

## **Guyana**

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### **Hinterland Environmentally Sustainable Agricultural Development Project Partial Supervision Report**

Mission Dates: 01/06/2020 - 23/06/2020

Document Date: 22/07/2020

Project No. 2000001472

Report No. 5416-GY

Latin America and the Caribbean  
Programme Management Department



## Abbreviations and Acronyms

<b>ASAP</b>	<b>Adaptation for Smallholder Agriculture Programme</b>
<b>ASDU</b>	<b>Agriculture Sector Development Unit</b>
<b>AWPB</b>	<b>Annual Work Plan and Budget</b>
<b>BOS</b>	<b>Bureau of Statistics</b>
<b>BP</b>	<b>Business Plan</b>
<b>CARICOM</b>	<b>Caribbean Community</b>
<b>CDO</b>	<b>Community Development Officers</b>
<b>CDC</b>	<b>Civil Defence Commission</b>
<b>CDP</b>	<b>Community Development Plan</b>
<b>CI</b>	<b>Conservation International</b>
<b>CPDP</b>	<b>Community Production Development Plans</b>
<b>CPIP</b>	<b>Community Production Investment Plan</b>
<b>CTP</b>	<b>Community Training Plan</b>
<b>ESMP</b>	<b>Environmental and Social Management Plan</b>
<b>FAO</b>	<b>Food and Agriculture Organization</b>
<b>FPIC</b>	<b>Free, Prior and Informed Consent</b>
<b>GOG</b>	<b>Government of Guyana</b>
<b>GLDA</b>	<b>Guyana Livestock Development Authority</b>
<b>IDB</b>	<b>Inter-American Development Bank</b>
<b>IICA</b>	<b>Indian Institute of Corporate Affairs</b>
<b>IPED</b>	<b>Institute for Private Enterprise Development</b>
<b>KM</b>	<b>Knowledge Management</b>
<b>M&amp;E</b>	<b>Monitoring and Evaluation</b>
<b>MIPA</b>	<b>Ministry of Indigenous Peoples' Affairs</b>
<b>MNRE</b>	<b>Ministry of Natural Resources</b>
<b>MOA</b>	<b>Ministry of Agriculture</b>
<b>MOB</b>	<b>Ministry of Business</b>
<b>MOC</b>	<b>Ministry of Communities</b>
<b>MOF</b>	<b>Ministry of Finance</b>
<b>MOH</b>	<b>Ministry of Health</b>
<b>MOPH</b>	<b>Ministry of Public Health</b>
<b>MOSP</b>	<b>Ministry of Social Protection</b>
<b>MOU</b>	<b>Memorandum of Understanding</b>
<b>NAREI</b>	<b>National Agricultural Research and Extension Institute</b>
<b>NGO</b>	<b>Non-governmental organization</b>
<b>NRM</b>	<b>Natural Resource Management</b>
<b>NSC</b>	<b>National Steering Committee</b>
<b>ORMS</b>	<b>Operational Result Management System</b>
<b>P/CIP</b>	<b>Public/Collective Investment Plan</b>
<b>PDR</b>	<b>Project Design Report</b>

<b>PIM</b>	<b>Project Implementation Manual</b>
<b>PMC</b>	<b>Programme Monitoring Committee</b>
<b>PMU</b>	<b>Project Management Unit</b>
<b>PRO</b>	<b>Project Regional Office</b>
<b>QCBS</b>	<b>Quality and Cost Based Selection</b>
<b>RC</b>	<b>Regional Chairman</b>
<b>RDC</b>	<b>Regional Democratic Council</b>
<b>RMC</b>	<b>Regional Management Committee</b>
<b>SECAP</b>	<b>Social, Environmental and Climate Assessment Procedures</b>
<b>SOFA</b>	<b>Study of Food Security</b>
<b>TA</b>	<b>Technical Assistance</b>
<b>TOR</b>	<b>Terms of Reference</b>
<b>VCAP</b>	<b>Value Chain Action Plan</b>
<b>VIP</b>	<b>Village Improvement Plan</b>

## A. Project Overview

Region: Latin America and the Caribbean Project at Risk Status: Actual problem  
 Country: Guyana Environmental and Social Category: B  
 Project Name: Hinterland Environmentally Sustainable Agricultural Development Project Climate Risk Classification: 2  
 Project ID: 2000001472 Executing Institution: Ministry of Agriculture  
 Project Type: Rural Development Implementing Institutions: Ministry of Agriculture  
 CPM: Maija Peltola  
 Project Director:  
 Project Area:

Approval Date: 26/11/2016 Last audit receipt: 14/05/2020  
 Signing Date: 21/03/2017 Date of Last SIS Mission: 23/06/2020  
 Entry into Force Date: 21/03/2017 Number of SIS Missions: 5  
 Available for Disbursement Date: 29/01/2018 Number of extensions: 0  
 First Disbursement Date: 29/01/2018 Effectiveness lag: 4 months  
 MTR Date: not available yet  
 Original Completion Date: 31/03/2023  
 Current Completion Date: 31/03/2023  
 Financial Closure: not available yet

### Project total financing

IFAD Financing breakdown	IFAD	\$7,952,000
	Latin American and the Caribbean Division	\$500,000
Domestic Financing breakdown	Beneficiaries	\$265,000
	National Government	\$2,426,000
Co-financing breakdown,		
Project total financing:		\$11,143,000

### Current Mission

Mission Dates: 01/06/2020 - 23/06/2020  
 Days in the field: 0  
 Mission composition:
 

- Ms. Maija Peltola, Country Director, Guyana
- Ms. Rikke Olivera, Project Technical Lead and Senior Technical Specialist on Natural Resource Management
- Ms. Isabel de la Peña, Programme Officer and Nutrition Specialist
- Ms. Maria Elfving, Technical Analyst Indigenous Peoples and Tribal Issues
- Mr. Dario Rimedio, Senior Finance Officer
- Mr. Gabriele del Monte, Procurement Specialist
- Ms. Itziar García Villanueva, Legal Officer
- Mr. Timothy McIntosh, Guyana-based consultant on project restructuring

Field sites visited: None

## B. Overall Assessment

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

<b>Effectiveness and Developmental Focus</b>	<b>2</b>	<b>Project Management</b>	<b>3</b>
Effectiveness	2	Quality of Project Management	2
Targeting and Outreach	2	Knowledge Management	3
Gender equality & women's participation	2	Value for Money	3
Agricultural Productivity	N/A	Coherence between AWPB and Implementation	2
Nutrition	2	Performance of M&E System	2
Adaptation to Climate Change	3	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	3

<b>Sustainability and Scaling-up</b>	<b>3</b>	<b>Financial Management and Execution</b>	<b>4</b>
Institutions and Policy Engagement	N/A	Acceptable Disbursement Rate	2
Partnership-building	3	Quality of Financial Management	5
Human and Social Capital and Empowerment		Quality and Timeliness of Audit	5
Quality of Beneficiary Participation	3	Counterparts Funds	4
Responsiveness of Service Providers	4	Compliance with Loan Covenants	4
Environment and Natural Resource Management	3	Procurement	4
Exit Strategy			
Potential for Scaling-up			

<b>Relevance</b>
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## C. Mission Objectives and Key Conclusions

### Background and Main Objective of the Mission

The HESAD Project entered into force on the 2<sup>nd</sup> March 2017 and shall be completed by 3<sup>rd</sup> March 2023. In its fourth year of implementation, progress in output and outcome targets is insignificant and disbursement of the loan account is 12%. IFAD Country Team has engaged with the PMU actively since the October 2019 supervision mission, with an implementation support mission carried out in February 2020 and monthly monitoring meetings with the Project Coordinator. A retrospective analysis, carried out as preparatory work for this mission, suggests that poor project performance is mainly due to:

- Significant disconnect between the MoA's interest and what was agreed to in the PDR, delivered in 2016.
- Mismatch between the nature of the project and the focus of the implementing body (ASDU) which has no recent experience of sustaining people-centered interventions in Indigenous
- PMU's lack of working knowledge of important concepts and guiding principles related to the project approach, namely pro-poor VC development, participatory community planning approaches, mainstreaming gender and managing enterprises in the Hinterland's particularly challenging business environment. Moreover, IFAD did not provide enough hand-holding during the very first years of project implementation.
- ASDU views the project as an opportunity to build staff capacity in a learning-by-doing approach. This may be one reason why it has shied away from expending allocated funds on supporting services (consultancies), and has turned to internal teams to complete major undertakings.
- The project approach reflected in the PDR is complex and multi-layered, and may not have sufficiently considered the capacity at the ASDU at the time. A Project Implementation Manual (PIM) exists, but in the core sections, it simply copies from the PDR, and therefore does not serve to guide project staff.
- PMU has implemented HESAD without sufficient data, particularly from Region 9. The PMU lacks strong partnerships on the ground to assess the situation and is not collecting data regularly to assess changes in the wider context. The Covid-19 pandemic has significantly impacted the local economy, and made the need for current information even more necessary.
- PMU implementation capacity on the ground is insufficient for a project of this magnitude.
- There are no mechanisms by which the voice and experiences of project beneficiaries influence HESAD's implementation. More broadly, there are limited mechanisms to allow the PMU to benefit from the experiences of other actors on the ground.
- A mechanism to administer grants and investments has not been developed. The critical function of the Investment Fund - to assess the viability of proposed investments- has not been internalized by MoA.
- Lack of accountability for not delivering results to the beneficiaries.

