

## **Kenya**

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### **Kenya Cereal Enhancement Programme Climate Resilient Agricultural Livelihoods Window**

#### **Supervision Report**

#### **Main report and appendices**

Mission Dates: 3-17 September 2018  
Document Date 11/09/2019  
Project No. 1100001651  
Report No. 5088-KE

East and Southern Africa Division  
Programme Management Department

## Abbreviations and Acronyms

<b>AGMARK</b>	Agricultural Market Development Trust
<b>AIRC</b>	Agricultural Information Research Centre
<b>ASALs</b>	Arid and Semi-Arid Lands
<b>ASAP</b>	Adaptation for Smallholder Agriculture Programme
<b>AWPB</b>	Annual Work Plan and Budget
<b>CA</b>	Conservation Agriculture
<b>CBO</b>	Community-Based Organization
<b>CCCF</b>	County Climate Change Fund
<b>CETRAD</b>	Centre for Training and Integrated Research in ASAL Development
<b>CIDP</b>	County Integrated Development Plan
<b>CIS</b>	Climate Information Service
<b>CIST</b>	County Implementation Support Team
<b>CoopBank</b>	Cooperative Bank of Kenya Limited
<b>CPCC</b>	County Programme Coordinating Committee
<b>EAGC</b>	Eastern Africa Grain Council
<b>EBL</b>	Equity Bank Limited
<b>ECSMP</b>	Environmental, Climate and Social Management Plan
<b>EGF</b>	Equity Group Foundation
<b>ESRN</b>	Environment and Social Review Note
<b>EU</b>	European Union
<b>FAO</b>	Food and Agricultural Organisation
<b>GAP</b>	Good Agricultural Practice
<b>GYESI</b>	Gender Youth Equity and Social Inclusion
<b>GoK</b>	Government of Kenya
<b>ICRAF</b>	International Centre for Research in Agroforestry
<b>IFAD</b>	International Fund for Agricultural Development
<b>IPM</b>	Integrated Pest Management
<b>KALRO</b>	Kenya Agriculture & Livestock Research Organization
<b>KCEP</b>	Kenya Cereal Enhancement Programme
<b>KCEP-CRAL</b>	Kenya Cereal Enhancement Programme – Climate Resilient Agricultural Livelihoods Window
<b>KENAO</b>	Kenya National Audit Office
<b>KES/Ksh</b>	Kenyan Shillings
<b>KMD</b>	Kenya Meteorological Department
<b>KM</b>	Knowledge Management
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MIS</b>	Management Information System
<b>MoALF&amp;I</b>	Ministry of Agriculture, Livestock, Fisheries and Irrigation
<b>MoU</b>	Memorandum of Understanding
<b>NDMA</b>	National Drought Management Authority
<b>NGO</b>	Non-Governmental Organization

<b>ORMS</b>	Operational Results Management System
<b>PCU</b>	Programme Coordination Unit
<b>PFI</b>	Participating Financial Institution
<b>PMP</b>	Pesticide Management Plan
<b>POS</b>	Point of Service
<b>PPE</b>	Personal Protective Equipment
<b>PSC</b>	Programme Steering Committee
<b>R/RBA</b>	(Regional) Rome-Based Agencies (FAO, IFAD & WFP)
<b>SECAP</b>	Social, Environmental and Climate Assessment Procedures
<b>SCDP</b>	State Department for Crops Development
<b>SCPCC</b>	Sub-county Programme Coordination Committees
<b>SIDA</b>	Swedish International Development Agency
<b>TOR</b>	Terms of Reference
<b>USD/US\$</b>	United States of America Dollar
<b>WAO</b>	Ward Agriculture Officer
<b>WSC</b>	Ward Selection Committee
<b>WFP</b>	World Food Programme

## A. Project Overview

Region:	East and Southern Africa Division	Project at Risk Status:	Not at risk
Country:	Kenya	Environmental and Social Category:	B
Project Name:	Kenya Cereal Enhancement Programme Climate Resilient Agricultural Livelihoods Window	Climate Risk Classification:	not available yet
Project ID:	1100001651	Executing Institution:	Ministry of Agriculture, Livestock and Fisheries
Project Type:	Agricultural Development	Implementing Institutions:	not available yet
CPM:	Esther Kasalu-Coffin		
Project Director:	Esther Magambo, Senior Programme Coordinator		
Project Area:	Bungoma, Embu, Kakamega, Kilifi, Kitui, Kwale, Machakos, Makueni, Nakuru, Nandi, Taita Taveta, Tharaka Nithi and Trans Nzoia		

Approval Date:	22/04/2015	Last audit receipt:	31/12/2018
Signing Date:	26/08/2015	Date of Last SIS Mission:	17/09/2018
Entry into Force Date:	26/08/2015	Number of SIS Missions:	5
Available for Disbursement Date:	19/10/2016	Number of extensions:	0
First Disbursement Date:	25/10/2016	Effectiveness lag:	4 months
MTR Date:	not available yet		
Original Completion Date:	30/09/2022		
Current Completion Date:	30/09/2022		
Financial Closure:	not available yet		

## Project total financing

IFAD Financing breakdown	ASAP Trust Fund	\$10,000,000
	IFAD	\$61,776,000
Domestic Financing breakdown	Beneficiaries	\$29,136,000
	Domestic Financing Institutions	\$1,860,000
	National Government	\$1,551,000
Co-financing breakdown,	European Union	\$11,686,000
Project total financing:		\$116,009,000

## Current Mission

Mission Dates: 3-17 September 2018

Days in the field: 9

Mission composition: Esther Kasalu-Coffin (Country Director and Overall Mission Leader), Penelope Urquhart (Climate Resilient Development Expert), Jonathan Agwe ( Senior Technical Specialist - Inclusive Rural Financial Services, IFAD), Jonathan Makau Nzuma (Agricultural Value Chain Development Specialist), Michael Ngutu (National Crops Officer, FAO), Akinyi Nzioki (Targeting, Gender and Youth Empowerment Consultant), Godfrey Wanjohi (Financial Management Specialist), Mohamed Abdel-Latif (Procurement Management Specialist), Francis Nthuku (Knowledge Management, Visibility and M&E Consultant) and Moses Abukari (Regional Programme Manager and Deputy Mission Leader, IFAD)

Field sites visited: Nakuru County [PCU-Western Region Office (-0.2774210; 36.02980); an e-voucher farmer's field (-0.4291200;35.91610); CBO grain aggregation centre (-0.4285980;35.91800); in Nessuit Ward and Mwanachiwi farmers store agro-dealer (-03268050;35.94000) in Njoro Sub-county]; Bungoma County [Baves agro-dealer (0.8048070;34.86700) in Naitiri Ward and selected CBO warehouse (0.7352580;34.83290) in Milima Ward in Tongaren Sub-county]; Tharaka Nithi County [Kithimo agro-dealer (in Tharak South) and Kitimu e-voucher farmers (-0.02241000;37.96980) in Nkondi Ward in Tharaka Nithi South Sub-County]; Kitui County [Kimu Mwangaza CBO aggregation Centre (-0.5834660;38.14330) in Kyuso Ward and Mutui Kenya Ltd agro-dealer (-0.731140;38.08620) in Mwingi North Sub-county]

## 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

<b>Effectiveness and Developmental Focus</b>	<b>4</b>	<b>Project Management</b>	<b>4</b>
Effectiveness	4	Quality of Project Management	4
Targeting and Outreach	5	Knowledge Management	4
Gender equality & women's participation	4	Value for Money	4
Agricultural Productivity	4	Coherence between AWPB and Implementation	3
Nutrition	4	Performance of M&E System	4
Adaptation to Climate Change	4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	3

<b>Sustainability and Scaling-up</b>	<b>4</b>	<b>Financial Management and Execution</b>	<b>4</b>
Institutions and Policy Engagement	4	Acceptable Disbursement Rate	2
Partnership-building	4	Quality of Financial Management	3
Human and Social Capital and Empowerment	4	Quality and Timeliness of Audit	6
Quality of Beneficiary Participation	4	Counterparts Funds	5
Responsiveness of Service Providers	4	Compliance with Loan Covenants	3
Environment and Natural Resource Management	3	Procurement	3
Exit Strategy	4		
Potential for Scaling-up	5		

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

### Background and Main Objective of the Mission

The International Fund for Agricultural Development and the Government of Kenya undertook a joint supervision mission of the European Union (EU) co-financed multi-Donor Action *Kenya Cereal Enhancement Programme – Climate Resilient Agricultural Livelihoods Window* (KCEP-CRAL) from 3-17 September 2018. The main objective of the mission was to review both the technical and fiduciary aspects of KCEP-CRAL as well as review the Gender, Youth and Targeting, Monitoring and Evaluation, Knowledge Management & Visibility and Institutional arrangements. In addition, the mission took the opportunity to provide general implementation support to the Programme Coordination Unit (PCU) as well as key implementation partners.

The mission had a debriefing with the PCU on 3 September 2018 at the Agricultural Information Research Centre (AIRC) in Nairobi, followed by presentations and technical discussions with key implementing partners on 4 September 2018 at the same venue. The Mission had further bilateral and technical discussions with key partners and PCU prior to the start of the field visits on 5 September 2018. The first field visit<sup>[1]</sup> was to the Western Region (WR) from 5-7 September 2018 where the Missions had presentations from the Western Regional PCU, Nakuru and Bungoma Agricultural Staff; interacted with farmers and farmers' groups (Nessuit ward in Njoro Sub-County, Naima Ward in Tongaren sub-county), visited an e-voucher farm in Njoro, inspected grain collection/aggregation centre (Njoro) and warehouse (Tongaren) to be supported by the Programme as well as interacted with two agro-dealers (in Njoro and Tongaren) participating in the Programme. Representatives of Agricultural Market Development Trust (AGMARK), Eastern Africa Grain Council (EAGC) and Equity Bank Kenya Ltd (EBL) joined the field visits. The second visit<sup>[2]</sup> was to the Eastern Region (ER) from 8-13 September 2018 where the Mission had presentations from the Eastern Regional PCU, County Agricultural Staff from Tharaka Nithi (in the presence of the County Executive Committee Member for Agriculture, Water and Livestock) while in Kitui presentations were made by County Agricultural Staff, County Climate Change Committee, Adaptation (ADA) Consortium, World Food Programme (WFP) and FAO (both the County Executive Committee Members for County Agriculture and Environment of Kitui participated in the respective meetings). The Mission met with County Accountant in Tharaka Nithi, discussed with two agro-dealers (Tharaka North Sub-County and Mwingi West Sub-County), had focussed group discussions with e-voucher farmers in Nkondi Ward, Tharaka South Sub-county) visited County Climate Change Fund (CCCCF) financed dam and interacted with beneficiaries supported by ADA Consortium in Kitui Rural; met with Mwingi West sub-county staff and stakeholders as well as inspected community-based organization (CBO) collection/aggregation centre in Kyuso Ward and had focussed group discussions with the members of the CBO.

The mission had a pre-wrap up meeting, Chaired by Esther Kasalu-Coffin (Country Director and Head of the Eastern and Indian Ocean Hub, IFAD) with the PCU to discuss and agree on preliminary findings, conclusions and recommendations as well as clarify key issues on 15 September 2018, at AIRC in Nairobi. The final wrap up meeting, Chaired by **Mr Josphat Gathiru Muhunyu** (Deputy Director of Agriculture and Head of the Agricultural Projects Coordinator Unit, MoALFI) was held on 17 September 2018, (at AIRC, Nairobi) to agree on the overall mission's conclusions and recommendations as captured in the Aide Memoire. However, the final mission's conclusions and actions are subject to IFAD Management review and endorsement as will be captured in the supervision report.

<sup>[1]</sup>The team members are: **Jonathan Agwe** (Senior Technical Specialist – Inclusive Rural Financial Services, IFAD); **Penelope Urquhart** (Climate Resilient Development Expert), **Jonathan Makau Nzuma** (Agricultural Value Chain Development Specialist), **Michael Ngutu** (National Crops Officer, FAO), **Akinyi Nzioki** (Targeting, Gender and Youth Empowerment Consultant), **Godfrey Wanjohi** (Financial Management Specialist), **Francis Nthuku** (Knowledge Management, Visibility and M&E Consultant) and **Moses Abukari** (Regional Programme Manager and Deputy Mission Leader, IFAD). The PCU team included: **Esther Magambo** (Senior Programme Coordinator, KCEP-CRAL), **Maryann Njogu** (Programme Coordinator, KCEP-CRAL), **Chomboi Kiprotich** (Value Chain Development Officer, KCEP-CRAL), **Zaweria Thuku** (Financial Services Specialist, KCEP-CRAL), **Pamela Kimkung** (Gender, Training and Community Mobilization Officer, KCEP-CRAL), **Charles Ndambo** (Ministry of Devolution and ASALs, PSC Member), **Gathiru Muhunyu** (Director-Agricultural Projects Coordinator Unit, PSC member), **Mary Nzomo** (County Executive Committee Member-County Agriculture, Livestock and Fisheries, Trans Nzoia, PSC Member), **Joyce Karanja** (Seed Traders Association of Kenya, PSC representatives) and KCEP-CRAL Western Regional PCU (Carol Kamau, Agribusiness Officer and Head of Region and Martha Sila, Agronomist).

<sup>[2]</sup>The team members are: **Esther Kasalu-Coffin** (Country Director and the Head of Eastern Africa and Indian Ocean Hub, Overall Mission Leader, 9-12 Sept 2018); **Jonathan Agwe**; **Penelope Urquhart**; **Jonathan Makau Nzuma**; **Michael Ngutu**; **Akinyi Nzioki**; **Godfrey Wanjohi** (9-11 Sept 2018); **Francis Nthuku** and **Moses Abukari**. The PCU team included: **Esther Magambo**; **Nyakundi Mogere** (Finance and Administration Manager, KCEP-CRAL), **Justin Muriuki** (Natural Resource Management/Climate Change Specialist, KCEP-CRAL), **Alex Mwaniki** (Senior Knowledge Management & Monitoring & Evaluation Specialist, KCEP-CRAL), **David Sitoi** (Rural Civil Engineer, KCEP-CRAL), **Esther Nzomo** (Agribusiness Officer and Head of Coast Region PCU), **David Rono** (Ministry of Environment, PSC Member), **Catherine Ng'ang'a** (Director-Human Resources Office-MoALFI, PSC member) and **Evelyn Njue** (County Officer-County Agriculture, Livestock and Fisheries, Tharaka Nithi County, PSC Member).

## Key Mission Agreements and Conclusions

Overall, the Programme is not-at-risk as there is notable progress in implementation of key activities resulting in tangible outputs and emerging outcomes and impacts despite major challenges in the past year. To this end, the Programme interventions are **reaching cumulatively 73,433 smallholders** (46.5% women, 19% youth and 34.5% men) representing 40% achievement of the overall target of 185,000 farmers. It has cumulatively produced **30,458 mt of grains** (27,829 tons maize, 1,460 tons beans, 734 tons of sorghum and 435 tons of green grams) of which cumulatively 4,027 mt has directly contributed to reducing the national grain deficit target of 41,000 mt as well as promoting dietary diversity through development of local cereal recipe books as part of nutritional education. The Programme has developed tools recently to monitor outcomes of the interventions thereby enhancing its development effectiveness and focus underpinned by a recalibrated smallholder resilient graduation model. However, it was agreed efforts are needed to timely conclude the mobilization of partners especially with regards to review and signing of i) subsidiary agreements with Equity Bank Kenya Limited, KALRO and AGMARK and ii) MoUs with NDMA and FAO.

With **33,549 smallholders** (15,928 women, 10,930 men, 4,245 female youth and 2,446 male youth) out of a target 140,000 are cumulatively benefiting from the e-voucher package (assorted certified seeds of maize, bean, sorghum and green gram; various quantities of inorganic fertilizers; foliar feed and pesticides and post-harvest items: tarpaulins and hermetic bags) cultivated on **33,549 acres of farmland over three cropping seasons**, but the **recorded 35% inter-seasonal transition** rate is a growing concern to the mission. Although several factors are contributing to this low transition, the reported low production and productivity raises a concern that if appropriate climate change risk mitigation measures (inclusion of conservation agriculture, crop insurance, consideration of more appropriate enterprises for ASALs and push-pull technology) are not fully considered, the Programme risks not achieving its full expected outcomes and impacts as well as reach sustainability of the e-voucher scheme including addressing appropriately emerging environmental and social risks with regards to increasing use of agro-chemicals within the framework of social, environmental and climate assessment procedures;

As a multi-donor Action, the overall disbursement rate still remains **low at 18.7%** (estimated disbursement of **US\$28.7 million** out of a total Programme cost of US\$153.20 million) at the time of the mission. This cumulative disbursement is distributed as follows: **52.6%** (US\$15.09 million or Euro 13.00<sup>11</sup> million) from the **EU**; **28.1%** (US\$8.07 million) **IFAD financing** (4.8% ASAP Grant; 19.1% Loan and 4.2% Grant to FAO) and **19.3%** (US\$5.53 million) from **Domestic Financing** (US\$ 1.89 million GoK; US\$2.38 million Participating Financial Institutions-PFIs and US\$1.27 million beneficiaries). For the **2017/2018 work plan and budget**, there is relatively low overall execution rate. At the end of financial year (30 June 2018), **163** out of the total 426 planned activities had been completed (**execution rate of 38.3%**) corresponding to a **budget utilisation rate of 33.6%** from the total estimated budget of US\$23.5 million. The Mission noted the prolonged general elections resulting in delays and changes in leadership at both national and county levels as well as delay in finalizing key partnership frameworks were the main reasons for the low AWPB performance. Nevertheless, the 2018/2019 AWPB seems quite over-ambitious: while the Mission acknowledges the impact of external factors on the AWPB execution, it was agreed that the PCU would ensure effective and pro-active monitoring and realistic planning and execution of AWPB with priority efforts on the key components in order to achieve value for money.

Notwithstanding the above, the notable annual output achievements are related to capacity building and institutional strengthening of farmers and their organizations: i) established 378 demo plots at farmers group level and trained them in GAP and NRM, organized six exhibitions and trade fairs and six farmer field days as well as formed 639 farmers groups; ii) trained 196 ToTs (119 male adult, 58 female adult, 11 male youth and 8 female youth) in enhanced utilization of climate resilient foods and they have in turn conducted 169 farmer trainings; iii) trained beneficiaries on various post-production technologies and marketing with reported one-third reduction in post-harvest losses from baseline figure of 30% as well as linked smallholder farmers to 15 buyers resulting in 10,558.17 mt of grain traded (8,326.26 mt of Maize; 848.61 mt of green grams and 1,383.30 mt of sorghum) valued at KES391.82 million (73% Maize; 12% Sorghum and 15% green grams) and cumulatively 15,945.40 mt of grains (12,957.2 mt of maize; 1,860.60 mt of sorghum and 1,127.4 green grams) have been sold from 2016-2017 with marketed value of KES533.1 million; EAGC has planned to support and link KCEP-CRAL farmer groups with its *Grain Trade Business Hub* so that the groups can benefit from a range of services and markets; 45,582 farmers (6,872 female youth, 21,979 female adult, 4,826 male youth and 11,448 male adult) trained on marketing and sensitized on warehouse receipt system; trained 150 ToTs (61 youth and 89 adults) on post-harvest management and market linkages; established 100 out of an annual target of 118 collection centre management committees; supported 158 out of an annual target of 320 production clusters to develop actions after formally registering them as CBOs but 298 of these clusters have developed regulatory framework; iv) supported 23 Hub agro-dealers in bulk procurement process; v) trained 25,898 farmers (13,194 women, 4,154 youth and 8,550 men) in financial literacy out of the overall target of 140,000 (representing 18.5% achievement rate) resulting in cumulative voluntary savings of US\$1.96 million (US\$0.58 million by female and US\$1.38 million by male) into KCEP accounts while accessing KCEP specific loans totalling US\$2,775 (25% by female and 75% by male) in addition to having other saving accounts (US\$33.09 million: 62% male and 38% female) and loans (US\$3.75 million) as of 31 March 2018.



## D. Overview and Project Progress

*to be shortened*

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Finalization of partnership frameworks</b>  Expedite the finalization of the partnership agreements with EBL, NDMA, KALRO, AGMARK and FAO	PCU/SDCD/TNT	09/2018
<b>Prioritize outcome monitoring based on resilient VC framework</b>  The programme should review its monitoring tools to ensure a shift from intensive output to consistent outcome capturing of results to serve as further basis for effective management planning and decision-making taking into account the newly adopted resilient value chain graduation model which should also guide all implementing partners continuous	PCU/Key implementing partners	
<b>Speed up implementation of activities in critical components</b>  The Programme and implementing partners to continuously ensure that time and weather sensitive activities are prioritized for field implementation to minimise any potential risks in delivery of key outputs and results continuous	PCU and implementing partners	

## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

<b>Effectiveness</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### Justification of rating

37. Overall effectiveness has been mix so far and there is growing risk that the Programme could not achieve its goal and objectives if further pro-active and problem solving approach are not effectively adopted. While the recalibrated programme resilient graduation model is in place, there is a strong need that this is completely internalized by the PCU, PSC and across the platform of partnership including the farmers. The delay in on-boarding some of the key partners has severely impacted on programme performance in view of the expected results at the time of the mission. The PCU should use the resilient graduation model as a strong basis to re-strategize on how to attain the optimal balance on income-food security-nutrition-natural resource management nexus of the programme

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

to be shortened

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Strategy to address farmers transition rate</b>  Review the challenges of low transition rate and use the outcome to develop appropriate strategies in moving forward	PCU/PFIs	05/2018
<b>balance on income-food &amp; nutrition security- NRM nexus</b>  Use resilient graduation model a strong basis for the PCU to re-strategize on how to attain the optimal balance on income-food & nutrition security- NRM nexus continuous	PCU	09/2018
<b>Improve transition rate from 10% to 40% co-contribution.</b>  Expedite timely access to e-voucher during the first year in order to mobilize savings from proceeds generated from the sale of first year crop to maintain active savings accounts to pay for the 40% co-contribution in the second year; in the absence of a relevant crop insurance program, provide a second chance (and last) e-voucher package to farmers who face a severe crop failure due to drought or flood on their first e-voucher supported crop. continuous	PCU/IFAD/EBL/Coop. Bank	09/2018
<b>Effective monitoring of improved technologies</b>  Develop effective monitoring of adoption of improved inputs among the e-voucher farmers beyond the one acre supported by the programme in order to compare adoption rates in cropping season that is not supported by programme continuous	PCU/County Agric Staff	

#### Development Focus

<b>Targeting and Outreach</b>	<b>Rating: 5</b>	<b>Previous rating: 4</b>
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#### Justification of rating

Targeting and outreach is rated Satisfactory. Female smallholders' farmers represent 46.7% of the overall Programme

outreach, while the youth are at 19.7%, thus exceeding the Programme target of 50% set for female and youth beneficiaries. Targeting performance is monitored with sex and age disaggregated data and information, although qualitative or documentation on outreach is not comprehensive enough to assess the real impact of the programme on the targeted individuals and household.

### Main issues

During the implementation period, the Programme appraised 185,000 smallholder farmers and cumulatively reached 70,610 (23,715 men, 33,000 women and 13,895 youth) beneficiaries ( representing 38.2% of the overall target) with various interventions, out of which 34,576 (11,283 men, 16,411 women and 6,882 youth) are subsistence/e-voucher beneficiaries and 36,036 (12,432 men, 16,589 women and 7,013 youth) market-oriented farmers. Youth and women and more specifically women-headed households are to benefit from direct targeting mechanisms guided by quotas for support. However, while the overall youth beneficiaries stand at 19.7%, most of these are female youth with very low representation of male youth. Data collection templates, disaggregated by sex and age have been developed and is being used to report at all level of Programme. The Programme should incorporate Women Empowerment in Agriculture Index (WEAI) and gender sensitive indicators against which to report, monitor/evaluate outputs, outcomes and impacts. Documentation and profiles of targeted farmers should be augmented to show-case the success of the Programme in transforming livelihoods.

KCEP-CRAL in Western Region covers five Counties (Nakuru, Nandi, Trans Nzoia, Bungoma and Kakamega) and KCEP-CRAL works in eight counties in the Eastern and Coastal semi-arid areas, namely; Kitui, Embu, Machakos, Makueni and Tharaka Nithi in the Coastal region, Kilifi, Kwale and Taita. The sub – county visited during this Mission e.g. Bungoma (Tongaren), Tharaka Nithi (Tharaka South) and Kitui (Mwingi West ) were targeted by County Governments on the basis of their remoteness and distance from services, high incidences of poverty and vulnerability to climate change in line with geographical targeting.

The Mission recommends a feasible and operational targeting strategy for reaching out to the youth especially the male youth such as use of quotas to ensure the youth are represented in farmer groups, or setting quantitative targets for their participation in Programme activities while supporting non-farm agricultural enterprises along the value chains of interest to them. All Programme staff should be responsible for reaching and reporting on their targets; and including women and youth.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Harmonization of targeting tool and methodology</b>  Finalize the harmonized targeting tool and methodology with consideration of pre-testing before full roll-out especially in the CRAL counties	CMGTO/M&E Team	06/2018
<b>Establish broader database of beneficiaries</b>  Use the harmonized process to establish a broader registry of potential beneficiaries to be enrolled into the programme for both category 1 & 2 farmers and youth to facilitate scalability	CMGTO/M&E Team	10/2018
<b>Develop operational strategies for reaching out to the youth</b>	PCU/Implementing Partners	06/2019

### Gender equality & women's participation

**Rating: 4**

**Previous rating: 4**

### Justification of rating

The programme is delivering on the objectives of its targeting of women and youth and their participation in the programme. Targeting performance is monitored and information on outreach of the beneficiaries are regularly collected and disaggregated by sex and age. Nevertheless the programme is yet to fully incorporate WAEI in order to assess how it is influencing women/youth in decision-making over agricultural production; control of production resources; leadership and; time use. This will provide a good basis to track women/youth empowerment and gender equality through the interventions. Effective gender mainstreaming requires that the gender capacity of all technical staff and partners be enhanced to ensure effectiveness of the gender and youth awareness/focus.

