

## Kenya

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### **Aquaculture Business Development Programme Supervision Report**

Mission Dates: 18/05/2020 to 03/06/2020

Document Date: 24/08/2020

Project No. 2000001132

Report No. 5425-KE

East and Southern Africa Division  
Programme Management Department



## Abbreviations and Acronyms

<b>ABDP</b>	Aquaculture Business development Programme
<b>ASEs</b>	Aquaculture Support Enterprises
<b>AWP&amp;B</b>	Annual Work Plan and Budget
<b>CARA</b>	County Allocation of Revenue Act
<b>CEC</b>	County Executive Committee
<b>CIDPs</b>	County Integrated Development Plans
<b>COVID</b>	Coronavirus Virus Disease
<b>CPCC</b>	County Programme Coordination Committee
<b>CPIT</b>	County Programme Implementation Team
<b>CRF</b>	County Revenue Fund
<b>DA</b>	Designated Account
<b>EIA/ESIA</b>	Environmental Impact Assessment/ Environmental and Social Impact Assessment
<b>EOI</b>	Expression of Interest
<b>ESMP</b>	Environmental and Social Management Plan
<b>FA</b>	Financing Agreement
<b>FAM</b>	Finance Administration Manager
<b>FAO</b>	Food and Agriculture Organization
<b>FIQA</b>	Fish Inspection and Quality Assurance
<b>FFS/FBS</b>	Farmer Field School/Farmer Business School
<b>FM</b>	Financial Management
<b>FY</b>	Financial Year
<b>GIZ</b>	German Corporation for International Cooperation
<b>GoK</b>	Government of Kenya
<b>HIVOS</b>	Humanist Institute for Cooperation with Developing Countries
<b>HQ</b>	Headquarters
<b>ICB</b>	International Competitive Bidding
<b>IAA</b>	Independent Aquaculture Aggregator
<b>IFAD</b>	International Fund for Agricultural Development
<b>IFR</b>	Interim Financial Report
<b>ILO</b>	International Labour Organization
<b>KM</b>	Knowledge Management
<b>KMAP</b>	Kenya Market-led Aquaculture Programme
<b>KMFRI</b>	Kenya Marine and Fisheries Research Institute
<b>LTB</b>	Lapse of Time Basis
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MIS</b>	Management Information System
<b>MOU</b>	Memorandum of Understanding
<b>NARDTC</b>	National Aquaculture Research Development and Training Centre
<b>NCB</b>	National Competitive Bidding
<b>NEMA</b>	National Environment Management Authority

<b>NGO</b>	Non-Governmental Organization
<b>NO</b>	No Objection
<b>NOTUS</b>	No Objection Tracking Utility System
<b>ORMS</b>	Operations Results Management System
<b>PPPP (4P)</b>	Public-Private-Producer Partnership
<b>PA</b>	Programme Account
<b>PC</b>	Programme Coordinator
<b>PCU</b>	Programme Coordination Unit
<b>PDR</b>	Programme Design Report
<b>PIM</b>	Programme Implementation Manual
<b>PMU</b>	Programme Management Unit
<b>PO</b>	Procurement Office
<b>PU</b>	Procurement Unit
<b>PP</b>	Procurement Plan
<b>PSC</b>	Programme Steering Committee
<b>RCO</b>	Regional Coordination Office
<b>REOI</b>	Request for Expression of Interest
<b>RFQs</b>	Request for Quotations
<b>RIAT</b>	Ramogi Institute of Advanced Technology
<b>RO</b>	Regional Office
<b>SACCOs</b>	Savings and Credit Cooperative Organisation
<b>SAG</b>	Smallholder Aquaculture Group
<b>SBDs</b>	Standard Bidding Documents
<b>SCPIT</b>	Sub-County Programme Implementation Team
<b>SDCP</b>	Smallholder Dairy Commercialization Programme
<b>SDFA&amp;BE</b>	State Department of Fisheries, Aquaculture & Blue Economy
<b>SOE</b>	Statement of Expenditure
<b>TA</b>	Technical Assistant
<b>TORs</b>	Terms of Reference
<b>TSP</b>	Technical Service Provider
<b>USD</b>	United States Dollar WA Withdrawal Application

## 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:	Aquaculture Business Development Programme	Climate Risk Classification:	2
Project ID:	2000001132	Executing Institution:	State Dept. of the Ministry of Agriculture, Livestock and Fisheries
Project Type:	Fisheries	Implementing Institutions:	State Dept. of the Ministry of Agriculture, Livestock and Fisheries
CPM:	Esther Kasalu-Coffin		
Project Director:	Sammy Macaria		
Project Area:	Kiambu, Kirinyaga, Nyeri, Embu, Meru, Tharaka Nithi, Machakos, Kajiado, Busia, Kakamega, Homa Bay Kisii, Kisumu, Migori, Siaya		