Many of these challenges have been visible for a while and have been recorded in previous mission reports. Considering the project's slow progress, during IFAD's last mission in February 2020, a restructuring of the project was agreed with MoF and MoA. While **keeping within the development objective of the HESAD Project** the re-calibration of the project aims to speed up investments and achieve the desired outcomes and impacts among Amerindian populations within the time remaining of project implementation. If the current restructuring fails to deliver results and increase investments, the HESAD project must be partially or fully cancelled.

On 30 April 2020, MoF sent to IFAD a request of partial project repurposing to respond to the Covid19 crisis. The proposal was reviewed by IFAD and it was agreed that any activities related to Covid19 be included in the larger restructuring process.

**The main objective of this mission was to support the restructuring of the project by reviewing, adjusting and validating the main principles of the restructuring proposal** developed by the GoG with the support of Mr. Timothy McIntosh, a national consultant hired by IFAD to assist in this process. The approach of the mission was to stimulate an open discussion on the bottlenecks, and jointly devise mechanisms for addressing them and improving performance. The mission met with a range of stakeholders that were pivotal in defining the way forward for the project restructuring (detailed schedule and list of people met can be found as Annex I and II). As Covid19 outbreak made in-country travel impossible, the whole mission was carried out remotely.

### Key Mission Agreements and Conclusions

The approach of the mission was to stimulate an open discussion on the current bottlenecks, and jointly devise mechanisms for addressing them and improving project performance. The mission discussed and analyzed the main components of the restructuring proposal in terms of: (i) Project management and implementation provisions; (ii) Revised indicators for the logical framework and; (iii) Estimated overall and annual budget, including disbursement projections for the rest of the implementation period.

The mission agreed on the following:

- The full restructuring proposal will be submitted to IFAD for review and internal clearance **by the 1<sup>st</sup> of July 2020**. The restructuring proposal will include a section on the exit strategy of the HESAD project that will explain how the

Government will ensure sustainability of the investments made.

- ASDU will manage the Investment Fund but robust mechanisms will be put in place to ensure technical feasibility, environmental and social sustainability, transparency, and accountability. These include the technical evaluation of the proposals by an external evaluation panel, and a yearly audit of the fund by a private audit firm. The MOF will submit a request for amendment to the Financing Agreement, substituting the Financial Institution for the management of the Investment Fund directly by ASDU, to which the full restructuring proposal will be attached.
- In order to accelerate project delivery, ensure local buy-in and sustainability of investments, and increased efficiency, the PMU will work with and through District Councils in Region 9, and contract an implementing partner (NGO or consulting firm) in Region 1.
- The restructuring proposal will include targets for disbursement and achievement of outreach and outputs. Not meeting these targets on time will trigger partial cancellation of funds.

The mission considers that the restructuring proposal will address the key factors hindering project performance and will be pivotal to change the course of the project. Firstly, ASDU's management of the Investment Fund – accompanied by the necessary transparency measures and an independent assessment of the proposals – will unblock the main hurdle hindering disbursement, allowing investments to start flowing to the communities, and strengthening ASDU's ownership of the project.

Secondly, involving implementing partners at regional level, specially the District Councils in Region 9, will: i) strengthen the PMU's presence and capacity on the ground to speed up implementation, ii) involve representatives of the local indigenous communities in project implementation, strengthening two-way communication and accountability between the PMU and the beneficiaries, and iii) build partnerships with local institutions that can provide sustainability to the investments beyond project completion.

In addition, Mr. McIntosh, national consultant that has supported the project restructuring and whose value added to the process has been recognised by both IFAD and, more importantly, by the Government of Guyana, will continue supporting the PMU in the roll out the main elements of the restructuring proposal. This will be particularly important during the next few months when COVID 19 movement restrictions will continue to limit IFAD's ability to carry out in-country missions.

## D. Overview and Project Progress

There has been little progress since the last supervision mission with only 3% and 0% of the overall budget for component 1 and component 2 spent respectively as of June 6, 2020. No community members have received any investments nor training so far. This summary will mainly focus on key changes agreed during the mission in order to achieve a swift change in implementation effectiveness and outreach to HESAD's intended beneficiaries. This implies: (i) Systematically forming partnerships with local institutions able to effectively reach communities, applying FPIC processes and - considering COVID19 restrictions; ii) hiring locally experienced technical implementation support; and (iii) Reorganizing the approval process for investment and training plans and the management of the Investment Fund.

### Component 1: Strengthening communities' and producer groups' investment planning

The objective of this component is to support Village and Community Councils and RDCs in planning and prioritizing investments for the development of local value chains, and resilient communities and livelihoods building on the already existing Village Improvement or Development Plans (VIP/VDP). The expected outcome is that communities and producer groups have strengthened capacities to identify investment opportunities and manage economic and climate change risks. The component aims at: 4500 households (of which 675 are female headed) participate in the development of public/collective investments plans; and 2500 people (of which 50% are women and 30% are youth) participate in producer/community groups with approved business plans. With the restructuring proposal these **targets will now be adjusted**.

In the original design, Community Production Development Plans (CPDPs) in Region 9 (building on CIP/VDPs) and Value Chain Action Plans (VCAP) in Region 1 (building on value chain roundtables) were the instruments for villages and producer groups to prioritize their investments and capacity building proposals to be submitted to the HESAD Investment Fund (IF) through: Public/Collective Investment Plans (P/CIP); Business Plans (BPs); and Community Training Plans (CTP).

In 2018 the project had managed to develop a few draft BPs with villages in North Rupununi that would have needed some improvement to be eligible for investments. In the October 2019 supervision mission no progress was observed in the formulation of plans, and it was recommended to retake the idea of CPDPs to ensure a more strategic focus with the villages and also include P/CIPs and CTPs. The October 2019 mission also recommended that the project would formalize partnership with local partners to speed up investment planning and readiness, however no partnerships have been formalized as of June 2020 and no further progress has been achieved in developing any plans.

During the three-week remote mission, a restructuring proposal has been developed and consulted with District Councils



(Mr. Kid James, South Rupununi District Board; Mr. Ivor Marslow, North Rupununi District Development Council; Mr. Gerard Pereira, Kanuku Mountains Community Representative Group (KMCRG); and with Whanita Phillips, Toshao Santa Rosa (Moruca) and Ms. Mildred Akpan, (MoIPA) among others.

Agreed measures mainly relates to implementation arrangements using District Councils as main partners (see component 3). The content of component 1 will not change for region 9, but the outreach to the villages in the South Pakaraimas may be limited as there is no established District Council in this area. In region, 1 Mabaruma will be prioritized and outreach to Maruka will be limited. There will be a shift from emphasis on CPDPs instead of VCAPs in Region 1. However, the value chain studies currently under development by the MoA ME&E Unit will still be concluded and the findings will be discussed in value chains roundtables to orient the investments in the communities and with the producers. To speed up the investments and in the light of COVID19 emerging need for generating short-term income in the communities, the DCs will be encouraged to identify and public/collective investments that are pending from previous planning processes in the communities and can be submitted to the HESAD Investment Fund (IF) for financing and start implementation already in 2020 before the CPDPs have been finalized.

## **Component 2: Implementation of Investment Plans**

The objective of Component 2 is to support the communities in the implementation of the CPDPs in Region 9 and the VCAPs in Region 1 within the three main intervention areas of the project: P/CIPs, PBs, and CTPs. As of to date no investments have been made.

As noted in the October 2019 supervision mission, it has not been possible to identify a Financial Institution to act as manager of the IF through public bidding as foreseen in the project design and Financing Agreement. The restructuring proposal therefore proposes the management of the funds by the MoA, however with an independent approval panel including representatives from, among others, local active financial institutions, NGOs and CSOs, and the NTC (See financial management section for further implications for amendment of the Finance Agreement and criteria for the management and audit of the IF).

The mission strongly recommends simplicity, coherence and village ownership in the implementation of the project. **All activities related to improving production and livelihood in the villages are to be channelled through the fund** to avoid stand-alone trainings not linked to any concrete investments by the communities. This should also include beekeeping, the turmeric factory, and the various training activities in production and business activities. As mentioned under Component 1, training may be rationalized across villages if similar demands are identified in various CPDPs. It is urgent that the formats for the CPDPs with the P/CIPs, PBs and CTPs are finalized. On 16 June the PMU shared draft templates with the IFAD team. These shall be simplified and finalized, taking into account the guidance provided on the CPDP format in the October 2019 supervision mission Aide Memoire.