### Main issues

At the PCU level, the gender focal point is responsible for gender mainstreaming, social inclusion, community mobilization

as well as the implementation of the household methodologies and together with M&E and KM Officers are in charge for ensuring that women and youth are participating in the programme activities as equal partners, and that women and youth issues are adequately addressed. Specific programme resources have been allocated for gender sensitization and training. The programme is implementing operational measures to ensure women and youth are participation in and benefiting from planned activities from targeting beneficiary selection, skills and capacity building; and graduation, as reported under components 1, 2 and 3:

- Subsistence farmers mobilized in barazas of ER & CR 23790 farmers (10372Males, 10522 Females, 1242 Young Males, 1664Young Females (Cumulative: 88,882 (39,622M, 44,918F, 1,739MY, 2,603FY)
- Primary subsistence farmers groups formed targeting 5000 farmers - ER and WR. Annual: 11,836= 4,857M, 5,647F, 505YM, 827YF (Cumulative : 18,873=6,637M, 9,284F, 962YM, 1,990YF)
- Primary groups trained in organization & management WR; 115(2265=837M, 897F, 265YM, 266YF, ER: 264(6401= 1693M, 3509F, 363YM, 836YF (Cumulative; 432 (23,163=8489M, 11634F, 1209M, 1831YF)
- 278 agro-dealers trained out of – 110 males; 55 females; 60 young males and 53 young females
- Farmer technical packages defined ER, OND:2017; CR &WR MAM 2018 reached 645 farmers (429M, 158F, 31YM, 27YF)
- Demos plots at farmers' group level set up ER (OND) and WR (MAM) targeted 11,539 (4,629 Males, 5,398 Females , 1,512Youth)
- Utilization of climate resilient foods: Farmer training targeting 5000 farmers ER: 169 (767M, 3038F, 111YM, 21YF)
- A total of 150,000 Smallholder farmers targeted of which 95,000 from the ASALs organized in groups, trained on harvest and post-harvest management out of which 47,101 (M-11505 MY-4347 F-23012 FY-8237)
- A total of 250 targeted threshing/shelling service providers trained and their capacity to provide services to smallholder 106 (M- 67 MY- 18, F-13, FY-6 )
- 140,000 farmers with 120,000 in ASALs accessing e-voucher -Overall - 33,549 (10,930M:15,928F: 2,446MY; 4,245FY); ASALs - 12,385 (3,848M:6,847F: 811MY: 879FY
- 140,000 farmers with 120,000 in ASALs trained on Financial Literacy and accessing e-voucher 22,536 (7,545M: 11,629F:3,362Y)
- Total beneficiaries in Yr 2: 11,636 (1,700 ER, 9,936 WR); Female farmers have higher transition rates compared to male;

The programmes entry point is through groups and women's groups who are already mobilized and are easily reached are well informed in advance compared to other members of the community. The group approach of the programme during selection stage of mobilizing the farmers strengthens women's agency to join groups and to play leadership roles as decision-makers in community as chairpersons, secretaries and treasurers in the groups, warehouses and grain collection centres.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Operational gender and youth plan</b>  Prepare an operational gender and youth plan that contextualizes gender and youth relations and participation realities in the programme areas and also provide better pathways for engaging the more vulnerable	CMGTO	04/2018
<b>Training on Household methodologies and WEAI</b>  Strengthen the capacity of the PCU on HH methodologies and WEAI to enable the capturing of women empowerment data in M&E tools	CMGTO and M&E team/IFAD	04/2018
<b>Capturing Women in Agriculture Empowerment Index</b>  Fully incorporate in the reporting templates Women in Agriculture Empowerment Index continuous	GTCMO/MEO/Field staff	09/2018

**Agricultural Productivity****Rating: 4****Previous rating: 4****Justification of rating**

Yields on average improved from 1377 - 1450 kg/acre (5%) for maize for farmers who had received capacity building including input provision and training when compared to similar farmers who had not received the package. There was a wide range of achieved yields from as low as 45 kg/acre to as high as 3590 kg/acre. To achieve the yield targets of 100% for maize and the set targets for other crops, there is need to ensure the farmers still getting low yield, are supported to utilise the package as recommended. Further, the programme has only achieved 10% of the target 41000 MT contribute to a reduction of the National grain deficit. However, if the KARLO agreement is concluded and more TOFs are trained, progress could be accelerated.

**Main issues**

Productivity is gradually improving for farmers receiving the e-voucher package and training but this increase is not yet high enough on average to reach project targets. For all crops there were a few farmers who were demonstrating that the target yield for all crops could be attained. More emphasis needs to be put on improving the quality of contact between extension agents and farmers so that the package works as designed. More community mobilization is also required to ensure that more farmers get into the e-voucher programme. In the western region the trainings are strong on improved agronomic practises but weak on CA and every effort should be made to ensure CA is included through collaboration with organizations promoting CA in the region. The CA wallet is not activated and this could be contributing to the productivity not being optimised. The e-voucher package in most places well considered and the process of its selection inclusive and consultative.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Initiate trainings on GAP and CA for extension service providers and agro-dealers</b>	PCU/FAO/County Agric Staff	01/2018
<b>Enhance mechanisms to adopt improved inputs</b>	KALRO/County Agric Staff	02/2018
<b>Accelerate finalization of agreement with KALRO</b>  KALRO to ensure timely dissemination of technologies with focus on on-farm demos and continuously reviewing optimal technological packages that are cost effective and provide high productivity continuous	KALRO/PCU	09/2018
<b>Enhancing training of Farmers (ToF)</b>  Consider training additional Trainer of Farmers to increase the extension coverage	PCU/County Staff	01/2019

**Nutrition****Rating: 4****Justification of rating**

Nutrition is rated as moderately satisfactory. The mission noted the Programme has developed a recipe booklet manual and used it to train 196 ToTs in five counties and step-down training organized for 169 farmers groups. Furthermore, two PCU staff had participated in nutrition mainstreaming training organized by IFAD. There is also discussion through the RBA to support efforts on promoting nutrition-sensitive campaigns in the target countries and it is observed that farmers trained are using some of these knowledge and skills to prepare diverse food dishes from maize, beans, sorghum and green grams.

**Main issues**

The recipe booklet is a very useful material and it needs to be reviewed by experts including the RBA to ensure that it provide the relevant content to support nutritional promotional and awareness among the beneficiaries. During the field visit, the Mission had the opportunity to observed a group farmers demonstrating sorghum and green gram-based dishes. So far, the programme has trained 196 ToTs (119 male adult, 58 female adult, 11 male youth and 8 female youth) from five out of the eight targeted counties. These ToTs have intend trained 169 farmers groups (involving 3,038 female adult, 767 male adult, 111 male youth and 21 female youth) out of an annual target of 480. The Mission urges the Programme to

ensure that beneficiaries training is done timely as it is clear that there is incremental benefit including the possibility of the farmers' groups preparing and selling traditional dishes captured in the recipe booklets. However, it was not fully clear the levels of adaptation of these crops improvement on nutritional status, changing behaviour/attitudes of the targeted households. An evaluation is yet to be carried out to assess the emerging outcome and impact.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Nutrition Focal Point</b>  Nominate a Focal Point for Nutrition from the PCU to ensure consistent follow up on programme-related activities on improved nutrition as well as facilitate collaboration and linkages with key nutrition players in the programme areas	PCU	01/2018
<b>Nutrition manual and training plan</b>  Finalize and translate recipe booklet and roll-out the step-down training of farmers with priority in Eastern Region	PCU	02/2018
<b>Nutritional outcome assessment</b>  Consider undertaking assessment of the nutritional outcome following training of beneficiaries	PCU/County Staff	02/2020

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

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

The programme has developed an integrated Climate Agenda, based on the IFAD ASAP 10-point climate mainstreaming plan. It could be (i) unpacked in terms of different approaches adopted for CR, WR and ER, related to the differing AEZs; and (ii) overlayed on the programme resilient graduation model to show how it is integral to this. While adaptation technologies for agriculture are largely appropriate (CA and GAPs), they need to be more clearly defined and fully implemented. Deepening capacity development of PCU, County Staff and farmers and providing a greater basket of adaptation choices offered to farmers, plus ensuring these are underpinned by effective climate information service would enhance performance.

#### **Main issues**

Production-related adaptation measures in WR and ER (except for the Coast Region) were assessed through discussions (PCU/County staff, farmers, partners) and direct observation. The Mission also examined KALRO training manuals and validated e-voucher packages (only a few of each provided). Observed adaptation measures used by some farmers include CA and use of drought-tolerant crops. While adaptation measures are relatively well articulated and targeted to build resilience (near and medium term) in WR, the same assessment cannot yet be made for ER, as training on adaptation under the CRAL Window has not yet begun. Conditions in Kitui in (total crop failures in 2016 and 2017) begin to highlight limits to adaptation. Design intervention to possibly mitigate this kind of situation - watershed level community assets and risk transfer through crop insurance – are not in place, contributing to low transition rates. Mission investigations revealed vastly differing farmer circumstances, calling for a broader basket of adaptation options to be provided during implementation interventions in the CRAL counties.

Capacity development for CC/ENRM interventions include training of staff, partners and farmers on CA and GAPs in WR by KALRO (ongoing since KCEP) and ER (initiated), training of Master Trainers on climate gaming, and ToT and farmer training on enhanced utilisation of climate resilient foods. Discussions indicated insufficient County capacity to mainstreaming CC/NRM. The Programme NRM-CC Specialist is advised to use the process to develop the SECAP and ESMP to further empower relevant PCU/County staff on CC/NRM. An initial step is to convene a SECAP Development Workshop with staff and partners, using SECAP guidelines.

Climate information services (CIS) is an integral component of the ToC for building climate resilient livelihoods. Both (i) seasonal forecasting, and (ii) climate projections apply. On (i), the Mission heard evidence across locations that existing (non-programme) CIS were not sufficiently accurate to enable sound farmer decision making. In Mwingi North Sub-County, staff noted unreliability of seasonal forecast, which in 2016 did not forewarn of low rain. This is of great concern particularly in the ASALs. On (ii), while longer-term projections are for increased rainfall in East Africa, observed ASAL trends have shown increased droughts in the long rains, but with more heavy rainfall/flooding risk at other times. It is critical that best available disaggregated climate projections are factored into the design of roads and dams as well as the e-voucher package process. The Mission had discussions with KMD on this and the PCU could approach UoN to share

relevant information. Dissemination of CIS in useable format should be addressed by KMD/NDMA CCCF activities, underpinned by participatory scenario planning (PSP).

There is scope to adopt a more conscious approach to climate change mitigation in line with SECAP guidelines and national climate change policy. Opportunities lie in implementing agroforestry interventions - the PCU has developed a concept note with ICRAF on this. It is recommended to investigate using the baseline and annual monitoring of soil carbon through the ICRAF's soil health survey for payments for carbon sequestration and to consider joint promotion of organic fertilisers, given the heavy carbon footprint of inorganic fertilisers.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Harnessing mitigation opportunities</b>  Develop clear statement on how programme will harness mitigation opportunities across activities, including considering feasibility of agroforestry in the ASALs, reducing inorganic fertilisers and carbon sequestration payments continuous	NRM/CC Officer, ICRAF	09/2018
<b>Fine tuning/ disseminating Climate Agenda</b>  Fine tune Climate Agenda, integrate into programme resilient graduation model/theory of change and use this to empower staff and partners at all levels on CC/NRM 30 dec 18 and continuous	NRM/CC Officer	12/2018

## b. Sustainability and Scaling up

<b>Institutions and Policy Engagement</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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### Justification of rating

The programme is conducting consultations and actively engaging with institutions and authorities at various levels on how to deliver subsidies from multiple sources to the poor. Furthermore, the varied partners in the programme are advocating for and promoting programme approaches within and outside the country. The Programme shared its experience with a technical team involved in the drafting of Agricultural Sector Transformation and Growth Strategy as well as during county integrated development plans process. Farmers groups and associations are being strengthened and there is progress in registering them with appropriate county authorities. However delay in approval of warehouse receipt bills and competing subsidies that affect farmers full participation in e-voucher scheme.

### Main issues

One of the main issue is the conflict that sometimes ensues within public policy, especially on input subsidies to poor rural farmers. Farmers do not participate in policy discussions about what subsidies and how to deliver them. What is the most effective strategy and channel to distribute such public subsidies – is it through public sector extension services or through politicised processes or through the private sector.

The Mission was informed that the WRS bill which was pending approval after 11 years of development has now changed form as there appears to be little consultation from the county governments. There is concern that the WRS will be changed into a multi-commodity warehouse system bill (covering both agriculture and non-agriculture commodities) for which key stakeholders might be excluded in final consultations, especially EAGC. The Programme has plan to support about 60 Warehouses and it is expected the WRS bill will provide the appropriate regulatory environment for full operation of these warehouses as many of the financial institutions are currently hesitant. However, EAGC re-assured the Mission, many warehouses are currently using the law of contract to operate these warehouses and this could also be applied to any programme supported warehouse.

The mission noted that the Government has recently introduced 16% VAT on crop protection products effective 1 July 2018. This implies that while the government intends to regulate the increasing use of crop protection products in the country, the cost will become extremely expensive for the ordinary smallholders. The other major concern is that there is potential influx of illegal and counterfeit products in the markets especially in remote areas where control and enforcement seems to be weak. While this enforcement is required by national and county authorities, the Programme approach of supporting agro-dealer association and using public validation for e-voucher package are measures to minimise the risk of counterfeit products. Furthermore, the Programme is supporting the formation of farmers groups and at the time of the



Mission, 281 out of an annual target of 1,271 farmers groups had been registered with the social services. Also, 298 out of programme target of 600 production cluster-level farmers' associations have been established and training in relevant post-harvest management techniques. However, there is concern that registering the groups as community-based organizations will limit their opportunities to engage in market-oriented and formal financial institutions unless they are considered as cooperative.

The Mission noted emerging opportunities with the Government development of the Agricultural Sector Transformation and Growth Strategy (ASTGS) in which the PCU share a presentation with a technical working group. It is understood that the e-voucher is being considered as one of the flagship initiatives under the ASTGS. In tandem, the Government has launched its Big Four Agenda of which two pillars are relevant: Food and Nutrition Security and Manufacturing (Agribusiness). As part of this Agenda, the mission was informed that the government plans to allocated KES10 billion (funding from Indian) to mechanise agriculture in the country through purchase tractors. The CS-MoALF&I is quoted that the government is committed in mechanising farming by 5% annually so as to boost production for both large and small-scale farmers.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Farmer Cooperative registration and Agro-dealer association</b>  Build on Trans Nzoia agro-dealer association to establish appropriate agro-dealer associations in the remaining counties and review the required processes to ensure timely registration and transformation of farmers' groups into cooperative to ensure wider benefit	PCU/AGMARK	05/2018
<b>County to Coordinate subsidy programs</b>  Programme to work closely with County authorities to identify subsidy programs for complementarities and synergies continuous	PCU/County	09/2018

## Partnership-building

Rating: 4

### Justification of rating

The Programme has established an appropriate mix of partnership network involving public, private, RBA, research, community and farmers. Although some of these partners are yet to be fully mobilized, they remain critical mass of programme implementation structure at all levels. The main challenge for the programme is to effectively manage the different level of expectations while maximising the synergies and complementarities from these partners. At the end of the FY2017/2018, none of the outputs expected of the partners reached the 100% annual completion rate due to several challenges that affect the rolling out of the e-voucher programme.

### Main issues

Building and managing a partnership between the programme and multiple players is a big challenge. There are 10 key partners to support Programme implementation besides 13 County Governments and National structures (see Annex 4.1 for partnership matrix).

KCEP-CRAL has crowded-in investments from two formal and major partners - Equity and Cooperative Banks – both of which have set-up the e-voucher platform and are implementing the financial services component. Other essential partners for this component include value chain actors such as enrolled agro-dealers and value-addition entrepreneurs. These formal partners are also undertaking real time transactions through the e-voucher platform for the benefit of the targeted farmers.

The main issue with partnerships under component II relate to the late on boarding of EAGC and its inadequate capacity to undertake some of the activities assigned. The programme is also looking forward to on boarding the Eastern Africa Farmers Federation (EAFF) to gain reach to wider range of farmers groups and expedite its training activities.

It is now crucial that the MoU with NDMA is concluded and concerted implementation of CCCF begun, as further delays will pose a risk to the achievement of outcome 1 and development objectives. However, the mission noted an opportunity for SIDA to co-finance the CCCF focusing on institutional framework. It is hope that ongoing discussions will result in signing of joint tripartite framework involving NDMA, KCEP-CRAL and SIDA. At the time of the Mission, the SA of Equity Bank was pending signature and if this is not signed timely, it is likely to affect e-voucher implementation for farmers during the planned OND cropping season.

The mission noted that a platform with many partners is during the e-voucher technology validation and this is practice



that should be sustained to ensure that there are expert guidance and advice on technical viability of the e-voucher inputs, availability and costing and it also provides an opportunity for bulk input buyers, agro-dealers, large volume buyers and farmers to interact regarding the prospects for marketing of their produce.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Joint preparation/working sessions with partners</b>  Organize joint preparation/working sessions with partners during drafting of SAs/MoUs to significantly reduce time taken to finalize these frameworks continuous	PCU/IFAD/TNT/Partners	09/2018

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

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

Human and Social Capital and Empowerment is rated as moderately satisfactory. Mobilisation and sensitizations are reaching the targeted groups. Household Methodologies is proposed as an empowering tool for addressing gender equality, but only TORs have been drafted for contracting an expert and recruitment is yet to be done. The implementation of the household methodologies is critical in addressing issues of inclusiveness, power and strengthening women and youth authority for negotiations and influence at the household level.

#### **Main issues**

KCEP-CRAL investment on human and social capital is assessed against empowering measures in place – including confidence building of women and youth, and organizational support to empower and encourage more active participation and inclusion of the targeted groups. *It is recognised that gender relations at the household level have direct impact upon agricultural production and productivity.*

The Programme's planned measures for human and social capital include: Targeting 60,000 subsistence farmers from WFP graduates of food-insecure smallholder farmers to a level of food adequacy and readiness to enter into market-oriented farming; and 25,000 commercially oriented farming. Empowerment measures include i) Mobilisation and sensitization campaigns reaching women and youth in all the targeted communities; ii) Strengthening of farmer organisations; iii) Gender sensitive community meetings and participatory methodologies for selecting groups and individual; and iii) Capacity Building Household Methodologies.

The programme was to implement Household Methodologies - an empowerment methodology which aims to give the targeted groups (i.e. women and youth) more control over their lives and catalyse sustainable gender equality. The implementation of this was supposed to be introduced at the start-up of the programme at group level and to be replicated at the household level. These measures are yet to be implemented. The use of Household Methodologies is crucial for empowering beneficiary communities and targeted households.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Practical approach to managerial training of groups</b>  Develop practical approaches in delivering managerial skills to groups by establishing systems including having group level action plans to facilitate close follow up and guidance to farmers and their groups	CMGTO	01/2018
<b>Household methodology</b>  Fast track procurement of a service provider to support the implementation of Household Methodologies	CMTGO	06/2019

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

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

Quality of beneficiary participation was rated as moderately satisfactory. Overall the demand for KCEP-CRAL package of support has been strong. Beneficiary participation has been good in terms of access to training and the package in

general. In the counties around the coastal areas the beneficiaries have showed interest but many have not followed through by making their contribution to access project support. The project has been advised to seek feedback, particularly from women and youth, to better understand the reason for their limited response in the coastal counties. The project committed to provide quantitative and gender disaggregated data in relation to participation.

### Main issues

The Mission recommends that the PCU together with Front Staff and Partners should hold regular consultations with the targeted groups. The priorities/needs and constraints of women and youth should be reflected in the reports across the 3 components. Quality participation of the targeted groups should lead to specific outputs or results (i.e. women and youth are making decisions at the household level; women's economic empowerment are expanding; while their challenges are captured during consultation meetings/trainings held CBOs). KCEP-CRAL and implementing partners should put in place a systematic way of providing equitable feedback, grievance and redress mechanism easily accessible to all beneficiaries.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>feedbacks in the M&amp;E system</b>  Develop Consultation Plan/Feedback from the Programme beneficiaries and clear operational mechanism to capture and monitor such feedbacks in the M&E system continuous	PCU/Key partners	09/2018

### Responsiveness of Service Providers

**Rating: 4**

**Previous rating: 4**

### Justification of rating

Other service providers in addition to the 2 participating banks are the threshers, shellers, agro-input dealers, millers, aggregators, CA service providers, financial literacy trainers, etc. These service providers respond to the demands of farmers enrolled in the e-voucher scheme and they carry out their assignments as per the Terms of Reference in a timely and professional manner.

### Main issues

Responsiveness of service providers to date under sub-component 1.2 is mixed, with some (CETRAD, ICRAF, KMD) showing good levels, while delays in signing of the MoU with NDMA point to some concerns regarding responsiveness. NDMA was unfortunately not present at the supervision mission workshop with partners, despite being invited.

The main issue has been the delay to sign contracts, MoUs and especially subsidiary agreements (SAs) with participating banks (EBL and Coop. Bank). Such delays cause delays for farmers to access the different e-voucher wallets to pay for the specific services from participating service providers.

The service providers procured under component II is moderately satisfactory since the quality of services is varied, with more than half considered to be of acceptable quality. Reports are somewhat informative, mostly delivered with delay (more than one month). Services provided do not wholly respond to the demands of the rural clientele. The training manuals used by EAGC have not been availed to PCU and it is not clear whether farmers are able to read and understand the content of these training materials.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>soil nutrient data</b>  KALRO to urgently collate the collected soil nutrient data to determine the soil nutrient requirements for the different agro-ecological zones and crops to inform fertilizer types to be procured by farmers	KALRO	01/2018
<b>Mapping of value addition</b>  Undertake a mapping of the postharvest handling processes and identify by-products of the processes which can benefit from further value addition	PCU	05/2019
<b>Financial literacy training model</b>  Develop a plan to increase the number of farmers trained on financial literacy and ensure that all enrolled e-voucher farmers are timely trained continuous	PCU/PFIs	

#### **Environment and Natural Resource Management**

**Rating: 3**

**Previous rating: 4**

#### **Justification of rating**

KCEP-CRAL is implementing a number of provisions for good NRM, such as the focus on CA, and the PCU has stated that the programme follows an IPM approach as part of the GAP. There is evidence that a more proactive approach to ensuring environmental monitoring is required in view of the lack of ESMP. Developing and implementing a clear programme policy statement on agrochemicals would enhance performance, underpinned by SECAP and ESMP..

#### **Main issues**

The Mission noted areas in which programme stakeholders are not fully succeeding in minimising negative environmental impacts. Key areas are: (i) demonstrating and ensuring that promotion of agrochemicals through the e-voucher input package is within an IPM and precautionary approach; and (ii) environmental monitoring of soil and water quality to minimise harm of programme activities to the environment. This was identified as an area requiring additional attention by the June 2017 Mission. KCEP-CRAL is directly promoting agrochemicals through the e-voucher input package. While the policy framework may be sound, and all pesticides used are legally registered by the Pest Control Products Board (PCPB), the Mission has identified gaps in implementation. FAO's guidelines on chemicals include i) ensuring all chemicals are used under an IPM approach; ii) anyone using chemicals is fully trained on safe handling; iii) personal protective equipment (PPE) is accessible to chemical users and iv) only up to class 3 chemicals are used. Several agro-dealers the Mission interacted with in both Western and Eastern Regions reported that while they were trained on safe handling, and verbally gave farmers this information, it appears many farmers do not usually pay attention or purchase masks or other PPE and in most cases, these PPE are not stocked by the agro-dealers.

This more hands-off programme approach to agrochemicals management presents likely risks to health of smallholders and environment, and legal and reputational risk to IFAD and partners. A further example is the presence of the herbicide Roundup (glyphosphate) in some of the e-voucher packages. Although currently legal in Kenya, Roundup has been banned in the EU and many other countries due to increasing scientific evidence of its harmful (carcinogenic) effects. Developing the SECAP (see below) presents an opportunity for participatory re-assessment of the agrochemicals approach including how safeguards are implemented to minimise environmental pollution linked to fertilizers as well as other agrochemicals. The inclusion of some IPM elements in the e-voucher package would be of great help e.g. pheromone traps and payment for scouting services.

Monitoring of environmental issues. Concerning infrastructure, while county governments do carry out Environmental Impact Assessments (EIAs) in line with national and county policy, the Mission has identified gaps in the regulatory process, for extra vigilance prior to or during the development of community assets or access roads.

The Mission visited the Mikuyuni earth dam (non-KCEP-CRAL) in Kitui Rural Sub-County, which had undergone desilting and rehabilitation in 2017 under the ADSE-facilitated CCCF process. Detailed interactions with both the ADA/ADSE facilitators and members of the Ward Climate Change Planning Committee (WCCPC), the Ward Climate Change Technical Committee (WCCTC), and community members, revealed likely non-compliance with licensing conditions for the dam. An EIA was conducted when the dam was first built in 1997 (DANIDA funded), with community members required to build upstream check dams and terracing, and plant vegetation to prevent erosion. However, this was not done, and by 2011 the dam was non-functional due to siltation. The Mission was also informed that during heavy rains in

MAM 2018, several dams and roads in Makueni and Kitui counties were swept away.

As many community priority investments under Sub-Component 1.2 will be similar earth dams/structures, the programme needs to develop a strategy to avoid the above observed situation, showing how national and county regulatory processes are being *effectively* harnessed to ensure SECAP/other safeguards. Key entry points include encouraging environmental ministry/department staff on the PSC and the County-level programme committees to intervene effectively, and making linkages with the IFAD-funded Upper Tana Catchment Natural Resources Management Programme (in Embu and Tharaka Nithi) on water quality monitoring. The ESMP process provides the opportunity to systematically consider risks and existing environmental safeguards and ensure monitoring to reduce risks to ASAP investments.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Piloting of Push-Pull Approach</b>  PCU, ICIPE and KALRO to set up a meeting to agree on a clear way forward, including clear roles and responsibilities, budgets and modalities of implementation of the push and pull technology	PCU/ICIPE/KALRO/FAO	01/2018
<b>FAO to provide information on CA practices that work best in which counties and agro-ecological conditions.</b>  FAO is the preferred partner in the implementation of CA due to its experience in the field. It is therefore important that they share information and provide technical assistance in the targeted counties. PCU will engage with FAO to acquire the information and link them with county level CA ToTs for specific technical support.	PCU, FAO	02/2018
<b>Ensuring environmental monitoring</b>  Use the ESCMP to develop systematic and clear environmental monitoring process, considering gaps in regulatory implementation continuous	CC/NRM Officer/ NEMA/County govts	09/2018
<b>Re-assess agrochemicals approach</b>  Use the SECAP/ECSMP process to re-assess agrochemicals approach considering also biopesticides and develop agrochemicals management plan to reduce risks to human and ecosystem health continuous	CC/NRM Officer	09/2018

#### Exit Strategy

Rating: 4

Previous rating: 4

#### Justification of rating

The exit strategy is inbuilt into the programme but all components need seamless integration to guarantee consistency of the exit plan. The high dropout and low transition rates are a growing concern, indicating that the enrolled farmers are not mobilizing enough savings to pay for their co-contributions of the e-voucher cost. Consequently, the graduation rate (or exit strategy) is also affected negatively. The programme has established market linkages with farmers groups through commercial contract partnership with support from EAGC while agro-dealers are serving as merchants and agents for the banks. Registering of farmers groups and formation of agro-dealer associations while some counties are replicating some of the programme approaches are good steps.