Approval Date:	11/12/2017	Last audit receipt:	06/08/2020
Signing Date:	22/06/2018	Date of Last SIS Mission:	03/06/2020
Entry into Force Date:	22/06/2018	Number of SIS Missions:	2
Available for Disbursement Date:	29/08/2019	Number of extensions:	0
First Disbursement Date:	25/09/2019	Effectiveness lag:	6 months
MTR Date:	not available yet		
Original Completion Date:	30/06/2026		
Current Completion Date:	30/06/2026		
Financial Closure:	not available yet		

### Project total financing

IFAD Financing breakdown	IFAD	\$27,900,000
	IFAD	\$40,000,000
Domestic Financing breakdown	Beneficiaries	\$43,600,000
	Ministry of Finance	\$31,400,000
Co-financing breakdown,	To be determined	\$0
	Food and Agriculture Organization of the United Nations	\$400,000
Project total financing:		\$143,300,000

### Current Mission

Mission Dates:	18/05/2020 to 03/06/2020
Days in the field:	Remote

Mission composition: IFAD Team:

- Esther Kasalu-Coffin – Director, Eastern Africa & Indian Ocean Hub (Mission Leader) – Mission Leader
- Ronald Ajengo, Country Programme Officer (Programme Management Specialist and Deputy Mission Leader)
- Richard Abila, Senior Technical Specialist (Fisheries & Aquaculture) and Technical Team Lead
- Joyce Njoro, Lead Technical Specialist (Nutrition & Social Inclusion)
- Paxina Chileshe, Lead Technical Specialist (Environment & Climate)
- Caroline Alupo, Senior Financial Officer
- Cremel Amandine, Social Inclusion and Development (UNV)
- Ndawazhile Kaluwa, IFAD Consultant - M&E Specialist
- Robert Waiganjo, IFAD Consultant, Procurement Specialist

FAO Team

- Alice Jesse, FAO, Focal Point for Fisheries & Aquaculture Projects
- Tito Arunga, FAO, Agribusiness & Value Chain Development Officer
- Irene Kimani, FAO, Nutrition Officer

GOK Team: (Members of the Project Steering Committee)

- Patrick Kiara, Head of Projects State Department of Fisheries, Aquaculture and Blue Economy
- James Muturi, County Executive Committee Member (CEC) for Agriculture, Livestock and Fisheries, Nyeri County
- Emma Mburu, IFAD Desk Officer at National Treasury & Planning

Field sites visited: Remote

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

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

<b>Relevance</b>	<b>4</b>
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## C. Mission Objectives and Key Conclusions

### Background and Main Objective of the Mission

The Aquaculture Business Development Programme (ABDP) was approved by the December 2017 Executive Board and is implemented under the State Department of Fisheries, Aquaculture & Blue Economy (SDFA&BE). The programme total cost is USD 143.30 million, including an initial IFAD loan of USD 40.00 million. The Financing Agreement was signed on 22 June 2018 for the original IFAD financing. Following GoK request, IFAD approved in December 2018, additional financing, to cover the USD 27.90 million financing gap at design.

The overall goal of ABDP is to contribute to the reduction of poverty and increased food security and nutrition in rural communities of Kenya. Its aim is to directly benefit 35,500 households (of which 5,500 are youth). ABDP development objective is to increase the incomes, food security and nutritional status of the wider communities of poor rural households involved in aquaculture in the targeted Counties. The programme development objectives are pursued through three components: (i) Smallholder aquaculture development which aims to strengthen the capacity of smallholder farmers to increase production and improve productivity as well as to create opportunities for non-fish farming actors interested to develop micro enterprises along the aquaculture value chain. The component will also contribute to improved diet of the Kenyan population by increased consumption of fish, fish products and dietary diversity. Its expected outcomes are to improve production, productivity as well as food security and diet quality of smallholder farmers; (ii) Support for aquaculture value chain development whose objective is to support the expansion of the subsector by promoting the establishment and scaling up of agribusiness enterprises of all sizes, including rural groups that “graduate” to a more advanced and stable business model and; (iii) Programme Management and Coordination.