All proposals for community/ business projects, public goods, etc. submitted to the Investment Fund will be evaluated by an independent panel for their technical and business feasibility, environmental and social sustainability and participation. This panel may be convened and chaired by ASDU but must include independent members with voting rights, from a financial institution (e.g. GLBT, Republic Bank or IPED); an NGO or similar with grant management experience; NTC; and RDC. External panel members shall be remunerated for their services. The PMU may want to establish a roster with consultants/ external experts for technical reviews of the proposals.

For the IF to be operationalized, the Grant Investment Fund manual needs to be adjusted and submitted to IFAD for No Objection including: Financing eligibility criteria, evaluation criteria for the proposals, constitution and procedures for the operation of the assessment panel and the approval process. When proposals under a certain threshold (5 million Guyanese dollars or USD 24.000 approximately) are approved, funds will be transferred to the communities via a special agreement with MoA. Proposals above that threshold, as well as funds for cross-village activities including some training may be transferred to the DCs or implemented directly by MoA.

The only investments which should be made outside the IF are the new proposed investments in MoA regional institutions and the Bina Hill Institute. These investments were not in the original design but have been introduced as part of the restructuring proposal. Each one of them would need a clear justification and no objection from IFAD in terms of: i) their rationale; ii) how they will benefit HESAD target population; iii) clarity on ownership of eventually implicated land (risks of dispute with local communities); iv) responsibilities and budget for the operation and maintenance of the investments; and v) indicators at output and outcome level for what these investments will achieve in line with HESAD's development objective.

## **Component 3: Project and knowledge management and coordination**

One of the challenges faced by the project has been its thin presence in Region 9. In order to accelerate implementation and ensure project efficiency without bloating the administration and staff-related costs, the mission agreed that **MoA will sign agreements with the North Rupununi District Development Board, the South Rupununi District Council, and the KMCRG in Region 9** (hereafter referred to as the District Councils). **A service provider** (consulting firm or NGO) **will be recruited to serve in Region 1**. These will be the main responsible implementing partners for supporting the Village Councils and producer groups in the development of CPDPs and P/CIP, BP and CTP proposals. They will also be

responsible for following up on the implementation of the various plans including monitoring their progress, social inclusion and achievements and ensure specific support is facilitated as needed. DCs are recognized as Civil Society Organizations in Guyana and can as such sign the proposed agreement and take on this role in collaboration with the Village Councils in their districts. If the villages in the Moruca Sub-region would like to form a DC during the implementation of the project, HESAD may provide them with support in this process.

The advantage of using the DCs is that they have permanent staff, ensuring that capacities built are not lost at the end of each three-year term of the Councils. The DCs will be able to look for synergies and efficiencies in delivering training and investment activities by combining needs across the CPDPs. The DCs in Region 9 have some previous experience in managing projects. The DCs and the service provider will be supported with training in FPIC, facilitation of the plan development process and the related formats, and project management and monitoring. In addition, **consultants with local experience in village development in the regions will be hired to support the DCs.**

IFAD will continue to provide significant support to the HESAD PMU by reviewing and providing technical comments to ToR and similar, and by sharing knowledge products, how to -notes and by providing support through virtual sessions. It is however ASDU's responsibility to foster the right conditions for the project to deliver its ambitious workplan. For this, the PMU must be staffed accordingly, and the regional "implementation satellites" must be empowered and held accountable for project delivery. Delegation of duties from Project Coordinator to PMU team is key to accelerate implementation.

All new implementation arrangements shall be updated in the Project Implementation Manual (PIM), which must also include a clear description of the roles, responsibilities, incentives and accountability mechanisms of all staff members and implementing partners.

The restructuring proposal must include a draft work plan and a delivery timeline for the remaining three years of the project. The work plan must be aligned with project budget, disbursement projections, and correspond to the principles and actions agreed in this Aide-Mémoire.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Component 1: Strengthening Communities' and producer groups' investment planning</b>  Investment Plan Templates Finalize formats for CPDPs, P/CIPs, BPs, CTPs. See recommendations from October 2019 AM.	ASDU with support from IFAD	07/2020
<b>Agreements with District Councils, R9</b>  Sign agreements with DCs in Region 9	ASDU/MoA	07/2020
<b>Work Plan for the remaining three years</b>  Submit the three-year work plan as part of the restructuring proposal.	ASDU	07/2020
<b>Service provider, R9</b>  Hire service provider with region 9 community development experience to support the DCs in the development of the plans, specially Business Plans	ASDU	07/2020
<b>Training of District Councils</b>  Train DCs and service providers in FPIC and the use of the CPDPs, P/CIPs, BPs, CTPs formats	ASDU	07/2020
<b>Component 2: Implementation of Investment Plans: Review of Grant Investment Fund Manual</b>  Update the IF operation manual as part of the PIM and send for IFAD's No Objection	ASDU	07/2020

<b>Review of the 2020 Annual Work Plan and Budget</b> Submit an updated 2020 AWPB aligned with the restructuring proposal	ASDU	07/2020
<b>Implementation arrangements</b> Describe implementation arrangements, with clear roles, responsibilities, incentives and accountability mechanisms, and update these in the PIM.	ASDU	07/2020
<b>Amendment to the Financing Agreement</b> Submit the request for amendment to the FA, substituting the FI for the management of the IF directly by ASDU, and including further assurance mechanisms (external review panel and private annual audit of the IF). The restructuring proposal will be attached to the request for amendment to the FA	MOF in collaboration with MOA and IFAD	07/2020
<b>Component 3: Project and knowledge management and coordination: Review of Project Implementation Manual</b> Update the PIM to reflect the restructuring proposal	ASDU	08/2020
<b>Set up multi-stakeholder approval panel</b> Establish the independent approval panel for the IF (could be two panels, one for each region)	MoA with RDCs	08/2020
<b>Implementing partner, R1</b> Hire a service provider to support villages in developing investment plants in Region 1	ASDU	08/2020

## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

<b>Effectiveness</b>	<b>Rating: 2</b>	<b>Previous rating: 3</b>
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#### Justification of rating

In its fourth year of implementation, progress in output and outcome targets is insignificant. Only outreach indicators register progress: 570 households (2939 individuals) will benefit from the first five CPDPs developed in Region 9, which represents 9.5% of the project's outreach target. Implementation in Region 1 has not started. Although implementation in Q1 & Q2 of 2020 has been affected by the COVID19 pandemic and the General Elections held in March, the downgrade in the rating responds to the insignificant progress since the last supervision mission (October 2019). The project objective is not likely to be met unless the mitigation measures envisioned as part of the restructuring proposal are rolled out and put into practice immediately.

#### Log-Frame Analysis & Main Issues of Effectiveness

The mission held sessions to review the logical framework, and adapt indicators and targets to the scope of the restructuring proposal. The project's overall outreach will need to be revisited and adjusted to a realistic expectation on what the project can deliver in the 33 months left before the completion date, 31 March 2023.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Finalize adjustments to the logical framework</b>  Final review of indicators and targets to be included in the LF of the restructuring proposal, including the incorporation of the Percentage of women reporting Minimum Dietary Diversity (MDDW) indicator was at outcome level, as well as additional output and outcome indicators for the new investments.	M&E Officer	07/2020

## Development Focus

### Targeting and Outreach

**Rating: 2**

**Previous rating: 3**

#### Justification of rating

Because of the delays in project implementation, the target group has not received any benefits and the only data on outreach reported refers to the participation in the development of five CPDPs in Region 9, which have not yet started implementation. The intended beneficiary villages and communities have not been properly identified and mapped. Limited activities have not included reflection on specific aspects that affect gender relationships or youth. The core of social inclusion is the process of improving the terms for individuals and groups to take part in society; the restructuring should be seen as a “window of opportunity” to shift towards a stronger focus on women and youth.

Regarding the quality of the data and information available (outreach of all groups of beneficiaries, including women, young men, young women and indigenous people) there is limited data collected in the logical framework. On paper, the project does intend to target the IFAD mandated project beneficiaries (i.e. rural people living in poverty and food insecurity in developing countries, with a special focus on women, youth, minorities and indigenous peoples), however there have been inconsistencies in the data reported (male/female, young/not young, etc.). The project must ensure adequate disaggregation of data by sex, age and IP in a timely manner, in order to be able to monitor reaching the quotas established in the PDR and/or devise the adjustments needed to do so.

#### Main issues

Currently, the project reports an outreach of 570 HH (2939 individuals) from the first five CPDPs developed in region 9, out of which 97% are Indigenous Peoples (2 842 individuals from Amerindians communities).

The project restructuring proposal should be aligned with the targeting strategy set out in the PDR, describing how to apply the given targeting strategy. The targeting strategy set out in the PDR states: (i) Geographic targeting: to select the poorest or most vulnerable areas within a country or region; (ii) Direct targeting is linked to the choice of eligibility criteria when services and resources are to be channeled to specific individuals or households; (iii) Self-targeting measures include the provision of goods and services that are aligned with the priorities, assets, capacities and livelihood strategies of the identified target groups, while at the same time being of little interest to other groups.