#### Main issues

Most important is to ensure that the marketing component is working and this will ensure that farmers earn an income and can buy quality inputs to sustain high productivity. Farmers enrolled into the e-voucher programme are expected to graduate from the programme and become market-oriented after receiving support for 2 cropping seasons (WR) or 3 cropping seasons (some counties in ER and CR). However, the observed low transition rates, delayed enrolments, dropouts, etc, are some of the factors affecting the exit strategy. A an explicit programme-wide exit strategy has not yet been developed. Some pieces of the strategy have been developed, e.g., for selected institutions or services but stakeholder agreement still needs to be obtained.

Even though the exit strategy for the entire programme is not available, component II has developed some exit strategies. The component is focusing on strengthening farmer groups to take over the management of grain collection centres and warehouses when the programme exits. In addition, market linkages under component II are being strengthened by establishing commercial contracts between the collection centres and bulk buyers. Overall, 10 commercial contracts to market grains were established last year. Moreover, component II activities are being undertaken in close collaboration with County governments so that they take over the role of the programme in training at the end of programme implementation.

Empowering farmers to access and use CIS on an ongoing basis to make sound decisions on what and when to plant at the start of the season is an essential element of the exit strategy. Currently, programme activities in this regard in the 8 ASAL counties have not yet begun, highlighting the need to expedite this, so that lessons can be learned iteratively. It is advised to consider exchange visits for mutual learning between ER and WR farmers and extensionists in this regard

During the mission, some of the counties indicated that they have reflected some of the programme interventions or approaches in the CIDPs for instance the value chain approach in Kitui, Bungoma, Nakuru and Trans Nzoia. The financial literacy training is providing opportunities for farmers to save and the financial institutions are developing adapted savings and loan products for both farmers and agro-dealers. The Programme has also initiated discussions with Eastern Africa Farmers Federation (EAFF) to link some of farmers to e-granary or markets.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Exit strategy elaboration</b>  Consider developing an exit plan for the programme in order to coherently capture how the programme approaches are being taking by county governments (in CIDPs) and other partners. continuous	PCU/County governments	09/2018

#### **Potential for Scaling-up**

**Rating: 5**

**Previous rating: 4**

#### **Justification of rating**

National and county governments are deliberating and making policies and budget allocations to scale up the successes of the programme while many of the programme partners are also sharing the programme approaches within and outside the country. The mission also noted that farmers are purchasing additional inputs, post-harvest items and applying some of the programme approaches in their additional farmlands. However, the programme needs to have a systematic approach to documenting and sharing these replications and scaling up initiatives.

#### **Main issues**

The programme has many aspects that have a good potential for scaling up. The most innovative aspects of the programme is bringing all aspects that are likely to help small-scale rural farmers make an income from their farming together i.e. access to inputs, farming skills, access to finance and markets. There are a few issues that still need to be refined as brought out in different parts of this report but on the whole the system can be adopted for use in many places.

The programmes potential for scaling up under component II is satisfactory. Government or development partners have shown interest in certain elements. Good potential for scaling up exists as observed with EBL replicating some aspects of the e-voucher in Uganda, AGMARK sharing the e-voucher approach in South Sudan as well as expressed indicated interest to learn about the e-voucher package reportedly from Governments of Mozambique, Angola and Seychelles.

The mission noted that, the County Government of Bungoma has requested to partner with the programme in maize value addition (milling) while that of Tharaka Nithi has requested to use programme accredited storage facilities to store green grams. Furthermore, Bungoma, Kitui, Nakuru and Trans Nzoia have expressed interest to adapt the programme value chain approach to cover the remaining sub-counties as the Programme is only targeting two sub-counties. During the Mission, Bungoma government requested for more details information on the e-voucher operation and aggregation centre to be considered in drafting of an input subsidy scheme for farmers.

There is need to identify champions for more political buy-in while also strengthening consistency in gathering and documenting evidence to support scaling up.

The mission noted an ongoing innovative pilot by the government involving Safaricom which launched a DigiFarm (an integrated, free-to-use mobile platform offering smallholder farmers access to a suite of information and financial services) and there are plans to launch a DigiFarm app by the end of the year. Since its launch, over 900,000 farmers have been registered in 11 counties (Makueni, Bomet, Meru, Kirinyaga, Nyandarua, Nandi, Kericho, Nyeri, Kisii, Machakos, Kitui, Nyamira, Embu and Laikipia) and 22 DigiFarm depots opened to enable farmers access high quality inputs, that can be purchased via M-Pesa or credit payable within 30-90 days. Safaricom has partnered with iProcure to guarantee access to

high quality inputs, FarmDrive to provide affordable credit and Arifu, content partner through whom farmers have access to relevant information. There is opportunity to potentially collaborate with the Programme and DigiFarm in the overlapping counties.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Exchange visit for policy and decision-makers</b>  Organize field days for some policy and decision makers with a soft inclination for poor farmers to champion the discussion in the assembly. continuous	PCU/GOK	09/2018

## c. Project Management

<b>Quality of Project Management</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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### Justification of rating

Performance of Programme management has improved with indication of continuing commitment from the team as well as leadership support from the PSC. All required county structures are set-up and operational although challenges are emerging on a number of issues. There is general staff stability except two staff who have either resigned or redeployed. Coordination of partners had also intensified and progress made with some while other framework agreements (MoUs or SAs) are yet to be concluded or finalized following intensive or prolonged negotiations or review process.

### Main issues

Performance of Programme management has improved with indication of continuing commitment from the team as well as leadership support from the Programme Steering Committee (PSC). All required county structures are set-up and operational although challenges are emerging on a number of issues. These structures are 13 County Programme Coordination Committees (CPCCs), 44 Sub-County Programme Coordination Committees (SCPCCs), 206 Ward Selection Committees (WSCs), 13 County Facilitation Teams (CFTs) and 8 County Implementation Support Team-CISTs (which includes FAO and WFP field officers). These structures have been meeting regularly to discuss relevant issues and take decisions accordingly. The Mission suggests that these meetings should be planned to overlap with the County Annual budget planning meetings in order to harmonize the programme planned activities with that of the respective counties.

There is general staff stability except two staff who have either resigned (Programme Assistant for ER) or redeployed (M&E Officer for WR). PSC had had regular meetings and taking key decisions on Programme performance including review of the PCU staff appraisal and renewal of contracts as well as guiding the PCU to address key implementation challenges. Coordination of partners had also intensified and progress made with some while framework agreements (MoUs or SAs) are yet to be concluded or finalized following intensive or prolonged negotiations or review process. The mission also urges the Programme to be more pro-active in planning and anticipating risks in order to better focus on problem-solving or solution-based team approach in dealing with many of the implementing partners and service providers in the Programme.

To this end, the PCU has recalibrated the programme *value chain actors resilient graduation model* or theory of change based on previous Mission's review and feedback and the Mission urges the Programme to strongly internalize this model and cascade its implementation across the partnership platform including farmers. Thus, the resilient value chain graduation model should serve as the basis for the PCU to re-strategize on how to attain the optimal performance balance on the income-food and nutrition security-natural resource management nexus as the key development focus and effectiveness of the Programme. This would imply a different re-engagement process with the key partners for better layering, sequencing and timing of Programme interventions underpinned by optimal use of resources and overarching risk management paradigm. Since the PCU has regular interactions and review meetings with implementing partners and has recently initiated clustered/thematic partnership interactions (FAO-ICRAF-PCU on M&E; KMD-CETRAD-ICRAF-PCU on Climate and NRM), this approach needs to be maximised and cascaded across the Programme implementation structures in a more focused and effective manner with the purpose to improve implementation efficiency include better risk management.

**Rome-based Agencies implementation support.** The RBA Technical Working Group, under the chair of FAO, had been actively supporting and strengthening the Programme implementation. Following internal discussions and agreements, a regional-RBA has been informally established for both the Coast and Eastern Region and they have had meetings in which implementation issues were escalated to National RBA. Both WFP and FAO have **shared** data and information with the PCU especially regarding beneficiaries from WFP graduated food insecure farmers and FAO conservation agriculture trainers and service providers. The Regional RBAs has followed closely with County structures during key decision period



regarding crop-model selection, preferred cropping season as well as formation and selection of beneficiaries and partners. Joint RBA events and activities have been promoted including joint communication and visibility and RBA is also using the Programme recipe booklets.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Focusing on implementation efficiency</b>  Use the partnerships interactions and review meetings in a pro-active planning and risk management approach with more focussed on optimal use of resources and enhancing effectiveness of implementation through a solution orientated process continuous	PCU	09/2018
<b>Risk analysis protocol</b>  Consider a robust risk analysis tool to enable timing deployment of appropriate mitigation measures to minimize implementation challenges that are predicament on the seasonality continuous	PCU	
<b>proactive support County level implementation</b>  Ensure multi-level proactive support to county implementation structures with predictive resource allocation and effective monitoring in order to speed up implementation especially in counties that are planning for 2018 Long rains continuous	PCU/Country staff	

## **Knowledge Management**

**Rating: 4**

**Previous rating: 5**

### **Justification of rating**

Although the programme has well-articulated structures and annually work plans formulated for carrying out M&E processes/activities, there is no indication of a systematically designed learning process. The previous mission recommended a raft of measures including Action Learning Case Study (ALCS) methodology where all stakeholders conglomerate to distil what has been going on well, inherent challenges and lessons to inform operation and strategic decisions, this has not been done. The extent to which the M&E visits to the field by staff and PSCs into the M&E/KM is not solving key operational challenges; the programme seems to be repeating mistakes that could have been resolved if concerted effort to learn from the mistakes of practices since the first year. Their effectiveness remains at the level of output yet the practice at outcome level is missing

### **Main issues**

The mission commends the programme for making progress on the following KM, branding and communication aspects of the programme although there are still room for improvement:

1. From progress reports and field observations, components 2 and 3 of the programme present good examples (cases) of successes that the PCU has started documenting and sharing.
2. A series of successful short documentaries of farmers from Western region detailing experiences from produce aggregation and marketing leading to improved lives among farmers. In 2018, the programme has documented and shared examples of programme success from among the farmers in both categories through a link to a portal in the website for the State Department of Agriculture (SDA). Information storage had remained a challenge but the PCU has recently bought its own server. Meanwhile, for the emerging success cases, detailed analysis is necessary to distil more lessons for replication to inspire others farmers.
3. The E-Voucher Card is a milestone for this programme at the national level. IFAD has also been sharing the success of this component internationally. The Co-operative Banak of Kenya has branded the Debit Cards for farmers in Eastern and Coast programme areas..
4. Currently, the County Governments of Bungoma and Transnzoia are in the process of studying this with view to emulating this practice for the distribution of fertilizer and other farm inputs/services
5. AGMAK is in the process of studying and scalling the E-Voucher in their work in Uganda, Mo zambique and possibly the Republic of South Sudan
6. The PCU is now display correct logos of the partners; IFAD,EU and ASAP in their documents and materials and has produced many products such as training manuals/guidelines, publications, reports, videos, pamphlets,

leaflets, banners, posters, t-shirts, caps etc on various interventions. The Public Relation Officer in the State Department of Agriculture supports the PCU to mirror out the programme's information to the publics and stakeholders by posting these in the departmental website.

7. The PCU has adopted some of the recommendations of previous supervisions to improve on KM. During their field visits, the Programme Steering Committee (PSC) facilitate short story-telling sessions with farmers to gather information on what goes well and what does not go well with the implementation processes and use such information to address any shortcomings. Rogue input dealers were removed from the programme because of these visits.
8. Meanwhile, internal learning seems to be a challenge. Although the PCU factors and implements KM plans in the AWPB, it does not seem that there is a systematically process to distil, document and share the emerging lessons, innovations, best practices and experience from the programme with partners seems weak. If this was done, some of the challenges identified since the recruitment of Cohort 1 farmers in 2016 could have been corrected. Why does KALRO and AGMARK continue to run parallel technology testing? How well are the content of the curriculum on Financial Education training by EB and harmonised if the two have not shared? Why is it that to date, timely distribution of inputs to farmers is still riddled by wrong entries of names and/or Identify Numbers etc. These are operational challenges within the control of the PCU and Programme Steering Committee that can be resolved. To date, the PCU does not seem to be proactively using the information from these sources to ensure interlinkages.

The Mission recommends that the PCU M&E/KM Unit documents:

- The early success areas in various formats including short documentaries and Power Point Presentation to be used as its marketing tool in meetings.
- The E-voucher process and success and use it to lobby the County Governments of Bungoma and Trans Nzoia to adapt the approach in their cereal enhancement related programmes.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Joint Action Learning with partners</b>  Facilitate a Joint review and reflection workshop with key stakeholders to draw lessons and improve learning in order to increase efficiency	PCU	05/2019
<b>Increase field level visibility</b>  Ensure adequate display of programme signage in intervention sites and relevant vantage points continuous	PCU	
<b>Adopt appropriate knowledge and communication flow practice</b>  Look beyond the KMCV strategy to develop a systematic process in managing knowledge and communication flow in the programme to enhance planning, decision and evidence-based review and feedback to improve programme performance continuous	PCU	

#### Value for Money

**Rating: 4**

#### Justification of rating

The Value for money is rated moderately satisfactory. The visit to the farmers in Western Region and Eastern region facilitated interviews with farmers. The discussions yielded positive information from the farmers and Mission's rapid assessment was that both groups of farmers have increased incomes from the sale of the produce as compared with the farming practices before the programme was effected. In addition, the household food security seems to have improved from the produce that is retained for home use. From the information assessed in both regions, the farmers, after the cost of production, are left with a surplus which is higher than the value of the contributions given by the programme.

#### Main issues

Following field discussions with e-voucher farmers, there are indications that cereal yields (Maize and Beans in the Western Region, Sorghum and Green grams in the Easter Region) are increasing as a result of interventions of the Programme. The M&E database from the Programme including recent yield surveys confirmed some of these yield increases although the target cereal yields are still below the expected targeted and potential. The Mission's main



conclusion is that given good weather in terms of rains coupled with full adoption of good agricultural practices, the e-voucher intervention ensure positive contribution to the smallholder's livelihoods, which appear to have valued for money. For instance, a field data collected in Nakuru from an a female e-voucher farmer's one acre maize-bean plot, she harvested 26 (90kg) bags of maize and two bags of beans in 2017 compared to only 13 bags of maize she got prior to joining the Programme. Out of the 2017 harvest, it is estimated she will sell 20 bags of maize to earn a total of KES40,000.00 and KES7,000 from one bag of beans, while her total estimated cost of production is KES 44,990 (e-voucher cost of KES20,350 and other direct cost of KES24,640 including farm renting KES10,000 annually). While net income will be KES2,010, it must be recognized that she has 6 bags of maize and one bag of beans secured for her household consumption, which implies she will be saving on the cost of buying any of bag maize and beans at often higher prices.

**Procurement:** The concept of Value for Money “VfM” in procurement relates to achieving the best balance between the four “E”s – economy, efficiency, effectiveness and equity. Based on the review to the Programme procurement process, the mission noted that the programme trailing in achieving high value for money. There are opportunities throughout the procurement process to more effectively, efficiently, and economically use the resources available to the Programme, in other words, to achieve VfM by ensuring:

- appropriate levels of planning to develop a suitable procurement plan, including design of the procurement approach;
- up-front market research and industry knowledge to be aware of what the markets can offer;
- the procurement arrangements are fit for purpose, value, and complexity of the procurement and also to the operating context and nature of the supply market;
- the specification is the right type; that the basic elements are defined clearly to inform the evaluation criteria; and that risks are appropriately allocated between the contracting parties;
- non-discriminatory specifications with justified exceptions for compatibility;
- the evaluation criteria must be proportionate and appropriate to the type, nature, market conditions, complexity, risk, value, and objective of what is being procured.
- that risks to achieving the required objectives are appropriately identified and mitigated through design of the procurement arrangements;
- where appropriate, providers are given the opportunity to offer cost-effective and innovative solutions to meet identified needs;
- contract award decisions are based on suitable evaluation criteria and an appropriate assessment of cost over the life of the asset;
- contracts are managed effectively to ensure that value for money is achieved throughout delivery;
- being proactive throughout the contract to anticipate problems and issues before they arise and
- enhancing low capability to manage the contract through additional support.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>systematic review and integration of value for money measures</b>  Ensure a systematic review and integration of value for money measures as part of programme planning and management decision processes continuous	PCU	09/2018
<b>Consistent monitoring of value for money</b>  PCU to ensure continuous and timely collecting of data and information to serve as basis to analysis cost-effectiveness and value for money for key activities continuous	PCU	

**Coherence between AWPB and Implementation**

**Rating: 3**

**Previous rating: 3**

**Justification of rating**

The overall budget achievement for the past year is 34% which translates to low physical execution rate of 38%. The Mission recognizes that challenges faced by the Programme in past year especially with prolonged electioneering period resulting in changes in key staff both at national and county levels as well as time-consuming process in reviewing, negotiating and finalizing partnership frameworks. Key lessons have been incorporated in current workplan and budget with commitment from the Programme to be more proactive to ensure greater achievement of planned activities in moving forward.

### AWPB Inputs and Outputs Review and Implementation Progress

Performance achievement of the annual workplan and budget remains a key challenge in the programme partly due to the long process in concluding partnership arrangements as these key partners drive the implementation of the three main technical components beside other service providers. While the PCU is making regular efforts to incorporate lessons in the successive planning process, the AWPB ends up being overambitious as some factors will always be exogenous. At the time of the mission, the Programme overall budget achievement from the 2017/2018 workplan and budget was estimated at 34% translating into a physical implementation rate of 38% as summarized in the table below. This was a peculiar year which marks the start of the CRAL implementation requiring on-boarding of new partners coupled with prolonged general elections both at national and county levels.

### 2017/18 AWPB Review Against Actual

Components	AWPB		Activities		Achievement %age	Actual	
	USD'000	Planned	Completed			Expenditure USD'000	Achievement %age
Preparatory activities/Implementation Support and Capacity building at County-Level	1,848	50	25		50%	103	6%
Capacity building for Climate-resilient productivity enhancement and NRM	3,196	144	44		31%	1,040	33%
Post-Production and Market linkages	2,743	84	21		25%	447	16%
Financial Services	12,478	70	24		34%	3,886	31%
Programme management	3,287	78	49		63%	2,459	75%
<b>Total</b>	<b>23,553</b>	<b>426</b>	<b>163</b>		<b>38%</b>	<b>7,935</b>	<b>34%</b>

It is clear from the above table that Programme Management had the highest budget utilisation (75%) compared to the other key components but this could be attributed to the intensive efforts required by the Programme to engage with array of partners especially under the CRAL Window. The Mission urges the PCU to enhance efforts on components that are lagging on implementation particularly focusing on procurement related issues and capitalize on internal capacity to better redistribute workload to ensure efficiency gains. The (Component 3) Financial services had the highest budget of USD 12.5 million. The performance of USD 3.9 million and representing 31% is reported to be low because the MoUs and SAs were signed late in 2017 and within an electioneering period. The low expenditure in the Preparatory activities is due to delayed procurement of motor vehicles, laptops and motorcycles. Under component 1, the low budget performance is due to delayed MOUs with KMD and CETRAD. Under component 2, the business plans under the relevant partner have just been approved and it is hoped that the 2018/19 financial year will see increased disbursements.

As for the Programme Management- Component 4, the actual expenditure is 75% of the AWPB, is consistently high cumulatively. To date, the total actual expenditure from EU financing is EUR 10.6 million or 42%, against the design allocated budget of EUR 25.3 million. The budget includes the financing instruments 200000623 and 2000001522 for EUR 15.65 million and EUR 8.58million respectively. Included therein is the actual expenditure under Component 4: Programme management, of EUR 3.2 million or 90%, against the budget of EUR 3.5 million. Given that it is only 10% of the budget left, the mission recommends that the PCU undertake a projection of programme costs chargeable to this component, for the rest of remaining life of the programme. This will ensure the alignment of the chargeable costs to AWPBs as well as fitting the projected costs within the design budgetary limits. The mission notes that the charge of salaries and allowances to EU financing ends on 31 December 2018. The PCU should take this into account in their projections and also ensure that the 2018/19 AWPB is harmonised accordingly.

However, in comparing the cumulative donor expenditure against planned for each component as of 30 June 2018 (table below), the Financial Services component accounted for 58% (Euro 6.147 million) of the total EU expenses (Euro 10.593 million), followed by Programme Management component at 30% (Euro 3.2 million) while the other components accounted for 12% (Euro 1.246 million). For IFAD, Programme Management component accounted for the highest expenditure at 67% (US\$1.147 million) of the total IFAD expenses of US\$1.708 million, followed by Post-production and market linkage components at 24% (US\$0.403 million) and other components accounted for 9% (US\$0.158 million) except for Capacity building for Climate-resilient productivity enhancement and NRM which ASAP expenditure is 100%. For IFAD, it is expected that at start of programme implementation, the Programme Management will have high budget expenses at the beginning before this trend reverses when physical implementation picks up after second or third year of implementation.

Overall, the Financial Service component still account for the highest cumulative expenses at 48.4% (US\$6.978 million)

from total programme expenditure of US\$14.416 million, followed by Programme Management at 33.1% (US\$4.776 million), Capacity building for climate-resilient productivity enhancement and NRM at 13.4% (US\$1.936 million), Post-Production and Market Linkages at 3.3% (US\$0.476 million) and Preparatory activities and county capacity building at 1.7% (US\$0.248 million).

Table 3: Summary Cumulative Expenditure on the Donor financing as at 30 June 2018.

Component	EU FINANCING			IFAD LOAN			ASAP GRANT		
	Budget at Design	Actual to WA 20	Utilization	Budget at Design	Actual to WA 7	Utilization	Budget at Design	Actual to WA 4	Utilization
	EURO'000	EURO'000	%age	USD'000	USD'000	%age	USD'000	USD'000	%age
PREPARATORY	2,217	88	4%	5,123	152	3%			
COMPONENT 1	3,257	1,095	34%	-	-	0%	10,000	694	7%
COMPONENT 2	2,474	66	3%	6,722	403	6%			
COMPONENT 3	13,844	6,147	44%	40,531	6	0%			
COMPONENT 4	3,543	3,200	90%	9,400	1,147	12%			
Total	25,335	10,593	42%	61,776	1,708	3%	10,000	694	7%

Agreed Action	Responsibility	Agreed Date
<b>Better monitoring of workplan</b>  Consider developing effective process to monitor workplan implementation with realistic milestones and take pro-active measures on components lagging behind in implementation by capitalizing on internal PCU capacities to ensure better workload distribution continuous continuous	PCU	09/2018
<b>Effective risk analysis Effective monitoring of AWPB implementation priorities based on sound analysis of risks</b>  Ensure proactive monitoring of the planned activities and budget priorities taking into account effective mitigation measures with realistic milestones to enable key implementing partners step up timely execution of activities that are time and season sensitive. quarterly	PCU/Key implementing partners	

#### Performance of M&E System

Rating: 4

Previous rating: 4

#### Justification of rating

Progressively, the Programme M&E/KM and Visibility strategies have improved since the last Supervision Mission, notwithstanding inherent challenges. The Programme has complete operational and functioning M&E system including MIS, dedicated website ([www.kcepcral.go.ke](http://www.kcepcral.go.ke) which needs to be updated regularly), developed and implementing a Communication and Visibility Plan taking into account recent EU guidelines/manuals as well as dedicated PCU staff.

#### M&E System Review

The Programme has since 2016 put in place a Monitoring, Evaluation and Knowledge Management (M&E/KM) Strategy to guide the management to steer the programme to greater impact by monitoring and measuring Key Performance Indicators (KPIs) of the programme at process/activities level and results in the expanded Logframe (KCEP and CRAL Window) in line with the results framework - ORMS. The strategy is clear on what to be monitored and evaluated, when, responsibility levels, data analysis, learning processes and a set of data gathering formats.

A supporting M&E/KM Unit is in place right from the national level through to the three (3) sub-regional offices resourced with staff trained on M&E and KM whose sole responsibility is to entrench M&E practice across the programme. For strategic decision making processes, the M&E and KM function is also shared with the National and Regional Programme Steering Committees (PSC). All programme staff have an M&E responsibility over their components, have been trained on M&E and KM and every year formulate and implement their plans to track field activities and support partners with operational decisions. For documentation and reporting, all programme staff have laptops.

The Agricultural Staff in the 13 participating Counties are the other critical pillar in the programme M&E and KM System supporting structure because they interface with farmers and other actors in the value chains more often than anyone else does. The programme trained them and are tasked to collect and log the primary data on farmer mobilisation, planting, harvesting and post harvesting to the regional and national M&E Units of the PCU.

The M&E/KM System is dynamic to accommodate programme growth. The Logframe has since been revised to include Key Performance Indicators (KPIs) that were not in the original design (EU funded KCEP) after ASAP funded CRAL Window. The M&E/KM Unit has subsequently revised the original data gathering tools to ensure that entire programme will be assessed and captured during M&E activities. The team has also been trained on the new ORMS which essentially replace the original RIMS.

At the start of the programme, the M&E Unit at the PCU collected base values on the key result areas of KCEP. To date, the Programme Management has since contracted a Service Provider to roll out an all-inclusive Baseline Survey. The Food Agricultural Organisation (FAO) is also going to carry out a detailed Socio-economic Survey to address both components of the programme - KCEP and CRAL Window. Upon completion, components of the M&E and KM System shall further be revised accordingly including adapting (if necessary) the data gathering and reporting tools.

Since the above studies will be conducted in retrogression, this mission would like to caution that the scope and focus must first mirror the Key Result Areas in the revised (combined) Logframe over and above any other additional information. Conducted three (3) years in the life of the programme, the design must ensure that the levels of significance is high. This mission recommends that first, the identified Service Provider for the KCEP based indicators and FAO led Socio-economic study on CRAL indicators carry out thorough Desk Level Review combing out any previous studies by other development actors in the 13 participating counties, share and discuss the initial findings with the Programme Management (PCU, IFAD, EU and ASAP). Only after this should they proceed to corroborate the emerging trends with highly controlled field level discussions. It cannot be business as usual.