ABDP implementation has experienced delays since signing of the Financing Agreement in June 2018. Nevertheless, following the recruitment of key staff and set-up of the Programme Coordinating Unit (PCU), ABDP launch and a start-up workshop was held in April 2019. Since the launch, continuous implementation support has been provided by IFAD to the Programme (e.g. Financial Management, PIM Development, Preparation of the AWP&B and Procurement Plan). However, this was the first joint GoK/IFAD partial supervision and implementation support mission since programme approval and it therefore bore particular significance to the successful rollout of the programme activities. The main objective of the mission was to review implementation progress since programme launch and support the PCU and executing partners in understanding and taking ownership of the Programme's goals and objectives in order to fast track roll-out of programme activities. Specifically, the mission: (i) reviewed progress made towards implementation of the necessary steps for roll-out of programme activities particularly progress towards agreed actions during the start-up workshop; (ii) assessed progress to identify key partners, preparing partnership plan, and negotiating MoUs with all implementing partners as well as progress to establish County and Sub-County Coordination and Implementation Teams; (iii) facilitated the Programme team, implementing partners and other stakeholders to have a clear understanding of what the Programme seeks to achieve, individual and executing partner roles, functions, and responsibilities within the Programme's decision-making structures and the sequencing of activities over the Programme duration and; (vi) provided implementation support to the PCU to address identified challenges.

The mission took place from 11<sup>th</sup> to 21<sup>st</sup> November 2019. The mission visited the PCU offices in Nyeri, the Regional Coordination Office (RCO) in Kisumu as well as Programme implementing teams and partners in Kirinyaga, Kakamega, Kisumu and Nyeri Counties. The Government of Kenya was represented by PSC members: Ms. Emma Mburu, IFAD Desk Officer, National Treasury and Planning; Mr. Isaac Sichangi, Department of Budget, National Treasury and Planning; Mr. Patrick Kiara, Head of Projects, State Department of Fisheries, Aquaculture and Blue Economy; and Mr. James Muturi, Nyeri County Executive Committee Member (CEC) for Agriculture, Livestock and Fisheries. The mission held a technical wrap up meeting with the PCU on Thursday 21<sup>st</sup> November 2019, and a final wrap up meeting chaired by the Principal Secretary, State Department for Fisheries, Aquaculture and Blue Economy, Prof. Ntiba Micheni, on 26 November 2019.

The mission is grateful to the GoK, staff of the PCU, and the visited counties, as well the various implementing partners, for the cooperation, support and hospitality that was accorded to the team.

### Key Mission Agreements and Conclusions

The mission observed that the Programme implementation has taken off but at a slow pace. Nevertheless, commendable achievements have been made in the setting up and staffing the Programme Coordination Unit (PCU), fully renovating, furnishing, equipping and operationalizing the PCU offices in Nyeri, advanced work in the renovation of the PCU Regional Office in Kisumu, establishment of the PSC, establishment of the County Programme Coordinating Committee (CPCC) in all the Counties, and setting up County and Sub-County Programme Implementation Teams (CPITs & SCPITs).

The mission also observed with gratitude good National and County governments support to the Programme through provision of office space including the training hall it is constructing in Kisumu Regional Office, provision of fisheries staff to implement the Programme and staff recruitment where there is inadequate staffing, secondment of drivers and support staff to the Programme, as well as advancement of resources to the programme as it awaited disbursement from IFAD. The mission thus observed serious commitment from National and County Governments to the programme



implementation.

The mission was pleased to observe that the PSC has commenced its oversight role and has so far held two meetings. Nevertheless, the mission noted the omission of representation in the PSC of the Ministry of Interior and Coordination of National Government, which oversees implementation of all Government projects and proposed its inclusion. The PCU inquired from the mission how this inclusion would be done since the Ministry of Interior was not mentioned in the PDR or the FA, and it was advised that there is a provision to co-opt members to the PSC on a need basis. It was therefore agreed that the PS of the Executing Ministry writes to the Ministry of Interior and Coordination of National Government to nominate a representative to the PSC and the PCU revises the PIM accordingly. The Mission also noted that while the PDR provided for participation of 2 counties in the PSC, no guidance was provided on how the selection of the two counties would be done and length of the tenure for each County (representation is on rotation basis). It was agreed that the PCU bring this to the attention of the PSC so that it can deliberate on the issue and provide guidance during its next sitting.