Furthermore, the project was designed to ensure that marginalized groups would be able to take advantage of project activities and have access to its services. Marginalized groups include indigenous communities (In Region 1 the main tribes are the Arawak, Warau and Caribs, while in Region 9 the main tribes are the Makushi, Wapishana and Waiwai), non-indigenous communities as might include immigrant/recently settled communities.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Targeting strategy</b>  Ensure that the restructuring proposal is aligned with the targeting strategy set out in PDR, and targeting criteria and concrete strategies are included in the revised PIM	ASDU	07/2020

## Gender equality & women's participation

**Rating: 2**

**Previous rating: 3**

#### Justification of rating

Due to the delays in the implementation, the project has not reach the desired outcomes in terms of gender equality. However, the project is in the process of hiring a Gender and Social Inclusion Officer and intends to develop an action oriented Gender and Social Inclusion Strategy and assign a budget to the activities in the strategy.

#### Main issues

In general terms, the recommendations from the previous mission remain valid. The project needs to complete the hiring of a Gender and Social Inclusion Officer (GSI Officer), to produce an action oriented Gender and Social Inclusion Strategy (aligned with the FPIC implementation plan) and assign budget for the strategy to ensure its adequate implementation. When the SI Officer is hired, IFAD can provide technical assistance and organize a (virtual) Gender Lab Training for the PMU to boost its capacity. A gender training is planned and budgeted for; this training should include project staff, implementing partners and consultants in the regions. The GSI Officer will need to work closely with the individual consultant in the elaboration of the FPIC Training Manual, in the organization of the trainings and to provide support (to both regions) in relation to the FPIC follow-up activities. The GSI officer will also be in charge of following up on the implementation of the nutrition strategy, though s/he will be supported by the nutrition specialist in charge of developing such strategy.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Gender and Social Inclusion Officer</b>  Complete the hiring of the Gender and Social Inclusion Officer.	ASDU	07/2020
<b>Gender Lab</b>  Organize a gender lab to build capacities for gender mainstreaming among PMU staff and project stakeholders.	IFAD	08/2020
<b>Gender and Social Inclusion Strategy</b>  Produce an action oriented Gender and Social Inclusion strategy (aligned to the FPIC plan) and assign budget for the strategy to ensure its adequate implementation.	ASDU	09/2020

#### **Agricultural Productivity**

**Rating: N/A**

#### **Nutrition**

**Rating: 2**

**Previous rating: 2**

#### **Justification of rating**

Nutrition-sensitive interventions are not yet under implementation since investment plans have not started. The mission agreed on the key next steps to accelerate impact on nutrition outputs and outcomes: i) develop the nutrition strategy which will design the nutrition training and identify opportunities for nutrition in the project's investments in R9 and R1; (ii) aside from integrating nutrition into community Training Plans (CTP) and Business Plans, explicitly include nutrition as a potential investment area within the Public/Collective Investment Plans. The log-frame of the restructured proposal will include the Percentage of women reporting Minimum Dietary Diversity (MDDW) indicator at outcome level.

#### **Main issues**

The TORs for the nutrition strategy need some minor adjustments to match the restructuring proposal (specially regarding involvement and training of the District Councils in nutrition) and the drafting of the strategy should be launched as soon as possible. Regarding the nutrition training, the strategy will define not only the key messages and materials, but also the most suitable implementation arrangements and delivery mechanism (e.g. involvement of health officers, community facilitators, radio programs, food demonstrations, school meals programs, etc.).

In order to strengthen the project's contribution to nutrition, aside from integrating nutrition considerations into the CTPs and BPs, the mission agreed that nutrition will feature as a potential investment area within the Public/Collective Investment Plans. The guidance and templates for the P/CIP will be revised accordingly to allow for nutrition-sensitive investment plans at community or district level. The multi-stakeholder evaluation panel of the IF will, among other criteria, assess the plan's contribution to nutrition, for which a nutrition specialist (e.g. Health Officers) may be included in the panel when needed.

As anticipated in previous missions, the project's original outcome indicator *Households have food consumption patterns that substantially reflect appropriate "best option food basket"* is no longer relevant since the "best option food basket" programme of the MOH has been left on hold. Therefore, the logical framework was reviewed during the mission to include the Percentage of women reporting Minimum Dietary Diversity (MDDW) indicator at outcome level. Baseline data on MDDW will be collected in region 1 as part of the baseline study to be carried out by FAO.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Nutrition strategy</b> Revise the TORs and launch the procurement for the nutrition strategy.	ASDU	07/2020
<b>Nutrition in C/PIP</b> Adjust the C/PIP template to explicitly incorporate nutrition-sensitive investments.	ASDU	07/2020

#### **Adaptation to Climate Change**

**Rating: 3**

**Previous rating: 3**

#### **Justification of rating**

This rating was not assessed during this partial supervision mission.

#### **Main issues**

### **b. Sustainability and Scaling up**

#### **Institutions and Policy Engagement**

**Rating: N/A**

#### **Partnership-building**

**Rating: 3**

**Previous rating: 5**

#### **Justification of rating**

The absence of strong institutional partnerships for project implementation, particularly at regional level, have been one of the main reasons for the slow implementation progress. Although the project coordinates activities via the Regional Democratic Council (RDCs) and with other MOA Agencies, these have not proven effective in ensuring technical quality of the CPDPs and ensuring the project's implementation is fully aligned with changes in the local and regional context. The Covid-19 pandemic has significantly impacted the local economy, and made the need for local partnerships and current information even more necessary. There are limited mechanisms to allow the PMU to benefit from the experiences of other actors on the ground who have or are implementing similar actions.

#### **Main issues**

One of the main elements of the restructuring proposal has been the identification and engagement of local implementing partners that can accelerate project implementation at regional level. In order to accelerate project delivery, ensure local buy-in, increased efficiency and sustainability of investments, the PMU will work with and through District Councils in Region 9, and contract an implementing partner (NGO or consulting firm) in Region 1.

During the mission, several meetings were held with the District Councils in Region 9 in order to assess their capacity and interest to assist in the implementation and M&E of the project activities at community level. These partnerships will be pivotal to accelerate implementation and will need to be complemented with technical partnerships (with MOA Agencies and other service providers) that can ensure technical quality of investment plans submitted to the Investment Fund.

#### **Human and Social Capital and Empowerment**

**Rating:**

#### **Quality of Beneficiary Participation**

**Rating: 3**

**Previous rating: 4**

#### **Justification of rating**

Due to implementation delays and challenges in disseminating the FPIC Plan, consultation mechanisms are not adequately in place for the choice and/or sequencing of project activities. The project activities are in principle demand driven and tailored to specific needs identified by the communities themselves. However, the FPIC implementation plan provisions have not been properly followed nor documented. The project intends to use participatory methods when developing the investment plans and the beneficiaries are to contribute (in cash or in kind) to the investments.

## Main issues

The FPIC implementation plan envisioned the following steps to ensure appropriate involvement of IP in the project design and implementation: i. identification of tribes that require systematic consultation during the project cycle, ii. identification of institutions, governance systems and decision-making roles, iii. socio-cultural and land tenure assessment, iv. preliminary consultations with IP and their representatives. Furthermore, it foresees setting up and/or involving specific village and inter-village structures to meaningfully consult indigenous communities, as well as involvement of key collective representative bodies of IP in project governance and decision-making (e.g. South Rupununi District Council, SRDC). However, due to implementation delays and challenges in dissemination and application of the FPIC Plan, these provisions have not been implemented.

The project restructuring is recommended to align the FPIC procedures to the standards of the NTC Framework on FPIC (and FPIC protocols). The restructured FPIC process needs to be designed in proportion to the potential negative social implications/risks posed by the project and to the nature of the project. **HESAD is not a high-risk project with foreseen negative social impacts on the communities, thus, this should guide the FPIC process accordingly.**

The FPIC-process should be included in the Project Implementation Manual (PIM) of the restructured project (including in the MoU with CDs and agreements with VCs, in the business plan processes, community monitoring and Grievance Mechanisms). Compliance with IFAD and NTC FPIC requirements will be facilitated by having DCs as implementing partners. After the FPIC Plan has been revised and integrated in the PIM the trainings on FPIC can be realized. Awareness-raising and capacity building will be crucial for operationalizing the FPIC process as a decision-making process for the project implementation. Trainings in FPIC are proposed for PMU staff, consultants and partners in the project implementation unit and for community-designated leaders and Investment Plan focal points designated by communities. The Gender and Social Inclusion Officer is recommended to follow and contribute to the update of the FPIC Plan, the finalization of the FPIC Training Manual and the continuous implementation of the FPIC process in order to ensure consistency and alignment to the Gender Strategy.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>FPIC in PIM</b>  Integrate the FPIC in the PIM of the restructured project (include in the MoU process, in the business plan processes, community monitoring, Grievance Mechanism etc.).	PMU	07/2020
<b>FPIC Training</b>  Carry out trainings on FPIC for PMU staff, consultants and partners in the project implementation unit and for community-designated leaders and project focal points designated by communities.	PMU in collaboration with an FPIC specialist (IFAD support as needed)	10/2020

**Responsiveness of Service Providers**

**Rating: 4**

**Previous rating: 4**

### Justification of rating

This rating was not assessed during this partial supervision mission.