Since 2016, the M&E/KM Unit has conducted Annual Surveys, the last one being in 2018 to mine data on the outputs and outcomes of the programme from Western and Eastern regions. This data analysed and findings used to populate the Logframe. It suffices to point out that the level of disaggregation of this data has improved from year 1 to date therefore informing the programme management and partners on the extent of targeting and of inclusion of women, men and youth. This mission recommends that this M&E/KM Unit triangulates the information reported from the field to weed out any possible outliers on some output and outcome indicator values reported particularly yields against the crop modelling, technologies tested and crop husbandry management, etc

In the eyes of systems thinking theory on markets development, this Mission reiterates an earlier recommendation of the 2017 joint supervision mission that; the PCU is immersed with monitoring result areas in the Logframe and now in the ORMS on peoples (farmers) behaviour and environment and not analysing and measuring all-inclusive market system. Agro-dealers have continued to register good business growth in terms of diversification, expansion, turnover, employment among others. From the 33,000 farmers admitted into the programme, the Equity Bank has registered business growth from the sale of Debit Cards and interest charged on farmers' savings accounts. This mission therefore recommends that these additional changes be documented and reported.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Shift focus on outcome analysis with consistent reporting template</b>  Review current arrangements to ensure a shift from activity-outputs to outcome analysis to reflect the ORMS structure and ensure technical staff and partners adjust their reporting format that are seamlessly synchronized with required information and data needs of the programme so that M&E concentrate on rigorous analysis for better management of the programme performance monitoring	M&E Unit	03/2018
<b>Indicators</b>  Identify, track and measure more indicators from among the various value chain actors and also farmers who do not transit from one season to the other November 2018 and continuous	Senior M&E and KM Officer	11/2018
<b>Baseline surveys</b>  Appraise the Study Designs to ensure ORMS Indicators are captured and give prominence to Desk Review before field level studies	SMEKMO/Regional M&E Officers	04/2019

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

**Rating: 3**

#### **Justification of rating**

The programme does not yet have a SECAP (was developed just prior to SECAP requirements) but has developed a 10-point Climate Agenda for mainstreaming. Additional empowerment of county staff and programme partners is required to operationalise this. Areas that present risks to the programme, such as lack of environmental monitoring on the part of Counties, have been identified..

#### **SECAP Review**

The programme lacks a Social, Environmental and Climate Assessment Process (SECAP) project review note. The PDR contains an Environmental and Social Review Note (ESRN) as it was developed prior to the SECAP procedures (effective from 1 January 2015). The need to liaise with NEMA to develop and implement an Environmental and Social Management Plan (ESMP) (as per SECAP requirements, and to comply with national regulations) was identified as an action in the past two supervision missions. The SECAP process has been designed to facilitate a more integrated approach to social, environmental and climate screening, and subsequent monitoring and assessment. Thus it is advised to convert the ESRN, which is of high quality, into the SECAP format, largely using available information, but also adding more updated climate trends and projections that are available. This would necessitate adding a climate risk classification (high, moderate, low), based on a basic climate risk analysis. This would allow the PCU to clarify in a more disaggregated way the climate change impacts that pose a risk to effectiveness and sustainability of specific programme actions and overall outcomes. Developing a SECAP would also allow the programme to identify and harness synergies with Kenya's evolving climate change policy framework.

The programme was classified as a Category B in the ESRN because the potential negative social and environmental impacts of the project are expected to be of low significance and sensitivity. As such it did not require an ESIA, but should now require an ESMP. According to the 2017 SECAP guidelines, when there is a significant increase in the use of agrochemicals, a Pesticide Management Plan (PMP) is required. As all of the e-vouchers include agrochemicals, this would appear to be a significant increase in use of agrochemicals. The PMP is a tool to prevent, evaluate and mitigate the occurrences of pesticides or pesticide breakdown products. More attention is required on environmental awareness on pesticide use, including impacts on bees and other beneficial insects, farmer training and field extension services for the application of integrated pest management (IPM)– links to what GAP is. As noted in the SECAP guidance note on pesticide use, programmes should include IPM strategies for enhancing the resilience of vulnerable agroecosystems to climate variability and changes, and the adaptation of IPM practices to deal with pests in different climatic conditions, taking into account biodiversity.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Upgrade the ESRN into full SECAP note based on IFAD guidelines</b>  The SECAP review note will take into account risks that were identified during design stages and emerging concerns. The in-depth climate risk analysis should be done in accordance to IFAD's guidelines, but since there are plans to undertake a participatory vulnerability capacity assessments, it is important to integrate both approaches to avoid duplication.	PCU/IFAD	02/2018
<b>Develop a social, environmental and climate management plan and a monitoring plan to help monitor and mitigate risks</b>  The SECMP will guide in the effective mitigation of environmental, social and climate risks. The county environment offices will further guide the programme in identifying interventions or investments that will require individual ESAs and monitoring plans, based on the magnitude of anticipated risks.	PCU	06/2018
<b>Updating of ESRN</b>  Update existing ESRN in line with SECAP guidelines, adding climate risk analysis and use in ongoing capacity development of PCU and key partners	CC/NRM Officer/IFAD	07/2019
<b>Develop ECSMP</b>  Building on SECAP, develop and implement ECSMP through participatory process with key staff/partners	CC/NRM Officer/IFAD	07/2019

#### d. Financial Management & Execution

##### Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
<b>Domestic Financing breakdown</b>	Beneficiaries	\$29,136,000		
	Domestic Financing Institutions	\$1,860,000		
	National Government	\$1,551,000		
<b>Co-financing breakdown,</b>	European Union	\$11,686,000		0.0%

##### Acceptable Disbursement Rate

**Rating: 2**

**Previous rating: 2**

##### Justification of rating

Automated rating based on IFAD disbursement data

##### Main issues

The overall disbursement rate is 25%, made up of individual disbursement rates of each of the three main financing instruments (EU, IFAD and ASAP) although the individual disbursement rates have improved since the last mission including Domestic financing.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Expenditure from EU financing</b>  Adjust the excess expenditure incurred on Programme Management component to match the original budget allocation and continue to charge all related expenditure to IFAD financing	FAM/SPA	06/2019

## Fiduciary aspects

**Quality of Financial Management**

**Rating: 3**

**Previous rating: 3**

### Justification of rating

The delayed operationalisation of the SAGE accounting software, there is also weakness in internal audit as well as external audit reports covering the expenditures from the advances made to some partners (except Equity), and lack of regular detailed AWPB performance report and lack of regular interim financial reports of the financial performance for the funds advanced to some of the partners.

### Main issues

**The Sage Accounting Software** is still in the process of being fully implemented and this is planned to be completed for effective financial reporting by 31 January 2020

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Quarterly financial reports</b>  Enforce submission of quarterly reports by partners and consistently review and validate their expenditures	PCU	12/2018
<b>Internal audit</b>  Consider the possibility of contracting an internal auditor to ensure timely and consistent review of internal audit	PCU	12/2018
<b>E-voucher farmer database</b>  Before submission of the qualifying farmers list to the Banks the PCU should formulate batch control totals and other appropriate features which will enable them to check for any possible changes on the output lists/returns from the Banks.	PCU	12/2018
<b>EAGC performance audit findings to be reviewed</b>  The findings of the Auditor-General's performance audit should be followed up to determine whether any costs are ineligible, such as the 12% management fee and other budget over-runs	PCU	01/2019
<b>Quarterly financial reports from Partners</b>  Enforce submission of quarterly reports by partners and consistently review and validate their expenditures	PCU	08/2019
<b>Sage Accounting Software</b>  Finalise the rolling out the Sage Accounting Software and ensure installation into full and effective use	PCU	12/2019

**Quality and Timeliness of Audit**

**Rating: 6**

**Previous rating: 4**



### Justification of rating

The audited financial statements have been received on time and result fully informative.

### Main issues

In accordance with IFAD's standard financial management procedures, a review of the audited financial statements pertaining to KCEP for the period ended 30 June 2018 has been performed. The audited financial statements were received on 31 December 2018, within the stipulated submission deadline. This is aligned with expected standards and best practice. The financial statements were prepared on the basis of IPSAS cash which are deemed acceptable to IFAD. IFAD's assessment of the financial statements, rated the quality of the financial reporting as highly satisfactory, on the basis that the financial statements submitted were complete and disclosures were comprehensive. We would only ask that for future years the analysis by expense category and component are also disclosed in KSh. The audit was performed by the Auditor-General on the basis of ISSAI which are deemed acceptable to IFAD. The auditor expressed unqualified opinions on the financial statements, the statements of expenditure and the designated account as well as clean opinions on the lawfulness of expenditures and internal controls. Of key relevance in this programme, the auditor also reported on the performance of the e-voucher scheme, fully addressing IFAD's requests which is highly appreciated. IFAD's assessment of the auditor's performance has rated the quality of the audit work as highly satisfactory. There was full disclosure of transfers to partners and in-kind contributions made by Equity Bank Ltd and by the farmers. The Management Letter provided several insights into possible internal control weaknesses, however, Management's responses provided comprehensive justifications with supporting documentation. No recommended actions as far as IFAD is concerned result from this analysis. On the basis of IFAD's review of the audited financial statements, the audited financial statements are acceptable to IFAD and a risk rating of "low risk" has been assigned to the audit. This rating, together with the performance assessment ratings described above will feed into IFAD's Risk Based Assurance Framework which determines the financial management and disbursement arrangements of ongoing and future project designs. The audited financial statements will be subject to public disclosure on IFAD's website.

### Counterparts Funds

Rating: 5

Previous rating: 5

### Justification of rating

The GoK has overall met the threshold for the counterpart contribution

### Main issues

The total GoK contribution since Programme inception amounts to KSH 210.5 million (or 52% of the allocation at design of Ksh.454.5 million) in form of cash transfer to the Programme in addition to forgone duty and VAT on some procurement items

Agreed Action	Responsibility	Agreed Date
<b>GoK counterpart contribution</b>  Formulate a procedure for capturing and reporting on indirect GoK contributions.	PCU	12/2018

### Compliance with Loan Covenants

Rating: 3

Previous rating: 3

### Justification of rating

The compliance with loan covenants is rated as moderately unsatisfactory as three covenants have not been fully met at the time of the mission:

- Covenant 3.1 "Audit of electronic voucher system": the KENAO has released the draft audit performance report. The reviews by the mission detected a number of significant gaps which require to be addressed.
- Covenant 3.2 "Accounting software": The SAGE Pastel accounting software has been installed in the PCU, but the system is not yet fully operational and
- Schedule 3(7)(ii) a sub-committee of the PSC is constituted as an audit committee responsible for approving the annual audit plan and for meeting quarterly to review internal audit reports and management actions on the recommendations of both internal and external auditors.

### Main issues

**Audit of electronic voucher system:** The Mission reviewed the draft report which does not provide any evidence that detailed work was done on the performance aspects as requested in the TORs. However, a number of pertinent issues were raised which are yet to be clarified by the PCU. The mission urges KENAO to finalize the performance audit report in



order for the Programme to follow up on key recommendations and actions.

For the **Accounting software**, the PCU are in the process of financial data capturing with the aim of generating automated reports directly from the system. Accordingly, the PCU has laid down an elaborate plan that will ensure that the system will be operational by 15 November 2018. Only then will the covenant be met.

The appointment of a **PSC Audit Committee** has become urgent and important given the need to ensure that expenditures spent from the advances given to the implementing partners are properly audited and the audit reports submitted and reviewed on a timely manner. The Committee will also provide added oversight on all audit matters as well as support the PCU with scaled up management and leadership on audit planning and peer review. The Mission recommends appointment of this committee by the end of the year.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>e-voucher performance audit</b>  Finalize the 2016-2017 e-voucher performance audit for Equity Bank Limited and consider the option of recruiting independent audit firm for future e-voucher performance audit through close coordination with KENAO 31 Oct 2018 and June 2019	MoALF/National Treasury/KENAO	10/2018
<b>Consistent compliance with loan covenants</b>  PCU to ensure continuous compliance with full loan covenants continuous	PCU/SDA	

## Procurement

**Procurement** **Rating: 3** **Previous rating: 3**

### Justification of rating

Overall, although there is little progress in the Programme's procurement function, the Programme is making a number of improvements

### Procurement Review

Some of the areas that still need improvement include: a) the severe delay in completing the procurement processes for all types of procurement especially consultancy service transactions; b) procurement should be following the approved plan; c) the need to ensure that the procurement method is consistently in line with the threshold indicated in the LTB, IFAD prior review requirements and d) improve the procurement filing system.

**Structure of the Procurement Unit.** The PCU Procurement Unit is located in Nairobi, consisting of one Procurement Officer, who joined the PCU on May, 2017. The Procurement Officer has got experience in managing procurement activities especially at the level of planning and process management. The Mission provided guidance on improving some gaps identified at the level of the selection of consulting services and evaluation criteria of bids for the procurement of goods.

**Procurement Planning.** The 2017-2018 & 2018-2019 procurement plans were found to meet the basic requirements. However, the mission noted the following areas for improvement: (i) The plan is not being fully respected in terms of packaging; (ii) The plan missed some important information like the issue number of the invitation for bids, status of IFAD review, contract type for consultancy assignments and contract value; (iii) Inconsistency in updating of the PP with regard to actual implementation; and (vi) While the PCU undertakes regular review of the PP, there is a need to improve on effective monitoring tool to measure implementation performance against the initial planning.

**Bidding Documents.** The National legal framework is complemented with a series of Standard Bidding Documents (SBDs) covering procurement of goods, works and services, that was adopted by the PCU for the procurement of goods, works and services using NCB method. The National SBDs were found satisfactory and meet the basic requirements. For ICB method, incorrect version of the World Bank SBD was utilized, the PCU was guided to adopt the correct version for all ICB procurements. The Mission discussed with the PCU that qualification, evaluation, and award criteria need to be listed more clearly in all bidding documents. For consultancy assignments, the mission has discussed with the PCU that the evaluation, and award criteria need to be listed more clearly in all bidding documents to differentiate between pass / fail system and point system. Furthermore, the PCU was urged to stop using open tendering method consultancy assignments.

**MOU/Subsidiary Agreement (SA).** The Mission noted that there are 4 MOUs/SAs signed with partner institutions during the review period. As the performance of these MoUs/SAs need to be closely monitored, it is important that the Procurement Office is fully involved in the contract management whether it is a commercial contract, MOU or Subsidiary Agreement. It is the responsibility of the Procurement Office to ensure that procurement principles are ensured consistently. The Mission reviewed the Subsidiary Agreements with Cooperative Bank of Kenya Limited on a sample check basis and found it well prepared including all the key provisions required from procurement viewpoints and good contract management.

**Procurement Progress.** The 2017-2018 procurement plan has included 15 Goods and Works procurement transactions, 9 non-consultancy services transactions and 12 consultancy assignments with total cost estimate USD 3,078,297. As of June 30, 2018, the procurement process for 6 packages only worth USD 357,255.00 was completed by the PCU constituting 11.6% of the planned amounts. During the period July 1, 2018 to August 31, 2018 the PCU succeeded in completing the procurement process for 1 Goods package and two consultancy packages worth USD 328,479; however, the contracts for the two consultancy assignments have not been signed yet.

**Contract Register.** The Mission reviewed the Programme register of contracts, on a sample basis. The register of contracts was found to be up to date in terms of contracts, MOUs and SAs awarded in the previous years and in conformity with IFAD requirements. However, some important information is missing, such as status of IFAD review, reference to the approved PP and the payment status.

**The procurement filing system.** The Mission noted with concern that there is a need to improve the current filing system for procurement. In line with good procurement practices and to ensure efficient and smooth contract management, procurement filing system needs to be developed to include the following documents: (i) annual procurement plans; (ii) procurement requisition; (iii) copies of bidding documents; (iv) evaluation reports; (v) IFAD No-Objection documents and approval; (vi) awarding letters; (vii) signed Contracts; (viii) invoices, acceptance/progress reports and payment documents; (ix) Contract amendments and (x) Contract tracking sheets.

**Archiving system.** IFAD will support the PCU to roll-out of e-archiving system (EU-funded ArcaE developed in Mozambique) following the feasibility study.

**Procurement post review.** As part of the mission activities, procurement post review has been conducted on sample basis for the contracts carried out over 2017-2018. The reviewer has noted that:

- The RFQs/PO do not include clear conditions, delivery schedule, terms of payments and acceptance.
- The Procurement files are not complete, as it misses some important documents such as contract agreement/POs, acceptance reports, professional opinion of the procurement officer and payment vouchers.
- Two transactions were not enrolled in the approved procurement plan.
- In one case, procurement process was not in compliance of IFAD prior review requirements.
- Delay was noticed in the procurement process.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Hire temporary assistant to support filing of backlog of procurement documents</b>  To help filing the procurement documents and archiving files especially the backlog	SPC/PO	02/2018
<b>Constantly update the PP</b>  Constantly update the PP, say at least 1-2 times per week, share the updated PP with the entire PCU and use it for the discussion at monthly procurement meetings. By end of February 2018 and continuous	Procurement officer	02/2018
<b>Strict compliance with Procurement procedures</b>  Adhere strictly to IFAD guidelines with regards to No-objection requirements, implementation of planned transactions, thresholds for procurement methods, application of evaluation criteria continuous	PCU	09/2018

<b>Effective monitoring of procurement plan</b>  Expedite the implementation of the procurement plan and submit a monthly progress report on procurement covering the actions taken during the month and the anticipated steps during the next month continuous	Procurement office	09/2018
<b>Roll-out of e-archiving system</b>  Ensure the full implementation of the e-archiving system after adapting the ArcaE developed for EU-funded Programme in Mozambique following the Dec 2017 feasibility continuous	PCU/IFAD	09/2018
<b>Continuous update of the procurement plan.</b>  continuous	PCU	09/2018
<b>Establish a dedicated procurement filing system, where all procurement related documents are maintained.</b>  continuous	PCU	09/2018
<b>specifications</b>  Create and maintain a database of sample specifications and prepare standard technical specifications for items procured frequently. Whenever in-house capacity to develop technical specifications/TORs and evaluation criteria does not exist, TA should be requested from the market or other specialized governmental entity. continuous	PCU	09/2018
<b>more comprehensive RFQs/PO</b>  Develop more comprehensive RFQs/PO to include clear conditions, terms of payment and acceptance. December 2018 and continuous	PCU	12/2018
<b>Update the register of contracts to reflect the above mentioned comments.</b>	PCU	12/2018

F. Relevance

Relevance	Rating:
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## G. Project Modifications

Responsibility	Modification type	Description
IFAD	Climate Risk Classification	new: High
IFAD	Environmental and Social Category	new: A
IFAD	Logical Framework	Successfully migrated to ORMS
IFAD/Government	Completion Date	The EU Contribution Agreement had extended the implementation duration of KCEP to 90 months and therefore this required re-alignment of KCEP to the KCEP-CRAL to reflect this EU Contribution amendment. IFAD Management as approved this extension and Financing Agreement amendment for the EU Contribution yet to countersigned by IFAD and GoK

## **H. Lessons Learned**

### **improving e-voucher system with targeting and accuracy in farmer data**

The E-Voucher is a viable method of revolutionising the input sector for sustainable agriculture. County governments in Bungoma and Trans Nzoia are impressed by the early gains and are currently studying the model for adoption. AGMAK is similarly doing the same for recommendation in Mozambique, Uganda and South Sudan. Targeting is important for the Programme objective of financial inclusion and graduation to be realized in view of farmers contribution for e-voucher and the need to participate in the financial systems. Ensuring accuracy of farmers' data capture and especially the names and ID/No are very crucial during IPRS screening to avoid losing selected beneficiaries at screening stage.

### **Commitment, PIN Reset and Card Replacement**

Commitment, prompt action and knowledge of Programme requirements is important e.g. loss of time experienced in the debit card designs and approvals. Prompt resolution of farmers debit card issues and feedback to the affected farmers is crucial to avoid farmers losing a season or dropping-off from the e-voucher. When a farmer forgets his/her PIN, the participating bank should reset the PIN. When the farmer misplaces his/her card, the participating bank should immediately block the lost card once they receive notification from the farmer. The bank should issue a new/replacement card and the farmer requested to pay for the replacement card.

### **Early engagement of stakeholders**

Start engagement with beneficiaries early i.e. selection of beneficiaries to carding and compliance with FIs merchant/agency requirements by agro dealer during pre-selection. Joint preparation/working sessions with partners during drafting of SAs significantly reduces time taken to finalize the SAs. However, all parties must put their interests in context of the target beneficiaries.

### **Direct and geographical targeting**

Geographical targeting (selecting poorest areas within a region); direct targeting (taking specific measures to reach the groups that would otherwise not be reached) is the best strategy for inclusiveness and reaching out to the rural resource poor smallholders especially women. Since 2016, there is improvement in timely reporting, use of data collection formats and data disaggregation in terms of gender to inform targeting.

### **Improving transparency in input and output pricing of cereals to attract private sector**

Continued Government ad-hoc intervention in the grain trading through subsidy on pricing and price setting is affecting private sector trading especially in maize as this creates uncertainty for which the private sector develop a "wait and see" attitude. For example, as a result of general crop failure (due to combination of prolonged drought, fall armyworm infestation and general elections) in 2017, the Government offered grain to millers at a subsidized price of KES2,300/90 kg bag of maize from NCBP stores, while at the same time requiring NCPB to purchase maize from farmers at KES3,200 in the midst of speculation that Government imported yellow maize from Mexico at higher price of KES4,000. To compound the situation, NCPB has limited capacity and resources to have purchased all the maize delivered to their stores and also experienced delayed payments to farmers. This created an increasing mistrust among the key value chain actors thereby affecting the private sector participation in the maize trading as the millers constitute the largest buyers of grains in the country.

On the side of inputs, there were reports of county governments providing "free inputs" to farmers especially seeds (e.g. green grams). In Kitui, for example, under the County Government's "green grams revolution", there is a hidden cost of the seed which is not apparent to farmers as the cost of the seed is expected to be recovered during the sale of the produce. At the time of the mission, it was understood that green gram seeds have been distributed to the entire county to be accessed by farmers during the current cropping season. It however remains unclear the distribution criteria and whether all the farmers would be able to access such seeds.

### **Replication of the e-voucher model**

It is worth noting that the Government is considering using the KCEP e-voucher model in scaling up its public provision of input subsidy schemes targeted farmers under the Government's "big four" agenda that covers commodities like maize, rice, Irish potatoes, cotton and livestock.

### **Mobilization of e-voucher farmers**

Early mobilization and sensitization of e-voucher farmers to provide sufficient time for screening/vetting to reduce delays in input access.

### **Youth within the age bracket of 18- 35 within the programme area who are living in stable marriages in most instances are well integrated in programme activities as they already have access and control of own resources**

It was observed that youth not in stable relationships, who are unemployed and out of school neither have access or control of land, continue to migrate as they see no living in the area , meanwhile parents do not transfer assets as they fear the youth may sell the land. Increasing specific quotas for the youth need therefore to go beyond age bracket, and use criteria that focus on vulnerabilities, otherwise the programme will miss out on this group entirely.

### **Participation of women in planned activities has not necessarily directly translated into women empowerment and gender equity**

During field discussions with the Ngiheyi SHG members revealed that to the largest extent although women's visibility in programme interventions has increased tremendously, and specifically under the e-voucher platform at 48% (14,746) while men are at 33% (9,945), this has not impacted on the gender based division of labour within their respective families, nor has it given women a voice for decision making at the House Hold level. Women continue to undertake the greater role of managing all works related to production of promoted technologies, alongside their domestic chores and caring tasks, while men on the other hand continue with their responsibility as heads of household. To achieve greater gender equity, and address social norms, attitudes and behaviour change and unlock household potential for sustained growth, the programme needs to invest in other transformative gender focused HH level initiatives that focus on enabling all household members identify and overcome obstacles towards improving livelihoods.

### **Appropriate targeting of beneficiaries enhances adoption and investment in improved farming technologies from other income generating activities.**

The target programme farmers are willing to use investments from other income generating activities to invest in purchase of fertilizer and seeds. This was demonstrated in Mwingi sub-county.

### **Involvement of agro-dealers in training on business management stimulate demand for improved farming inputs**

Discussion with the agro-dealer in Mwingi Sub-county indicated that after training on basic financial management, the sale of agriculture inputs increased three-fold.

### **Building community resilient asset through County Climate Change Fund**

The key lessons learned in relation to natural resource management and climate resilience are:

- Counties serve as a critical vehicle for sustainability of the project's interventions, given that some are already implementing the CCCF and allocating budgets to climate resilience and natural resource management. Therefore, PCU is encouraged to prioritise lobbying to ensure its projects interventions e.g. weather and climate information services, GIS/remote sensing etc. are embedded in the CCCFs.
- Training and capacity building interventions require regular follow up and mentorship to change farmer practice and boost adoption.
- Active cross learning between counties and projects will be critical in sharing information and best practices.

### **Innovation: e-Voucher scheme and whatsapp**

KCEP-CRAL 2017 report: The e-voucher scheme involving co-financing from Equity Bank Limited and farmers is recognized for easing access to inputs by farmers. The use of whatsapp to discuss emerging technical issues from the programme implementation process is commended.