**Programme Implementation Arrangements:** The mission was pleased to note that the PCU is almost fully constituted with all the technical staff recruited and in place, and 4 drivers seconded to the project by GoK. Nonetheless, there is need to speed up recruitment of the Western Region Accountant; Programme Assistants; Programme Assistant, 6 drivers and 2 support staff that have already received a No Objection from IFAD. Moreover, the PCU should follow-up closely finalization of the renovation works for the RO to ensure it is completed by 31 December 2019 as currently scheduled. As regards Programme implementation arrangements at County level, the mission noted that PCU had signed MOUs with all the six Counties to support programme implementation, and the CPITs and SCPITs have been established and they are in place in the six counties with county coordinators appointed for each team. However in most of the Counties, the CPITs and the SCPITs do not have full staff complement to effectively carry out the programme activities. The agreement at design was that each County would second, from its existing staff, two technical officers (Aquaculture Officer and Technician) to support the teams. However not all Counties have been able to second the required staff to the programme. Some counties like Nyeri and Kakamega have embarked on staff recruitment (Nyeri has already recruited 8) to fill the gaps. The mission recommends that the counties to second and recruit staff as agreed to facilitate smooth programme implementation. Subsequently, PCU should submit to IFAD for No Objection a request to pay salary top-ups for the seconded staff.

Under **Component 1**, the mission noted delayed implementation of some activities because of lack of clarity in the manner in which envisaged TA were to be procured. In this regard, the mission made the following recommendations: (i) that rather than procure a consulting firm to provide the TA envisaged under the component, PCU recruits three individual consultants to offer the specific services required under this component. The three individual long-term consultants to cover the areas of community development (community mobilization and local institutions specialist); gender, youth, nutrition and targeting; and entrepreneurial opportunities development; (ii) that the PCU submits a request, providing strong justification to these changes in implementation arrangements to IFAD No Objection. In addition, the PCU hastens finalization and submission to IFAD for No Objection, TORs with clear deliverables and performance indicators for recruitment of the individual consultants already agreed upon to avoid more delays.

Concerning Household methodologies, the mission noted that IFAD had provided a grant to Hivos (Humanist Institute for Cooperation with Developing Countries - a development aid organization headquartered in the Netherlands that provides support to organizations working in Africa), to support IFAD financed projects in the region with Household Methodology studies. The mission advised the PCU liaise with Hivos Kenya and agree on the earliest date they can commence on the study. It was noted that PCU has already allocated resources for this activity.

As regards **Component 2**, it was agreed that an individual consultant be recruited to facilitate implementation of the IAA, 4P and the Business Plan. This consultant would work closely with the Entrepreneurial Opportunities Development Consultant to be recruited under component 1 as the 2 roles are complementary. The PCU will prepare the TORs for procurement of this consultant and submit to IFAD for No objection. The mission recommended that once recruited, the consultant should work closely with the county implementation teams. Other services such as legal will be brought in as needed.

**Monitoring and Evaluation:** Considering that having an effective M&E system in the early stages of the programme is critical for future data capturing and reporting, the PCU has commenced recruitment of a consultant to design an M&E/MIS and are finalizing a draft M&E plan for the programme. The PCU has already prepared TORs for the design of M&E/MIS, which have been reviewed, by IFAD and comments incorporated and the revised TORs uploaded in the NOTUS. It was agreed that meanwhile, standard reporting tools and procedures should be developed for data capturing and reporting. Moreover, it was agreed that the M&E function should be automated (eg: using mobile phones and tablets) from the onset, to ensure that the transition to a more sophisticated digital software is facilitated. The M&E software developed should also be integrated with the National and County M&E systems, as compatibility of the programme with the County and National systems is critical. Additionally, the PCU needs to ensure that such systems are usable by PMU staff (do not need additional support from external Consultants). The baseline survey process should also be speeded up and completed within the financial year, and should incorporate targeting and programme indicators.

**Knowledge Management:** Knowledge management is still in the early stages of development for the programme. It was agreed that at this early stage, the programme should start setting the foundations of an effective knowledge management

capacity by developing a detailed KM plan and strategy. In this plan, the PCU should answer KM questions and set out objectives of their KM strategy. The mission provided the KM Officer with appropriate contents to ensure the strategy will adequately capture the people, processes and technology that will be involved in KM, and also include an adequate dissemination/communication plan that will reflect the needs of the target audiences with the appropriate form, language and their knowledge content levels.

The mission reviewed the PIM and agreed that further revision is required to address areas such as enhancement of the financial management section including the budgetary control system, flow of project funds, procedures for procurement at the counties, implementation of technical components in view of the changes agreed in the method of engaging and the nature of the Technical Assistance (TA), and inclusion of the Ministry of Interior and Coordination of National Government in the PSC membership. The revised will be forwarded to IFAD for No Objection.

