) as well as administration officials at Zoba and zone levels. Socio-economic studies of the communities neighboring the selected eight reservoirs has been completed and the report is being prepared and should be shared with IFAD soon.
- Progress has been made in watershed management by making terraces for soil and water conservation surrounding the reservoirs, for instance in Sememo Dam (3 ha), Fanco-Tsumue (2 ha) and Fanco-Rawi (1.9 ha). In the next steps, the watershed management activities should be completed in all the identified reservoirs.
- **Since the last mission,** effort has been directed to the rehabilitation of two large earthen ponds which have seepage problem in consultation with the Ministry of Agriculture, which has more experience and skills in small dam construction and soil management. The Mission encourages this collaboration. In addition, the indoor hatchery in Mai-Sirwa has been equipped with the much-needed aerator, which allows the hatchery to operate under controlled temperature throughout the year, and especially essential during winter period when fish cannot grow in ponds. Mai-Sirwa is expected to become the main future source of fingerlings for stocking dams. Mai-Sirwa will need to procure specialised transport facility for distributing fingerlings. There is need for offer specialised training for the staff in hatchery operations and other aspects of aquaculture, which can be considered under a new IFAD Grant for capacity building soon to become effective.
- **Subcomponent 1.3: Market development and Promotion of Fish Consumption** – This sub-component supports market development for both inland and marine fisheries and promotes nutrition. Progress has been made especially in training extension staff on nutrition using training of trainers (ToT) model.
- **Since the last mission,** a market survey on small pelagic fish products was conducted in four inland zobas. Public awareness campaigns on fish nutrition and consumption, using 500 posters, 1000 brochures, 1000 t-shirts and 1000 hats for publicity. Recipes made of dried and powdered anchovies fish were prepared and distributed to some boarding schools and clinics to promote consumption. In Sememo Dam, the Mission interacted with some community members recently introduced to the consumption of inland fish (tilapia) and they overwhelmingly presented very positive experience. Going forward, the marketing study should be completed in the remaining two coastal zobas. The project should continue with the campaigns to popularise fish in inland areas and explore potential collaboration with other line ministries to promote increased consumption of fish-based products in households, hospitals and schools. The project should facilitate the women groups to "test the market" with the fish caught from the dams. This can be done by setting up small outlets equipped with freezer and small accessories for fish handling in the neighbouring towns, for instance the Mission suggests to pilot this idea in Adi-Quala town for the fish from Sememo Dam. The women group will need to be trained well on fish handling and marketing and supported to make a simple business plan for this activity.

Component 2: Fisheries Enterprises Support Services – This component addresses two interlinked objectives: a) promote the development and capacity building of cooperatives and other enterprise groups; and b) strengthen the input provision services to ensure that the legally constituted cooperatives and enterprise groups have access to the requisite inputs to undertake economically viable and sustainable fish-related businesses. It has two sub-components;

- **Subcomponent 2.1: Entrepreneurial Capacity Development** – The main focus of this sub-component is the development of enterprise groups/ co-operatives having the requisite skills for business in the fish value chain. Progress has been in mobilizing beneficiary groups and awareness raising in both ZNRS and ZSRS, on the different co-operative models to be formed under the project for small pelagics, large fish, net making and foot fisher cooperatives. The project has under-performed in this sub-component, as it has not met the targets set for forming co-operatives this year. The next step should actualise formation of co-operatives/ enterprise groups,

thereafter, developing the requisite business and technical skills they need to operate their fisheries enterprises.

- **Subcomponent 2.2: Strengthen Input Supply Services** – This sub-component supports the delivery of specific inputs needed by fishing cooperatives and enterprise groups financed through a revolving loan-based asset fund. The inputs include canoes, fishing gear, working capital and toolkits for engine/boat maintenance. There has been low implementation progress of this sub-component, with hardly any input so far procured under FReMP.
- **Since the last mission**, the Co-operative Support Unit (CSU) has been strengthened and is now fully constituted. The next steps should be to strengthen the capacity of CSU to be able to perform their core business of managing the input supply and loan recovery from the beneficiaries. High priority should be given to the procurement of inputs, particularly fishing boats and gear, so that some of the co-operatives can start production of small pelagics as this is the primary aim of the project. The CSU should develop business plans for the various cooperatives models to access its commercially viability and inform the procurement of the inputs to support the cooperatives.

Agreed Action	Responsibility	Agreed Date
Overview and Project Progress		
Ecosystem management Liaise with NAP to conduct training of communities in apiculture and provision of beehives and on livestock fodder harvesting	NPCO	01/2019
Solar drying facilities and multi-purpose centres Recruitment of TA to support the development of solar fish drying facilities and multi-purpose centres	NPCO	03/2019
Ice production Initiate procurement of ice-making machine and present to IFAD for No Objection	NPCO	03/2019
Rehabilitation of earthen ponds in Mai-Sirwa Complete rehabilitation works on the two earthen ponds in Mai-Sirwa to expand the nursery space	NPCO	04/2019
Enterprise groups development Formation of 12 co-operatives/ enterprise groups for small pelagics using the laid-out procedure	NPCO	04/2019
Market survey Complete the small pelagics market survey in the remaining two coastal zobas	NPCO	04/2019
Inputs for small pelagics fishing Procure inputs for 12 co-operatives/ enterprise groups to start production of small pelagics	NPCO	08/2019
Watershed management for inland fisheries Complete the watershed management activities (e.g. terracing) in all the identified dams for inland fishing	ZPCO	08/2019
Market testing for dam fish Initiate small shop outlets equipped with freezers for market testing of fish from dams	ZPCO	08/2019

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus	
Effectiveness	Rating: 3

Justification of rating

In the second year of programme implementation, FReMP is still laying the foundations that will allow the programme to capture the outcomes and outputs as per the logical framework. Even though the implementation progress is slow, FReMP is on the right track in implementing an effective M&E system that has the potential of success. However, at this early stage, FReMP requires to take advantage and put more focus on harmonizing the current structures, processes and procedures they are establishing so that all M&E activities on components seamlessly work together.

Log-Frame Analysis & Main Issues of Effectiveness

FReMP has experienced some delays in programme implementation mainly due to procurement. These delays have back tracked the programme in producing some outputs from programme activities. However, some of the activities had immediate outputs that could have been captured in the Log-Frame. These slight delays caused most of the planned outputs to be realized in the 3rd year of programme implementation. Procurement delays will finally be solved and as FReMP completes their establishment of effective standard procedures on data capturing and reporting, it is positive to state that FReMP will be able to capture the outcomes as the programme years progress.

It must be noted that at this stage, most activities have focused on training the implementing agencies which have produced outputs in capacity building. This is critical for future programme implementation. It can be recommended that FReMP periodically analyses the effectiveness of these trainings to ensure that the financial resources are being used efficiently to improve the programme capacity.

Development Focus	
Targeting and Outreach	Rating: 3

Justification of rating

After two years of implementation, FReMP, has come up with modalities to target the fisher folk, the youth and the women through community sensitization and public awareness campaigns in the Zoba. The project is also supporting the youth and women in the upland Zobas to form associations to facilitate their outreach to the youth and women in the communities.

Main issues

FReMP has various community engagement activities planned at the Zobas to reach out to beneficiaries with specific activities targeting the women and youth. The project now has supported the formation of women groups in the coastal Zobas who are involved in the project interventions including; the protection and expansion of the mangrove forest, fish processing and marketing, however there is the need to enhance the income generating opportunities derived from the mangrove forest for the women association. FReMP in its implementation arrangements will be providing intervention that target the beneficiaries to meet the needs of the specific segments of the target beneficiaries, for example supporting enterprise development for the youth, provision of ice, nets, engines and boats for the fisher folk, solar fish dryers for women, and training on fishing consumption in the communities that traditionally will not consume fish.

The M&E system includes targeting performance indicators, collection and analysis of gender and age disaggregated data.

Gender equality & women's participation	Rating: 4
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Justification of rating

Activities have started but remain at an early stage. The activities in terms of mobilising communities and engaging in trainings both inland and coastal areas show that gender and women's participation have been taken into consideration. However, the development of a gender and youth action plan remain in the pipeline.

Main issues

Despite the lack of a gender and youth action plan, the project is providing access to trainings in income-generating skills as well as knowledge.

The project is in line with national priorities that ensuring gender participation in all activities are met with a minimum of 30% of participants must be of women. However, at NPCO level, the participation of women remains low while in terms of youth, the project composes of a majority of youth.

Women cooperatives in the coastal areas has been established as well as in inland fish farming in areas for marketing and processing and women fishers on the coastal zobas. The participation of youth remains low among the fishermen cooperatives on the coastal zobas mainly due to the hardship level and youth looking for modernized approach of fish farming.

The guidelines and procedures on gender and youth have been shared from IFAD in September 2018 and the project has yet to develop a gender and youth strategy to be incorporated in the 2019 AWPB within FReMP components.

Agreed Action	Responsibility	Agreed Date
Development Effectiveness		
Gender Strategy Develop a gender strategy that will be in alignment with the main gender strategy at the national level.	NPCO (in consultation with IFAD)	10/2018
Gender and Youth Action Develop a gender and youth action plan as a road map to operationalize gender and youth focus under the different FReMP components; the plan should specify the associated costs and should be incorporated in the 2019 AWPB.	NPCO (in consultation with IFAD)	10/2018

Agricultural Productivity

Rating: N/A

Nutrition

Rating: 3

Justification of rating

Progress has been made especially in training extension staff on nutrition using training of trainers (ToT) model. Since the last mission, a market survey on small pelagic fish products was conducted in four inland zobas. Public awareness campaigns on fish nutrition and consumption, using 500 posters, 1000 brochures, 1000 t-shirts and 1000 hats for publicity.