## **I. Agreed Actions**

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Overview and Project Progress</b>		
<b>Finalization of partnership frameworks</b> Expedite the finalization of the partnership agreements with EBL, NDMA, KALRO, AGMARK and FAO	PCU/SDCD/TNT	09/2018
<b>Prioritize outcome monitoring based on resilient VC framework</b> The programme should review its monitoring tools to ensure a shift from intensive output to consistent outcome capturing of results to serve as further basis for effective management planning and decision-making taking into account the newly adopted resilient value chain graduation model which should also guide all implementing partners continuous	PCU/Key implementing partners	
<b>Speed up implementation of activities in critical components</b> The Programme and implementing partners to continuously ensure that time and weather sensitive activities are prioritized for field implementation to minimise any potential risks in delivery of key outputs and results continuous	PCU and implementing partners	
<b>Development Effectiveness</b>		
<b>Initiate trainings on GAP and CA for extension service providers and agro-dealers</b>	PCU/FAO/County Agric Staff	01/2018
<b>Nutrition Focal Point</b> Nominate a Focal Point for Nutrition from the PCU to ensure consistent follow up on programme-related activities on improved nutrition as well as facilitate collaboration and linkages with key nutrition players in the programme areas	PCU	01/2018
<b>Enhance mechanisms to adopt improved inputs</b>	KALRO/County Agric Staff	02/2018
<b>Nutrition manual and training plan</b> Finalize and translate recipe booklet and roll-out the step-down training of farmers with priority in Eastern Region	PCU	02/2018
<b>Operational gender and youth plan</b> Prepare an operational gender and youth plan that contextualizes gender and youth relations and participation realities in the programme areas and also provide better pathways for engaging the more vulnerable	CMGTO	04/2018
<b>Training on Household methodologies and WEAI</b> Strengthen the capacity of the PCU on HH methodologies and WEAI to enable the capturing of women empowerment data in M&E tools	CMGTO and M&E team/IFAD	04/2018



<b>Strategy to address farmers transition rate</b>  Review the challenges of low transition rate and use the outcome to develop appropriate strategies in moving forward	PCU/PFIs	05/2018
<b>Harmonization of targeting tool and methodology</b>  Finalize the harmonized targeting tool and methodology with consideration of pre-testing before full roll-out especially in the CRAL counties	CMGTO/M&E Team	06/2018
<b>balance on income-food &amp; nutrition security- NRM nexus</b>  Use resilient graduation model a strong basis for the PCU to re-strategize on how to attain the optimal balance on income-food & nutrition security- NRM nexus continuous	PCU	09/2018
<b>Improve transition rate from 10% to 40% co-contribution.</b>  Expedite timely access to e-voucher during the first year in order to mobilize savings from proceeds generated from the sale of first year crop to maintain active savings accounts to pay for the 40% co-contribution in the second year; in the absence of a relevant crop insurance program, provide a second chance (and last) e-voucher package to farmers who face a severe crop failure due to drought or flood on their first e-voucher supported crop. continuous	PCU/IFAD/EBL/Coop. Bank	09/2018
<b>Capturing Women in Agriculture Empowerment Index</b>  Fully incorporate in the reporting templates Women in Agriculture Empowerment Index continuous	GTCMO/MEO/Field staff	09/2018
<b>Accelerate finalization of agreement with KALRO</b>  KALRO to ensure timely dissemination of technologies with focus on on-farm demos and continuously reviewing optimal technological packages that are cost effective and provide high productivity continuous	KALRO/PCU	09/2018
<b>Harnessing mitigation opportunities</b>  Develop clear statement on how programme will harness mitigation opportunities across activities, including considering feasibility of agroforestry in the ASALs, reducing inorganic fertilisers and carbon sequestration payments continuous	NRM/CC Officer, ICRAF	09/2018
<b>Establish broader database of beneficiaries</b>  Use the harmonized process to establish a broader registry of potential beneficiaries to be enrolled into the programme for both category 1 & 2 farmers and youth to facilitate scalability	CMGTO/M&E Team	10/2018

<b>Fine tuning/ disseminating Climate Agenda</b>  Fine tune Climate Agenda, integrate into programme resilient graduation model/theory of change and use this to empower staff and partners at all levels on CC/NRM 30 dec 18 and continuous	NRM/CC Officer	12/2018
<b>Enhancing training of Farmers (ToF)</b>  Consider training additional Trainer of Farmers to increase the extension coverage	PCU/County Staff	01/2019
<b>Develop operational strategies for reaching out to the youth</b>	PCU/Implementing Partners	06/2019
<b>Nutritional outcome assessment</b>  Consider undertaking assessment of the nutritional outcome following training of beneficiaries	PCU/County Staff	02/2020
<b>Effective monitoring of improved technologies</b>  Develop effective monitoring of adoption of improved inputs among the e-voucher farmers beyond the one acre supported by the programme in order to compare adoption rates in cropping season that is not supported by programme continuous	PCU/County Agric Staff	
<b>Sustainability and Scaling up</b>		
<b>Practical approach to managerial training of groups</b>  Develop practical approaches in delivering managerial skills to groups by establishing systems including having group level action plans to facilitate close follow up and guidance to farmers and their groups	CMGTO	01/2018
<b>soil nutrient data</b>  KALRO to urgently collate the collected soil nutrient data to determine the soil nutrient requirements for the different agro-ecological zones and crops to inform fertilizer types to be procured by farmers	KALRO	01/2018
<b>Piloting of Push-Pull Approach</b>  PCU, ICIPE and KALRO to set up a meeting to agree on a clear way forward, including clear roles and responsibilities, budgets and modalities of implementation of the push and pull technology	PCU/ICIPE/KALRO/FAO	01/2018
<b>FAO to provide information on CA practices that work best in which counties and agro-ecological conditions.</b>  FAO is the preferred partner in the implementation of CA due to its experience in the field. It is therefore important that they share information and provide technical assistance in the targeted counties. PCU will engage with FAO to acquire the information and link them with county level CA ToTs for specific technical support.	PCU, FAO	02/2018

<b>Farmer Cooperative registration and Agro-dealer association</b>  Build on Trans Nzoia agro-dealer association to establish appropriate agro-dealer associations in the remaining counties and review the required processes to ensure timely registration and transformation of farmers' groups into cooperative to ensure wider benefit	PCU/AGMARK	05/2018
<b>County to Coordinate subsidy programs</b>  Programme to work closely with County authorities to identify subsidy programs for complementarities and synergies continuous	PCU/County	09/2018
<b>Joint preparation/working sessions with partners</b>  Organize joint preparation/working sessions with partners during drafting of SAs/MoUs to significantly reduce time taken to finalize these frameworks continuous	PCU/IFAD/TNT/Partners	09/2018
<b>feedbacks in the M&amp;E system</b>  Develop Consultation Plan/Feedback from the Programme beneficiaries and clear operational mechanism to capture and monitor such feedbacks in the M&E system continuous	PCU/Key partners	09/2018
<b>Ensuring environmental monitoring</b>  Use the ESCMP to develop systematic and clear environmental monitoring process, considering gaps in regulatory implementation continuous	CC/NRM Officer/ NEMA/County govts	09/2018
<b>Re-assess agrochemicals approach</b>  Use the SECAP/ECSMP process to re-assess agrochemicals approach considering also biopesticides and develop agrochemicals management plan to reduce risks to human and ecosystem health continuous	CC/NRM Officer	09/2018
<b>Exit strategy elaboration</b>  Consider developing an exit plan for the programme in order to coherently capture how the programme approaches are being taking by county governments (in CIDPs) and other partners. continuous	PCU/County governments	09/2018
<b>Exchange visit for policy and decision-makers</b>  Organize field days for some policy and decision makers with a soft inclination for poor farmers to champion the discussion in the assembly. continuous	PCU/GOK	09/2018

<b>Mapping of value addition</b>  Undertake a mapping of the postharvest handling processes and identify by-products of the processes which can benefit from further value addition	PCU	05/2019
<b>Household methodology</b>  Fast track procurement of a service provider to support the implementation of Household Methodologies	CMTGO	06/2019
<b>Financial literacy training model</b>  Develop a plan to increase the number of farmers trained on financial literacy and ensure that all enrolled e-voucher farmers are timely trained continuous	PCU/PFIs	
<b>Project Management</b>		
<b>Upgrade the ESRN into full SECAP note based on IFAD guidelines</b>  The SECAP review note will take into account risks that were identified during design stages and emerging concerns. The in-depth climate risk analysis should be done in accordance to IFAD's guidelines, but since there are plans to undertake a participatory vulnerability capacity assessments, it is important to integrate both approaches to avoid duplication.	PCU/IFAD	02/2018
<b>Shift focus on outcome analysis with consistent reporting template</b>  Review current arrangements to ensure a shift from activity-outputs to outcome analysis to reflect the ORMS structure and ensure technical staff and partners adjust their reporting format that are seamlessly synchronized with required information and data needs of the programme so that M&E concentrate on rigorous analysis for better management of the programme performance monitoring	M&E Unit	03/2018
<b>Develop a social, environmental and climate management plan and a monitoring plan to help monitor and mitigate risks</b>  The SECMP will guide in the effective mitigation of environmental, social and climate risks. The county environment offices will further guide the programme in identifying interventions or investments that will require individual ESAs and monitoring plans, based on the magnitude of anticipated risks.	PCU	06/2018
<b>Focusing on implementation efficiency</b>  Use the partnerships interactions and review meetings in a pro-active planning and risk management approach with more focussed on optimal use of resources and enhancing effectiveness of implementation through a solution orientated process continuous	PCU	09/2018

<b>systematic review and integration of value for money measures</b>  Ensure a systematic review and integration of value for money measures as part of programme planning and management decision processes continuous	PCU	09/2018
<b>Better monitoring of workplan</b>  Consider developing effective process to monitor workplan implementation with realistic milestones and take pro-active measures on components lagging behind in implementation by capitalizing on internal PCU capacities to ensure better workload distribution continuous continuous	PCU	09/2018
<b>Indicators</b>  Identify, track and measure more indicators from among the various value chain actors and also farmers who do not transit from one season to the other November 2018 and continuous	Senior M&E and KM Officer	11/2018
<b>Baseline surveys</b>  Appraise the Study Designs to ensure ORMS Indicators are captured and give prominence to Desk Review before field level studies	SMEKMO/Regional M&E Officers	04/2019
<b>Joint Action Learning with partners</b>  Facilitate a Joint review and reflection workshop with key stakeholders to draw lessons and improve learning in order to increase efficiency	PCU	05/2019
<b>Updating of ESRN</b>  Update existing ESRN in line with SECAP guidelines, adding climate risk analysis and use in ongoing capacity development of PCU and key partners	CC/NRM Officer/IFAD	07/2019
<b>Develop ECSMP</b>  Building on SECAP, develop and implement ECSMP through participatory process with key staff/partners	CC/NRM Officer/IFAD	07/2019
<b>Risk analysis protocol</b>  Consider a robust risk analysis tool to enable timing deployment of appropriate mitigation measures to minimize implementation challenges that are predicament on the seasonality continuous	PCU	

<b>proactive support County level implementation</b>  Ensure multi-level proactive support to county implementation structures with predictive resource allocation and effective monitoring in order to speed up implementation especially in counties that are planning for 2018 Long rains continuous	PCU/Country staff	
<b>Increase field level visibility</b>  Ensure adequate display of programme signage in intervention sites and relevant vantage points continuous	PCU	
<b>Adopt appropriate knowledge and communication flow practice</b>  Look beyond the KMCV strategy to develop a systematic process in managing knowledge and communication flow in the programme to enhance planning, decision and evidence-based review and feedback to improve programme performance continuous	PCU	
<b>Consistent monitoring of value for money</b>  PCU to ensure continuous and timely collecting of data and information to serve as basis to analysis cost-effectiveness and value for money for key activities continuous	PCU	
<b>Effective risk analysis Effective monitoring of AWPB implementation priorities based on sound analysis of risks</b>  Ensure proactive monitoring of the planned activities and budget priorities taking into account effective mitigation measures with realistic milestones to enable key implementing partners step up timely execution of activities that are time and season sensitive. quarterly	PCU/Key implementing partners	
<b>Financial Management &amp; Execution</b>		
<b>Hire temporary assistant to support filing of backlog of procurement documents</b>  To help filing the procurement documents and archiving files especially the backlog	SPC/PO	02/2018
<b>Constantly update the PP</b>  Constantly update the PP, say at least 1-2 times per week, share the updated PP with the entire PCU and use it for the discussion at monthly procurement meetings. By end of February 2018 and continuous	Procurement officer	02/2018

<b>Strict compliance with Procurement procedures</b>  Adhere strictly to IFAD guidelines with regards to No-objection requirements, implementation of planned transactions, thresholds for procurement methods, application of evaluation criteria continuous	PCU	09/2018
<b>Effective monitoring of procurement plan</b>  Expedite the implementation of the procurement plan and submit a monthly progress report on procurement covering the actions taken during the month and the anticipated steps during the next month continuous	Procurement office	09/2018
<b>Roll-out of e-archiving system</b>  Ensure the full implementation of the e-archiving system after adapting the ArcaE developed for EU-funded Programme in Mozambique following the Dec 2017 feasibility continuous	PCU/IFAD	09/2018
<b>Continuous update of the procurement plan.</b>  continuous	PCU	09/2018
<b>Establish a dedicated procurement filing system, where all procurement related documents are maintained.</b>  continuous	PCU	09/2018
<b>specifications</b>  Create and maintain a database of sample specifications and prepare standard technical specifications for items procured frequently. Whenever in-house capacity to develop technical specifications/TORs and evaluation criteria does not exist, TA should be requested from the market or other specialized governmental entity. continuous	PCU	09/2018
<b>e-voucher performance audit</b>  Finalize the 2016-2017 e-voucher performance audit for Equity Bank Limited and consider the option of recruiting independent audit firm for future e-voucher performance audit through close coordination with KENAO 31 Oct 2018 and June 2019	MoALF/National Treasury/KENAO	10/2018
<b>more comprehensive RFQs/PO</b>  Develop more comprehensive RFQs/PO to include clear conditions, terms of payment and acceptance. December 2018 and continuous	PCU	12/2018
<b>Update the register of contracts to reflect the above mentioned comments.</b>	PCU	12/2018

<b>Quarterly financial reports</b>  Enforce submission of quarterly reports by partners and consistently review and validate their expenditures	PCU	12/2018
<b>Internal audit</b>  Consider the possibility of contracting an internal auditor to ensure timely and consistent review of internal audit	PCU	12/2018
<b>E-voucher farmer database</b>  Before submission of the qualifying farmers list to the Banks the PCU should formulate batch control totals and other appropriate features which will enable them to check for any possible changes on the output lists/returns from the Banks.	PCU	12/2018
<b>GoK counterpart contribution</b>  Formulate a procedure for capturing and reporting on indirect GoK contributions.	PCU	12/2018
<b>EAGC performance audit findings to be reviewed</b>  The findings of the Auditor-General's performance audit should be followed up to determine whether any costs are ineligible, such as the 12% management fee and other budget over-runs	PCU	01/2019
<b>Expenditure from EU financing</b>  Adjust the excess expenditure incurred on Programme Management component to match the original budget allocation and continue to charge all related expenditure to IFAD financing	FAM/SPA	06/2019
<b>Quarterly financial reports from Partners</b>  Enforce submission of quarterly reports by partners and consistently review and validate their expenditures	PCU	08/2019
<b>Sage Accounting Software</b>  Finalise the rolling out the Sage Accounting Software and ensure installation into full and effective use	PCU	12/2019
<b>Consistent compliance with loan covenants</b>  PCU to ensure continuous compliance with full loan covenants continuous	PCU/SDA	



# Kenya Cereal Enhancement Programme Climate Resilient Agricultural Livelihoods Window

## 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	1.b Estimated corresponding total number of households members										
	Household members			851 000	138 359	443 809	52.2				
	1.a Corresponding number of households reached										
	Non-women-headed households			92 500	16 638	55 306	59.8				
	Women-headed households			92 500	13 440	41 174	44.5				
	Households			185 000	30 078	96 480	52.2				
	1 Persons receiving services promoted or supported by the project										
	Females			255 300	76 535	254 408	99.7				
	Males			425 500	61 824	189 401	44.5				
	Young			170 200	52 652	95 851	56.3				
	Total number of persons receiving services			851 000	138 359	443 809	52.2				

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	
<b>Project Goal</b> Income increased, and poverty and food insecurity of targeted rural smallholder households sustainably reduced	Smallholder’s farmers targeted from the Programme support							• National (KIHBS) household income and expenditure surveys. • RIMS impact surveys • Baseline, mid-term and final food security & nutrition assessments			1) Stable political/macroeconomic environment 2) Successful public private partnership with Fis
	Smallholder farmers			185 000	30 078	96 480	52.2				
	Males			92 500	542	32 971	35.6				
	Females			92 500	8 699	42 672	46.1				
	Young			37 000	11 446	20 837	56.3				
	Farmers in ASAL target counties			120 000	9 952	32 689	27.2				
	Smallholder farmers taken out of poverty & food secure with improved nutritional status							• National (KIHBS) household income and expenditure surveys. • RIMS impact surveys • Baseline, mid-term and final food security & nutrition assessments			
	Smallholder farmers			150 000	0	0	0				
	Farmers in ASAL target counties			95 000	0	0	0				
	National grain deficit reduced, equivalent to 10% national deficit							From PCU annual crop yield survey			
	Grain produced			41 000	2 779	6 805	16.6				
	Maize			62	10	27	43.5				
	Sorghum			17	0	0	0				
	Green grams			8	0	0	0				
	Beans			6	0	0	0				
	Cow peas			1	0	0	0				

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	
	Pigeon peas			3	0	0	0				
	Millet			3	0	0	0				
<b>Development Objective</b> i) Graduation of smallholder farmers to commercial farmers ii) Graduation of smallholder farmers to commercial farming in ASAL counties is climate resilient and empowerment of county governments /communities for sustainable NRM and resilience to climate change	Poor smallholder household members supported in coping with the effects of climate change										Successful public-private-partnership
	Total household members			437 000	261	261	0.1				
	Smallholder farmers graduate to market-oriented commercial farming, (with number of ASAL target): - Using improved inputs/ agricultural practices autonomously - Engaged in commercial contracts - Selling grains at price 30% higher than farm gate price - Engaged in financial services (investments loans)							Randomized control trials, annual outcome surveys and impact surveys			
	Smallholder farmers			150 000	0	0	0				
	Males			50	0	0	0				
	Females			30	0	0	0				
	Young			20	0	0	0				
	Farmers in ASAL target counties			95 000	0	0	0				
	8 county governments implementing ward level sustainable NRM and climate change resilience community plans										
	Ward level NRM/CC plans			100	0	0	0				
	8 county sustainable NRM and climate change adaptation plans developed (with 100 ward level community resilience NRM plans), and county/community officials trained										
	Climate change adaptation plans			8	0	0	0				
	Officials trained			42	0	0	0				

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	
<b>Outcome</b> 1. Sustainable increase in production and productivity of maize, sorghum, millet and associated pulses among targeted smallholder farmers and improved climate change resilience with sustainable NRM in targeted ASAL counties	Productivity increase in Medium -High Potential (MHP) areas for maize and sorghum and for millet and pulses (beans, pigeon peas, cowpeas and green grams)							• Food security and nutrition assessments • Remote - sensing survey • Project activity report • Randomized control Trial • Household income expenditure surveys from RIMS impact survey questionnaire (baseline/final) - Preliminary 2016/2017 crop yield survey by PCU			
	Productivity increase for maize			100	6	25	25				
	Productivity increase for sorghum			100	0	0	0				
	Productivity increase for millet			75	0	0	0				
	Productivity increase for pulses			75	0	0	0				

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	
	Productivity increase in the ASALs for maize and sorghum and for millet and pulses (beans, cowpeas, green grams and pigeon peas)							<ul style="list-style-type: none"> <li>• Food security and nutrition assessments</li> <li>• Remote - sensing survey</li> <li>• Project activity report</li> <li>• Randomized control Trial</li> <li>• Household income expenditure surveys from RIMS impact survey questionnaire (baseline/final)</li> <li>• Preliminary 2016/2017 crop yield survey by PCU</li> </ul>			
	Productivity increase for maize and sorghum in ASALS			80	0	0	0				
	Productivity increase for sorghum in ASALS			80	0	0	0				
	Productivity increase for millet and pulses in ASALS			50	0	0	0				
	Productivity increase for pulses in ASALS			50	0	0	0				

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	
	Hectares GAP/CA producing targeted cereals and pulses							• Food security and nutrition assessments • Remote - sensing survey • Project activity report • Randomized control Trial • Household income expenditure surveys from RIMS impact survey questionnaire (baseline/final) - Preliminary 2016/2017 crop yield survey by PCU			
	Hectares of land			80 000	2 894	12 403	15.5				

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	
	1.2.4 Households reporting an increase in production							Food security and nutrition assessments • Remote - sensing survey • Project activity report • Randomized control Trial • Household income expenditure surveys from RIMS impact survey questionnaire (baseline/final) - Preliminary 2016/2017 crop yield survey by PCU			
	Total number of household members										
	Males			63 000	2 546	4 846	7.7				
	Females			63 000	1 746	3 471	5.5				
	Young			25 200	0	575	2.3				
	Households										

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			
	Households reporting an increase in production							Food security and nutrition assessments • Remote - sensing survey • Project activity report • Randomized control Trial • Household income expenditure surveys from RIMS impact survey questionnaire (baseline/final) - Preliminary 2016/2017 crop yield survey by PCU					
	Female			27	35	47	174.1						
	Male			45	24	33	73.3						
	Youth			18	0	3	16.7						
	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices												
	Households												
	Total number of household members												
	Males			56 000	655	1 805	3.2						
	Females			56 000	939	2 089	3.7						
	Young			22 400	0	383	1.7						
	Households												
	Households reporting adoption of new/improved inputs, technologies or practices												



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	
	Female			24	5	14	58.3				
	Youth			18	0	1	5.6				
	Male			40	9	15	37.5				
	Improved vegetation index in Programme area							• Food security and nutrition assessments • Remote - sensing survey • Project activity report • Randomized control Trial • Household income expenditure surveys from RIMS impact survey questionnaire (baseline/final) - Preliminary 2016/2017 crop yield survey by PCU			
	Improved vegetation index										
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices										
	Households										
	Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices										
	Farmers			80	0	0	0				

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 1.1 Targeted smallholder adopt climate resilient improved farming practices including GAP/CA and access to improved agricultural services and inputs	1.1.3 Rural producers accessing production inputs and/or technological packages										Private sector willingness to provide market-led incentives in adoption of CA
	Females			42 000	7 543	22 491	53.6				
	Males			70 000	5 539	15 362	21.9				
	Young			28 000	1 339	7 148	25.5				
	Total rural producers			140 000	7 273	37 853	27				
	ASAL smallholder farmers trained on CA/GAP and NRM adopt improved agricultural practices through e-voucher technical package and extension services including climate information for enhanced agricultural productivity							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	ASAL smallholder farmers			95 000	4 275	4 275	4.5				
	Males			47 500	1 810	1 810	3.8				
	Females			47 500	2 465	2 465	5.2				
	Young			19 000	1 880	1 880	9.9				
	Capacity of agro-dealers strengthened for agricultural services							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Agro-dealers			300	0	278	92.7				
	Extension service providers and agro-dealers capacity for provision of GAP/CA extension services and inputs strengthened							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Extension service providers			250	0	0	0				
	Agro-dealers			360	0	0	0				

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	
	1.1.4 Persons trained in production practices and/or technologies							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Women trained in crop			42 000	8 726	27 623	65.8				
	Men trained in crop			70 000	3 609	18 864	26.9				
	Young people trained in crop			28 000	20 475	20 475	73.1				
	Staff of service providers trained (RIMS)							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Males			1 080	0	828	76.7				
	Females			1 080	0	788	73				
<b>Output</b> 1.2 Capacity of farmers organizations to mobilize extension services, participate in local planning and value chains for improved and, targeted ASALs counties and communities adopt sustainable NRM adapted to climate change	Capacity of farmer groups in organizational management strengthened							• Registers of farmers organizations • Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Farmer organizations			5 000	833	1 413	28.3				

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	
	USD 7.5 m ASAP programme resources invested in watershed scale community assets with productive benefits up to 80 000 ha - Area (ha)							• Registers of farmers organizations • Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Plans			8	0	0	0				
	USD			750	0	0	0				
	USD 7.5 m ASAP programme resources invested in watershed scale community assets with productive benefits up to 80 000 ha				0	0					
	3.1.4 Land brought under climate-resilient practices										
	Hectares of land			80 000	0	0	0				
	8 County Adaptation Funds operational with ward plans and associated NRM activities funded on 80,000 ha with productive benefits							• Registers of farmers organizations • Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Number			8	0	0	0				

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	
	County climate information services functional and providing regular climatic information to ward groups to refine farm /agronomic plans							• Registers of farmers organizations • Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	County climate information services			8	0	0	0				
	3.1.1 Groups supported to sustainably manage natural resources and climate-related risks										
	Groups supported			3 800	14	14	0.4				
	Males			28 500	97	97	0.3				
	Females			47 500	137	137	0.3				
	Young			19 000	12	12	0.1				
	NRM groups with women in leadership positions (RIMS)										
	Groups with women in leadership position			2 000	6	6	0.3				
	People trained in NRM (RIMS)										
	Males			47 500	97	97	0.2				
	Females			47 500	149	149	0.3				
	Environmental management plans formulated (RIMS)										
	Plans			100	0	0	0				
	3.1.2 Persons provided with climate information services										
	Males			47 500	0	0	0				

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			28 500	0	0	0				
	Young			19 000	0	0	0				
<b>Outcome</b> 2. Post-harvest management of smallholder farmers in targeted VCs improved	Post-harvest grain losses reduced for 80% of targeted smallholder farmers							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			Bill on WRS is passed into law to provide effective regulatory framework
	Post-harvest grain losses	30		5	6.23	13.78	275.6				
	Smallholder families adopting Improved grain drying technologies							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Smallholder farmers			150 000	21 316	39 036	26				
	Operational self-sufficiency attained for warehouses							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Warehouses			60	0	0	0				

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	
	Smallholder farmers adopting improved grain storage technologies							• Programme M&E • Participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Smallholder farmers			150 000	42 946	56 361	37.6				
	2.2.5 Rural producers' organizations reporting an increase in sales										
	Percentage of rural POs			80	0	0	0				
	Rural POs wtih women in leadership position			2 000	0	0	0				
	Number of rural POs - crop			4 000	0	0	0				
	2.2.6 Households reporting improved physical access to markets, processing and storage facilities										
	Households reporting improved physical access to storage facilities			40							

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 2.1 Targeted smallholder farmers adopt improved post-harvest management of grains	Smallholder farmers of which 95,000 from the ASALs organized in groups, trained on harvest and post-harvest management and receive basic equipment for improved post-harvest management of grains							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations • Household surveys on levels of production and income generated from sales of agricultural produce			
	Smallholder farmers			150 000	20 259	47 101	31.4				
	Males			75 000	1 005	12 677	16.9				
	Females			75 000	19 254	34 425	45.9				
	Young			30 000	726	4 347	14.5				
	Threshing/shelling service providers trained and their capacity to provide services to smallholder farmers enhanced							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations • Household surveys on levels of production and income generated from sales of agricultural produce			
	Service providers			250	58	106	42.4				



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	
	Warehouses certified and offering WRS services							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations • Household surveys on levels of production and income generated from sales of agricultural produce			
	Warehouses			137	0	0	0				
	Collection centres operational							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations • Household surveys on levels of production and income generated from sales of agricultural produce			
	Collection centres			312	19	89	28.5				
	2.1.3 Rural producers' organizations supported										

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	
	Rural POs supported			5 000	1 203.12	3 859.2	77.2				
	Total size of POs			125 000	30 078	96 480	77.2				
	Males			62 500	13 440	41 174	65.9				
	Females			62 500	16 638	55 306	88.5				
	Young			25 000	11 446	20 837	83.3				
<b>Output</b> 2.2 Market access for participating smallholder farmers improved	Smallholder farmers in ASALs organized in groups with established linkages with bulk buyers							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			Bill on WRS is passed into law to provide effective regulatory framework
	Smallholder farmers			95 000	12 632	17 689	18.6				
	Production cluster-level farmer associations established and linked to a structured grain trading system,comprising 250 collection centres and 137 certified warehouses with WRS services							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Farmer associations			250	89	89	35.6				
	Road spot improvements completed linking production clusters to grain aggregation centres							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Roads			100	0	0	0				

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	
	Smallholder farmers trained in business partnership							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Smallholder farmers			150 000	46 141	56 626	37.8				
	Initiatives of commercial partnership implemented							• Programme M&E participating bank data base/records • Programme baseline, mid and end-term evaluations			
	Initiatives			60	12	18	30				
	2.1.5 Roads constructed, rehabilitated or upgraded										
	Length of roads			60	0	0	0				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated										
	Storage facilities constructed/rehabilitated			60	0	0	0				
	Outcome 3. Financial inclusion of targeted smallholder farmers improve	1.2.5 Households reporting using rural financial services									
Total number of household members				140 000	0	0	0				
Males				70 000	0	0	0				
Females				70 000	0	0	0				
Young				28 000	0	0	0				
Persons reporting using rural financial services											