The PCU was also reminded that IFAD approved in December 2018 an amendment to the financing agreement for additional financing for the programme amounting to US\$27.9 million to close the financing gap identified at programme design. The agreement is yet to be signed, and there is a risk that if it is not signed by the end of the year, the resources would be cancelled. It is therefore important that the amendment is signed without delay.

**Finance Issues:** On the Financing issues, it was agreed that the Government would make every effort to transfer Programme resources already disbursed by IFAD, from the Special Account to the Programme Account; the PCU would obtain official approval from the National Treasury and Planning on the revised funds flow arrangement to facilitate revision of the LTB; Audited Financial Reports for 2018/19 FY would be submitted to IFAD; the PCU would prepare and submit to IFAD a listing as well as supporting documentation of all expenses incurred prior to programme start-up pre-financed by the Government, and prepare Withdrawal Application for reimbursement; and the PCU to adhere strictly to IFAD guidelines with regard to No Objection requirements, implementation of unplanned transactions, and application of eligibility criteria.

As regards procurement, it was agreed that PCU will expedite the implementation of procurement plan and submit a monthly progress report on procurement to IFAD covering the actions taken during the month and the anticipated steps during the next month; recruit a procurement assistant to support procurement activities; and allocate sufficient space for the procurement filing and ensure that complete documentation of procurement processes is kept on procurement files, including all relevant documents.

## D. Overview and Project Progress

ABDP's implementation has experienced delays since signing of the Financing Agreement on 22<sup>nd</sup> June 2018 and hence remedial measures are needed to prevent the Programme from slipping into problem status. There were delays in setting up the PCU, which in turn resulted in delays in first disbursement and rollout of Programme activities. Furthermore, the amendment to the financing agreement for additional financing approved in December 2018, to cover the US\$27.9 million financing gap at design is yet to be signed. Nevertheless, following the recruitment of key staff and set-up of the Programme Coordinating Unit (PCU), ABDP launch and a start-up workshop was held in April 2019. Since then, the PCU has been focused on implementation of activities to meet conditions precedent to withdrawal as well as finalization of the implementation arrangements in readiness for roll-out of Programme activities at the counties.

The mission was happy to note that so far the following key activities have been completed: (i) The first 18-month Annual Work Plan and Budget (AWP&B) has been prepared and received IFAD No Objection; (ii) The initial advance of \$ 2 million has been disbursed into the Designated Account but is yet to be transferred to the Programme operating account, although the mission was informed that payment request had been submitted by the PCU to the National Treasury and Planning in October 2019; (iii) Programme Implementation Manual has been prepared, however this is currently under improvement; (iv) The Programme Steering Committee (PSC) has been established and met twice; (v) a Financial Management software has been procured and installed at PCU but is yet to be fully operationalized; (vi) Sensitizations campaigns have been launched in various Programme areas and MoUs signed with six counties (Nyeri, Kirinyaga, Meru, Kakamega, Homabay and Migori); County Programme Coordinating Committees (CPCCs), County Programme Implementation Teams (CPITs) and Sub-County Programme Implementation Teams (SCPITs) formed for these six counties and; (vi) Key procurements such as baseline survey, programme motor vehicles, programme motor cycles and M&E system, have been launched.

**Component 1 - Smallholder Aquaculture Development:** The mission noted that implementation of the following planned activities had commenced: (i) Community sensitization workshops have been carried out among fish farmer groups involving 540 farmers (354 male and 186 female) in Nyeri, Meru, Kirinyaga, Homabay and Kakamega; (ii) Two training workshops were held, one for Western Region and one for the Central Region where 98 extension staff were trained on group formation; (iii) Two out of six FFS trainings planned (1 per County) carried out by FAO where a total of 46 officers were trained (9 women and 37 men); (iv) One out of the planned two Fish Fair events on improved fish recipe and value added product development carried out in Meru; (v) TORs for Environmental Assessment of Existing/New ponds/Reservoirs prepared but this was yet to be submitted to IFAD for No Objection as the PCU needed some clarity on this activity. The Mission reviewed this TOR and provided comments to the PCU to enable finalization; (vi) TORs for a firm

to undertake a study and develop options for Aquaculture Support Enterprises (ASEs) schemes had been prepared but not yet submitted for IFAD No Objection. The mission reviewed the TOR and recommended procurement of individual consultants. PCU is therefore required to revise the TORs accordingly and submit for IFAD No Objection.