Adaptation to Climate Change

Rating: 4

Justification of rating

The programme is making notable progress towards climate adaptation and mitigation through investments in solar fish-drying facilities, restoration and community driven conservation of mangroves, improved watershed management and soil erosion control, afforestation using Halophytes, development of dam management plans. More needs to be done to enhance climate smart technologies and practices under inland aquaculture and marine fisheries to cushion communities against extreme weather events such as drought, and integration of climate resilience into infrastructure developments, such as climate proofing multi-purpose facilities e.g. ice making machines. Further, improved cook stoves can be promoted within community groups as an incentive to enhance mangrove conservation.

Main issues

As a means to incentivize community based mangrove conservation groups, particularly women groups, the programme needs to speed up group based activities such as net making and mending, and consider the promotion of improved cook stoves, which have the potential to save up to 50% on fuelwood use. The MMR has also been implementing innovative measures to control the *Prosopis julifera* invasive species through production of charcoal briquettes by youth groups. This too can be integrated in the mangrove conservation groups as a source of household energy and income, and a means of climate change mitigation and contribution to carbon sequestration.

As the development of inland aquaculture picks up, there is need for the programme to begin integrating climate-smart aquaculture technologies and practices to minimise the impacts of climate change, such as drought. This may entail the use of solar pumps to pump water into hatcheries or fish processing plants, solar powered ice making machines, use of ultraviolet pond liners, embedding climate change adaptation and resilience into aquaculture and fisheries training sessions among others. There is also need for the programme's technical team to visit successful aquaculture projects within the IFAD project portfolio that have embedded climate smart aquaculture and other promising innovations as part of learning and technology transfer.

Furthermore, with regards to marine and coastal fisheries, there are indications that climate change or drought is leading to the death of coral reefs at sea. Also, there is yet to be a full understanding of the possible impacts of temperature increases and sea level rise on fish stocks and breeding patterns. At design, the project's climate risk was categorised as moderate. There is need to carry out a climate risk analysis and vulnerability assessment for both marine and inland fisheries, in order to better understand the impacts of climate change and determine areas that require strengthening of climate adaptation and mitigation interventions, as well as coping mechanisms for communities.

Agreed Action	Responsibility	Agreed Date
Development Effectiveness		
Climate risk analysis and vulnerability assessment in both inland and marine fisheries: A ToR will be developed by the programme and shared with IFAD by 31/12/2018 for review, after which the programme will recruit a national consultant to undertake the work and produce a report	NPCO, IFAD	03/2019
Learning exchange visit: Organize learning visit for the programme staff to visit successful climate smart aquaculture and marine fisheries interventions within IFAD's fisheries projects portfolio for learning and possible technology transfer	NPCO, IFAD	03/2019

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: N/A
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Partnership-building	Rating: 3
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Justification of rating

FRoMP is in the second year of implementation and have started laying a good foundation for partnership building with both public sector institutions and the private sector. Initiatives have been started with hospitals and secondary schools to promote consumption of fish as well as working with Ministry of Agriculture to training upland communities in fishing and fish processing and marketing.

Human and Social Capital and Empowerment	Rating:
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Quality of Beneficiary Participation	Rating: 4
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Justification of rating

Beneficiaries have been appropriately engaged and have well participated in the implementation processes using the Zoba administrative structures. This approach has enabled all segments of beneficiaries include women and participation in decision making in the various intervention include selection of sites for infrastructure and organization of the various cooperatives.

Main issues

Communities are participating in mangrove restoration and conservation through groups. Women groups and youth groups have for instance been instrumental in conservation efforts. However, there is need to fast track the roll out of incentive measures such as bee keeping, improved cook stoves, and desalinisation equipment, in order to provide them with alternatives and incentivise them to protect the mangroves.

The programme speed up the formation formation of co-operatives/ enterprise groups and support the groups to develop the requisite business and technical skills they need to operate their fisheries enterprises as means to enhance the capacity of the beneficiaries to make informed decision and effective participate in the project implementation decision. This will enhance the participation of the vulnerable groups such as women and youth are duly represented at all levels of decision making.

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

The project did not report any issues with service providers on all the procurement undertaken so far.

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

The programme is making commendable progress in the rehabilitation, planting and sustainable utilisation of mangroves, watershed management around reservoirs through terracing, establishment of mangrove nursery sites and selection of reservoirs for inland aquaculture development. Yet, there is need to fast track the planting of mangroves to meet set targets in ha, and to strengthen community based mangrove protection structures, including rolling out incentives for community based conservation and protection of mangroves. There is also need to elaborate interventions that will be undertaken as part of the ecosystem based management approach with regards to marine and coastal zones, as well as support the development of aquaculture guidelines for integration into dams' user manuals.

Main issues

The programme has made good strides towards the restoration and planting of mangroves, watershed management around reservoirs, development of inland aquaculture, and in the engagement of community-based groups – particularly women groups, in the conservation and rehabilitation of mangroves. Some effort has gone into sensitising, mobilising, organising, and training communities on mangrove restoration and planting, which will ultimately boost conservation efforts. Already, 10ha of mangrove have been planted, and additional planting sites identified. However, for community based social fencing and management of mangroves and other natural resources to work well, the community needs to be provided with incentives and alternatives to current resource use practices such as use of mangroves for fuel wood. The programme has embedded in its design incentive mechanisms such as net making and mending training for women groups, bee keeping and fodder generation and harvesting in the mangroves. Furthermore, the programme could consider offering additional incentives such as the utilisation of the invasive species *Prosopis julifera* in development of charcoal briquettes for household use and sale, small scale desalinisation equipment, and provision of protective clothing and foot wear (e.g. gumboots, gloves, or overalls for use during mangrove planting). In addition to incentives provision, there is need to ensure that community based natural resource management structures or social fencing have clear mechanisms and guidelines to enhance sustainable resource utilisation and management, equitable sharing of benefits, as well as bylaws and fines.

Watershed catchment management plans are expected to be developed for all selected reservoirs and implemented. Based on field visits, more emphasis should be placed on sustainable land management needs of each reservoir, monitoring of water quality, water shed treatment, stocks status monitoring, establishment of animal watering points, pesticides use management, and the application of GIS/Remote sensing to inform management and monitoring of reservoirs. As MoA has already developed user manuals for dam management, FReMP/MMR is encouraged to work closely with MoA to integrate aquaculture/fisheries development guidelines, which lack in the current manuals. This process and resultant guidelines will inform the development of national aquaculture regulations.

Marine and coastal ecosystems, mainly mangroves, seagrass beds and coral reefs are under threat of increased sea temperatures, sedimentation, rising seas levels, and overexploitation of fish stock. There is need to determine best practices in ecosystem based management in the development of marine and coastal ecosystems, also building on the work being done by FAO and through engagement with MoLWE. Moreover, a lot of post-harvest waste is being generated at fish landing sites, and the programme is encouraged to invest in management and processing of fish waste for other uses, e.g. animal feeds.

Agreed Action	Responsibility	Agreed Date
Sustainability and Scaling Up		
Capacity of community based groups Ensure that community based groups such as mangrove conservation groups have adequate capacity, structures and mechanisms as well as incentives to enhance sustainable utilisation and conservation of resources and to promote equitable benefit sharing.	NPCO, Zobas, MMR	12/2018
post-harvest fish losses and waste Explore feasible mechanisms and invest in management and processing of post-harvest fish losses and waste e.g. production of animal feeds.	NPCO, MMR	01/2019
Develop and integrate aquaculture development guidelines within the MoA dams' user manual	MoA, MMR, Zobas	03/2019

Exit Strategy

Rating:

Potential for Scaling-up

Rating:

c. Project Management

Quality of Project Management

Rating: 3

Justification of rating

The management, coordination and implementation of FReMP is integrated into the relevant government institutions in the various decentralised structures (Zoba, Sub-Zoba and Kebabi), with the MMR being the lead executing agency with overall management responsibility. To date, the coordination and communication between the different layers of this structure seems to work harmoniously, particularly in the coastal regions. During field visits, a strong ownership of programme activities was noted. The National Project Coordination Office (NPCO) has been building the capacity of its staff through various training. However, a certain turnover of staff is still observed leaving at times main management positions unfilled. For instance, currently the NPCO is still awaiting the appointment of a new Procurement Officer. This aspect is still causing some delays in programme implementation. The Project Steering Committee (PSC) is expected to play a greater role in guiding implementation issues. The project management team experienced a high turnover of staff which slowed the implementation.

Main issues

The implementation arrangements for all FReMP components should be provided in a detailed Programme Implementation Manual (PIM). However, the PIM is yet to be finalised by the NPCO to address IFAD's comments and recommendations provided in July 2018.

High staff turnover seems to be an avoidable reality in the different levels of government structures. Most of technical posts are filled in with young graduates who are still eager to further learning and growth. With almost no access to internet, new technologies and the latest findings of academic and scientific research, it is challenging to keep the young work force in place. MMR and IFAD agreed that encouragement and incentives (also in forms of further training or exchange), in addition to provision of laptops, new laboratory tools, access to internet are necessary steps to solve this issue. Furthermore, the recruitment process to fill in vacant posts should be fast-tracked to ensure smooth programme implementation and coordination.

Knowledge Management

Rating: 3

Justification of rating

A KM plan has been developed with the help of a consultant and have been incorporated in to the 2019 AWP&B. This is a good step in the KM process.

Main issues

A KM strategy and plan has been developed though the plan has been incorporated in the AWP7B 2019 there is the

A KM strategy and plan has been developed, though the plan has been incorporated in the AWPB 2018 there is the need to develop the capacity of the programme staff at all levels to systematically capture the relevant data, lessons and success stories and embed the importance of KM for the programme in the staff. There is the need to create a high sense of alertness among the staff at all levels for KM.