**Environment and Natural Resource Management**

**Rating: 3**

**Previous rating: 3**

### Justification of rating

This rating was not assessed during this partial supervision mission.

**Exit Strategy**

**Rating:**

**Potential for Scaling-up**

**Rating:**

## c. Project Management

**Quality of Project Management**

**Rating: 2**

**Previous rating: 4**

### Justification of rating

Although there was a significant improvement in the quality of project management since the new manager took office on 1st April 2019, the PMU's staffing is still incomplete and inadequate to deliver on a project of this magnitude. None of the vacant positions that the previous supervision mission recommended to urgently hire, including that of the Gender and Social Inclusion Specialist and the project staff in Region 1, have been filled. Full staffing of the PMU as well as rolling out the partnerships on the ground (District Councils in Region 9 and the NGO/Consultancy firm in Region 1) is pivotal to improving the quality of project management and catching up with the delayed project implementation. Additional staffing, particularly a Project Officer position at regional level, was deemed necessary and will be part of the restructuring proposal.

<b>Knowledge Management</b>	<b>Rating: 3</b>	<b>Previous rating: 2</b>
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#### Justification of rating

A comprehensive and ambitious KM & Communications Strategy has been developed for HESAD although no KM products or activities have taken place to date. As per the previous IS mission's recommendation, the KM & Communications Strategy was revised in a participatory way among the PMU and has included a results framework indicating knowledge themes, objectives, audience, type of knowledge products and communication channels. The KM Strategy would however benefit from further simplification, incorporation of a clear timeline of activities with allocated human and financial resources until project end, as well as an indication on how the project will disseminate the knowledge products and studies generated (SOFA, VC analyses, FPIC Implementation plan, etc.).

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Revise the KM Strategy</b>  Further simplify the KM Strategy and incorporate a clear timeline with allocated human and financial resources until project end.	M&E Officer	08/2020

<b>Value for Money</b>	<b>Rating: 3</b>	<b>Previous rating: 3</b>
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#### Justification of rating

This rating was not assessed during this partial supervision mission

<b>Coherence between AWPB and Implementation</b>	<b>Rating: 2</b>	<b>Previous rating: 3</b>
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#### Justification of rating

Almost no progress has been reported on the 2020 AWPB. Financial expenditures have been mostly limited to operational costs. In terms of physical progress, output and outcome indicators remain at 0 and the project has not increased outreach from what was previously reported. Despite the recommendation of the previous supervision mission on the need to implement an ambitious 2020 AWPB to overcome the delays, the achievements reported by the PMU in 2020 reflect almost no completed actions, but rather drafts or preliminary activities. Although COVID19 and the electoral situation have affected implementation in 2020 and corrective measures will be put in place with the restructuring proposal, the rating is downgraded due to the insignificant progress in 2020.

<b>Performance of M&amp;E System</b>	<b>Rating: 2</b>	<b>Previous rating: 3</b>
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#### Justification of rating

The provisions of the M&E Plan (tools, participatory methods, workshops, etc.) have not yet been rolled out, and thus the PMU does not have a process in place for rigorous data collection, participatory monitoring, data analysis, evidence-based reporting and results-based management. Acceptable measures to address the situation are envisioned in the restructuring proposal, but they are not yet effective.

#### M&E System Review

The M&E plan should be simplified and aligned with the restructuring proposal. In order to do so, the following elements should be considered:

- Clear M&E roles and responsibilities of the implementing partners shall be established: i) at village level: focal points or facilitators, designated by the project proponent, to monitor implementation of investment plans (these should be written into the proposed plans); ii) at District level: District Councils in Region 9 and firm/organisation in Region 1; iii) at Regional level: the Regional Coordinator and field facilitator (R9/R1); iv) at Project level: M&E Officer and M&E Unit of MOA.



- The ultimate M&E responsibility of the project lies within the PMU. This does not only include output data collection and recording, but also data analysis to monitor if the project is achieving its outcomes and development objective. Once mobility restrictions are lifted, the M&E Officer should spend considerable time in the field (e.g. one week per month) training and following up on M&E arrangements with the PMU Regional staff and District Councils.
- A system to monitor the DCs should be established, including periodic financial and technical reports (g. bi-monthly) with associated means of verification (attendance sheets, pictures, etc.).
- Although District Councils have experience and capacity on participatory M&E (Community Monitoring Reporting and Verification, CMRV Units), training and clear guidance will be required on the specificities of HESAD M&E: type and frequency of data collection, tools and means of verification, reporting templates, oversight responsibilities at community level, etc.
- The principles of participatory M&E laid out in the PDR remain fully relevant, and imply that communication flows are bi-directional, with periodic feedback given to the communities and implementing partners at all levels.
- The incorporation of community-designated facilitators to support implementation and M&E of investment plans is considered crucial. They will be designated by the community when developing the investment plan, act as focal points for the District Councils and should be remunerated for their service.
- The project's M&E tools will need to be revised, simplified and adjusted to the restructuring proposal.
- The M&E Plan will devise a mechanism for data analysis and evidence-based reporting that can inform management decisions.
- Annual PMU workshops (including staff from the regional level) should take place to present and analyse progress on output and outcome indicators and inform management and planning decisions (including the preparation of the following year's Annual Work Plan and Budget).
- The process of establishing an online M&E database and platform for the project that could be scaled up for MOA-wide use has not yet started, and the project is currently using an Excel M&E database. The mission considers that, at this point in time, setting up the online platform would distract the M&E Officer's and PMU's attention from what should be the priority: Accelerate implementation and investments in communities. Therefore, the mission recommends to adapt the Excel M&E database to the needs of the restructured HESAD and devise a mechanism to share its use among the different actors with M&E responsibilities (e.g. through a shared drive). The online M&E database and platform proposal may be revisited at a later stage once implementation in the field is running smoothly.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>M&amp;E database and platform</b>  Adapt the Excel M&E database to the needs of the restructured HESAD and devise a mechanism to share its use among the different partners with M&E responsibilities (e.g. through a shared drive).	M&E Officer	07/2020
<b>Adapt the M&amp;E Plan to the restructuring proposal</b>  Revise and align the M&E plan with the restructuring proposal, establishing clear M&E roles and responsibilities of the implementing partners.	M&E Officer	07/2020
<b>Adapt the M&amp;E tools to the restructuring proposal</b>  Revise and adjust the M&E tools to the restructuring proposal: mini-baseline, reporting templates, forms for means of verification, resilience scorecard, tools for new log-frame indicators, etc.	M&E Officer	07/2020

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

**Rating: 3**

**Previous rating: 3**

**Justification of rating**

This rating was not assessed during this partial supervision mission. Please see section on Quality of Beneficiaries Participation for the implementation of FPIC

**d. Financial Management & Execution**

**Acceptable Disbursement Rate**

**Rating: 2**

**Previous rating: 2**

**Justification of rating**

## Main issues

**Cancellation of financing and reuse of cancelled funds** According to IFAD Policy on Project Restructuring, resources may be cancelled and recommitted to a new project in the same country within 12 months after the date of the cancellation. Cancelled funds are available for recommitment on the financing terms for which the borrower is eligible in the year during which the funds are recommitted. Amounts cancelled from projects that have less than one year left before completion are not eligible for recommitment to a new project.

Based on the above, during the mission IFAD explained that a partial cancellation of HESAD funds could be an opportunity to ensure that unused resources are channelled into the new IFAD operation in the country - whose design is to start once the new Government takes office - instead of being lost. MoF did not find the partial cancellation as a viable option at the time of the mission, and provided a preliminary projection of use of funds that aims at the full usage of the loan amount. It was agreed that IFAD and HESAD would define a set of targets to monitor the progress of project implementation and based on the achievement or non-achievement of the targets, the option of the partial cancellation would be discarded or implemented at a later stage.