Concerning the following activities yet to be launched, it was agreed that the implementation be fast-tracked to ensure completion during the year as planned: (i) Participatory Needs assessment; (ii) Recruitment a long term consultant as the Entrepreneurship Enterprise Expert; (iii) Recruitment of a consultant to carry out Household Methodology & Nutrition (study on Nutrition-Gender Nexus) which shall be implemented in collaboration with Hivos (Humanist Institute for Cooperation with Developing Countries). The PCU was advised to get in touch with Hivos Kenya and agree on the earliest date they can commence the study.

**Component 2: Support for Aquaculture Value Chains Development:** Under this component, a number of activities were planned to be carried out or at least commenced during the period 2018/2019 quarter 4 to 2019/2020 quarter 2. These include: (i) Recruitment of Technical Service Provider (TSP) as transaction advisor for the component to conduct a detailed value chain analysis; (ii) Detailed Value Chain Assessment; (iii) Development of TORs and recruitment of a consultant to undertake studies on Existing Policies and provide Support to Fisheries policies development and reviews including the National Aquaculture Development Plan; (iv) Develop TORs and recruit a consultant to undertake studies on Carrying Capacity for water bodies and develop comprehensive regulations, guidelines and best management practices for supporting small scale farmers doing Cage Culture; (v) Develop and ratify 30 MOUs with partnering institutions; Purchase Vehicles and motorcycles for the component head and Extension Services; Upgrade the RIAT learning centre to meet the training needs; rehabilitate and upgrade SAGANA Training Facilities; and Train Extension Officers.

The mission noted that implementation of some activities has commenced under this component. These are:

- TORs prepared for the recruitment of a consultant to review regulations and guidelines for aquaculture, marine culture and cage culture which have been reviewed and commented on by IFAD, and are being revised by the programme;
- TORs prepared for the formulation of National Aquaculture Development plan, have also been prepared, reviewed and commented on by IFAD and are being revised. One issue raised by IFAD was a requirement in the TOR for the Lead Consultant to be registered with NEMA, and it was agreed that this requirement would be dropped being an international consultancy.
- Six MOUs signed with the counties, and subsidiary agreements prepared and ready for review and signature with RIAT and Sagana (the 30 planned MOUs included all the 15 counties and all the Implementing Partners, some of whom have not been identified and others will sign subsidiary agreements instead);

The remaining activities that were scheduled for the period indicated above have not commenced. These are: (i) Recruitment an individual consultant to oversee implementation of the Business Plan and the 4Ps, working closely with the Entrepreneurship Enterprise Expert to be recruited as a long term individual consultant under the component 1; (ii) Recruitment of a team of consultants to form an Aquaculture Business/4P team for which it was agreed with the mission that only one consultant will be required to guide implementation of the business plans, and not the whole team. This consultant will have the same skill set as the consultant entrepreneurial opportunities development expert to be recruited under component 1, and they will work together.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Procurement</b> Finalize procurement of the various Technical Assistance (individual consultants) required to support implementation under the two technical components	Programme Coordinator	03/2020
<b>Carry out studies on capacity of water bodies to develop coherent regulations for Cage Culture</b>	Head Component 2	04/2020
<b>Participatory Needs Assessment</b> Carry out Participatory Needs Assessment at community level to identify levels of poverty and eligible Programme beneficiaries in line with the programme targeting strategy	Head Component 1	05/2020

<b>national workshop</b>  Conduct national workshop with stakeholders (4P & Aquaculture Business) to create awareness on possible partnership opportunities in the programme	Head Component 2	05/2020
<b>Provide leadership to ensure critical planned activities under the technical components are implemented</b>	Programme Coordinator	06/2020
<b>Household Methodology &amp; Nutrition (study)</b>  Engage Hivos to carry out Household Methodology & Nutrition (study on Nutrition-Gender Nexus) and develop Fish Nutrition curriculum	Head Component 1	06/2020
<b>regulations and guidelines</b>  Finalize development of regulations and guidelines for aquaculture, marine culture and cage culture as well as formulation of National Aquaculture Development Plan	Head Component 2	06/2020
<b>Conduct detailed fish value chain assessment to inform programme interventions</b>	Head Component 2	06/2020
<b>Complete Consultant Recruitment</b>  Complete the recruitment of Aquaculture Business Development Consultant	Aquaculture Specialist – Component 2	07/2020
<b>COVID-19 Mitigation Strategy</b>  Develop a COVID-19 mitigation strategy for the programme	PCU- Programme Coordinator	08/2020
<b>Consultant Recruitment</b>  Complete the recruitment of 3 long-term consultants	PC/ Aquaculture Special	08/2020
<b>Regulations and Guidelines for Acquaculture</b>  Finalize development of regulations and guidelines for aquaculture, marine culture and cage culture as well as formulation of National Aquaculture Development Plan Conduct detailed fish value chain assessment to inform programme interventions	Aquaculture Specialist – Component 2	08/2020
<b>Action Plan</b>  Prepare an action plan and seek approval to address the effects of the recent floods on the programme 's target groups	PCU- Programme Coordinator/ CPITs/ Aquaculture Specialist	09/2020
<b>Monitoring Plan</b>  Develop a plan to monitor fish restocked in dams and the benefits from the intervention	PC/ Aquaculture	09/2020
<b>Annual Aquaculture Day</b>  Launch the Annual Aquaculture Day, virtually if necessary	Aquaculture Specialist – Component 1	09/2020