It is also important to develop the capacity of the M&E team to systematically use M&E data to provide evidence for the lessons and make the necessary adjustments to improve programme performance.

Agreed Action	Responsibility	Agreed Date
Project Management		
Knowledge Management Strategy NPCO M&E Specialist to develop the KM Strategy with guidance from IFAD.	NPCO in liaison with IFAD	08/2018

Value for Money

Rating: 4

Justification of rating

The mission observed that there is institutional structures and a strong alertness for value for money in the implementation of project activities. The Government pays particular attention on how public funds are utilized.

Agreed Action	Responsibility	Agreed Date
Project Management		
Computing of Cost Ratios Next IFAD Mission should work with the NPCO and ZPCOs to compute the different cost ratios.	IFAD Mission Leader	11/2018

Coherence between AWPB and Implementation

Rating: 2

Justification of rating

During these early years of implementation, FReMP has performed moderately fair in implementing some of the activities in the AWPB. However most of the activities in the 2018 work plan have been forwarded to 2019, mainly due to delays in procurement. These delays have caused a low execution rate as FReMP has only spent about 8% of their AWPB. It is critical for FReMP to fast track procurement procedures as this has been one of the setbacks in the performance of implementation against AWPB progress. Moreover, the delays have caused most of the activities planned in the 2017 AWPB to be rolled over to 2018. Therefore, the rating will remains low.

AWPB Inputs and Outputs Review and Implementation Progress

From January to October 2018, FReMP has not completed a majority of the planned 2018 annual activities. This has been mainly through the setbacks in procurement. However, FReMP has well implemented some activities seen on the ground during the mission that were rolled over from the 2017 AWPB. With this, there is confidence that once the procurement setbacks are resolved, FReMP will perform exceptional in the latter project years.

At this early stage in the project years, the cumulative progress against the appraisal targets is low as FReMP is still performing the activities that will lay a foundation for the programme to perform better in the future. The component that has seen some progress so far is project support services. Particularly, this has been seen through the capacity building activities of MMR staff.

In terms of financial progress, FReMP has spent US\$0.43 million out of the US\$5.62 million planned in the 2018 AWPB. This low expenditure further reflects the medium performance in the physical progress of some activities. It has been recommended that the programme should conduct more practical planning in order to avoid such performance. Moreover, submission of the 2019 AWPB should be in time so that implementation of activities is not further delayed in the coming year.

Agreed Action	Responsibility	Agreed Date
Project Management		
AWPB Revision Propose revision of 2018 AWPB to match the activities and targets with the capacity of staff to deliver.	NPCO	07/2018

Performance of M&E System

Rating: 3

Justification of rating

The implementation of a well-structured and integrated M&E System by the FReMP NPCO is still at its early stage of development. FReMP should be commended of gradually building the M&E System implementation as per the last missions agreed actions. There has been progress of recruiting a TA to design the M&E System and conduct training. Furthermore, there has been great progress of conducting a Baseline Study. However, there is need for the MMR to take advantage of this early stage in programme implementation to build an effective and participatory M&E System that clearly states the procedures and processes. The rating will remain to '3' as the MMR will need to ensure that this activity is conducted in a timely fashion before the Programme is fully operational.

M&E System Review

Overall, from the observations at the NPCO and ZNRS implementing agencies, FReMP has the opportunity to produce an effective and practical M&E System that can be embedded in the Ministry and carried over in future missions to come. The implementing agencies each have their own early stages of conducting basic monitoring through paper formats with most of the data disaggregated by gender and age. It is now time to harmonize these processes in an integrated and standardized structure that will form the basis of an effective M&E System.

Currently the process of the M&E System involves reports on progress collected and compiled by Zoba's from the Sub-Zobas and Kebabi Administration mainly through paper formats. The ZPCO then sends the compiled report to the NPCO in a Microsoft Word document format through a hardcopy or by a pen drive because the country internet infrastructure is still in its process of development. Even though the NPCO M&E Officer has created standard progress report formats and a reporting calendar that each Zoba requires to follow, it was not observed that they were being followed. This brings about a challenge of a less accurate, less adequate and time inefficient M&E System. With this observation, there is need of a coherent M&E manual and plan to allow data capturing and reporting and analysis to be conducted in a timely fashion.

FReMP is in the process of recruiting an M&E TA Consultant to design and operationalise their M&E System. A few recommendations were provided in the interactions with the NPCO M&E team. It was recommended that it will require all the M&E and key staff be involved in the M&E design processes to build an effective system that will meet their needs. Moreover, this participatory design process will allow all implementing agencies to understand the indicators in terms of measuring and capturing them from all programme interventions. It was recommended FReMP needs to focus on this key aspect when analysing the Terms of Reference of the TA. In addition, an effective M&E System is formed with a strong foundation of an information management database that acts as a link to integrate various M&E and knowledge management activities. Moreover, such a database makes it easier for an M&E System that heavily relies on paper-based data collection methods to transition to a Management Information System where mobile technology applications can be used to improve the data collection process. Indeed, this if the Ministry and FReMP chooses to take this direction in the future. Currently, the Programme has data from various stakeholders who are practising paper-based data collection methods. It was recommended they need to harmonize the data and start with basic standard excel-based spreadsheets so that they become familiar with a simple information management system before transitioning to an effective and practical M&E Management Information System.

The need for FReMP to add a component risk management process as part of their M&E System is critical. This is due to the fact that environmental and climate factors are an important part of the programme activities. The discussion was had with the FReMP M&E staff and the IFAD Environmental and Climate Officer that emphasized the need to integrate information of dam specification, safety measures and environmental preparedness indicators as part of the Terms of Reference the M&E Consultant. This will ensure that environmental and climate factors are monitored on a periodical basis by the M&E team and implementing agencies. With this, FReMP requires to create a standard template of this data so that can be included in the proposed MS Excel-based spreadsheets.

Agreed Action	Responsibility	Agreed Date
Project Management		
Monitoring & Evaluation Revise the ToRS of the M&E TA Consultant to include a more participatory M&E System design process that will focus on standard data capturing and reporting procedures of performance indicators. Moreover, include environmental and climate monitoring procedures and indicators as part of the M&E System before sending for a No Objection.	MMR and NPCO	11/2018
Monitoring & Evaluation Set-up a sound M&E System, and develop and conduct a targeted M&E training programme focused on its operationalisation.	NPCO, ZPCOs & IFAD	12/2018
Baseline Study Conduct a FReMP baseline study covering the totality of the Programme target areas.	NPCO and ZPCOs	12/2018
Information Management Database Initiate the creation of a standardized excel based information management database through simple MS Excel tools and fill it with all beneficiaries data that includes attributes to allow to measure outcomes and impact in the future.	MMR and NPCO	01/2019

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

Rating: 4

Justification of rating

At the design stage, a SECAP review note was prepared and the programme's environment and social risk was categorised as B. Potential risks were identified and mitigation measures proposed. To strengthen risk mitigation and comply with IFAD's SECAP guidelines, the project should develop an Environment and Social Management Plan and its monitoring plan. Further, there is need to work closely with the department of environment (DoE), in order to ensure that national environmental procedures and guidelines are adhered to and appropriate monitoring done by both MMR and DoE.

SECAP Review

The programme has in place a SECAP review note but there is need to develop an Environment and Social Management Plan (ESMP) and its monitoring plan, to provide a road map for mitigation of potential risks and routine monitoring of implementation of mitigation measures. For instance, as investments in inland aquaculture gain momentum, it is important that water quality monitoring is integrated in the programme's environmental monitoring plan. Moreover, mechanisms to assess stock levels for the inland and marine fisheries need to be established and monitoring timelines set. With ongoing pilots on cage culture and the potential for expansion of scale out of the technology it will be necessary to address potential environmental and social impacts of cage culture once the technology is rolled out. These risks and mitigation measures can form part of the ESMP. Furthermore, the programme should consider investing in provision of protective clothing and footwear for communities conserving and rehabilitating mangroves, as well as strengthening their incentives to conserve and establish social fences.

Given these and other potential risks, the programme should develop a comprehensive ESMP and its monitoring plan, covering potential and existing environmental, climate and social risks, including their mitigation measures and monitoring requirements. The ESMP should include information on the following: environmental and social risks, timing of risks (e.g. construction phase, operational phase, etc.), mitigation actions, implementation arrangements, responsibility, monitoring indicators and frequency of monitoring, timelines, costs/budget to the project, as well as capacity development needs of the programme staff and implementing institutions. Capacity development needs should be tailored to the extent and scope of the proposed mitigation actions as well as monitoring and reporting requirements. Sample ESMP ToRs/Template, guidance notes on development of a monitoring plan and IFAD's SECAP procedures were shared with the programme's monitoring team for further development of ToRs and selection of a national consultant.

Agreed Action	Responsibility	Agreed Date
Project Management		
Develop an Environment and Social Management Plan and its Monitoring Plan Share ToRs with IFAD for review and comments by 31/12/2018	NPCO, MoLWE, Zoba	02/2019

d. Financial Management & Execution

Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
Domestic Financing breakdown	Beneficiaries	\$1,351,000		
	National Government	\$1,417,000		
Co-financing breakdown,	Germany	\$11,550,000		
	Food and Agriculture Organization of the United Nations	\$500,000		
	Global Environmental Facility	\$7,890,000		

Acceptable Disbursement Rate

Rating: 4

Justification of rating

Automated rating based on IFAD disbursement data

Main issues

The rating does not consider the German fund of EUR 9M for which the agreement entered into force but was not included in the AWPB 2018. The disbursement will start in January 2018

Fiduciary Aspects

Quality of Financial Management

Rating: 3

Justification of rating

Rating confirmed at moderately unsatisfactory.