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	
	Smallholder farmers in ASAL access financial services			120 000							
	Total amount of savings by target group (by gender)							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Savings (males)			2 750		903	32.8				
	Savings (females)			2 750	1 849	2 297	83.5				
	Number and type of new products implemented by partner FIs										
	Products			1	1	2	200				
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services										
	Females			70 000	6 884	17 103	24.4				
	Males			70 000	5 114	11 525	16.5				
	Young			28 000	4 276	4 276	15.3				
	Persons in rural areas trained in FL and/or use of FProd and Services (total)			140 000	11 998	28 628	20.4				
	Persons in rural areas trained in financial literacy and/or use of financial products and services										
	Smallholder farmers in ASAL			120 000	754	7 680	6.4				

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	
<b>Output</b> 3.1 E-voucher financing system for smallholder farmers and use of financial tolls and services	140,000 Smallholder farmers of which 120,000 in ASALs access voucher scheme							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			Partner financial institutions mobilize sufficient resources for programme goals
	Smallholder farmers			140 000	7 255	37 853	27				
	Males			70 000	3 300	15 362	21.9				
	Females			70 000	3 955	22 491	32.1				
	Young			28 000	1 257	7 148	25.5				
	Smallholder farmers in ASAL			120 000	4 304	17 689	14.7				
	Agro-dealers trained and accredited as agents by participating financial institutions							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Agro-dealers			360	58	58	16.1				
	Entrepreneurs trained in advanced financial training							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Entrepreneurs			350	0	0	0				

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	
	Targeted farmers access certified WRS							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Farmers			140 000	0	0	0				
<b>Output</b> 3.2 Financial services to other key players /access to value chain financing improved	Agro-dealers access value chain financing							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			Interest of private sector in value chains maintained
	Agro-dealers			360	0	0	0				
	Agricultural services providers access value chain financing							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Service providers			2 000	0	0	0				

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	
	Value addition enterprises access value chain financing							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Enterprises			100	0	0	0				
	Value chain financing ventures initiated							• Programme M&E participating financial institutions data, • Base records and reports • Programme baseline, mid and end-term evaluations			
	Ventures			100	0	0	0				
	1.1.5 Persons in rural areas accessing financial services										
	Women in rural areas accessing financial services - savings			70 000	8 966	17 986	25.7				
	Young people in rural areas accessing financial services - savings			28 000	739	5 562	19.9				
	Men in rural areas accessing financial services - savings			70 000	464	15 563	22.2				

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	
	Total persons accessing financial services - savings			140 000	9 430	33 549	24				
	Value of voluntary savings mobilized (RIMS)										
	Value			5 500	1 845	3 195	58.1				



## Kenya

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### **Kenya Cereal Enhancement Programme Climate Resilient Agricultural Livelihoods Window**

#### **Supervision Report**

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

Mission Dates: 3-17 September 2018

Document Date 11/09/2019

Project No. 1100001651

Report No. 5088-KE

East and Southern Africa Division  
Programme Management Department

**Table 2A: Financial performance by financier as at 31 July 2018**

Financiers	Approved allocation (USD '000)	Current allocation (USD'000)	Disbursement (USD '000)	Percentage
IFAD LOAN NO 2000001121	61 776	61 776	5 486	9%
IFAD ASAP GRANT NO 2000001122	10 000	10 000	1 386	14%
IFAD Grant	2 000	2 000	1 197	60%
EU GRANT NO 2000000623	33 334	33 334	12 824	38%
<b>Sub-total</b>	<b>107 110</b>	<b>107 110</b>	<b>20 893</b>	<b>20%</b>
Government of Kenya	4 545	4 545	1 885	41%
Beneficiaries	36 090	36 090	1 267	4%
Financial Institutions	5 456	5 456	2 380	44%
<b>Sub-total</b>	<b>46 091</b>	<b>46 091</b>	<b>5 532</b>	<b>12%</b>
<b>Grand Total</b>	<b>153 201</b>	<b>153 201</b>	<b>26 425</b>	<b>17%</b>

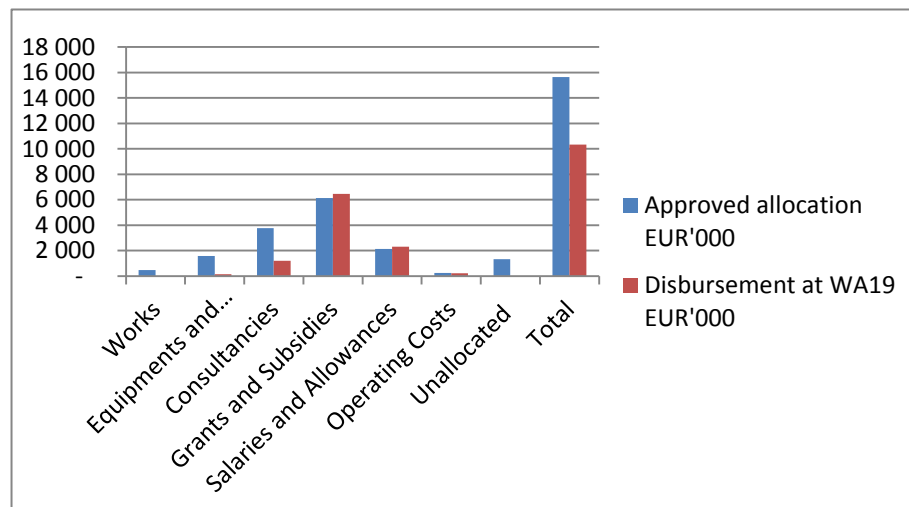
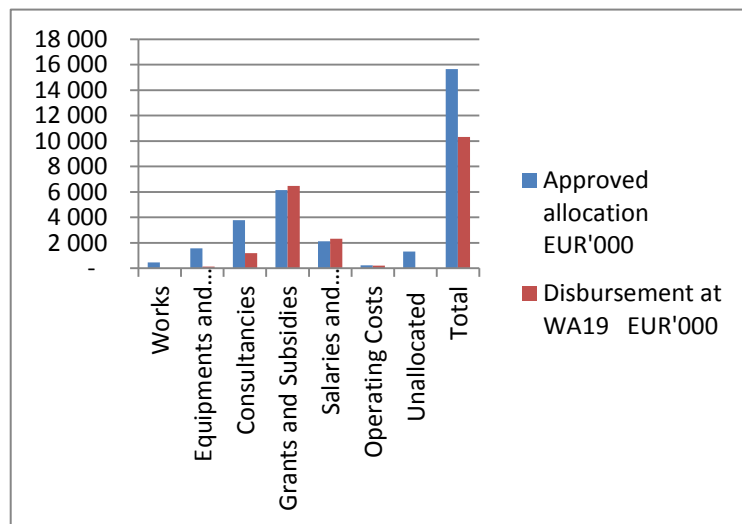
NB: For EU GRANT NO 200000062, some expenses have been pre-financed with the government funds.

Table 2B: Financial performance by financier by component (USD ‘000) as at 31 July 2018

Components	EU GRANT-623			IFAD LOAN NO-1121			IFADA ASAP GRANT-1122			IFAD Country grant			Government of Kenya			Financial Institutions			Private Sector			Beneficiaries			Total		
	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%	Allocation	Actual	%
Preparatory activities/Implementation Support and Capacity building at County-Level	1 732	103	6%	5 123	152	3%				2 000	1 197	60%	605	4	1%				193						9 653	1 455	15%
Capacity building for Climate-resilient productivity enhancement and NRM	4 007	1 263	32%		-	0%	10 000	694	7%				590	18	3%				61						14 658	1 975	13%
Post-production and Market linkages	3 043	73	2%	6 722	403	6%							1 573	0	0%	0			39			1 752			13 128	476	4%
Financial Services	17 028	6 938	41%	40 531	6	0%							1 146	214	19%	5 456	2 380	44%	3 718			34 338	1 267	2,5	102 218	10 806	11%
Programme management	3 990	3 872	97%	9 400	1 147	12%							631	362	57%										14 021	5 381	38%
Total	29 801	12 249	41%	61 776	1 708	3%	10 000	694	7%	2 000	1 197	60%	4 545	598	13%	5 456	2 380	44%	4 011			36 090	1 267	2	153 678	20 094	13%

**Table 2 C1: EU GRANT NO 2000000623 Disbursement status in EUR as of 31 July 2018.**

Category description	Approved allocation	Disbursement at WA19	Commitments	Estimated Disbursement at 31 07.18	Balance	Estimated Disbursement
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	%age
Works	470	-		-	470	0%
Equipments and Materials	1 580	147		147	1 433	9%
Consultancies	3 770	1 188	123	1 311	2 459	35%
Grants and Subsidies	6 140	6 462		6 462	(322)	105%
Salaries and Allowances	2 120	2 313	140	2 453	(333)	116%
Operating Costs	240	221		221	19	92%
Unallocated	1 330	-		-	1 330	0%
Total	15 650	10 329	263	10 593	5 057	68%
Initial Deposit		1 063		1 063		7%
Total	15 650	11 392	263	11 655		74%

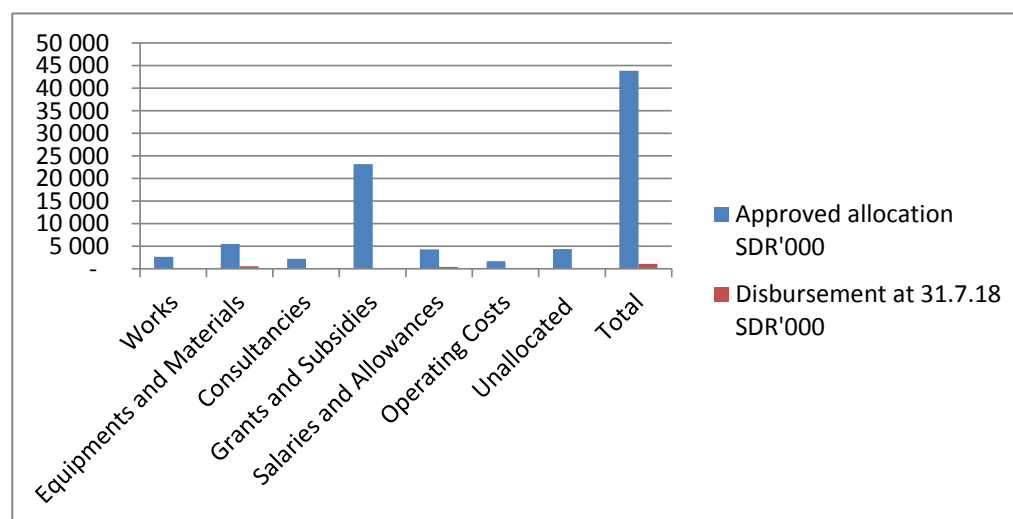


**Table 2 C1: EU GRANT NO 20000001522 Disbursement status in EUR as of 31 July 2018.**

Components	Allocation	Disbursement	Balance
	EUR'000	EUR'000	EUR'000
Preparatory activities/Implementation Support and Capacity building at County-Level	922	0	922
Capacity building for Climate-resilient productivity enhancement and NRM	883	0	883
Post-Production and Market linkages	441	0	441
Financial Services	5 806	0	5 806
Programme management	526	0	526
<b>Total</b>	<b>8 578</b>	<b>-</b>	<b>8 578</b>

**Table 2 C2: IFAD LOAN NO 2000001121 Disbursement status in SDR as of 31 July 2018.**

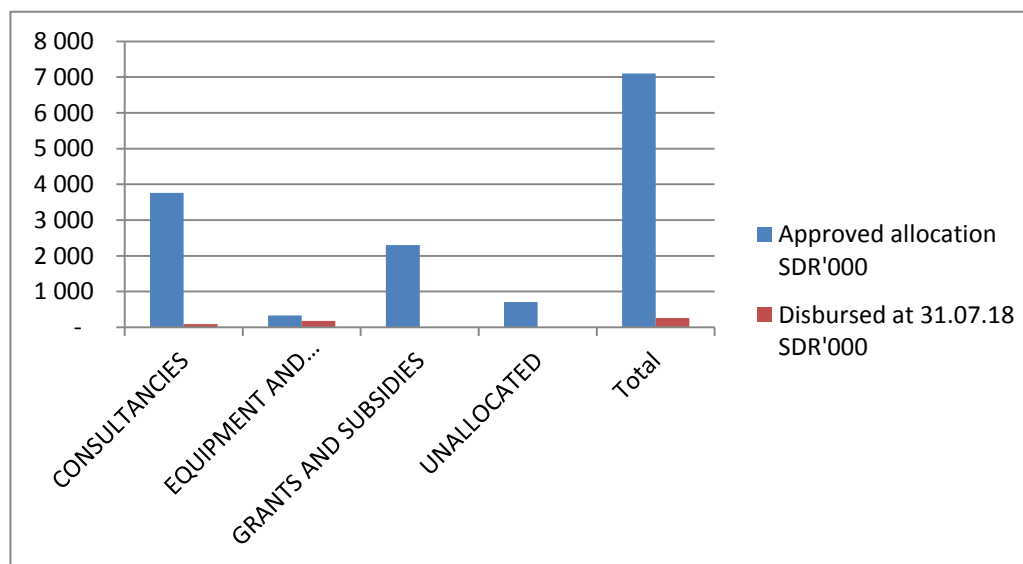
Category description	Approved allocation SDR'000	Disbursement at 31.7.18 SDR'000	Commitments SDR'000	Estimated Disbursements at 31.7. 18	Estimated Balance	Estimated Disbursements at 31.7. 18
				SDR'000	SDR'000	%age
Works	2 630	-		-	2 630	0.0%
Equipments and Materials	5 490	534		534	4 956	9.7%
Consultancies	2 210	-	85	85	2 125	0.0%
Grants and Subsidies	23 180	-		-	23 180	0.0%
Salaries and Allowances	4 260	414	60	474	3 786	9.7%
Operating Costs	1 690	98	13	112	1 578	5.8%
Unallocated	4 390			-	4 390	0.0%
Total	43 850	1 046	158	1 205	42 645	2.4%
Initial Deposit		2 582		2 582		
Advances		362		362		
<b>Total</b>	<b>43 850</b>	<b>3 990</b>		<b>4 149</b>		<b>9.5%</b>



**Table 2 C3: IFAD ASAP GRANT NO 2000001122 disbursement status in in SDR as of 31 July 2018.**

Category Description	Approved allocation	Disbursed at 31.07.18	Commitments	Estimated Disbursements	Available Balance	Estimated Disbursements
	SDR'000	SDR'000	SDR'000	SDR'000	SDR'000	%age
CONSULTANCIES	3 760	89		89	3 671	2%
EQUIPMENT AND MATERIALS	330	176	220	396	(66)	120%
GRANTS AND SUBSIDIES	2 300	-		-	2 300	0%
UNALLOCATED	710	-		-	710	0%
Total	7 100	265	220	485	6 615	7%
Initial Deposit		712		712		
<b>Total</b>	<b>7 100</b>	<b>977</b>		<b>1 197</b>	<b>6 615</b>	<b>17%</b>

14%











**Table 2 C3: IFAD Grant (through FAO) disbursement status in USD as of 31 July 2018.**

Category Description	Approved allocation	Current allocation	Disbursed	Available Balance	Percentage
Initial Advance			1 196 785	(1 196 785)	0%
Equipment and Materials	61 000	61 000	-	61 000	0%
Salaries and allowances	1 752 000	1 752 000	-	1 752 000	0%
Vehicles	187 000	187 000	-	187 000	0%
<b>TOTAL</b>	<b>2 000 000</b>	<b>2 000 000</b>	<b>1 196 785</b>	<b>803 215</b>	<b>60%</b>

**Table 5 C3: IFAD ASAP GRANT NO 2000001122 disbursement status in in SDR as of 30<sup>th</sup> October 2016.**

Category Description	Approved allocation	Current allocation	Disbursed	Available Balance	Percentage
CONSULTANCIES	3 760 000	3 760 000	0	3 760 000	0,00%
EQUIPMENT AND MATERIALS	330 000	330 000	0	330 000	0,00%
GRANTS AND SUBSIDIES	2 300 000	2 300 000	0	2 300 000	0,00%
UNALLOCATED	710 000	710 000	0	710 000	0,00%
<b>Total</b>	<b>7 100 000,00</b>	<b>7 100 000,00</b>	<b>0,00</b>	<b>7 100 000,00</b>	<b>0,00%</b>

**Table 5 C3: IFAD Country Grant disbursement status in USD as of 30<sup>th</sup> October 2016.**

Category Description	Approved allocation	Current allocation	Disbursed	Available Balance	Percentage
Initial Advance			858 590	-858590	0%
Equipment and Materials	61 000	61 000	0	61000	0%
Salaries and allowances	1 752 000	1 752 000	0	1752000	0%
Vehicles	187 000	187 000	0	187000	0%
<b>TOTAL</b>	<b>2 000 000</b>	<b>2 000 000</b>	<b>858 590</b>	<b>1141410</b>	<b>43%</b>

## **Kenya**

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### **Kenya Cereal Enhancement Programme Climate Resilient Agricultural Livelihoods Window**

#### **Supervision Report**

#### **Appendix 2: Physical progress measured against AWP&B**

Mission Dates: 3-17 September 2018  
Document Date 11/09/2019  
Project No. 1100001651  
Report No. 5088-KE

East and Southern Africa Division  
Programme Management Department

## Appendix 2: Physical progress measured against AWP&B

Code	Component/Outputs	Indicator	Activity	Unit	1 July 2017 - 30 June 2018			Cumulative Actual	Appraisal Target	%
					AWP&B (Panned)	Actual	%			
0	Preparatory activities/ Implementation Support and Capacity-building at county-level									
0.1.1 - 0.1.1.3	PCU and key stakeholders ready for programme implementation	Office space identified	3 Programme offices refurbished	No.	3	3	100	3	3	100
0.1.2.1		Key programme implementation partners identified & sensitized	Negotiation and award of the FIs	No.	2	1	50	2	2	100
0.1.2.2			Conducting PCU/FI planning meetings	No.	3	3	100	3	3	100
0.1.2.3			Sensitisation of FIs	No.	1	1	100	1	1	100
0.4.1.1			Draft SAs/MoUs review and planning meetings with partners	No.	3	3	100	3	3	100
0.4.1.2			Review of Subsidiary Agreements by National Treasury	No.	7	1	14	2	7	29
0.4.1.3			Review of Subsidiary Agreements/MoUs by IFAD	No.	7	5	71	2	7	29
0.4.1.4			Review of Subsidiary Agreement by State Law Office	No.	7	6	86	1	7	14
0.4.1.5			Signing of Subsidiary Agreements/MoUs	No.	7	2	29	2	7	29
0.5.1		16 County accountants & Desk officers trained	Conduct Training for the County Accountants & Procurement, partners accountants staff	No.	1	1	100	1	1	100
0.6.1.1		Programme county implementation team capacity built and supported	8 motor vehicles procured to support implementation at County level	No.	8	-	-	-	8	-
0.6.1.2			8 laptops & their accessories procured to support implementation at County level	No.	8	-	-	-	8	-
0.7.1			162 motor cycles for Ward officers procured to implementation at ward level	No.	162	-	-	-	240	-

0.7.2	185,000 smallholder farmers mobilized & selected (100,000 Under KCEP & 85,000 CRAL Window)		196 laptops forward officers implementation at ward level	No.	196	-	-	-	240	-
0.8.1.1		262 ward agricultural officers identified and trained on M&E & reporting, implementation framework in readiness of the programme rollout	162 WAOs identified and trained on M&E framework, data collection and reporting tools	No.	162	64	40	64	162	40
0.8.1.2			Conduct training on M&E framework in the 8 CRAL Counties	No.	8	8	100	5	8	63
0.8.2.1			262 WAOs identified and trained on extension workers on programme implementation framework	No.	162	55	34	55	162	34
0.8.2.2			Conducting the training on extension workers on programme implementation framework	No.	1	1	100	1	3	33
0.9.1		64,840 subsistence farmers mobilized and selected in the 44 programme Sub-counties in (Western Cat 1 = 2,843 Year 1; Cat 2 = 19,006; Eastern KCEP Cat 1= 13,205 year 1 ; Cat 2 = 5,786; CRAL Window Eastern CRAL Window 9,952 Cat 1, Cat 2 = 4,098; Coast CAT 1= 7,047 & Cat 2 = 2,902; farmers)	34 Sensitization stakeholder fora conducted at the sub-county level	No.	34	28	82	38	44	86
0.9.2			Conduct 34 meeting to set up sub-county selection committee	No.	34	28	82	38	44	86
0.9.3			Conducting 34 meetings to develop sub-county mobilisation and sensitization plans for sub counties and briefing community mobilizers in WR, CR and ER	No.	34	-	-	10	44	23
0.9.4			Undertake Sensitization of wards and selection of Ward selection committee in CR and ER	No.	95	26	27	27	117	23
0.9.5			Preparation and printing of community mobilization materials, e-voucher scheme posters and application forms in WR, CR and ER	No.	70 000	-	-	-	140 000	-
0.9.6			95 inaugural meetings for ward selection committees in CR & ER	No.	95	95	100	-	162	-
0.9.7			Conducting community awareness campaign barazas at wards level in CR, WR and ER	No.	438	101	23	563	762	74
0.9.8			Conducting Ward selection committee meetings to pre-select beneficiaries	No.	292	26	9	75	340	22

0.9.9			Conducting community barazas for screening of beneficiaries at ward level	No.	292	96	33	297	320	93
0.9.10			Conducting 88 sub-county selection committees meetings to review pre-selected beneficiaries	No.	88	16	18	37	136	27
0.9.11			Conduct 34 Sub-county sensitization meetings for Agrodealers/CA Service providers	No.	34	-	-	21	65	32
0.9.12			Conducting 34 sub-county selection committees meetings to pre- selected agro dealers	No.	34	-	-	21	65	32
0.9.13			Mobilization 2,594 farmers to form groups and signing of beneficiaries' commitments (MoUs )	No.	2 594	573	22	1 522	5 000	30.4
0.9.14			Undertake 51 review of selected beneficiaries at the ward level for follow-up and mopping up those who did not get inputs in 51 wards in WR	No.	51	51	100	-	486	-
0.9.15			Conducting 44 sub-county selection committee for allocating beneficiaries to Agro-dealers & Signing of Agrodealers' commitments (MoUs) with PCU	No.	44	6	14	34	65	52
0.9.16			Conduct field visit for famers enrolment	No.	331	184	56	509	1 726	29
0.10.1	140,000 smallholder farmers mobilized	29,517 farmers mobilized for financial literacy & formation for Cooperatives/LLCs	1,181 farmers groups mobilized for Financial Literacy trainings	No.	1 181	-	-	665	5 600	12
0.10.2			Mobilization and linking farmers to EAGC for formation of Cooperatives/LLCs	No.	13	8	63	63	85	74
0.11.1	Monitoring and Evaluation and Knowledge management institutionalized	4,357 M&E field visits conducted to 127 farmer groups, production data collected & submitted to PCU	Conducting quarterly CPFT field visits	No.	16	-	-	-	172	-
0.11.2			Conducting Semi-Annual CPCC field visits	No.	8	-	-	-	96	-
0.11.3			Conducting quarterly field visits by Sub-county team	No.	68	-	-	-	6 897	-
0.11.4			Field Monitoring visits by extension agents	No.	3 538	-	-	-	11 901	-



0.12.1	Effective programme management at the County Level	1 AWPB and 2 County programme progress reports reviewed & approved	Conducting quarterly County programme coordination committee (CPCC) meetings	No.	16	8	50	8	144	6
0.12.2			Conducting quarterly Sub-county County Programme Coordinating Committee forums meetings	No.	68	8	12	8	648	1
0.13.1		Tender evaluated and awarded	Conducting <i>Ad-hoc</i> tender meetings	No.	24	-	-	-	144	
0.14.1		County Programme Facilitation Team seamless operation	8 Programme Counties supported to pay for their utilities	No.	8	8	100	-	8	-
0.14.2			8 Programme counties supported to pay their office general supplies	No.	8	8	100	-	8	-
0.14.3			8 Programme Counties supported to pay for their Courier services	No.	8	8	100	-	8	-
0.14.4			8 Programme Counties supported to pay for their Fuel, Oil & Lubricants expenses	No.	8	8	100	-	8	-
0.14.5			8 Programme Counties supported to pay for their motor vehicles maintenance expenses	No.	8	8	100	-	8	-
Component 1: Capacity building for climate-resilient productivity enhancement and NRM										
Sub-component 1.1: Adoption of improved farming practices including GAP and CA										
1.1.2.1	360 Agrodealers selected & capacity built to provide e-voucher inputs & accredited as agents by Financial Institution	Agro-dealers selected for e-voucher scheme	Mapping of agro dealers and profiling	Event	1	1	100	1	1	100
1.1.2.2			Printing of expression of interest materials for agro dealers	No.	500	-	-	300	316	95
1.1.2.3			Calls for expression of interest for Agro dealers participation in the e-voucher scheme	No.	79	100	127	450	2 400	19
1.1.3.1		361 Agro-dealers training materials developed agro-dealers trained	Updating of Training Materials developed under KCEP	No.	1	-	-	1	1	100
1.1.3.2			Production of training materials	No.	1	1	100	1	1	100
1.1.3.3			Training of CRAL Window selected agro-dealers in 28 sub-counties	No.	1	-	-	1	2	50

1.1.4.1	Productivity-enhancing farming technologies/technical packages for maize, sorghum, millet and pulses defined	Farming technologies/technical packages defined in the 28 CRAL Window target sub-counties	Inventory of farming technologies/technical packages relating to GAP and CA	No.	1	1	100	1	1	100
1.1.4.2			Mapping of soil fertility and soil nutrients requirement	No.	1	-	-	1	1	100
1.1.4.3			Definition of e-voucher technical packages from inventory of technical packages relating to GAP & CA and development of crop and site specific fertilizer recommendations	No.	1	1	-	-	3	-
1.1.4.4			Participation of PCU in definition of e-voucher technical packages from inventory of technical packages relating to GAP & CA and development of crop and site specific fertilizer recommendations	No.	1	1	100	1	3	33
1.1.4.5			Participatory Stakeholders validation of e-voucher technical packages including	No.	1	1	100	1	1	100
1.1.5.1	2,160 extension service providers selected for trainings	899 Extension service providers in 28 programme Sub counties vetted and selected	Inventory of extension service providers	No.	28	-	-	6	44	14
1.1.5.2			Call for application by extension service providers	No.	79	-	-	2 080	4 022	52
1.1.5.3			Vetting and selection of extension service providers	No.	28	-	-	28	44	64
1.1.6.1.1	2,160 extension service providers selected including agrodealers, lead farmers, capacity to provide agricultural services (GAP/CA) and inputs strengthened; Household Methodologies Institutionalized	Comprehensive guidelines adequate for 898 VC stakeholders; small, specific pocket handbooks to reach 85,000 farmers prepared and printed	Updating and preparation of materials on NRM and climate-smart practices	No.	1	1	100	1	1	100
1.1.6.1.2			Updating and Preparation of Trainings material on Water conservation and water harvesting technologies	No.	1	1	100	1	1	100
1.1.6.1.3			Updating and Preparation of Training materials on soil nutrition and fertilizer application	No.	1	1	100	1	1	100
1.1.6.1.4			Updating and Preparation of Training materials on crop protection	No.	1	1	100	1	1	100
1.1.6.1.5			Updating and Preparation of Training materials on crop technologies	No.	1	1	100	1	1	100
1.1.6.1.6			Compilation of a comprehensive guidelines	No.	1	1	100	1	1	100
1.1.6.1.7			Printing of comprehensive training guidelines & extension materials	No.	1	0	-	0	1	-