**Disbursement projections and reallocation of funds** A key element of the restructuring proposal is the projection of the use of funds up to the end of the implementation period on 31 March 2023. During the mission, the PMU presented a preliminary and ambitious disbursement projection that showed full usage of the loan funds. It was agreed that the PMU would further revise the projection providing detailed costs as well as summary tables showing disbursements by expense categories and components. Additionally, the project will provide summary financial tables to show the required reallocation of funds of IFAD Loan using the following format:

Expense Category	Original Allocation	Proposed Reallocation	Revised Allocation	Percentage over total financing
Category 1				
Category 2				
...				
Total				

Component	Original Allocation	Proposed Reallocation	Revised Allocation	Percentage over total financing
Component 1				
Component 2				
...				
Total				

**Investment Fund.** Paragraph 4.2.1 of Schedule 1 of the Financing Agreement provides that: *The administration and execution of the Investment Fund will be arranged through an agreement signed between MOA and a Financial Institution(s) with presence in the regions. The selection of the Financial Institution(s) will be through a competitive bidding process. The PMU will be responsible for monitoring the implementation of the Investment Fund and evaluating the performance of the Financial Institution as well as the results achieved.*

MoA and MoF proposed substituting the Financial Institution for the administration and execution of the Investment Fund with ASDU's current and additional resources. In principle the IFAD mission agreed to the proposal. However, the proposal will require further assurance mechanisms for the elimination of the Financial Institution to be authorized. The

main conditions are: i) An independent evaluation of the funding proposals by an external technical panel; ii) A comprehensive manual on the Investment Fund; and iii) An annual audit of the Investment Fund to be carried out by a private audit firm. **This audit, facilitated by the PMU, will be additional to the standard audit conducted by the Supreme Audit Institution of Guyana.**

**IFAD Client Portal (ICP).** IFAD mission highlighted the importance of implementing as soon as possible the ICP to submit withdrawal applications, accessing financial information and other useful features. The PMU and IFAD will work together to ensure that the ICP go-live will take place by 31 July 2020.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Disbursement projections and reallocation of funds</b> Present disbursement projection and financial table for reallocation of funds (as part of restructuring proposal).	ASDU	07/2020
<b>Partial Fund Cancellation</b> Define targets and timeframe for monitoring project execution. Not meeting targets on time will trigger partial cancellation of funds.	IFAD in consultation with MOF and ASDU	07/2020
<b>IFAD Client Portal Roll out</b> HESAD and IFAD will work together to ensure that the ICP go-live will take place by 31 July 2020.	ASDU in collaboration with IFAD	07/2020
<b>Private Audit of Investment Fund</b> Include, in the Grant Investment Manual, an annual audit of the IF to be carried out by a private audit firm.	ASDU	07/2020

#### **Fiduciary aspects**

**Quality of Financial Management**

**Rating: 5**

**Previous rating: 5**

#### **Justification of rating**

This item was not assessed during this partial supervision mission. The rating shown in the report is the one from the previous supervision mission.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>In-kind contributions</b> Register and fully document in-kind government contributions, including the methodology for their calculation. This documentation will be verified during supervision missions and audits. Ongoing activity	PMU Finance Officer	

**Quality and Timeliness of Audit**

**Rating: 5**

**Previous rating: 5**

#### **Justification of rating**

The Audit Report for Fiscal Year 2018 was received before due date and it is considered satisfactory.

**Counterparts Funds**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

This item was not assessed during this partial supervision mission. The rating shown in the report is the one from the previous supervision mission.

**Compliance with Loan Covenants**

**Rating: 4**

**Previous rating: 4**

**Justification of rating**

This rating was not assessed during this partial supervision mission.

**Procurement****Procurement****Rating: 4****Previous rating: 4****Justification of rating**

The Project Procurement rating continues as moderately satisfactory mainly due to: i) the recent contracting of the Project Procurement Officer still doesn't have a real impact on the speed of the procurement process; ii) delays during the execution of the procurement's processes developed during the period, iii) the possibility to increase the quality of the ICS process, and iv) the lack of delegation in the procurement process to the Procurement Officer of the PMU.

**Procurement Review**

ASDU will continue to use the national procurement regulation as long as it is compatible with IFAD Project Procurement Guidelines and in accordance with the provisions of the financing agreement, as foreseen in the FA. During the mission a Procurement Risk Matrix was drafted. New procurement methods and prior review thresholds (higher than the original one) were identified and they will be reflected in the amended Letter to the Borrower.

**Significant acceleration of project implementation will require major streamlining of project procurement's approval flow.** By raising thresholds to IFAD's ones, by keeping majority of award procedures within the Ministry (PS signing off) and by grouping purchases in order to reduce the number of awards, the project should be able to disburse rapidly. IFAD recommends the PMU to seek the needed authorizations to roll-out the above mentioned actions.

Another key avenue for accelerating procurement and project delivery is to empower Region 9 and 1 offices to procure, under the supervision of ASDU-PMU. Regional offices have to be equipped with sufficient human resources with experience in procurement, to monitor and support villages and communities, as well as District Councils, in procurement activities.

For Component 2, the possibility of Community Participation procurement (using procedures that promote efficiency or, exceptionally, through single source from direct contracting of suppliers or contractors located near the community) - as per Procurement Act 2003 - is considered viable. Nevertheless, IFAD procurement regulations, as well as principles of transparency, equity, efficiency, and competition require that these be described in any agreements set up with communities. The regulations include: Setting-up of a community procurement committee, a simplified and clear Procurement Manual to guide procurement and accountability; standard formats; basic archives for documents recording; and simple trainings on how to procure and possible miss-procurement.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Procurement Planning Process</b> Submit to IFAD, together with the AWPB, the revised Procurement Plan for the 2020 calendar year, aligned with the restructuring proposal.	ASDU	07/2020
<b>Procurement</b> New procurement methods and prior review thresholds will be reflected in the amended Letter to the Borrower.	IFAD	07/2020
<b>Procurement Planning - Community Participation procurement</b> Submit to IFAD the procurement schema to be used by the Community.	ASDU	07/2020
<b>Procurement Planning - Community Participation procurement</b> Elaborate a section in the GIF manual to provide guidance and support to Community procurement.	IFAD	07/2020

**e. Key SIS Indicators**

<b>Likelihood of Achieving the Development Objective</b>	<b>Rating: 2</b>	<b>Previous rating: 4</b>
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#### Justification of rating

The project has not delivered any outcomes nor has it invested in the targeted areas. The restructuring that was carried out is expected to overcome the identified hurdles and to improve project performance substantially. The project's success in achieving the development objective will be monitored closely in the coming months.

<b>Assessment of the Overall Implementation Performance</b>	<b>Rating: 2</b>	<b>Previous rating: 4</b>
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#### Justification of rating

Until now, project performance has been weak. The restructuring addresses the identified problems.

## F. Relevance

<b>Relevance</b>	<b>Rating:</b>	<b>Previous rating: 5</b>
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## G. Project Modifications

Responsibility	Modification type	Description
IFAD team and PMU	Logical Framework	<p>In order to comply with the recent IFAD Development Effectiveness Framework, two new indicators (core) were included after discussion with the PMU. Indeed, when the Project was formulated the new IFAD core indicators had not yet been defined. These new indicators in the Logframe are:</p> <p>1.2.4 Number of households reporting an increase in production (added under Outcome 2.1)</p> <p>1.1.8 Number of persons/households provided with targeted support to improve their nutrition (added under Output 2.3.1)</p>

## H. Agreed Actions

Agreed Action	Responsibility	Agreed Date
<b>Overview and Project Progress</b>		
<b>Component 1: Strengthening Communities' and producer groups' investment planning</b>  Investment Plan Templates Finalize formats for CPDPs, P/CIPs, BPs, CTPs. See recommendations from October 2019 AM.	ASDU with support from IFAD	07/2020
<b>Agreements with District Councils, R9</b>  Sign agreements with DCs in Region 9	ASDU/MoA	07/2020
<b>Work Plan for the remaining three years</b>  Submit the three-year work plan as part of the restructuring proposal.	ASDU	07/2020

<b>Service provider, R9</b>  Hire service provider with region 9 community development experience to support the DCs in the development of the plans, specially Business Plans	ASDU	07/2020
<b>Training of District Councils</b>  Train DCs and service providers in FPIC and the use of the CPDPs, P/CIPs, BPs, CTPs formats	ASDU	07/2020
<b>Component 2: Implementation of Investment Plans: Review of Grant Investment Fund Manual</b>  Update the IF operation manual as part of the PIM and send for IFAD's No Objection	ASDU	07/2020
<b>Review of the 2020 Annual Work Plan and Budget</b>  Submit an updated 2020 AWPB aligned with the restructuring proposal	ASDU	07/2020
<b>Implementation arrangements</b>  Describe implementation arrangements, with clear roles, responsibilities, incentives and accountability mechanisms, and update these in the PIM.	ASDU	07/2020
<b>Amendment to the Financing Agreement</b>  Submit the request for amendment to the FA, substituting the FI for the management of the IF directly by ASDU, and including further assurance mechanisms (external review panel and private annual audit of the IF). The restructuring proposal will be attached to the request for amendment to the FA	MOF in collaboration with MOA and IFAD	07/2020
<b>Component 3: Project and knowledge management and coordination: Review of Project Implementation Manual</b>  Update the PIM to reflect the restructuring proposal	ASDU	08/2020
<b>Set up multi-stakeholder approval panel</b>  Establish the independent approval panel for the IF (could be two panels, one for each region)	MoA with RDCs	08/2020
<b>Implementing partner, R1</b>  Hire a service provider to support villages in developing investment plants in Region 1	ASDU	08/2020
<b>Development Effectiveness</b>		
<b>Targeting strategy</b>  Ensure that the restructuring proposal is aligned with the targeting strategy set out in PDR, and targeting criteria and concrete strategies are included in the revised PIM	ASDU	07/2020