Main issues

The rating has been maintained at 3 as in the previous Supervision Mission. The financial management unit at NPCO is adequately staffed with an Assistant Accountant supporting the FC. However, the FC and assistant accountant require training on IFAD financial management guidelines. The internal control system in place at PCO and ZPCOs ensures a diligent control of expenditure and that funds are spent for intended purposes; however the fund absorption capacity for the project remains low. Internal audit procedures shall be discussed and agreed upon with the MMR internal audit department. The accounting software is not fully satisfactory and this affects the FM performance. The Mission performed the FMA and rates the *overall project fiduciary risk as medium*.

Accounting. The project transactions are recorded in accordance with IPSAS cash basis. The Mission noted that record keeping needed improvement as several important payment support documentation were not appropriately filed. The Programme uses Laccie accounting software where transactions had been posted up to September 2018. Given the deficiencies identified about the Laccie system (as mentioned in the previous Supervision Mission), the project made a decision to purchase a fully tested accounting software and this is expected to be implemented early 2019.

Staffing. Generally the FM structure has been assessed as adequate; the team at NPCO is adequately staffed with a financial controller and an assistant accountant. At cost centres, staff have been appointed and trained in IFAD FM procedures. However the FC and assistant accountant at NPCO are both new in their positions and therefore will need additional training on IFAD FM procedures.

Review of the Designated Account. The Mission reviewed the designated account and noted that its reconciliation is not done on a timely basis because of delays in submission of Zoba bank reconciliations. At the time of the Mission, 30 Oct 2018, the reconciliation for the month of September 2018 had not yet been done. The designated account reconciliation as at 31 Aug 2018 showed an amount of US\$673,692.15 as having been spent but not yet claimed from IFAD. The balance on the DA is US\$1.6 million. The Mission reiterates that the IFAD policy requires a WA to be prepared on achievement of either 30% utilisation or when 90 days lapse. In the case of FReMP, 90 days lapsed and therefore WA3 should have been prepared and submitted to IFAD. This rule should be adhered to, to avoid liquidity pressure most especially for the coming period considering that procurement is expected to pick up.

AWPB execution rate. The 2018 (PY2) revised AWPB amounts to US\$5.62 million; as at 30 September 2018, the budget to actual analysis showed that only US\$0.43 million or 8% had been spent against the budget as indicated in the table below. Procurements should be fast tracked to ensure performance improvement and Mission further recommends that more realistic planning be done in future. The 2019 budget is to be prepared and submitted to IFAD as soon as possible in order not to delay any of the activities scheduled for 2019.

Internal controls. The mission notes that there is sufficient level of segregation of duties both at the PCO and ZPCO levels; this ensures that funds are spent for the intended purposes and generally with due respect of economy and efficiency.

Statement of expenditure (SOEs) Spot check. A post-review of SOEs was done on WA 2 that was replenished. The Mission reviewed items amounting to 39% (USD 194,894 of USD 495,888) made from the SOE and the respective support documents. It was noted that most of the supporting documentation is available and duly filed, with the following exceptions; (i) a material amount of training cost were wrongly classified under equipment and materials cost; (ii) invoices are not stamped paid; iii) some operating costs were not included in the AWPB, however from further discussion with NPCO, it emerged that the funds were used for project activities; and iv) travel related expenditures are not always supported by BTORs. The mission recommends that the quality of supporting documentation be improved to address these issues and that for any contract paid in more than one instalment, the project should prepare contract monitoring forms.

Internal Audit. FReMP has not implemented any Internal Audit arrangements so far, and it was agreed that the project seriously engages the MMR internal audit department to agree on a schedule which should strictly be followed. In the previous Mission, it was reported that Internal Audit for the year 2017 had been carried out; however, to date no report has been submitted for the same. The Mission reiterates the importance of inclusion of activities related to the internal audit function in the AWPB of every programme year.

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
Designated Account Reconciliations Prepare month reconciliations of the designated accounts	Fin Controller	10/2018
Internal Audit Request the MMR Internal Audit department to include FReMP in their annual rolling internal audit plans.	Fin Controller & Coordinator	10/2018
Application for Withdrawal WAs are prepared on achievement of either 30% utilisation or when 90 days lapse. This guide should be adhered to in order to ensure liquidity at all times.	Fin Controller	10/2018
DA reconciliation Follow up with ZPCOs to submit monthly bank reconciliations by 10th of the following month so that the designated account reconciliation can be prepared by the 15th of the following month.	FC and NPCO Coordinator	11/2018
Accounting software Request IFAD no objection for the specification of the accounting software and carry out the procurement process as soon as possible.	NPCO	11/2018
Supporting documentation Ensure that all payments are duly supported by relevant documentation (payment voucher, invoice, BTOs), Separate contract monitoring forms shall be used for all contracts where payments are made in more than one instalment.	FCO	11/2018
Accounting System Procure and install a fully tested accounting software which is successfully being used by other IFAD funded programmes	NPCO	12/2018
Training of the Financial Controller and Assistant Accountant Provide training for the Financial Controller and Assistant Accountant in IFAD policies and procedures	Fin Controller & Coordinator	12/2018
Internal Audit Agree with MMR Internal Audit department to about the schedule for Internal Audit.	NPCO Coordinator	12/2018
Training of the FC Liaise with IFAD regional hub in Nairobi to ensure that training is provided to the Financial Controller and assistant accountant on IFAD policies and procedures.	FC and NPCO coordinator	03/2019

Quality and Timeliness of Audit

Rating: 4

Justification of rating

Audit report compliant with required but submitted with delay

Main issues

The Audit report is prepared in accordance with ISA. It contains three separate opinions on the FS, SoE and DA. The notes to the FS adequately disclose the principles used in preparation of the FS and information pertaining to the sources and uses of funds; however, the Government Counterpart Fund is not supported by adequate breakdown of costs. The rating is affected by the late submission of the audit report (30th August 2018), and the lack of ML. The project's list of assets is not included in the notes. The Auditors provide an opinion on the internal control system (considered to be adequate) but the audit report is not accompanied by the Management Letter.

Counterparts Funds

Rating: 4

Justification of rating

GoE has timely met its obligations in terms of salaries of staff, provision of office space and tax exemption

Main issues

The project has not yet put in place a consistent system for capturing and reporting GoE contribution which results into understatement of the same. However the Mission noted that GoE has timely met its obligations in terms of salaries of staff, provision of office space and tax exemption. As per the Financing agreement GoE contribution amounts to US\$1.42 million. As at 30 September 2018, the cumulative Government contribution reported was US\$0.18 million, being purely salaries for staff; this is about 13% of the appraisal target. The budgeted Government contribution for 2018 was US\$0.41 million and actual amount reported for 2018 is US\$0.07 million or 17%.

The programme has not fully captured counterpart contribution in the accounts which led to significant understatement of Government contribution for instance the Government provides office space for the NPCO and ZPCO, but this has not been captured in the accounts. The Mission then advised that simple monitoring forms should be designed to capture all contributions in terms of rent, in kind and other cash contributions. No contribution has been realized from beneficiaries to date as activities attracting this contribution have not taken off yet.

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
Counterpart contribution A journal voucher should be raised monthly with a list of staff whose salaries have been paid and rental equivalent for office space occupied and posted in the accounts after approval from the relevant government officials.	Financial Controller	10/2018
Beneficiaries contribution The PCO to establish a proper and consistent system for capturing and reporting in kind beneficiary contribution. Ensure that the system is consistently applied at PCO and ZPCO level.	NPCO and ZPCOs	12/2018
GoE contribution The PCO to establish a proper and consistent system for capturing and reporting Government contribution in terms of salaries of all project staff, office space and contribution to civil works and other activities. Ensure that the system is consistently applied at PCO and ZPCO level. The GoE contribution shall be fully reported in the final annual report.	NPCO and ZPCOs	12/2018

Compliance with Loan Covenants

Rating: 5

Justification of rating

The programme complies with the key covenants of the Financing Agreement with exception of submission of the AWPB within the prescribed time and insurance of equipment.

Procurement

Procurement

Rating: 3

Justification of rating

The mission observed several weakness in the procurement systems including the absence of the key procurement staff, process, update IFAD Procurement Guidelines and Handbook. The project staff ability to draft complete and appropriate technical specifications is weak and there is the urgent need to build the project team's capacity in procurement generally. Nevertheless, the support provided by the IFAD Senior Procurement Officer assisted the team to rectify some of the procurement errors and it was agreed that the whole team would receive IFAD training in Procurement in November 2018.

Procurement Review

Procurement Officer for FReMP was on extended leave and that this had led to implementation delays. It is not certain whether he will return. In the interim, two staff has been appointed to undertake procurement activities for the Project.

Concerns with cumbersome procurement procedures by financiers including IFAD were cited by senior GoE officials. A discussion ensued regarding IFAD Project Procurement Guidelines. The Mission responded in the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action in respect of the use of existing national procurement system. It is in this regards that IFAD adopted, in line with these Agreements the use of recipient's procurement systems, to the extent that such are consistent with the IFAD Procurement Guidelines. However, the GoE Public Procurement and Asset Disposal Act is in the process of being developed.

FReMP procurement teams appealed to IFAD to provide them with a complete set of all procurement procedures and templates as is done by other sister institutions (WB, AfDB, EU). To assist the projects, the Senior Procurement Officer provided the two teams with the correct version of the IFAD Procurement Guidelines and IFAD Procurement Handbook and committed to customise all necessary templates and share them with the two teams. It was also agreed that all relevant staff will receive intensive procurement training to familiarize themselves with IFAD procurement guidelines.