1.1.7.1.1	898 extension workers under CRAL Window trained as trainer on NRM, Climate smart, water conservation & water harvesting technologies, soil fertility management & nutrient deficiencies, crop protection & crop technologies (80 Master Trainers and 818 ToTs);	Logistical arrangement for Master Trainers	No.	1	-	-	-	1	-
1.1.7.1.2		Training of master trainers		1	-	-	-	1	-
1.1.7.1.3		Participation of PCU in Training of master trainers	No.	1	-	-	-	1	-
1.1.7.2.1		Logistical arrangement for 4 ToT on NRM and climate-smart practices	No.	1	-	-	-	1	-
1.1.7.2.2		Training of trainers	No.	4	-	-	-	4	-
1.1.7.3.1		Logistical arrangement for ToT on Water conservation and water harvesting technologies	No.	1	-	-	-	1	-
1.1.7.3.2		Training of trainers	No.	4	-	-	-	1	-
1.1.7.4.1		Logistical arrangements for 4 ToT on soil fertility management & diagnostics nutrient deficiency	No.	1	-	-	-	1	-
1.1.7.4.2		Training of trainers	No.	4	-	-	-	1	-
1.1.7.5.1		Logistical arrangements for 2 ToT on crop protection	No.	4	-	-	-	1	-
1.1.7.5.2		Training of trainers	No.	4	-	-	-	4	-
1.1.7.6.1		Logistical arrangement for 4 TOT on crop technologies	No.	1	1	100	1	1	100
1.1.7.6.2		Training of Trainers	No.	4	-	-	1	1	100
1.1.8.1.1	4,168 farmer-level demonstrations set-up to conduct on-farm trial and farmer trainings (7,400 at farmers' group level : 444 by Agrodealers and 225 at county or sub-regional research centres)	Identification and selection of demonstration sites	No.	25	-	-	56	150	37
1.1.8.1.2		Setting up of demo plots and management of demo plots	No.	25	-	-	56	150	37
1.1.8.2.1		Recruitment of farmers to conduct demonstrations and establishment of demonstrations at farmer group level	No.	500	250	50	1 493	3 990	37

1.1.8.2.2		28 demonstration plots set up at farmer group level with 15% contributions by participating Agro-dealers	Setting up of farmer group demo establishment	No.	500	250	50	1 493	3 990	37
1.1.8.2.3			Input for farmer groups to conduct Demo		500	250	50	1 493	3 990	37
1.1.8.3.1			On-going management and feedback	No.	930	-	-	-	7 400	-
1.1.8.3.2			Recruitment of farmers to conduct demonstrations at farmer level	No.	28	9	32	208	270	77
1.1.8.3.3			Setting of demonstrations at farmer level	No.	28	9	32	75	270	28
			On-going management and feedback	No.	28	9	32	75	270	28
1.1.9.1	100,000 or targeted farmers (disaggregated by sex and age) trained and adopt climate resilient improved farming practices including CA/GAP	23,176 subsistence farmers trained on improved farming practices including CA/GAP & NRM; through Group level trainings, field days, exhibitions/trade fairs & exchange visits (Coast region; Kwale & Kilifi Counties Cat 1 and 2 - 7,128 and Eastern region Cat 1 - 13,205 WR 2,843)	Conducting group level trainings	No.	927	-	-		5 600	-
1.1.9.2			Conducting 9 field days	No.	9	1	11	23	35	66
1.1.9.3			Conducting 8 exhibitions and trade fairs in 8 counties	No.	8	2	25	2	111	2
1.1.9.4			Exchange visits in farmers' groups performing well	No.	16	7	44	17	50	34
1.1.9.1	700 service providers trained on organization and capacity building of Primary Production farmer groups	Customized cereal growers farmer organization & capacity building manuals prepared	Conducting group level trainings	No.	927	-	-	-	5 600	-
1.1.9.2			Rapid training needs assessment in farmer groups	No.	300	-	-	-	44	-
1.1.9.3			Preparation of customized training of trainer manuals	No.	1	1	100	1	1	100
1.1.9.4			Printing of training materials	No.	175		-	24	162	15
1.1.10.2.1	Primary Production Group (of an average)	300 service providers trained	Identification and selection of trainers	No.	1	-	-		1	-
1.1.10.2.2			Training of Service providers	No.	8	-	-	24	18	133

1.1.11.1.1			Support to group self-selection, formulation of group constitutions, registration & election of leaders	No.	1 271	291	23	1 301	5 000	26
1.1.11.1.2			Group registration with social services	No.	1 271	109	9	1 280	5 000	26
1.1.11.2.1		1,321 primary production groups formed & 1,073 groups trained on organization management	Participatory review of group status & needs	No.	1 271	-	-	-	5 000	-
1.1.11.2.2			Participatory rapid preparation of group action plans	No.	1 271	-	-	-	5 000	-
1.1.11.3.1			Training on organization & management	No.	1 073	53	5	580	5 000	12
1.1.11.3.2			Training joint action in procurement & marketing	No.	1 271	-	-	-	5 000	-
1.1.11.3.3			Facilitation of selected farmers for mutual learning visits	No.	1	10	1 000	10	24	42
1.1.12.1.1			Support to farmers in quantification of inputs requirements and access points	No.	51	-	-	-	5 000	-
1.1.12.1.2			Backstopping quantification of inputs requirements and access points	No.	642	-	-	250	5 000	5
1.1.12.2.1			Support to farmers in review of service requirements	No.	642	-	-	-	5 000	-
1.1.12.2.2			Facilitation of meeting between farmers and service providers (including Financial services)	No.	291	-	-	-	5 000	-
1.1.13.1			Request for proposal	No.	1	-	-	-	1	-
1.1.13.2			Supervision visits by PCU during the field visits	No.	1	-	-	-	1	-
1.1.13.3			Development of KCEP - CRAL's HHM Manual	No.	1	-	-	-	1	-
1.1.13.4			Validation Workshop for HHM in CR, WR & ER	No.	3	-	-	-	3	-

1.1.14.1	Effective coordination of extension services to supported farmers	County staff deployed and facilitated	Remuneration of Western region County coordinators & field extension workers	No.	6	-	-	-	72	-
1.1.14.2			Procurement of Motor cycles & Helmets for County	No.	51	-	-	-	91	-
1.1.14.3			Procurement of laptops & printers for County coordinators	No.	5	-	-	-	5	-
1.1.15.1		Ongoing field Monitoring & Coordination	Facilitation of M&E activities	No.	1 200	-	-	-	16 000	-
Sub-Component 1.2: Community-based sustainable NRM and adaptation to Climate Change										
1.2.1.1.1	8 CCCF mechanism designed; 8 County sustainable NRM and climate change adaptation plans developed (with 100 ward level community resilience NRM plans), and county/community officials trained	2 CCCF Committees sensitized (Kitui & Makueni); 10 Wards for implementing CCCF selected, Ward Planning committees set up	Sensitization of County CCCF Committees on the Programme	No.	2	2	100	2	8	25
1.2.1.1.2			Prioritization of implementing CCCF wards & activities	No.	1	1	100	1	1	100
1.2.1.1.3			Sensitization of the Ward Climate Change Planning committees	No.	10	-	-	-	68	-
1.2.1.1.4			Training and election of WCCPCs at ward level	No.	10	-	-	-	68	-
1.2.2.1		10 Participatory vulnerability capacity assessment conducted, & validated	Training of local team on Participatory Vulnerability Capacity Assessment	No.	10	-	-	-	68	-
1.2.2.2			Actual assessment	No.	10	-	-	-	68	-
1.2.2.3			Drafting of assessment report (inputting)	No.	10	-	-	-	68	-
1.2.2.4			Conducting Validation meetings	No.	10	-	-	-	68	-
1.2.3.1.1		Community consultation meetings conducted, proposals developed & submitted for technical clearance from 10 implementing wards	Conducting community meetings & cross ward consultations	No.	10	-	-	-	68	-
1.2.3.1.2			Development of proposals & draft budget	No.	10	-	-	-	68	-
1.2.3.1.3			Proposal documents presented at Inter-Ward meeting and modified as necessary	No.	10	-	-	-	68	-
1.2.3.1.4			Submission of proposals to CCCTC for technical clearance	No.	10	-	-	-	68	-
1.2.3.2.1		10 proposals reviewed & presented for MCCCCB	Proposal review at ward level	No.	10	-	-	-	100	-
1.2.3.2.2			Final proposal presentation to the CCCTC	No.	10	-	-	-	100	-

1.2.3.2.3		approval	Presentation of proposal to the MCCCCB	No.	10	-	-	-	100	-
1.2.4.1.1			Call of proposals for expression of interest	No.	10	-	-	-	100	-
1.2.4.1.2			Evaluation of the service providers' bids proposal	No.	10	-	-	-	100	-
1.2.4.2.1		Expression of interest done, bids evaluated & 5 contracts signed; 1 M&E field visit conducted	Initial payment contract for Community Resilient Asset	No.	10	-	-	-	100	-
1.2.5.1			Meetings and field visits	No.	1	-	-	-	1	-
1.2.6.1.1	8 County climate information services functional and providing regular climatic information to groups to refine farm/ agronomic plans	143 automatic rain gauge, 71 manual rain gauges, 9 base stations, 9 specialized software, 8 computers and software procured & installed	Procurement of 143 Automatic Rain Gauge (ARG)	No.	143	-	-	-	143	-
1.2.6.1.2			Procurement of 71 Manual Rain Gauge (MRG)	No.	71	-	-	-	71	-
1.2.6.1.3			Procurement of 9 base station	No.	9	-	-	-	9	-
1.2.6.1.4			Procurement of 9 Computers & specialized software	No.	9	-	-	-	9	-
1.2.6.2.1			Sensitization for CDMS/Agromets	No.	1	1	100	1	1	100
1.2.6.2.2			Reconnaissance/scoping study for data rescue and preparation for the installation	No.	1	-	-	-	1	-
1.2.6.2.3			Installation and setting up of instruments in 8 Programme Counties	No.	8	-	-	-	8	-
1.2.6.3.1			Procurement of communication equipment, connectivity and support to meteorological data	No.	1	-	-	-	1	-
1.2.7.1.1		Training module for climate services and 1 training video produced	Conduct 1 Write-shop for development of KCEP CRAL training module for climate services	No.	1	-	-	-	2	-
1.2.7.1.2			Production of training video	No.	1	-	-	-	2	-
1.2.7.2.1		948 pamphlets, 880 handouts & 5422 brochures produced	Production of 948 pamphlets & handouts for CDMS, Stakeholders & extension workers;	No.	1	-	-	-	948	-
1.2.7.3.1			Production of 880 handouts	No.	880	-	-	-	1760	-

1.2.7.4.1	Procurement of GIS and remote sensing equipment		Production of 5,422 brochures for farmer groups, Volunteers observers & extension agents;	No.	5422	-	-	-	10844	-
1.2.7.5.1			Conducting 1 planning and operationalization workshops for CDMs	No.	1	1	100	1	1	100
1.2.7.5.2		Community consultation meetings conducted, proposals developed & submitted for technical clearance from 10 implementing wards	Conducting 3 planning and operationalization Seminars for Extension Staff at Lower Easter, Upper Eastern and Coast region	No.	3	-	-	-	6	-
1.2.7.5.3			Conducting 3 planning and operationalization seminars for Value Chain Actors and Volunteer Observers at Lower Easter, Upper Eastern and Coast	No.	3	-	-	-	6	-
1.2.7.6.1		2 downscaling Workshops, 16 participatory scenario planning workshops & 166 dissemination barazas conducted	Conduct 2 County downscaling workshops	No.	2	-	-	-	10	-
1.2.7.6.2			Conducting 16 Participatory Scenario Planning Workshops in 8 counties	No.	16	-	-	-	80	-
1.2.7.6.3			Conducting technical support dissemination Barazas	No.	166	-	-	-	3320	-
1.2.7.7.1		1,000 posters & 7,000 pamphlets produced and ready for dissemination; 10,000 SMS disseminated in 2 programme counties for 2 Months	Printing of posters, pamphlets & bulletins	No.	1	-	-	-	1	-
1.2.7.7.2			Dissemination of weather advisory messages through SMS	No.	4	-	-	-	160	-
1.2.7.8.1		2 downscaling workshop & 16 participatory scenario workshop conducted	Participation of PCU & regional officers in County downscaling workshops	No.	2	-	-	-	10	-
1.2.7.8.2			Conducting 8 Participatory Scenario Planning Workshops in 8 counties	No.	16	-	-	-	80	-
1.2.7.8.3			Participation by PCU during planning and operationalization workshops for CDMs	No.	1	-	-	-	1	-
1.2.8.1.1		RS/GIS equipment procured for 16 units and 76 County staff identified	Preparatory Meeting to Harmonize activities with partners (KMD, NDMA, ICRAF and PCU)	No.	1	-	-	-	1	-



1.2.8.1.2		for training	County Visit to undertake needs assessment and Familiarization:	No.	8	-	-	-	8	-
1.2.8.2.1		Procurement & installation of GIS/RS equipment for 8 Programme Counties: 96 ecological, socio and topographic images procured;	Procure ArcGIS and spatial analyst and licence	No.	1	-	-	-	1	-
1.2.8.2.2			Procure desktop computers and accessories	No.	8	-	-	-	8	-
1.2.8.3.1			Installation of hardware, software, training of maintenance and commissioning	No.	16	-	-	-	16	-
1.2.8.4			Acquisition of ecological, social and topographic images	No.	16	-	-	-	16	-
1.2.8.5.1		76 County personnel trained on GIS/RS tools for spatial planning	Identification of trainers	No.	1	-	-	-	1	-
1.2.8.5.2			Training of 76 personnel for 21 days	No.	1	-	-	-	1	-
1.2.9.1		Technical backstopping strategy developed & shared with key stakeholders	Conducting National workshop	No.	1	-	-	-	1	-
1.2.9.2			Conducting Regional Workshop	No.	3	-	-	-	3	-
1.2.9.3			Field data collection and analysis in the 8 Counties	No.	8	-	-	-	40	-
1.2.9.4			Farmer trainings and dissemination Workshops	No.	8	-	-	-	40	-
1.2.10.1	Enhanced M&E for climate resilience/NRM mainstreamed	System for monitoring climate resilience/NRM established	Incorporation of climate change and NRM indicators in the Programme M&E system	No.	1	1.00	100	1.00	1	100
1.2.10.2			Preparatory of Terms of References	No.	1	1.00	100	1.00	1	100
1.2.10.3			Conducting socio-economic baseline survey	No.	1	-	-	-	1	-
1.2.10.2.1			Preparatory of Terms of References for Biophysical	No.	1	1.00	100	1.00	1	100
1.2.10.2.2			Conducting biophysical baseline survey	No.	1	-	-	-	1	-
1.2.11.1.1	Enhanced utilization of Cereal and pulses promoted under the programme Counties	374 ToTs trained on utilization, 500 recipe manuals produced, 5,000 leaflets printed and distributed	Production of Manuals	No.	500	50	10	50	500	10
1.2.11.1.2			Production of Leaflet (cowpeas, sorghum, pigeon pea, millet, green grams	No.	5 000	-	-	-	10 000	-
1.2.11.1.3			Capacity building of ToT on Utilization	No.	8	-	-	-	16	-

			(Training)							
1.2.11.1.4			PCU technical support	No.	8	-	-	-	16	-
1.2.11.1.5			Training of farmer groups of 50 on utilization	No.	480	-	-	-	8	-
1.2.11.1.6			Contribute & Participate in International discussion in resilient enhancement	No.	1	-	-	-	4	-
1.2.7.1.1	Enhanced M&E for climate resilience/NRM mainstreamed	System for monitoring climate resilience/NRM established	Collation of existing source materials on climate change resilience & NRM	No.	1	-	-	-	1	-
1.2.7.1.2			Compilation of handbook(s) and video materials	No.	1	-	-	-	1	-
1.2.7.1.3			Production of training materials (videos)	No.	1	-	-	-	5	-
1.2.7.1.4			Printing and production of training materials (handbook(s))	No.	1	-	-	-	1	-
1.2.8.1	Viability of crop insurance in the ASALs region established and potential products develop	Potential insurance products and mechanisms for rolling out developed	Development of ToR for Feasibility study Crop Insurance	No.	1	1	100	1	1	100
1.2.8.2			Conducting Consultancy on crop Insurance	No.	1	-	-	-	1	-
1.2.8.3			Follow up by PCU during insurance study	No.	2	-	-	-	4	-
1.2.8.4			Conducting Validation Workshops for the crop insurance study	No.	3	-	-	-	3	-
Component 2: Post-Production Management and Market Linkages										
Sub-Component 2.1- Strengthening of farmer organisations and post-harvest management										
2.1.1.1.1	185,000 smallholder farmers organized into groups	60,000 category 2 farmers for western (45,000) and Eastern region (15,000) mobilized & organized into 2,400 groups (25 member groups)	Mobilization of category 2 farmers to form groups	No.	2 400	1 396	58	1 396	5 000	28
2.1.1.1.2			Support groups to self-selection, formulation of group constitution & election of group leadership	No.	2 400	1 396	58	1 396	5 000	28
2.1.1.1.3			Sensitization of group leadership on requirements of registration	No.	80	56	70	56	167	33
2.1.1.1.4			Support to groups registration with social services	No.	2 400	1 396	58	1 396	5 000	28

2.1.1.2.1		Training manual reviewed & 300 copies printed	Development of training of trainers manual	No.	1	1	100	1	1	100
2.1.1.2.2			Printing of training manual	No.	300	160	53	160	300	53
2.1.1.3.1		80,000 smallholder farmers trained on group dynamics, financial management & management skills; Cat 1, 40,000 (Western 20,000, Eastern 20,000) Cat 2 4,000 (WR 25,000 & ER 15,000)	Mobilization of farmers to attend training	No.	16	16	100	16	44	36
2.1.1.3.1			Training on group dynamics	No.	16	10	63	10	44	23
2.1.1.3.2			Training on financial management and accounting	No.	16	-	-	-	44	-
2.1.1.3.3			Training on Management skills	No.	16	10	63	10	44	23
2.1.2.1.1	185,000 smallholder farmers in groups trained on harvest and post-harvest management; and receive basic equipment to enhance adoption of improved post-harvest management of grains	Training manuals & handouts adequate for 100,000 farmers prepared & printed; demonstration kit procured	Preparation of training materials and handouts	No.	1	1	100	1	1	100
2.1.2.1.2			Printing of training brochures	No.	100 000	20 000	20	20 000	150 000	13
2.1.2.1.3			Procurement of post-harvest training demonstration kits -Collapsible drier	No.	100	-	-	-	125	-
2.1.2.1.4			Procurement of post-harvest training demonstration kits - metallic silos	No.	50	43	86	43	125	34
2.1.2.2.1		800 post-harvest management trainers identified & trained	Mobilization for trainings	No.	1	1	100	1	1	100
2.1.2.2.2			Training of trainers	No.	3	2	67	2	10	20
2.1.2.3.1		87,129 smallholder farmers (KCEP Cat 1, 40,000; Cat 2 40,000; CRAL Window 7,129) trained on post-harvest handling & management	Development of training schedules & demonstration sites	No.	1		-	-	1	-
2.1.2.3.2			Mobilization of farmers for trainings	No.	872	-	-	-	3 700	-
2.1.2.3.3			Training of farmers on good grain storage practises & technologies	No.	1 743	290	17	290	3 700	8
2.1.2.3.4			Training of farmers on on-farm grain management	No.	1 743	390	22	390	3 700	11
2.1.2.3.5			Backstopping of post-harvest training	No.	25	-	-	-	44	-

2.1.2.3.6			Follow-up on utilization of demonstration equipment & e-voucher post-harvest package	No.	50	-	-	-	125	-
2.1.3.1.1	250 threshing/shelling service providers trained; equipped and their capacity to provide services to smallholder farmers enhanced	Training materials prepared & printed; 25 threshing & shelling equipment procured; 150 service providers trained	Preparation of training materials	No.	1	1	100	1	1	100
2.1.3.1.2			Printing of training materials	No.	100	-	-	-	250	-
2.1.3.1.3			Procurement of Threshing equipment	No.	6	-	-	-	35	-
2.1.3.1.4			Procurement of shelling equipment	No.	19	-	-	-	35	-
2.1.3.1.5			Training of threshing/shelling service providers	No.	2	2	100	2	5	40
Sub-component 2.2 - Market Linkages and value addition										
2.2.1.1.1	185,000 smallholder farmers establish linkages with bulk buyers for improved market access	Bulk buyers for targeted value chains identified in 44 sub counties	Inventory of large bulk buyers for all targeted VCs	No.	8	5	63	5	13	38
2.2.1.1.2			Preparation and discussion of draft MoU with bulk buyers	No.	10	5	50	5	13	38
2.2.1.1.3			Engagement with potential bulk buyers to identify those interested in building partnership	No.	10	5	50	5	13	38
2.2.1.1.4			PCU participation in farmers meetings with bulk buyers	No.	10	5	50	5	13	38
2.2.1.1.5			Preparation of summary sheet on each buyer requirements for communication to farmers	No.	1	1	100	1	1	100
2.2.1.1.6			Building consensus with bulk buyers on working modalities	No.	10	5	50	5	13	38
2.2.1.2.1		87,129 smallholder farmers (KCEP Cat 1, 40,000; Cat 2, 40,000; CRAL Window 7,129) farmers mobilized, sensitized and trained on	Mobilization of farmers for meeting with large volume buyers	No.	872		-	-	3 700	-
2.2.1.2.2			Sensitization of farmers on buyer requirements	No.	118		-	-	312	-
2.2.1.2.3			Training of farmers on marketing	No.	1 600	210	13	210	3 700	6

2.2.1.2.4		marketing	Technical follow-up support to farmer organization towards fulfilment of their market obligations	No.	118	210	178	210	312	67
2.2.1.3.1		9 Buyer-farmer partnerships established & implemented	Technical support in trade negotiations	No.	118		-	-	500	-
2.2.1.3.2			Coordination towards fulfilment of contract between farmer organization and large volume buyers	No.	118		-	-	500	-
2.2.1.3.3			Technical support in produce aggregation and sales	No.	118		-	-	500	-
2.2.1.3.4			Technical support in payments management for building trust	No.	118		-	-	500	-
2.2.2.1.1	250 production cluster-level farmer associations established and linked to a structured grain trading system comprising 250 collection centers and 137 certified warehouses with WRS services	80,000 smallholder farmers (KCEP Cat 1, 40,000; Cat 2, 40,000) grouped into 320 production cluster association (of 25 smallholders farmers; 10 groups)	Mobilization of farmers to form production cluster associations	No.	320		-		740	-
2.2.2.1.2			Support in association establishment & registration (develop by-laws, rules and regulations)	No.	320		-		740	
2.2.2.1.3			Support in preparation of association action plan	No.	320		-		740	
2.2.2.2.1		80,000 smallholder farmers (Cat 1, 40,000; Cat 2, 40,000) sensitized on the requirements to form LLC	Comparative analysis on requirements of farmers to form LLCs/Cooperatives to qualify for support to establish storage facilities	No.	1	1	100	1	1	
2.2.2.2.2			Sensitization of farmer groups in requirements of formation of LLC/Cooperatives	No.	100	-	-	-	312	
2.2.2.3.1		118 grain collection centres established and equipped	Identification and renting of storage space of a capacity of about 100 – 200 bags	No.	118	26	22	26	500	5
2.2.2.3.2			Equipping the collection centres	No.	118	-	-	-	500	-
2.2.2.3.3			Farmer trainings on collection centre management	No.	118	-	-	-	500	-
2.2.2.4.1		80,000 smallholder farmers sensitized on the usefulness and feasibility	Sensitization and awareness campaigns	No.	6	6	100	6	60	10
2.2.2.4.2			Support to farmer planning for produce collection	No.	6	6	100	6	60	10

2.2.2.4.3		of reducing sale of produce at harvest & storing in proper conditions	Trainings on stores management	No.	6	-	-	-	60	-
2.2.2.4.4			Technical support in produce disposal		6	6	100	6	60	10
2.2.3.1.1	3 farmer owned grain storage facilities identified for construction; 6 farmer storage facilities identified for refurbishing		Identification and selection of facilities for support based on review of results of the scoping study (Identification of stores for coast region)	No.	44	-	-	-	132	-
2.2.3.1.2			Support farmers in developing viable business plans for selected storage facilities for support by PCU	No.	25	6	24	6	60	10
2.2.3.1.3			Designing of civil works for new warehouses (10% Cost of construction)	No.	3	6	200	6	30	20
2.2.3.1.4			Request for proposals and selection of civil work vendors	No.	6	-	-	-	60	-
2.2.3.1.5			Refurbishment of existing warehouses	No.	6	-	-	-	30	-
2.2.3.2.1			Establishment of warehouse management structures	No.	9	-	-	-	60	-
2.2.3.2.2	9 Warehouse personnel identified, trained & 16 warehouses certified		Identification of personnel running the warehouses	No.	6	-	-	-	60	-
2.2.3.2.3			Training in warehouse operation, management, Record keeping & inventory control, Warehouse receipting system, Grain safety & security management and Customer service	No.	6	-	-	-	60	-
2.2.3.2.4			Certification of farmers owned storage facilities	No.	6	-	-	-	60	-
2.2.3.2.5			Certification of existing privately-owned storage facilities	No.	10	-	-	-	60	-
2.2.3.3.1	9 Warehouse personnel identified & trained on business management		Identification of managers and board members of the target storage facilities	No.	6	-	-	-	60	-
2.2.3.3.2			Training and coaching	No.	6	-	-	-	60	-
2.2.3.4.1	9 warehouses operations supported		Support in preparation of warehouse operation plan	No.	6	-	-	-	60	-
2.2.3.4.2			Technical backstopping support in warehouse operations	No.	6	-	-	-	120	-