<b>Gender and Social Inclusion Officer</b> Complete the hiring of the Gender and Social Inclusion Officer.	ASDU	07/2020
<b>Nutrition strategy</b> Revise the TORs and launch the procurement for the nutrition strategy.	ASDU	07/2020
<b>Nutrition in C/PIP</b> Adjust the C/PIP template to explicitly incorporate nutrition-sensitive investments.	ASDU	07/2020
<b>Finalize adjustments to the logical framework</b> Final review of indicators and targets to be included in the LF of the restructuring proposal, including the incorporation of the Percentage of women reporting Minimum Dietary Diversity (MDDW) indicator was at outcome level, as well as additional output and outcome indicators for the new investments.	M&E Officer	07/2020
<b>Gender Lab</b> Organize a gender lab to build capacities for gender mainstreaming among PMU staff and project stakeholders.	IFAD	08/2020
<b>Gender and Social Inclusion Strategy</b> Produce an action oriented Gender and Social Inclusion strategy (aligned to the FPIC plan) and assign budget for the strategy to ensure its adequate implementation.	ASDU	09/2020
<b>Sustainability and Scaling up</b>		
<b>FPIC in PIM</b> Integrate the FPIC in the PIM of the restructured project (include in the MoU process, in the business plan processes, community monitoring, Grievance Mechanism etc.).	PMU	07/2020
<b>FPIC Training</b> Carry out trainings on FPIC for PMU staff, consultants and partners in the project implementation unit and for community-designated leaders and project focal points designated by communities.	PMU in collaboration with an FPIC specialist (IFAD support as needed)	10/2020
<b>Project Management</b>		
<b>M&amp;E database and platform</b> Adapt the Excel M&E database to the needs of the restructured HESAD and devise a mechanism to share its use among the different partners with M&E responsibilities (e.g. through a shared drive).	M&E Officer	07/2020
<b>Adapt the M&amp;E Plan to the restructuring proposal</b> Revise and align the M&E plan with the restructuring proposal, establishing clear M&E roles and responsibilities of the implementing partners.	M&E Officer	07/2020

<b>Adapt the M&amp;E tools to the restructuring proposal</b>  Revise and adjust the M&E tools to the restructuring proposal: mini-baseline, reporting templates, forms for means of verification, resilience scorecard, tools for new log-frame indicators, etc.	M&E Officer	07/2020
<b>Revise the KM Strategy</b>  Further simplify the KM Strategy and incorporate a clear timeline with allocated human and financial resources until project end.	M&E Officer	08/2020
<b>Financial Management &amp; Execution</b>		
<b>Procurement Planning Process</b>  Submit to IFAD, together with the AWPB, the revised Procurement Plan for the 2020 calendar year, aligned with the restructuring proposal.	ASDU	07/2020
<b>Procurement</b>  New procurement methods and prior review thresholds will be reflected in the amended Letter to the Borrower.	IFAD	07/2020
<b>Procurement Planning - Community Participation procurement</b>  Submit to IFAD the procurement schema to be used by the Community.	ASDU	07/2020
<b>Disbursement projections and reallocation of funds</b>  Present disbursement projection and financial table for reallocation of funds (as part of restructuring proposal).	ASDU	07/2020
<b>Partial Fund Cancellation</b>  Define targets and timeframe for monitoring project execution. Not meeting targets on time will trigger partial cancellation of funds.	IFAD in consultation with MOF and ASDU	07/2020
<b>Procurement Planning - Community Participation procurement</b>  Elaborate a section in the GIF manual to provide guidance and support to Community procurement.	IFAD	07/2020
<b>IFAD Client Portal Roll out</b>  HESAD and IFAD will work together to ensure that the ICP go-live will take place by 31 July 2020.	ASDU in collaboration with IFAD	07/2020
<b>Private Audit of Investment Fund</b>  Include, in the Grant Investment Manual, an annual audit of the IF to be carried out by a private audit firm.	ASDU	07/2020
<b>In-kind contributions</b>  Register and fully document in-kind government contributions, including the methodology for their calculation. This documentation will be verified during supervision missions and audits.  Ongoing activity	PMU Finance Officer	



## **Guyana**

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### **Hinterland Environmentally Sustainable Agricultural Development Project Partial Supervision Report**

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

Mission Dates: 01/06/2020 - 23/06/2020  
Document Date: 22/07/2020  
Project No. 2000001472  
Report No. 5416-GY

Latin America and the Caribbean  
Programme Management Department



## Mission Schedule

Date	Time (GUY)	Meeting	Content	Participants (IFAD) <sup>1</sup>	Participants (GOG)
Monday 1 June 2020	8.30-10.30	Progress on project implementation and restructuring proposal	PMU presentation: i) update on progress in log-frame targets and expenditures to date, and ii) main thrusts of the restructuring proposal	All mission members	<b>Mr. Latchman</b> , PMU, Mr. Jervis, Ms. Nedd, MOF
		Break			
	11.00-12.30	Overview of value chains, community projects and COVID19 response	Detailed review of proposed interventions and changes to project components in Region 9 and Region 1	All mission members	<b>Mr. Latchman</b> , PMU, Mr. Jervis, Ms. Nedd, MOA Agencies (Dr. Oudho NAREI, Mr. Bumberbatch, GLDA, and Mr. Halley, Agriculture Officer R9)
		Lunch			
	PM	Procurement risk matrix	Risk and capacity assessment	Gabriele del Monte	Alborn Carbon
	15.00 – 16.00	Review of mission agenda	Jointly review the mission agenda and make any necessary adjustments	Maija Peltola, Timothy, Isabel de la Peña	Mr. Latchman
Tuesday 2 June 2020	8.00-10.30	Project management	Potential partnerships, implementation arrangements and changes in staffing (central/regional level)	Timothy McIntosh	Mr. Latchman
		Break			
		Sessions with KII along the VC actors in the regions	Key informant interviews: <ul style="list-style-type: none"> <li>Randy Gilbert: Cassava, Soft Fruits farmer</li> <li>James George: Toshao-Moco Moco</li> <li>David Fernandes: Poultry large-scale producer</li> <li>Aubrey Roberts: Honey VC</li> <li>Brian Chintaman: Annai Village Teacher and member of the School feeding programme Committee</li> <li>Bryan Allicock: Regional Chairman Region 9</li> </ul>	Rikke, Isabel, Maria	Mr. Sukra, Mr. Ralph, Ms. Torres
		Lunch			
	15.00 – 17.00	Project management	Potential partnerships, implementation arrangements and changes in staffing (central/regional level)	Timothy McIntosh	Mr. Latchman, Mr. Jervis
Wednesday 3 June 2020	8.30 – 10.30	Project restructuring proposal	PMU presentation on the restructuring proposal to gather feedback from Indigenous Peoples' Representatives	Maija, Isabel, Timothy McIntosh, Rikke, Maria	<b>Mr. Latchman</b> , PMU, Mr. Jervis, Mr. Andries, Ms. Sonya Roopnauth (MOF) Ms. Mildred Akpan (MOIPA), District Councils

<sup>1</sup> Suggested moderators per session are included in bold on a rotating basis

		Break			
	11.00-12.30	Internal IFAD mission team meeting	Key elements of the restructuring	All mission members <b>(Maija Peltola)</b>	N/A
	TBD	Procurement		Gabriele del Monte	Mr. Carborn
		Lunch			
Thursday 4 June 2020	AM /PM	Working on restructuring proposal	KII with VC actors: <ul style="list-style-type: none"> <li>• Grace Albert, Manager, Wowetta Farine Factory</li> <li>• Rebecca Faria, RLPA Rupununi Livestock Producers Association</li> <li>• Whanita Phillips, Toshao, Santa Rosa-R1</li> <li>• Mr. Fischer, Ex-REO-R1, Farmer</li> <li>• Mr. Pearson, Manager, Turmeric Factory – R1</li> <li>• Sonia Sears, Aranaputa Peanut Factory, R9</li> <li>• Gerard Pereira, KMCRG Project Manager</li> </ul>	All mission members	PMU
Friday 5 June 2020	9.00 – 11.00	Management of Investment Fund: experiences and options	PMU presentation on procurement process for the Financial Institution, and options for investment fund management. Sharing of experiences from other organisations in Region 9	All mission members <b>(Maija Peltola)</b>	PMU, Mr. Jervis, Ms. Nedd, MOF (Mr. Balgobin, Mr. Andries), Mr. Edwards and Mr. Parris-Aaron (CI), Ms. Akpan, Mr. John
		Break			
	11.30 – 12.30	IFAD team meeting		All mission members <b>(Maija Peltola)</b>	
		Lunch			
	15.00 – 16.00	Review of mission agenda	Jointly review the mission agenda and make any necessary adjustments	Maija Peltola, Timothy, Isabel de la Peña	Mr. Latchman, Mr. Jervis, PMU
6 & 7 June			P		
Monday 8 June 2020	10.00 -11.00	Restructuring proposal	PMU internal session: Costing, M&E arrangements, Implementation arrangements, Procurement	Timothy McIntosh	PMU
		Break			
	15.00 – 17.00	Financial management & Procurement	Risk and capacity assessment / Guidance, process and requirements, for the finalisation of the restructuring proposal in terms of budget and procurement	<b>Dario Rimedio</b> , Gabriele del Monte	Germaine + Jennifer
Tuesday 9 June 2020		Work on Restructuring Proposal	Thematic meetings : <ul style="list-style-type: none"> <li>• Costing</li> <li>• M&amp;E</li> <li>• Implementation arrangements</li> <li>• Procurement</li> </ul>	Timothy McIntosh	PMU
Wednesday 10 June 2020	10.00 -11.30	Restructuring proposal	PMU presentation on revised restructuring proposal based on findings from week 1	All mission members <b>(Maija Peltola)</b>	PMU, PS, Mr. Jervis, + MOF (Mr. Balgobin)
	12.00 – 13.00	IFAD team internal meeting		All mission members <b>(Maija Peltola)</b>	
		Lunch			