The Mission gave a brief overview of Procurement Planning. It was also noted that the current Procurement Plan is not being used in accordance with IFAD Procurement Handbook. It was agreed that IFAD provide support during the October Supervision Mission, to review and prepare a comprehensive AWPB and Procurement Plan. The two documents are at the moment inconsistent. The Mission noted that some of the activities the Project is implementing are not in the AWPB.

It was agreed that an intensive one week procurement training on IFAD procurement, for the entire project team be organized in November. The training will be offered to NAP and FReMP staff, as well as to some Zorba staff involved in the procurement processes. .

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
Standard Bidding Documents Develop Standard Comprehensive Bidding Documents for the NCB and shopping procedures.	NPCO	07/2018
Procurement Plans for Zobas Procurement Plans at the Zoba level should be developed and cleared by the NPCO.	ZPCOs/NPCO	07/2018
Capacity Building of Staff Organize a tailor-made procurement training for the Programme's Procurement staff at the NPCO and ZPCOs and other technical persons involved in the procurement process covering the areas of preparation of the bidding documents.	NPCO	10/2018
Support for AWP&B & Procurement Plan Preparation IFAD to provide support during the October Supervision Mission, to review and prepare a comprehensive AWPB and Procurement Plan.	IFAD	10/2018
Hands on Training for Project Team IFAD to provide intensive one week procurement training on IFAD procurement, for the entire project team and Zorba staff involved in the procurement processes	IFAD	11/2018
Use of Consulting Firms' Services The Project shall consider the use of Consulting Firms' services instead of Individual consultants for some assignments.	NPCO	
Procurement Plan Update Update the procurement plan whenever warranted.	NPCO	

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Overview and Project Progress		
Ecosystem management Liaise with NAP to conduct training of communities in apiculture and provision of beehives and on livestock fodder harvesting	NPCO	01/2019
Solar drying facilities and multi-purpose centres Recruitment of TA to support the development of solar fish drying facilities and multi-purpose centres	NPCO	03/2019
Ice production Initiate procurement of ice-making machine and present to IFAD for No Objection	NPCO	03/2019

Rehabilitation of earthen ponds in Mai-Sirwa Complete rehabilitation works on the two earthen ponds in Mai-Sirwa to expand the nursery space	NPCO	04/2019
Enterprise groups development Formation of 12 co-operatives/ enterprise groups for small pelagics using the laid-out procedure	NPCO	04/2019
Market survey Complete the small pelagics market survey in the remaining two coastal zobas	NPCO	04/2019
Inputs for small pelagics fishing Procure inputs for 12 co-operatives/ enterprise groups to start production of small pelagics	NPCO	08/2019
Watershed management for inland fisheries Complete the watershed management activities (e.g. terracing) in all the identified dams for inland fishing	ZPCO	08/2019
Market testing for dam fish Initiate small shop outlets equipped with freezers for market testing of fish from dams	ZPCO	08/2019
Development Effectiveness		
Gender Strategy Develop a gender strategy that will be in alignment with the main gender strategy at the national level.	NPCO (in consultation with IFAD)	10/2018
Gender and Youth Action Develop a gender and youth action plan as a road map to operationalize gender and youth focus under the different FReMP components; the plan should specify the associated costs and should be incorporated in the 2019 AWPB.	NPCO (in consultation with IFAD)	10/2018
Climate risk analysis and vulnerability assessment in both inland and marine fisheries: A ToR will be developed by the programme and shared with IFAD by 31/12/2018 for review, after which the programme will recruit a national consultant to undertake the work and produce a report	NPCO, IFAD	03/2019
Learning exchange visit: Organize learning visit for the programme staff to visit successful climate smart aquaculture and marine fisheries interventions within IFAD's fisheries projects portfolio for learning and possible technology transfer	NPCO, IFAD	03/2019
Sustainability and Scaling Up		

Capacity of community based groups <p>Ensure that community based groups such as mangrove conservation groups have adequate capacity, structures and mechanisms as well as incentives to enhance sustainable utilisation and conservation of resources and to promote equitable benefit sharing.</p>	NPCO, Zobas, MMR	12/2018
post-harvest fish losses and waste <p>Explore feasible mechanisms and invest in management and processing of post-harvest fish losses and waste e.g. production of animal feeds.</p>	NPCO, MMR	01/2019
Develop and integrate aquaculture development guidelines within the MoA dams' user manual	MoA, MMR, Zobas	03/2019
Project Management		
AWPB Revision <p>Propose revision of 2018 AWPB to match the activities and targets with the capacity of staff to deliver.</p>	NPCO	07/2018
Knowledge Management Strategy <p>NPCO M&E Specialist to develop the KM Strategy with guidance from IFAD.</p>	NPCO in liaison with IFAD	08/2018
Computing of Cost Ratios <p>Next IFAD Mission should work with the NPCO and ZPCOs to compute the different cost ratios.</p>	IFAD Mission Leader	11/2018
Monitoring & Evaluation <p>Revise the ToRS of the M&E TA Consultant to include a more participatory M&E System design process that will focus on standard data capturing and reporting procedures of performance indicators. Moreover, include environmental and climate monitoring procedures and indicators as part of the M&E System before sending for a No Objection.</p>	MMR and NPCO	11/2018
Monitoring & Evaluation <p>Set-up a sound M&E System, and develop and conduct a targeted M&E training programme focused on its operationalisation.</p>	NPCO, ZPCOs & IFAD	12/2018
Baseline Study <p>Conduct a FReMP baseline study covering the totality of the Programme target areas.</p>	NPCO and ZPCOs	12/2018
Information Management Database <p>Initiate the creation of a standardized excel based information management database through simple MS Excel tools and fill it with all beneficiaries data that includes attributes to allow to measure outcomes and impact in the future.</p>	MMR and NPCO	01/2019
Develop an Environment and Social Management Plan and its Monitoring Plan <p>Share ToRs with IFAD for review and comments by 31/12/2018</p>	NPCO, MoLWE, Zoba	02/2019
Financial Management & Execution		

Standard Bidding Documents Develop Standard Comprehensive Bidding Documents for the NCB and shopping procedures.	NPCO	07/2018
Procurement Plans for Zobas Procurement Plans at the Zoba level should be developed and cleared by the NPCO.	ZPCOs/NPCO	07/2018
Capacity Building of Staff Organize a tailor-made procurement training for the Programme's Procurement staff at the NPCO and ZPCOs and other technical persons involved in the procurement process covering the areas of preparation of the bidding documents.	NPCO	10/2018
Support for AWP&B & Procurement Plan Preparation IFAD to provide support during the October Supervision Mission, to review and prepare a comprehensive AWPB and Procurement Plan.	IFAD	10/2018
Counterpart contribution A journal voucher should be raised monthly with a list of staff whose salaries have been paid and rental equivalent for office space occupied and posted in the accounts after approval from the relevant government officials.	Financial Controller	10/2018
Designated Account Reconciliations Prepare month reconciliations of the designated accounts	Fin Controller	10/2018
Internal Audit Request the MMR Internal Audit department to include FReMP in their annual rolling internal audit plans.	Fin Controller & Coordinator	10/2018
Application for Withdrawal WAs are prepared on achievement of either 30% utilisation or when 90 days lapse. This guide should be adhered to in order to ensure liquidity at all times.	Fin Controller	10/2018
Hands on Training for Project Team IFAD to provide intensive one week procurement training on IFAD procurement, for the entire project team and Zorba staff involved in the procurement processes	IFAD	11/2018
DA reconciliation Follow up with ZPCOs to submit monthly bank reconciliations by 10th of the following month so that the designated account reconciliation can be prepared by the 15th of the following month.	FC and NPCO Coordinator	11/2018
Accounting software Request IFAD no objection for the specification of the accounting software and carry out the procurement process as soon as possible.	NPCO	11/2018

Supporting documentation Ensure that all payments are duly supported by relevant documentation (payment voucher, invoice, BTOs), Separate contract monitoring forms shall be used for all contracts where payments are made in more than one instalment.	FCO	11/2018
Accounting System Procure and install a fully tested accounting software which is successfully being used by other IFAD funded programmes	NPCO	12/2018
Training of the Financial Controller and Assistant Accountant Provide training for the Financial Controller and Assistant Accountant in IFAD policies and procedures	Fin Controller & Coordinator	12/2018
Beneficiaries contribution The PCO to establish a proper and consistent system for capturing and reporting in kind beneficiary contribution. Ensure that the system is consistently applied at PCO and ZPCO level.	NPCO and ZPCOs	12/2018
GoE contribution The PCO to establish a proper and consistent system for capturing and reporting Government contribution in terms of salaries of all project staff, office space and contribution to civil works and other activities. Ensure that the system is consistently applied at PCO and ZPCO level. The GoE contribution shall be fully reported in the final annual report.	NPCO and ZPCOs	12/2018
Internal Audit Agree with MMR Internal Audit department to about the schedule for Internal Audit.	NPCO Coordinator	12/2018
Training of the FC Liaise with IFAD regional hub in Nairobi to ensure that training is provided to the Financial Controller and assistant accountant on IFAD policies and procedures.	FC and NPCO coordinator	03/2019
Use of Consulting Firms' Services The Project shall consider the use of Consulting Firms' services instead of Individual consultants for some assignments.	NPCO	
Procurement Plan Update Update the procurement plan whenever warranted.	NPCO	