2.2.3.5.1		100,000 farmers sensitized and linked to 9 warehouses with WRS services	Technical support in setting up of WRS	No.	9	-	-	-	60	-
2.2.3.5.2			Sensitization and training of farmers on WRS	No.	9	6	-	6	120	5
2.2.4.1.1	Scoping study completed and results used for implementation planning	Scoping study completed and results used for implementation planning	Identification of service provider	No.	1	-	-	-	1	-
2.2.4.1.2			Scoping study	No.	1	-	-	-	1	-
2.2.4.1.3			PCU Supervision	No.	1	-	-	-	1	-
2.2.4.1.4			Conducting validation workshop	No.	3	-	-	-	3	-
2.2.4.2.1		Value addition of pulses & processing and marketing of millet consultancies conducted	Conducting consultancy for value addition of pulses	No.	1	-	-	-	1	-
2.2.4.2.2			Conducting consultancy for processing and marketing and millet	No.	1	-	-	-	1	-
2.2.4.2.3			Validation workshop for the proposed value chain investments and processing opportunity per region	No.	3	-	-	-	3	-
2.2.5.1.1	2,000 agricultural service providers & 100 value addition enterprises access value chain financing	972 farmer owned processing ventures & 40 private owned ventures investment partners identified, 6 value addition initiatives for pulses and 3 processing initiatives for Millet	Identification of opportunities along VC	No.	44	-	-	-	132	-
2.2.5.1.2			Packaging of investment opportunities	No.	1	-	-	-	1	-
2.2.5.1.3			Sensitization/awareness campaigns	No.	44	-	-	-	3700	-
2.2.5.1.4			Identification and selection of investment for support	No.	16	-	-	-	132	-
2.2.6.1	120 road spot improvements completed linking production clusters to grain aggregation centres	6 spots improvement identified and designed	Mapping exercise on the access roads	No.	6	-	-	-	132	-
2.2.6.2			Prioritisation of the key road access points which require spot improvements	No.	6	-	-	-	132	-
2.2.6.3			Identification and selection of areas for spot improvements	No.	6	-	-	-	40	-
2.2.6.4		EAGC Supervised	Monitoring EAGC Activities by Regional Agribusiness officers	No.	3	2	-	2	8	25

**Component III: Financial Services**

**Sub-component 3.1- E-voucher platform for productivity enhancement**

3.1.1	e-cards and e-vouchers established & FI ready for implementation	e-cards and e-vouchers are established	Establishment of e-voucher platform	No.	1	-	-	-	2	-
3.1.2.1			Procurement of POS devices	No.	426	-	-	300	596	50
3.1.3.1			Procurement of Smart cards	No.	100 000	-	-	30 580	140 000	22
3.1.4.1		32 of FI staff inducted on e-voucher scheme	Identification and Sensitization of 32 FI Staff to implement the e-voucher scheme	No.	32	10	31		57	-
3.1.5.1.1	140,000 smallholder farmers enrolled & mobilized to raise the required beneficiary contribution	23,176 Smallholders (Western, 2,843 Cat 1; Eastern, 13,205 Cat-1, Coast 5,049 CRAL Window Cat-1 2,079 CRAL Window Cat 2) screened, sensitized and enrolled	Review of list of selected farmers by the EBL/FI	No.	23 176	14 240	61		140 000	
3.1.5.1.2			Sensitization of selected farmers on account opening	No.	23 176	13 121	57		140 000	
3.1.5.1.3			Enrolment of selected farmers-issued with cards	No.	23 176	7 857	34		140 000	
3.1.5.2.1		23,176 Season 1 and 21,050 Season II Smallholders farmers mobilized to raise 10% and 40% beneficiary contribution respectively; smallholders unable to meet the eligibility requirement are replaced	Meeting of farmer groups by agriculture staff to support the group to establish saving mobilization structures & plans	No.	927	-	-		16 800	
3.1.5.2.2			Follow up meeting of farmers group to establish the level of savings mobilization	No.	927	-	-		5 600	
3.1.6.1.1	360 agrodealers screened, trained and accredited as agents by FI	CRAL selected agrodealers sensitized, enrolled & trained	Review the list of the selected agrodealers	No.	426	32	8		705	
3.1.6.1.2			Enrolment of agrodealers	No.	426	32	8		705	
3.1.6.1.3			Installation of POS devices and training on operations	No.	426	32	8		705	
3.1.6.1.4			Sensitization and training of selected agrodealers on business and financial management	No.	1	1.00	100		1	
3.1.6.1.1	140,000 smallholders farmers trained on financial literacy	32 Trainers for FL identified & trained	Undertake a Training Need Assessment	No.	1	-	-		1	
3.1.6.1.2			Identification & Training of County trainers	No.	50	-	-		50	



3.1.6.1.3		Training materials prepared & FL trainers briefed	Identification & Training of FL trainers	No.	32	-	-		56	
3.1.6.2.1			Review & printing of training materials prepared under KCEP=CRAL	No.	1	-	-		1	
3.1.6.2.2			Sensitization meetings	No.	2	-	-		1	
3.1.6.2.3			Initial programme staff meetings	No.	2	-	-		4	
3.1.6.3.1		29,517 smallholders trained on financial literacy & awarded certificates	Training of KCEP selected farmers on FIs	No.	1 181	246	21		140 000	
3.1.6.3.2			Designing and printing of certificates	No.	29 517	-	-		140 000	
3.1.6.4.1	FL operational system in place	FL feedback mechanism established	Regional staff meetings	No.	3	-	-		6	
3.1.6.4.2			Supervisors meetings	No.	3	-	-		6	
3.1.6.4.3			Staff feedback meeting	No.	3	-	-		6	
3.1.6.4.4			Supervision visit	No.	3	-	-		6	
3.1.7.1.1	140,000 smallholder farmers access inputs subsidy through e-voucher scheme	e-voucher supply source identified and e-voucher value for 44,226 (21,079 Cat-1 Western, Eastern & Coast; & 2,079 Cat 2 CRAL window) selected maize, sorghum and millet farmers valued & approved	County based consultation meeting by PCU and other stakeholders for e-voucher package valuation	No.	16	3	19		48	
3.1.7.1.2			Review meeting with agrodealers	No.	16	3	19		48	
3.1.7.2.1		KCEP-CRAL Window selected & accredited agrodealers have sufficient stock to serve farmers requirements	Support to farmers to place orders with agrodealers by field agriculture staffs	No.	927	351	38		5600	
3.1.7.3.1		e-voucher value for 44,226 smallholders is credited into farmers accounts	Preparation of e-voucher payroll for selected individual farmers	No.	1	1	100		1	
3.1.7.3.2			Submission of the payroll (selected list of beneficiaries to FI with payment schedule)	No.	44 226	8 767	20		140 000	

3.1.7.3.3			Review and processing of e-vouchers into farmers accounts (Loading farmers accounts by the FI)	No.	44 226	8 767	20		140 000	
3.1.7.3.4			Coordination with agrodealers, bulk suppliers, sub-counties, FIs, e voucher beneficiaries & PCU for smooth accessibility of the inputs	No.	1	1	100		15	
3.1.7.4.1		44,226 eligible farmers (16,048 Cat-1 Western & Eastern; 5,049 Cat 1 CRAL Window; CRAL Window 2,007 Cat 2) facilitated with e-voucher inputs	e-voucher value for 2,843 Maize & pulses smallholders farmers for year 1 Western region	No.	2 843	-	-		20 000	
3.1.7.4.2			e-voucher value for 14,255 Maize & pulses & pulses for year 2 in Western region	No.	14 255	-	-		20 000	
3.1.7.4.3			e-voucher value for 7,128 Maize & pulses smallholders farmers for year 1 Coast region	No.	7 128	-	-		41 455	
3.1.7.4.4			e-voucher value for 6,795 Sorghum & Millet & pulses for year 2 in Eastern region	No.	6 795	1 730	25		20 000	
3.1.7.4.5			e-voucher value for 13,205 Sorghum & Millet & pulses for year 1 in Eastern region	No.	13 205	7 041	53		20 000	
3.1.7.5.1		44,226 smallholders (16,048 Cat-1 Western & Eastern; 7,128 Cat 1 CRAL Window & CRAL Window Cat-2; 2,079) collect inputs	Farmers mobilization for inputs collection and use	No.	1 769	351	20		5 600	
3.1.7.5.2			Monitoring of e voucher beneficiaries by field agriculture staff to minimize misuse of e-voucher	No.	1 769	351	20		5 600	
3.1.8.1		e-voucher procedures & case management manual prepared	Preparation of e-voucher procedures and case management manual	No.	1	-	-		1	
3.1.8.1	140,000 farmers graduate into financial sector	Financial products adapted to smallholder farmers set up	Develop ToR for Financial study to determine appropriate product for KCEP-CRAL window	No.	2	-	-		3	
3.1.8.2			Testing & Rolling out of adapted financial product - KCEP for farmers and agrodealers	No.	1	1	100		1	

3.1.9.1	<b>M&amp;E for financial graduation established</b>	System for monitoring financial graduation of farmers set; FG rating of participating 57,000 farmers established; reasons for low transition established	Establishing criteria for financial, resilience & food security based on KCEP CRAL graduation	No.	1	1	100		1	
3.1.9.2			Establishment of M&E system for FG	No.	1	-	-		1	
3.1.9.3			FG measurement and analysis of participating farmers	No.	1	-	-		1	
3.1.9.4			Survey to establish reasons for low transition to next season	No.	1	1	100		1	
3.1.10.1	<b>E-voucher scheme transactions documented</b>	<b>Documentation of the e-voucher Transactions by agro-dealer collected &amp; archived</b>	Development of Terms of Reference	No.	1	1	100		3	
3.1.10.2			Development of a framework to document and archive the e-voucher transaction (E-archiving)	No.	1	-	-		1	
3.1.10.3			Sensitization Sub-County on digitization of e-voucher data	No.	1	1	100		1	
3.1.10.4			Sensitization of extension agents & agrodealers e-voucher documentation & archiving	No.	16	6	38		44	
3.1.10.5			Collection of agrodealer registers	No.	279	-	-		279	
3.1.10.6			Scanning of collected documents	No.	16	-	-		44	

**Sub component 3.2: Value Chain Financing**

3.2.1.1	<b>Access to value chain financing by 360 participating agrodealers</b>	278 agrodealers accredited with FI access financing	Financing of agrodealers	No.	278	-	-		360	
3.2.1.2			On-going support to agrodealers to benefit from financing window	No.	278	36	13		360	
3.2.2.1.1	<b>Access to Value chain financing by key players; by 85,000 category 2 farmers; 360 agrodealers; 2,000 service providers</b>	40,000 (KCEP Western & Eastern Cat 2 ) smallholder farmers receive WRS financing	Processing and disbursement of funds into farmers accounts	No.	40 000	-	-		40 000	
3.2.2.1.2			Ongoing follow-ups for feedback by extension agent	No.	1 600	-	-		1 600	
3.2.3.1.1		200 entrepreneurs trained and receive financing	Conducting training needs assessment	No.	1	-	-		3	
3.2.3.1.2			Printing posters, training materials & application forms for entrepreneurs	No.	1	1	100		1	

3.2.3.1.3			Identification and mobilization of 200 entrepreneurs for linkage with the FIs	No.	75	75	100		75	
3.2.3.1.4			Hold sub county selection committee meeting for vetting of entrepreneurs	No.	16	16	100		44	
3.2.3.1.5			Training of 200 entrepreneurs	No.	5	-	-		5	
3.2.3.1.6			PCU Backstopping of Entrepreneur training	No.	2	-	-		5	
3.2.3.2.1			Financing of entrepreneurs	No.	200	-	-		350	
3.2.4.1		50 milling facilities proposals selected & financed	Designing financing window for PPP ventures	No.	1	-	-		1	
3.2.5.1		200 shelling/threshing/cleanin g facilities proposals evaluated	Prioritization of facilities to be supported based on results of scoping study	No.	16	-	-		44	
3.2.6.1		County staff sensitized on value chain financing	Sensitization of County staff on VC financing	No.	6	-	-		132	
3.2.6.2			Sensitization of the management committees of the identified facilities on VC financing	No.	6	-	-		132	
3.2.7.1		Technical service provider provide grant oversight for	Oversight technical service provider for grants recruited	Recruitment of oversight technical service provider for grants	No.	1	-	-		1
3.2.7.2	Printing call for Proposals and Application forms			No.	6	-	-		60	
3.2.7.3	Evaluating of Proposals at Sub-County Level			No.	6	-	-		60	
Programme Management										
	Effective programme management	PCU seamless operations	<u>PCU investment Costs</u>							
4.1.1.1			Procurement of vehicles	No.	7	-	-	2	24	8
4.1.1.2			Shredder	No.	1	-	-	-	4	-
4.1.1.3			Computers	No.	52	-	-	-	20	-

4.1.1.4		Printers- shared	No.	10	-	-	-	10	-
4.1.1.5		Office furniture	No.	1	-	-		2	-
4.1.1.6		Multipurpose photocopier	No.	4	-	-	-	4	-
4.1.1.7		Procurement of Scanner	No.	2		-		1	-
4.1.1.8		Procurement of ICT equipment and accessories	No.	1	-	-	-	1	-
		<b><u>PCU Recurrent Costs</u></b>							
4.1.2.1		Payment for internet connectivity	No.	1	1	100		1	-
4.1.2.2		Payment for utilities (Security, water, internet & electricity)	No.	12	6	50	36	84	43
4.1.2.3		Procurement of Courier services	No.	1	-	-		1	-
4.1.2.4		Payment for insurance for vehicles	No.	9	1	11		22	-
4.1.2.5		Payment of Maintenance of vehicles	No.	9	6	67		22	-
4.1.2.6		Maintenance of building	No.	1	1	100		1	-
4.1.2.7		Group medical & accidents insurance covers	No.	1	1	100		6	-
4.1.2.8		Payment of KCEP PCU Staff salaries	No.	12	6	50		72	-
4.1.2.9		Payment of CRAL PCU Staff salaries	No.	12	6	50		72	-
4.1.2.10		Office supplies and consumables	No.	12	6	50		72	-
4.1.2.11		Payment of casual wages	No.	12	6	50		72	-
4.1.2.12		Renewal of licence/Support for accounting system	No.	1	1	100		5	-
4.1.2.13		Refresher training of accountants on software	No.	1	1	100		1	-
4.1.2.14		Procurement of asset tagging solutions	No.	1	-	-		1	-
		Payment for MIS support	No.	1	-	-		1	-
4.1.2.15		Procurement of generators	No.	3	-	-		3	-
4.1.2.16		Data capturing of previous expenditure to the system	No.	1	-	-		1	-

4.1.2.17	Monitoring and Evaluation and Knowledge management institutionalized and gender mainstreamed in the programme	Programme planning & oversight	Payments for PCU staff Trainings	No.	1	-	-		6	-
4.1.2.18			Payment of Professional body membership	No.	1	1	100	1	6	17
4.2.1		Programme planning & oversight	Programme steering committee meeting	No.	6	2	33		28	-
4.2.2			Quarterly Sub-county programme stakeholder forums meetings	No.	40	-	-		816	-
4.2.3			County programme coordination committee meetings	No.	10	-	-		96	-
4.2.4			Coordination meetings	No.	10	1	10		24	-
4.2.5			ESA implementation workshops	No.	2	-	-		7	-
4.2.6			Peer learning visits for programme officers	No.	1	-	-		1	-
4.2.7			IFAD Country portfolio meetings	No.	2	1	50		2	-
4.2.8			Conducting programme team building	No.	1	-	-		2	-
4.3.1.1			Preparation of guidelines & budget template by PCU	No.	1	1	100		1	-
4.3.1.2			Selection of eligible productive and community investments by sub-counties	No.	80	-	-		486	-
4.3.1.3			Preparation of county work plan & budgets	No.	8	8	100	8	56	14
4.3.1.4			Consolidation County AWPB by the sub-regional units	No.	2	1	50		14	-
4.3.1.5			Submission of Consolidated County AWPB to PCU	No.	1	1	100		7	-
4.3.1.6			Preparation of Programme AWPB, 2017 - 18	No.	1	1	100		7	-
4.3.2.1.1		M&E system reviewed	Identification of service provider	No.	1	-	-	1	3	33
4.3.2.1.2			Review of KCEP M&E system	No.	1	-	-	1	3	33
4.3.2.1.3			Supervision visits by PCU	No.	1	-	-	1	3	33
4.3.2.1.4			Conducting stakeholder review workshop	No.	1	-	-	1	3	33
4.3.3.1.1		KM/CV system	Identification of service provider	No.	1	-	-	-	1	-

4.3.3.1.2	<b>developed</b>	Development of KCEP KM/CV system	No.	1	-	-	-	1	-
4.3.3.1.3		Supervision visits by PCU	No.	1	-	-	-	1	-
4.3.3.1.4		Conducting stakeholder review workshop	No.	1	-	-	-	1	-
4.3.3.2.1		Training PCU technical & partners M&E staff on knowledge management framework	No.	1	-	-	-	1	-
4.3.4.1	<b>Baseline survey service provider selected, survey conducted &amp; workshop held</b>	Selection of service provider	Event	1	1	100	1	1	100
4.3.4.2		Conducting the baseline survey	Event	1	-	-	-	1	-
4.3.4.3		Supervision visits by PCU	No.	1	-	-	-	1	-
4.3.4.4		Conducting stakeholder workshops	No.	1	-	-	-	1	-
4.3.5.1	<b>GESI study conducted and stakeholder workshops held</b>	Selection of service provider	Event	1	-	-	-	1	-
4.3.5.2		Gender study	Event	1	-	-	-	1	-
4.3.5.3		Supervision visits by PCU	No.	1	-	-	-	1	-
4.3.5.4		Stakeholder workshop	No.	1	-	-	-	1	-
4.3.6.1.1	<b>Programme reports consolidated and ready on time for submission</b>	PCU & Western Counties M&E follow-up visits	No.	9	2	22	2	24	8
4.3.6.1.2		Review of partners quarterly reports	No.	4	2	50	2	24	8
4.3.6.1.3		Consolidating programme progress reports	No.	1	1	100	1	24	4
4.3.6.2.1		Annual reviews	No.	1	1	100	1	6	17
4.3.6.2.2		PCU planning & review meetings	No.	3	1	33	1	24	4
4.3.6.2.3		M&E quarterly regional review meetings with partners	No.	9	1	11	1	96	1
4.3.6.2.4		M&E national biannual review meetings with partners	No.	2	1	50	1	12	8
4.3.6.3.1		Preparation & review of survey tools	No.	1	1	100	1	5	20
4.3.6.3.2		Conducting Annual outcome surveys	No.	1	-	-	-	6	-
4.3.6.3.3		Conducting the Most Significant Change survey	No.	1	-	-	-	1	-
4.3.6.4.1		Follow-up training of county staff on M&E/MIS framework	No.	1	1	100	1	1	100

4.3.6.5.1			Supervision planning meetings	No.	2	1	50	1	2	50
4.3.6.5.2			Conducting County pre-visits	No.	2	1	50	1	8	13
4.3.6.5.3			Conducting county visits	No.	2	1	50	1	8	13
4.3.7.1	Programme visibility enhanced	Programme visibility enhanced & activities documented	Documentation of programme activities	No.	1	1	100	1	1	100
4.3.7.2			Programme branding & visibility	No.	1	1	100	1	1	100
4.3.7.3			Payment for Publications	No.	1	-	-	-	1	-
4.3.7.4			Procurement of staff uniform	No.	1	1	100	1	1	100
4.3.7.5			Media coverage to programme major event	No.	1	1	100	1	1	100
4.3.7.6			Holding of national field days/exhibitions	No.	2	1	50	1	2	50
<b>Overall</b>					<b>30</b>			<b>20</b>		



## **Kenya**

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### **Kenya Cereal Enhancement Programme Climate Resilient Agricultural Livelihoods Window**

#### **Supervision Report**

#### **Appendix 3: Compliance with legal covenants: status of implementation**

Mission Dates: 3-17 September 2018  
Document Date 11/09/2019  
Project No. 1100001651  
Report No. 5088-KE

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
Schedule 3(1) FA 2000000623	<b>Audit of the electronic voucher system:</b> The recipient shall ensure that a specific performance audit of the e-voucher scheme at Equity Bank is carried out annually by an independent qualified service provider to assess the effectiveness, economy and efficiency of the process	Annually	Ongoing	KENAO has submitted the draft audit report. It has confirmed the Advances transferred to EBL and other implementing partners since inception up to 30 June 2017. However, the draft report did not address itself to the expenditures there from as required by the TORs. The mission recommends recruitment of a private sector Auditor to carry out a deepened audit as required by the TORs.
Schedule 3(2) FA 2000000623	<b>Accounting software:</b> The recipient shall ensure that within the first year of Programme implementation, an accounting software acceptable to the fund for the managing the Programme's financial reporting shall have been installed and become operational.	31 December 2017	Not Complied	Sage Pastel accounting software was inherited from the closed SHOMAP project but it has not been made operational. So far the financial transactions Data for up to the financial year 2016/17 have been entered as a first step to making the system operational.
Schedule 3(3) FA 2000000623	<b>Programme Implementation Manual (PIM):</b> The recipient shall ensure that within the first three months of the Programme Implementation period, a PIM incorporating a financial management section shall have been approved and submitted to the Fund.	30 June, 2017	Complied	The Programme PIM has been approved by the PSC and received IFAD non-objection
Schedule 3(4) FA 2000000623	<b>Memorandum of Understanding (MOU):</b> The recipient shall ensure that the Lead Programme Agency shall enter into a MOU with each of the County Departments responsible for Agriculture of the Programme area and with each of KARI, the CGA, AGMARK, AFRACA, and any other party identified by the MOALF to participate in the Programme as acceptable to the Fund prior to implementation of the relevant Programme activities. The MOUs shall not be modified without the prior consent of the plan	Ongoing	Ongoing	MOUs have been developed and signed by all County Departments. MoU and SAs have been signed with 7 out of 9 programme's partners. The SA with Cooperative Bank and MoU with NDMA will be finalized soon.
Schedule 3(5) FA 2000000623	<b>Subsidiary Agreements:</b> The Lead Programme Agency shall enter into a subsidiary agreement with each of Equity Bank and Equity Group Foundation as well as with any other party identified by the MOALF to participate in the Programme as acceptable to the Fund	During implementation	Complied	Equity Bank and Equity Group Foundation are operational.
Schedule 3(6) FA 2000000623	<b>Operation of the Electronic Voucher System:</b> The recipient shall ensure that detailed procedures acceptable to	Before implementation	Complied	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	the fund for the operation of the e-voucher system shall have been established before any activities there under are commenced	of the e-voucher system		
Schedule 3(2) FA 20000001121	<b>Gender and Youth.</b> The Borrower/Recipient shall ensure that women and youth are presented in the organization and management of the Programme. The Borrower/Recipient shall also ensure that women and youth beneficiaries shall be represented in all Programme activities and that they receive appropriate benefits from the Programme outputs.	During implementation	Complied	
Schedule 3(3) FA 20000001121	<b>Operation and Maintenance.</b> The Borrower/Recipient shall ensure that adequate human and financial resources are provided to support the operation and maintenance of Programme-financed investments and the recurrent costs of the Programme operations both during and after the Programme Implementation Period, at least for the useful life of such investments.	During implementation	Partially complied	PCU and RPOs have not yet established retainer contracts with IT service providers in order to provide timely regular and periodic maintenance and support services.
Schedule 3(4) FA 20000001121	<b>Counterpart Funds.</b> The Borrower/Recipient shall ensure that counterpart funds are clearly identifiable in the financial management system and all financial statements.	During implementation	Complied	
Schedule 3(5) FA 20000001121	<b>Flow of Funds.</b> The Borrower/Recipient shall ensure that the proceeds of the IFAD Loan and ASAP Trust Grant are not disbursed to any of the Programme Parties until the Lead Programme Agency shall have entered into the MoU referred to in paragraph 11, section II of Schedule 1 hereto with each such Programme Party.	Before	Complied	Funds are disbursed only to partners that have opened a dedicated account for IFAD financing.
Schedule 3(7) FA 20000001121	<b>Rolling Internal Audit Programme.</b> The Borrower/Recipient shall ensure that: (i) an auditor acceptable to the Fund is retained to provide internal audit services to the Programme; and (ii) a sub-committee of the PSC is constituted as an audit committee responsible for approving the annual audit plan and for meeting every quarterly to review the internal audit reports and management actions on the recommendations of both internal and external auditors.	Before commencement	Partially complied	The MoALF Internal Auditors carry out the routine auditing of the programme. However, the programme has not set up a sub-committee of the PSC for approving annual audit plan and reviewing of internal audit reports and management actions on the recommendations of the auditors. This has become necessary so as to give the PCU added support in terms of leadership and advocacy in the assurance of timely and quality audit
Section 2	<b>Designated Account:</b> There shall be a designated account in Euro for the exclusive use of the programme in the Central	Before commencement	Complied	Bank Account for the Grant denominated in EUR opened and maintained with CBK.

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	Bank of Kenya (CBK) or a commercial bank acceptable to the Fund managed and monitored by the CBK. There shall also be a Programme account dedicated for receipt of the EC contribution in Kenya shillings through MoALF development account for funding activities for the benefit of PCU			
Section 2	<b>Counterpart funds:</b> The recipient shall provide counterpart financing for the Programme in the approximate amount of EUR 3,295,400 to cover taxes and duties	Ongoing	Complied	The counterpart financing has been satisfactory, and funds are being released on time. The GoK is on track in meeting the overall counterpart contribution. The total GoK contribution since programme inception amounts to KSH 175.5 million in term of taxes and duty waved and this represents 38% of the total allocation at design.
Section 5	<b>Use of proceeds:</b> The recipient shall have a right to incur expenditures under the EC contribution necessary to meet the costs of implementing the Programme as long as these expenditures are considered eligible by the fund.	Continuous	Complied	Withdrawal Applications submitted based on the agreed activities defined by categories.
Section 3.02	<b>Annual Work Plans &amp; Budgets (AWPB):</b> The PCU shall prepare a draft AWPB for each Programme year.	Continuous	Complied	The AWPB prepared and approved by the National Steering Committee for each programme year.
Section 3.03	<b>Programme Accounts:</b> The Lead Programme Agency shall open and thereafter maintain in a commercial bank, a current account denominated in Kenya Shillings for receiving Grant proceeds.	30 days after effective date	Complied	Bank accounts for the Grant proceeds opened and maintained with the Equity Bank, Kenya
Section 4.02	<b>Progress Reports:</b> The Lead Programme Agency shall submit to the Fund six monthly and consolidated annual progress reports on Programme implementation.	3 months after end of period	Complied	Submitted as required.
Section 5.01 & 5.02	<b>Financial Statements:</b> The Lead Programme Agency shall prepare the financial statements of the operations, resources and expenditures related to the Programme. Disclosed by components, expenditure categories in line with IFAD audit guidelines.	Submission of audit report is 6 months after end of fiscal year	Complied	The audit report covering the period from 1st July 2016 to 30th June 2017 was submitted to IFAD on time.