	15.00 – 16.30	Monitoring and evaluation	PMU presentation on M&E tools and arrangements under the restructuring proposal	Maija Peltola, <b>Timothy McIntosh</b> , Rikke Olivera, Isabel de la Peña and Maria Elfving	PMU, Ms. Beerjit (M&E Unit MOA), District Councils Ivor Marslow and Kid James
Thursday 11 June 2020	8.30 – 10.30	Targeting, gender, youth and FPIC	Analysis on how the restructuring proposal addresses the project's elements on targeting, gender, FPIC	Timothy McIntosh, Rikke Olivera and <b>Maria Elfving</b>	PMU
	11.00 – 12.30	Development, approval and evaluation of Plans	Discuss the process for Plan development, stages of approval and multi-stakeholder evaluation panel	Maija Peltola, <b>Timothy McIntosh</b> , Rikke Olivera, Isabel de la Peña and Maria Elfving	PMU
		Lunch			
	15.00 – 17.00	Budget, disbursement and procurement	Analysis of suggested changes to budget and disbursement projections & procurement methods	<b>Dario Rimedio</b> , Gabriele del Monte, Isabel de la Peña and Maija Peltola	PMU
Friday 12 June 2020	9.00 – 11.00	Restructuring Proposal	Feedback from IP, local NGOs and organisations on restructuring proposal	Timothy McIntosh, Rikke Olivera, Isabel de la Peña and <b>Maria Elfving</b>	PMU, Mildred Akpan, René Edwards, Kid James, Ivor Marslow, Gerard Pereira (KMCRG)
	13.30– 14.30	IFAD mission team meeting		All mission members ( <b>Maija Peltola</b> )	N/a
13 & 14 June					
Monday 15 June 2020	9.00 – 10.30	Logical framework and M&E tools	PMU to present suggested changes to the logical framework and M&E arrangements	Maija Peltola, <b>Timothy McIntosh</b> , Rikke Olivera, Isabel and Maria Elfving	PMU, Natasha Beerjit (M&E Unit)
	11.00 – 12.30	Nutrition and Knowledge Management	Analysis on how the restructuring proposal addresses the project's focus on nutrition and update on KM strategy	Timothy McIntosh, María Elfving, Rikke Olivera, <b>Isabel de la Peña</b>	PMU, Natasha Beerjit (M&E Unit)
		Lunch			
	14.30 – 15.00	Review of mission agenda	Jointly review the mission agenda and make any necessary adjustments	Maija Peltola, Timothy, Isabel de la Peña, Rikke Olivera	Mr. Latchman
Tuesday 16 June 2020	8.30 – 11.00	Amendment to the financing agreement	Discuss the process and elements needed for the amendment to the financing agreement and potential partial fund cancellation	<b>Maija Peltola</b> , Dario Rimedio, Itziar Garcia, Isabel de la Peña	Mr. Balgobin
	13.30 – 14.30	IFAD Internal Team Meeting		All mission members	
Wednesday 17 June 2020	8.00 – 9.00	FPIC	FPIC in the restructuring proposal and FPIC Training	Timothy McIntosh and <b>Maria Elfving</b>	Mr. Latchman, Vanda Rad Radzik

	11.00	FPIC –follow up	FPIC in the restructuring proposal and the revised PIM	Timothy McIntosh, Rikke Olivera, Isabel de la Peña and <b>Maria Elfving</b>	Mr. Latchman
Thursday 18 June 2020	8.00 – 10.00	Logical Framework and M&E tools	PMU to present suggested changes to the logical framework and M&E tools	Timothy McIntosh, María Elfving, Rikke Olivera, Isabel de la Peña	PMU, <b>Joel Sukra</b> , Natasha Beerjit (M&E Unit)
	13.00– 15.00	Budget, disbursement projections and procurement	PMU to present a suggested changes to budget and disbursement projections	All mission members	PMU, Mr. Andries (MOF)
Friday 19 June 2020	13.30– 15.00	IFAD Internal Team Meeting	Review of agreed actions	All mission members	
Tuesday 23 June 2020	10.00 – 12.00	Wrap up meeting	PMU to present restructuring proposal Agreed actions and next steps for the amendment to the FA	All mission members	<b>Mr. Latchman</b> , PMU, Mr. Jervis, Ms. Nedd, MOF (Mr. Balgobin, Mr. Andries)

## List of people consulted during the remote partial supervision mission for the restructuring of the HESAD Project (June 2020)

### GOVERNMENT OF GUYANA

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**Mr. Tarachand Balgobin**

Head, Project Cycle Management Division Ministry of Finance

**Mr. Cornell Ch. Campbell-Andries**

Economic & Financial Analyst II

Project Cycle Management Division

Ministry of Finance

**Ms. Denise de Souza**

Head, Multilateral Financial Institutions Department

Ministry of Finance

**Ms. Delma Nedd**

Permanent Secretary (Agriculture)

Ministry of Agriculture

**Mr. George Jarvis**

Director

Agriculture Sector Development Unit (ASDU)

Ministry of Agriculture

**Dr. Oudho**

National Agricultural Research & Extension Institute, NAREI

Ministry of Agriculture

**Mr. Bumberbatch,**

Guyana Livestock Development Authority, GLDA

Ministry of Agriculture

**Mr. Halley**

Agriculture Officer Region 9

Ministry of Agriculture

**Mr. Raymond Latchman**

Project Coordinator PMU- HESAD Project

Agriculture Sector Development Unit (ASDU)

Ministry of Agriculture

**Mr. Joel Sukra**

M&E Officer, PMU

Agriculture Sector Development Unit (ASDU)

Ministry of Agriculture

**Mr. Egbert Ralph**

Regional Coordinator Region 9, PMU

Agriculture Sector Development Unit (ASDU)

Ministry of Agriculture

**Ms. Priscilla Torres**

Field facilitator Region 9, PMU

Agriculture Sector Development Unit (ASDU)

Ministry of Agriculture

**Ms. Germaine Robinson**

Finance Officer, PMU

Agriculture Sector Development Unit (ASDU)

Ministry of Agriculture

**Ms. Jennifer Daziel**

Finance Manager

Ministry of Agriculture

**Ms. Natasha Beerjit**

M&E Unit, Ministry of Agriculture

**Ms. Geralyn Hamilton**

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Environmental Specialist, PMU  
Ministry of Agriculture  
**Mr. Alborn Carbon**  
Procurement Officer, PMU  
Ministry of Agriculture

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## **OTHER ORGANISATIONS AND KEY INFORMANT INTERVIEWS**

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**Mr. Patrick John**  
UNDP GEF SGP, Managing hinterland grants

**Mr. Rene' Edwards**  
Conservation International

**Ms. Maxine Parris-Aaron**  
Conservation International

**Ms. Mildred Akpan**  
Former Manager of the Amerindian Development Fund  
Ministry of Indigenous Peoples Affairs, MOIPA

**Mr. Kid James**  
South Rupununi District Council

**Mr. Ivor Marslow**  
North Rupununi District Council  
NRDDB

**Mr. Gerard Pereira**  
Project Manager  
Kanunku Mountains Community Representative Group, KMCRG

**Mr. Randy Gilbert**  
Model Farmer, NGO Ag extension

**Mr. James George**  
Toshao-Moco Moco

**Ms. Grace Albert**  
Manager  
Wowetta Farine Factory

**Ms. Rebecca Faria**  
RLPA, Rupununi Livestock Producers Association

**Mr. David Fernandes**  
Poultry producer (coastal large scale), Rancher, poultry producer-R9

**Ms. Aubrey Roberts**  
Beekeeper, trainer, input supplier

**Whanita Phillips**  
Toshao, Santa Rosa-R1

**Mr. Fischer**  
Ex-REO-R1, Farmer

**Mr. Pearson**  
Manager, Turmeric Factory – R1 (NAREI)

**Mr. Brian Chintaman**  
Annai Village Teacher

**Ms. Sonia Sears**  
Aranaputa Peanut Factory

**Mr. Bryan Allicock**  
Regional Chairman

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