Fisheries Resources Management Programme

Logical Framework

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
Outreach Outreach	1.b Estimated corresponding total number of households members										
	Household members		40 000	87 500	400	400	0.5				
	1.a Corresponding number of households reached										
	Households		8 000	17 500	80	80	0.5				
	1 Persons receiving services promoted or supported by the project										
	Males		5 600	12 250	40	40	0.3				
	Females		2 400	5 250	40	40	0.8				
	Total number of persons receiving services		8 000	17 500	80	80	0.5				
Goal Contribute to household food and nutrition security and the alleviation of rural poverty	Reduction in prevalence of chronic malnutrition (stunting)							Global Nutrition Report 2015, RIMS baseline and impact surveys, household survey, MTR	Programme start-up and completion	NPCO and Ministry of Health	Political, social and Economic environment are favorable to the fishing and fish farming sector development (A); Macro- economy stagnates (R); Affordable fish products available in large quantities to poor consumers
	Children under 5	50	49	47							
	Percentage increase in household asset ownership							Global Nutrition Report 2015, RIMS baseline and impact surveys, household survey, MTR	Programme start-up and completion	NPCO and Ministry of Health	
	Index		4	10							

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
Objective Increased incomes and improved nutrition situation for targeted beneficiaries and sustainable management of natural resources	Percentage increase in annual net income of artisanal fishers, processors and traders							MMR Annual Reports; M&E Reports; MTR, PCR	Annually	MMR and NPCO	Increased level of awareness on fish nutritional value and consumption, especially in the inland Zobas (A)
	Income		15	30							
	Land under improved management practices							MMR Annual Reports; M&E Reports; MTR, PCR	Annually	MMR and NPCO	
	Mangrove ha		750	1 500	10	10	0.7				
	Watershed ha		7 000	16 000	14	14	0.1				
	Increased fish consumption and dietary diversity							Food survey, MMR Annual Reports; M&E Reports; MTR, PCR; Special Studies	Annually	MMR and NPCO	
	kg/pp/per year	0.4	0.7	1.5							
Outcome Production systems for fisheries developed and delivering increased volumes of fish to consumers	Average annual value of all fish delivered to consumers							Programme M&E reports	Annually	MMR and NPCO	Increased fish consumption, especially in the inland Zobas Coastal ecosystems managed and improved
	Value of fish/year	600	1 500	5 000							
	Average annual volumes of all fish delivered to consumers (tons)							Programme M&E reports	Annually	MMR and NPCO	
	Small pelagic (dry) tons	260	2 000	3 800	0						
	Large fish (wet) tons	1 800	1 840	3 100	0						
Output Marine fishing cooperatives are established and receive adequate inputs	Number of rural producers' organizations supported							Programme M&E reports	Annually	MMR and NPCO	Supportive Policy and legal framework
	Small pelagic		80	255	0	0	0				
	Large fish	37	40	67	0	0	0				
	2.1.3 Rural producers' organizations supported										
	Rural POs supported	37	120	322	0	0	0				
	Total size of POs										
	Males										

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
	Females										
	Young										
	Not Young										
	Women in leadership position										
Output Inland fisheries at the target water reservoirs established	Number of watershed management plans above reservoirs established and effectively implemented							Programme M&E reports	Annually	MMR and NPCO	Supportive Policy and legal framework
	Plans		3	15	0	0	0				
	Number of inland fisheries cooperatives/enterprise groups established and operational							Programme M&E reports	Annually	MMR and NPCO	
	Groups		3	15	4	4	26.7				
	3.1.4 Land brought under climate-resilient practices										
	Hectares of land		7 750	17 500	24	24	0.1				
Output Small pelagic fish processing/marketing cooperatives supported	Number of viable small pelagic fish processing/marketing cooperatives handling 100 tons of fish loaded							Programme M&E reports	Annually	MMR and NPCO	
	Cooperatives		30	90	0	0	0				
Outcome Viable fisheries enterprises are developed and sustainable	Number of viable primary fisheries enterprises established							Programme M&E reports	Annually	MMR and NPCO	Supportive Policy and legal framework
	Enterprises	41	80	250	8	8	3.2				
	An umbrella cooperative for marketing small pelagic established and functioning profitably							Programme M&E reports	Annually	MMR and NPCO	
	Umbrella cooperative		1	1							
Output Cooperatives/enterprise groups established and receiving assets financing	Percentage of cooperatives/enterprise groups receiving inputs from CCU							Programme M&E reports	Annually	MMR and NPCO	
	Cooperatives	20	40	80							

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2018)	Cumulative Result (2018)	Cumulative Result % (2018)	Source	Frequency	Responsibility	
Output CCU fully established at national and branch levels and providing services to members on a profitable basis	Number of cooperatives receiving and servicing fishing assets through CCU							Programme M&E reports	Annually	MMR and NPCO	
	Cooperatives	41	100	250	0	0	0				

Eritrea

Fisheries Resources Management Programme

Supervision Report

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

Mission Dates: October-November 2018

Document Date: 19/03/2019

Project No. 2000001144

Report No. 4991-ER

East and Southern Africa Division
Programme Management Department

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

Table 2A: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements (USD '000)	% Disbursed
IFAD Grant	15,000	2,996	19.97%
Germany Grant	5,966	-	0.00%
Financing Gap	8,390	-	0.00%
GoE	1,417	183	12.91%
Beneficiaries	1,351	-	0.00%
Total	32,124	3,179	9.90%

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

Component	<i>IFAD Grant</i>			<i>German</i>			<i>Financing Gap</i>			<i>GoE</i>			<i>Beneficiaries</i>			<i>Total</i>		
	<i>Appraisal</i>	<i>Actual</i>	<i>%</i>	<i>Appraisal</i>	<i>Actual</i>	<i>%</i>	<i>Appraisal</i>	<i>Actual</i>	<i>%</i>	<i>Appraisal</i>	<i>Actual</i>	<i>%</i>	<i>Appraisal</i>	<i>Actual</i>	<i>%</i>	<i>Appraisal</i>	<i>Actual</i>	<i>%</i>
Develop Sustainable Fisheries System	4,958	153	3%	26	-	0%	6,508	-	0%	286	-	0%	504	-	0%	12,282	153	1%
Fisheries Enterprises Support Services	3,376	31	1%	5,940	-	0%	128	-	0%	445	-	0%	847	-	0%	10,736	31	0%
Institutional Strengthening and Implementation Support	6,666	503	0%	-	-	0%	1,754	-	0%	686	183	27%	-	-	0%	9,106	685	8%
TOTAL	15,000	687	5%	5,966	0	0%	8,390	-	0%	1,417	183	13%	1,351	-	0%	32,124	870	3%

The current allocation of the German fund of EUR 9 million and financing gap to be confirmed

Table 2C: IFAD loan disbursements (SDR, as at 30 September 2018)

<i>Category</i>	<i>Category description</i>	<i>Original Allocation</i>	<i>Revised Allocation</i>	<i>Disbursement</i>	<i>WA Pending</i>	<i>Balance</i>	<i>% Disbursed</i>
I	Works	2,170,000	-	29,273	-	2,140,727	1.35%
II	Vehicles	1,100,000	-	-	-	1,100,000	0.00%
III	Equipment and Materials	1,420,000	-	80,539	-	1,339,461	5.67%
IV	Training	3,060,000	-	142,070	-	2,917,930	4.64%
V	Salaries abnd Allowances	890,000	-	24,412	-	865,588	2.74%
VI	Operating Costs	1,040,000	-	78,337	-	961,663	7.53%
	Unallocated	1,070,000	-	-	-	1,070,000	0.00%
Total		10,750,000	-	354,631	-	10,395,369	3.30%
	<i>Initial Deposit</i>			1,825,564		(1,825,563.73)	
TOTAL		10,750,000		2,180,195		8,569,805	20.28%

Eritrea

Fisheries Resources Management Programme

Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: October-November 2018
Document Date: 19/03/2019
Project No. 2000001144
Report No. 4991-ER

East and Southern Africa Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

			Period: 01-01-2018 to 31-12-2018					
Component/Outcome <i>Sub-component or Output</i>	Indicator	Unit	AWP&B	Actual	%	Cumulative Actual	Appraisal Target	%
Component 1: Develop Sustainable Fisheries Systems								
<i>Subcomponent 1.1: Develop Marine Fisheries Production and Post-Harvest Systems</i>	Fish drying facilities constructed	lumpsum	2	0	0%	0	4	0%
	Multi-purpose centres constructed	No	3	0	0%	0	3	0%
	Mangrove group managed for planting and protecting	Ha	300 (260 protection and 40 plantation)	10	3%	10	1,500	0.6%
<i>Subcomponent 1.2: Development and Sustainable Utilization of Inland Fisheries</i>	Project Stakeholder consultation workshop	No	3	3	100%	4	4	100%
	Stakeholder consultation for management plan convened	No	8	0	0%	0	15	0%
	Management plan developed	No	8	0	0%	0	15	0%
	Reservoir Stakeholders meeting convened	No	-	-	-	-	15	-
<i>Subcomponent 1.3: Market Development and Promotion of Fish Consumption</i>	Extension staff trained on nutrition	No	1	1	100%	2	3	66%
	Nutrition awareness campaign carried out	No	1	0	0%	0	6	0%
	Mainstreaming nutrition and small scale fisheries conducted at HFTC and MaiSirwa	Lump sum	1	0	0%	0	1	0%
Component 2: Fisheries Enterprises Support Services								
<i>Subcomponent 2.1: Entrepreneurial Capacity Development</i>								
a. <i>Small Pelagic Fishing Cooperatives</i>	Mobilization and awareness creation conducted	Cooperative (Workshops)	20	6	30%	6	100	6%
	Small Pelagic Fishing Cooperatives formed	Cooperative	20	0	0%	0	100	0%
	Coop members trained in gear	Cooperative	20	0	0%	0	100	0%

	and fishing techniques							
	Coop members trained in entrepreneurship and group dynamics	Cooperative	20	0	0%	0	100	0%
b. <i>Small Pelagic Fish Processing Cooperatives</i>	Mobilization and awareness creation conducted	Cooperative	15	0	0%	0	120	0%
	Small Pelagic Fish Processing Cooperatives formed	Cooperative	15	0	0%	0	120	0%
	Coop members trained in fish processing & value addition and quality assurance	Cooperative	15	0	0%	0	120	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	15	0	0%	0	120	0%
c. <i>Large Fish Fishing Cooperatives</i>	Mobilization and awareness creation conducted	Cooperative Workshops	14	6	42%	6	30	42%
	Large Fish Fishing Cooperatives formed	Cooperative	14	0	0%	0	30	0%
	Coop members trained in gear and fishing techniques	Cooperative	14	0	0%	0	30	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	14	0	0%	0	30	0%
d. <i>Fish Retailing Enterprises</i>	Mobilization and awareness creation conducted	Cooperative	5	0	0%	0	5	0%
	Fish retailing enterprises formed	Cooperative	5	0	0%	0	5	0%
	Members trained in fish handling and quality control	Cooperative	5	0	0%	0	5	0%
	Members trained in entrepreneurship and group dynamics	cooperative	5	0	0%	0	5	0%
	14 coastal community members trained in boat/engine maintenance/repair	individual	14	0	0%	0	14	0%
e. <i>Women enterprise groups on net making/mending</i>	Mobilization and awareness creation conducted	Cooperative	6	1	0%	1	6	16%