<b>National Stakeholders Workshop</b>  Conduct national stakeholders workshop on 4P & Aquaculture Business to create awareness on possible partnership opportunities in the programme	Aquaculture Specialist – Component 2	09/2020
<b>Study on Water bodies capacity</b>  Carry out studies on capacity of water bodies to develop coherent regulations for Cage Culture; incorporating amendments: (i) in the ToRs to include training counties on the recommendations (ii) the study be done by a national research institution instead of individual consultant	Aquaculture Specialist – Component 2	09/2020

## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

**Effectiveness**

**Rating: 3**

**Previous rating: 3**

#### Justification of rating

The slow implementation progress is affecting the status of reaching the development objectives, outcomes, and outputs. The Mission observed that so far the programme's technical components are reporting their achievements mostly on soft interventions such as preparatory documentations (e.g. ToRs, MoUs, and EOI/RFPs), community mobilization/sensitization, media events and fairs and some training workshops. The programme, therefore, has not started to provide services to beneficiaries that will directly lead to tangible outputs (e.g. an increase in fish production and incomes). However, the project is laying a firm foundation for investments by concentrating adequately on preparatory activities.

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

At the outreach level, the project has reported to have reached and selected 300 fish farmers. However, the Mission found that there were inconsistencies in reporting and understanding the outreach indicators. This was because the PCU included farmers involved in sensitization activities as part of programme beneficiaries. Data of the three indicators were not aligned as per the guidelines. Moreover, it was evident that the PCU were not conversant with the definitions of outreach core indicators (1, 1a and 1b). The Mission discussed with M&E the definition and measurement of IFAD outreach core indicators. In addition M&E were provided with the IFAD Core Indicators guidelines.

Furthermore, there are minimal output indicators reported in the log frame. To date, the PCU has reported to have cumulatively trained 23 (13.5%) extension officers out of an end target of 170, all who were trained in 2019. The programme also reported that they have cumulatively trained 91 farmers in business management under output 1.2, all these farmers who were trained in FFS. This represents 0.3% of the end target. Under output 2.1, the programme has reported to have cumulatively trained 38 farmers in business management out of an end target of 15,760 farmers. There is need to accelerate the implementation pace of the programme. Additionally, train the PCU in understanding the definitions of IFAD Core Indicators and how to periodically measure them.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Align activities to indicators</b>  To align each programme activity to its corresponding indicator for effective implementation and monitoring when preparing the next Work Plan.	M&E Officer	03/2020
<b>Capacity for PCU in understanding IFAD Core Indicators</b>  Train ABDP team on the IFAD Core Indicators and their measurement.	IFAD	06/2020
<b>Revision of log frame data and indicators</b>  The PCU with support from IFAD to revise log frame data and indicators to reflect IFAD guidelines on measurement of core indicators	PCU	06/2020
<b>M&amp;E Officer to use the IFAD ORMS format when reporting indicators data.</b>  continuous	M&E Officer	

## Development Focus

### Targeting and Outreach

**Rating: 3**

**Previous rating: 3**

#### Justification of rating

Selection of the first batch of 300 beneficiaries has been completed in 6 counties through geographic targeting at county level. The project was supposed to conduct poverty targeting in each county but this was not followed as the project chose to target pre-existing groups identified in other programmes such as the GoK Economic Stimulus Programme (ESP). The project is below the planned target per county (about 2000 HH). The Mission noted that the project has developed a targeting strategy, which includes tools to guide the county teams on targeting, however, it is not very clear on the methodology. The beneficiaries targeted through FAO TCP have not been taken into account. Community mobilisation to ensure effective targeting of the most vulnerable groups has not yet been done across the counties. The quality of targeting schools to participate in the school feeding programme needs to be refined by developing clear criteria for selection.