	Women enterprise group formed	Cooperative	6	0	0%	0	6	0%
	Group members trained in net making/mending	Cooperative	6	0	0%	0	6	0%
	Group members trained in entrepreneurship and group dynamics	Cooperative	6	0	0%	0	6	0%
Foot fishers Cooperatives								
	Mobilization and awareness creation conducted	Cooperative	20	6	30%	6	20	30%
	Foot fishers cooperatives formed	Cooperative	20	0	0%	0	20	0%
	Coop members trained in gear and fishing techniques	Cooperative	20	0	0%	0	20	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	20	0	0%	0	20	0%
f. <i>Processing/Marketing enterprise groups for Inland Fisheries</i>	Mobilization and awareness creation conducted	Women cooperative	8	4	50%	4	15	26%
	Processing/Marketing Enterprises formed	Women cooperative	8	0	0%	0	15	0%
	Coop members trained in fish processing and marketing techniques	Women cooperative	8	0	0%	0	15	0%
	Coop members trained in entrepreneurship and group dynamics	Women cooperative	8	0	0%	0	15	0%
g. <i>Fishing Enterprise groups for Inland Fisheries</i>	Mobilization and awareness creation conducted	Youth cooperative	8	4	50%	4	45	8%
	Youth Fishing Enterprise groups formed	Youth cooperative	8	0	0%	0	45	0%
	Coop members trained fishing techniques	Youth cooperative	8	0	0%	0	45	0%
	Coop members trained in entrepreneurship and group dynamics	Youth cooperative	8	0	0%	0	45	0%
<i>Subcomponent 2.2:</i>	Inshore canoes procured	No	20	0	0%	0	60	0%

<i>Strengthen Input Supply Services</i>								
	Fishing gear for inshore canoes procured		20	0	0%	0	80	0%
	Working capital for offshore fishing cooperative provided	Group/cooperative	20	0	0%	0	40	0%
	Working capital for small pelagic fish processing enterprise groups provided	Group/cooperative	15	0	0%	0	120	0%
	Working capital for fish retailing enterprise groups provided	Group/cooperative	5	0	0%	0	5	0%
	Canoes procured for foot fishers	No	20	0	0%	0	20	0%
	Toolkit procured for Coastal community member	No	14	14	100%	14	14	100%
	Working capital for women net making/mending enterprise groups provided	Group/cooperative	6	0	0%	0	6	0%
Component 3: Institutional Strengthening and Implementation Support								
<i>Subcomponent 3.1: Capacity Building of MMR and Other Implementing Agencies for the Sustainable Development of the Fisheries Sector</i>								
	Vehicles procured	No	-	-	0%	0	10	0%
	Motor cycles procured	No	14	12	85%	12	12	100%
	Bicycles procured	No	22	0	0%	0	10	0%
	Canoes for MMR Inland Fisheries procured	No	3	3	100%	3	6	50%
	Trailer for towing canoes procured	No	3	3	100%	3	6	50%
	SCUBA equipment procured	No	5	5	100%	5	5	100%
	Underwater camera procured	No	1	0	0%	0	1	0%
	Laptop computers procured	No	9	6	66%	6	15	40%
	Desktop computers procured	No	12	12	100%	12	27	44%
	Printers/photocopiers procured	No	12	12	100%	12	13	92%
	Office furniture procured	set	15	15	100%	15	15	100%
	Still cameras procured	No	8	0	0%	0	8	0%
	Video cameras procured	No	8	0	0%	0	8	0%

	LCD Projectors procured	No	9	9	100%	9	12	75%
	MMR Staff trained	No of training	6	3	50%	6	14	-
	CCU staff trained	No of training	1	0	0%	0	3	0%
	TA recruited to conduct stock assessment	No	1	0	0%	0	1	0%
<i>Subcomponent 3.2: Programme Coordination and Implementation Support Services</i>								
	Start-up workshop	Lump sum	1	1	100%	1	1	100%
	Baseline/preparatory studies	Study	1	0	0%	0	1	0%
	Annual planning workshops convened	No	7	0	14.3%	7	49	14.3%
	Bi-annual implementation review workshops convened	No	14	0	0%	14	98	14.2%
	M&E officers meeting conducted	No	1	0	0%	1	7	14.2%
	Learning & dissemination	Lump sum	1	0	0%	0	7	0%
	Knowledge management produced	Lump sum	1	0	0%	0	7	0%
	South-south cooperation for knowledge sharing signed	Session	1	0	0%	0	7	0%
	Exchange visits undertaken	No	1	0	0%	0	7	0%
	NPCO staff recruited	No of months	12	11	100%	21	81	25.9%
	ZPCO staff recruited	No of months	12	11	100%	21	486	4.3%
	General operating cost for NPCO	Lump sum	1	1	100%	2	7	28.5%
	General operating cost for ZPCO	Lump sum	6	6	100%	11	42	26%

			Period: 01-01-2018 to 31-12-2018					
Component/Outcome <i>Sub-component or Output</i>	Indicator	Unit	AWP&B	Actual	%	Cumulat. Actual	Appraisal Target	%
Component 1: Develop Sustainable Fisheries Systems								
Subcomponent 1.1: <i>Develop Marine Fisheries Production and Post- Harvest Systems</i>	Fish drying facilities constructed	lumpsum	2	0	0%	0	4	0%
	Multi-purpose centres constructed	No	3	0	0%	0	3	0%
	Mangrove group managed for planting and protecting	Ha	300 (260 protection and 40	10	3%	10	1,500	0.6%

			plantation)					
<i>Subcomponent 1.2: Development and Sustainable Utilization of Inland Fisheries</i>	Project Stakeholder consultation workshop	No	3	3	100%	4	4	100%
	Stakeholder consultation for management plan convened	No	8	0	0%	0	15	0%
	Management plan developed	No	8	0	0%	0	15	0%
	Reservoir Stakeholders meeting convened	No	-	-	-	-	15	-
<i>Subcomponent 1.3: Market Development and Promotion of Fish Consumption</i>	Extension staff trained on nutrition	No	1	1	100%	2	3	66%
	Nutrition awareness campaign carried out	No	1	0	0%	0	6	0%
	Mainstreaming nutrition and small scale fisheries conducted at HFTC and MaiSirwa	Lump sum	1	0	0%	0	1	0%
Component 2: Fisheries Enterprises Support Services								
<i>Subcomponent 2.1: Entrepreneurial Capacity Development</i>								
<i>h. Small Pelagic Fishing Cooperatives</i>	Mobilization and awareness creation conducted	Cooperative (Workshops)	20	6	30%	6	100	6%
	Small Pelagic Fishing Cooperatives formed	Cooperative	20	0	0%	0	100	0%
	Coop members trained in gear and fishing techniques	Cooperative	20	0	0%	0	100	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	20	0	0%	0	100	0%
<i>i. Small Pelagic Fish Processing Cooperatives</i>	Mobilization and awareness creation conducted	Cooperative	15	0	0%	0	120	0%
	Small Pelagic Fish Processing Cooperatives formed	Cooperative	15	0	0%	0	120	0%

	Coop members trained in fish processing & value addition and quality assurance	Cooperative	15	0	0%	0	120	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	15	0	0%	0	120	0%
j. <i>Large Fish Fishing Cooperatives</i>	Mobilization and awareness creation conducted	Cooperative Workshops	14	6	42%	6	30	42%
	Large Fish Fishing Cooperatives formed	Cooperative	14	0	0%	0	30	0%
	Coop members trained in gear and fishing techniques	Cooperative	14	0	0%	0	30	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	14	0	0%	0	30	0%
k. <i>Fish Retailing Enterprises</i>	Mobilization and awareness creation conducted	Cooperative	5	0	0%	0	5	0%
	Fish retailing enterprises formed	Cooperative	5	0	0%	0	5	0%
	Members trained in fish handling and quality control	Cooperative	5	0	0%	0	5	0%
	Members trained in entrepreneurship and group dynamics	cooperative	5	0	0%	0	5	0%
	14 coastal community members trained in boat/engine maintenance/repair	individual	14	0	0%	0	14	0%
l. <i>Women enterprise groups on net making/mending</i>	Mobilization and awareness creation conducted	Cooperative	6	1	0%	1	6	16%
	Women enterprise group formed	Cooperative	6	0	0%	0	6	0%
	Group members trained in net making/mending	Cooperative	6	0	0%	0	6	0%
	Group members trained in entrepreneurship and group dynamics	Cooperative	6	0	0%	0	6	0%
Foot fishers Cooperatives								

	Mobilization and awareness creation conducted	Cooperative	20	6	30%	6	20	30%
	Foot fishers cooperatives formed	Cooperative	20	0	0%	0	20	0%
	Coop members trained in gear and fishing techniques	Cooperative	20	0	0%	0	20	0%
	Coop members trained in entrepreneurship and group dynamics	Cooperative	20	0	0%	0	20	0%
m. <i>Processing/Marketing enterprise groups for Inland Fisheries</i>	Mobilization and awareness creation conducted	Women cooperative	8	4	50%	4	15	26%
	Processing/Marketing Enterprises formed	Women cooperative	8	0	0%	0	15	0%
	Coop members trained in fish processing and marketing techniques	Women cooperative	8	0	0%	0	15	0%
	Coop members trained in entrepreneurship and group dynamics	Women cooperative	8	0	0%	0	15	0%
n. <i>Fishing Enterprise groups for Inland Fisheries</i>	Mobilization and awareness creation conducted	Youth cooperative	8	4	50%	4	45	8%
	Youth Fishing Enterprise groups formed	Youth cooperative	8	0	0%	0	45	0%
	Coop members trained fishing techniques	Youth cooperative	8	0	0%	0	45	0%
	Coop members trained in entrepreneurship and group dynamics	Youth cooperative	8	0	0%	0	45	0%
Subcomponent 2.2: <i>Strengthen Input Supply Services</i>	Inshore canoes procured	No	20	0	0%	0	60	0%
	Fishing gear for inshore canoes procured		20	0	0%	0	80	0%
	Working capital for offshore fishing cooperative provided	Group/cooperative	20	0	0%	0	40	0%

	Working capital for small pelagic fish processing enterprise groups provided	Group/cooperative	15	0	0%	0	120	0%
	Working capital for fish retailing enterprise groups provided	Group/cooperative	5	0	0%	0	5	0%
	Canoes procured for foot fishers	No	20	0	0%	0	20	0%
	Toolkit procured for Coastal community member	No	14	14	100%	14	14	100%
	Working capital for women net making/mending enterprise groups provided	Group/cooperative	6	0	0%	0	6	0%
Component 3: Institutional Strengthening and Implementation Support								
<i>Subcomponent 3.1: Capacity Building of MMR and Other Implementing Agencies for the Sustainable Development of the Fisheries Sector</i>								
	Vehicles procured	No	-	-	0%	0	10	0%
	Motor cycles procured	No	14	12	85%	12	12	100%
	Bicycles procured	No	22	0	0%	0	10	0%
	Canoes for MMR Inland Fisheries procured	No	3	3	100%	3	6	50%
	Trailer for towing canoes procured	No	3	3	100%	3	6	50%
	SCUBA equipment procured	No	5	5	100%	5	5	100%
	Underwater camera procured	No	1	0	0%	0	1	0%
	Laptop computers procured	No	9	6	66%	6	15	40%
	Desktop computers procured	No	12	12	100%	12	27	44%
	Printers/photocopiers procured	No	12	12	100%	12	13	92%
	Office furniture procured	set	15	15	100%	15	15	100%
	Still cameras procured	No	8	0	0%	0	8	0%
	Video cameras procured	No	8	0	0%	0	8	0%
	LCD Projectors procured	No	9	9	100%	9	12	75%
	MMR Staff trained	No of training	6	3	50%	6	14	-
	CCU staff trained	No of training	1	0	0%	0	3	0%
	TA recruited to conduct	No	1	0	0%	0	1	0%

	stock assessment							
<i>Subcomponent 3.2: Programme Coordination and Implementation Support Services</i>	Start-up workshop	Lump sum	1	1	100%	1	1	100%
	Baseline/preparatory studies	Study	1	0	0%	0	1	0%
	Annual planning workshops convened	No	7	0	14.3%	7	49	14.3%
	Bi-annual implementation review workshops convened	No	14	0	0%	14	98	14.2%
	M&E officers meeting conducted	No	1	0	0%	1	7	14.2%
	Learning & dissemination	Lump sum	1	0	0%	0	7	0%
	Knowledge management produced	Lump sum	1	0	0%	0	7	0%
	South-south cooperation for knowledge sharing signed	Session	1	0	0%	0	7	0%
	Exchange visits undertaken	No	1	0	0%	0	7	0%
	NPCO staff recruited	No of months	12	11	100%	21	81	25.9%
	ZPCO staff recruited	No of months	12	11	100%	21	486	4.3%
	General operating cost for NPCO	Lump sum	1	1	100%	2	7	28.5%
	General operating cost for ZPCO	Lump sum	6	6	100%	11	42	26%

Eritrea

Fisheries Resources Management Programme

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: October-November 2018
Document Date: 19/03/2019
Project No. 2000001144
Report No. 4991-ER

East and Southern Africa Division
Programme Management Department

Appendix 3: Compliance with legal covenants: status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
GC Section 7.01. Project Implementation	<p>(a) The Borrower and each of the Project Parties shall carry out the Project:</p> <p>(i) with due diligence and efficiency;</p> <p>(ii) in conformity with appropriate agricultural and rural development practices and good governance;</p> <p>(iii) in accordance with plans, design standards, specifications, procurement and work schedules and construction methods agreed by the Borrower/ Recipient and the Fund;</p> <p>(iv) in accordance with the provisions of the relevant Agreement, the AWPBs, and the Procurement Plan;</p> <p>(v) in accordance with the policies, criteria and regulations relating to agricultural development financing laid down from time to time by the Governing Council and Executive Board of the Fund; and</p> <p>(vi) So as to ensure the sustainability of its achievements over time.</p> <p>(b)(i) The Project shall be implemented on the basis of AWPB. The Lead Project Agency shall prepare a draft Project AWPB, which shall include a detailed description of planned Project activities during the coming Project Year, a Procurement Plan, and the sources and uses of funds.</p> <p>(ii) The Lead Project Agency shall submit the draft AWPB to the oversight body designated by the Borrower/Recipient for its review. When so reviewed, the Lead Project Agency shall submit the draft AWPB to the Fund for comments no later than 60 days before the beginning of the relevant Project Year. If the Fund does not comment on the draft AWPB within 30 days of receipt, the AWPB shall be deemed acceptable to the Fund.</p> <p>(iii) The Lead Project Agency shall adopt the Project AWPB in the form accepted by the Fund.</p> <p>(iv) The Lead Project Agency may propose adjustments in the Project AWPB during the relevant Project Year, which shall become effective after acceptance by the Fund.</p>	Continuous	Continuous	
		Every 30 th Oct	Not complied	By the time of the Mission, 30 Oct 2018, AWPB and had not yet been finalized.
GC Section 7.02. Availability of Financing Proceeds	(b) The Borrower/Recipient may open and maintain one or more Project Accounts for Project operations in a bank acceptable to the Fund, and shall identify the Project Party responsible for operating such account or accounts.		All project accounts were opened	
GC Section 7.03. Availability of Additional Resources	<p>(a) In addition to the proceeds of the Financing, the Borrower/Recipient shall make available to the Project Parties:</p> <p>(i) Such funds, facilities, services and other resources as may be required to carry out the Project in accordance with Section 7.01.</p> <p>(ii) Counterpart funds from its own resources in accordance with its customary national procedures for development assistance.</p>	Continuous	Contribution in form of salaries and rental space is provided however it's computation is not comprehensive	GOE contribution partly captured
GC Section 7.04.	In order to ensure that the Project is carried out in accordance with Section 7.01, the	Continuous		To be monitored

Coordination of Activities	Borrower/Recipient shall ensure that the relevant activities of its ministries, departments and agencies, and those of each Project Party, are conducted and coordinated in accordance with sound administrative policies and procedures.			continuously
GC Section 7.05. Procurement	(a) Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower/Recipient's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the Borrower/Recipient in order to ensure consistency with the IFAD Procurement Guidelines.	Continuous		To be monitored continuously
	(b) The Fund may require that all bidding documents and contracts for procurement of goods, works and services financed by the Financing include provisions requiring bidders, suppliers, contractors, sub-contractors and consultants to: (i) allow full inspection by the Fund of all bid documentation and related records; (ii) maintain all documents and records related to the bid or contract for three years after completion of the bid or contract; and (iii) Cooperate with agents or representatives of the Fund carrying out an audit or investigation.	Continuous		
GC Section 7.06. Use of Goods and Services	All goods, services and buildings financed by the Financing shall be used exclusively for the purposes of the Project.	Continuous		To be monitored continuously
GC Section 7.07. Maintenance	The Borrower/Recipient shall ensure that all facilities and civil works used in connection with the Project are properly operated and maintained and that all necessary repairs of such facilities are made promptly as needed.	Continuous	Will be monitored as implementation progresses	Except for insurance of project assets.
GC Section 10.05. Evaluations of the Project	(a) The Borrower/Recipient and each Project Party shall facilitate all evaluations and reviews of the Project that the Fund may carry out during the Project Implementation Period and for 10 years thereafter. (b) "Facilitate", includes providing timely logistical support by making available Project personnel and equipment and promptly taking such other action as the Fund may request in connection with such evaluations and reviews, but does not include incurring out-of-pocket expenses.	Continuous	Will be monitored as implementation progresses	
GC Section 11.01. Taxation	(c) The use of any proceeds of the Financing to pay for Taxes is subject to the Fund's policy of requiring economy and efficiency in the use of its Financing. Therefore, if the Fund at any time determines that the amount of any such Tax is excessive, discriminatory or otherwise unreasonable, the Fund may reduce the percentages of Eligible Expenditures to be financed by the Financing.	Continuous	To be monitored as implementation progresses	