#### Main issues

The selection of target groups have been initiated in 6 counties (Homa bay, Migori, Kakamega, Kirinyaga, Nyeri, Meru) with 50 beneficiaries per county, totalling to 300 households. Considering that the level 1 and 2 direct project target is estimated at 30,500 in 15 districts (about 2,000 per district), the project seems to be way off the target. The project has developed a targeting strategy, which provides a criteria of how to select level 1 & 2 beneficiaries and also provides registration details to capture each beneficiary details, although quite weak on the methodology. The first phase of the targeting focused on groups that existed during the previous economic stimulus programme, some of which are no longer functional, which was confirmed by the beneficiaries interviewed by the Mission. Due to unavailability of a detailed beneficiary list, it was not possible to verify if those targeted included the poorest and most vulnerable. In addition, FAO has conducted mobilisation of 70 groups in the 6 counties, with an average of 25-30 members per groups. These farmers have already been trained through the FFS approach. Those who qualify as level 1 & 2 targets should be considered as part of the ABDP beneficiaries and reported in the project outreach.

The project has undertaken sensitisation across all the 6 counties (at sub-county/ward level), an exercise that was used to select the initial target beneficiaries. In order to intentionally reach the poor and most vulnerable in the community, more targeted community mobilisation activities should be undertaken to build awareness about the project and encourage participation of the vulnerable groups. Participatory methods should be applied to inspire interest and participation of the youth and women. Working with the Social Development Officers at the community level will help to effectively target the hard to reach members of the community.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<p><b>Finalize the TORs for procurement of Community Development Specialist and submit for IFAD No Objection</b></p> <p>The selection of target groups have been initiated in 6 counties (Homa bay, Migori, Kakamega, Kirinyaga, Nyeri, Meru) with 50 beneficiaries per county, totalling to 300 households. Considering that the level 1 and 2 direct project target is estimated at 30,500 in 15 districts (about 2,000 per district), the project seems to be way off the target. The project has developed a targeting strategy, which provides a criteria of how to select level 1 &amp; 2 beneficiaries and also provides registration details to capture each beneficiary details, although quite weak on the methodology. The first phase of the targeting focused on groups that existed during the previous economic stimulus programme, some of which are no longer functional, which was confirmed by the beneficiaries interviewed by the Mission. Due to unavailability of a detailed beneficiary list, it was not possible to verify if those targeted included the poorest and most vulnerable. In addition, FAO has conducted mobilisation of 70 groups in the 6 counties, with an average of 25-30 members per groups. These farmers have already been trained through the FFS approach. Those who qualify as level 1 &amp; 2 targets should be considered as part of the ABDP beneficiaries and reported in the project outreach.</p> <p>The project has undertaken sensitisation across all the 6 counties (at sub-county/ward level), an exercise that was used to select the initial target beneficiaries. In order to intentionally reach the poor and most vulnerable in the community, more targeted community mobilisation activities should be undertaken to build awareness about the project and encourage participation of the vulnerable groups. Participatory methods should be applied to inspire interest and participation of the youth and women. Working with the Social Development Officers at the community level will help to effectively target the hard to reach members of the community.</p>	PC	12/2019
<p><b>graduation criterion</b></p> <p>Develop a graduation criterion with clear guidelines on graduation of smallholder farmers from Level 1 to Level 2 at the individual level rather than the group level</p>	KM & M&E Officer	04/2020
<p><b>Further define the project targeting strategy</b></p> <p>The draft targeting strategy does not provide the needed guidance to the districts on the methodology of targeting along the project cycle. The document needs to be expounded to clearly define various methods of poverty targeting, geographic, self, direct, empowerment measures etc to facilitate reaching and ensuring engagement of the most vulnerable. Targeting should consider vulnerability due to economic/cultural/social factors, age, gender nutrition, climate change as relevant. This includes elaboration of the methodology on schools targeting by setting a clear criteria that is aligned with the strategic objectives of the project.</p>	PCU	07/2020
<p><b>Include the FAO formed groups as part of the beneficiaries</b></p> <p>Since the FAO TCP activities are part of the overall ABDP programme, it is recommended that the groups selected are integrated among the targeted individuals for ABDP and reported as project outreach in the log frame, subject to qualification as level 1&amp;2 categories.</p>	PCU	07/2020

**Gender equality & women's participation**

**Rating: 4**

**Previous rating: 4**

**Justification of rating**

Out of the 300 beneficiaries selected, 204 beneficiaries are adult males, and 65 are women. While the process of selection of target groups is still on-going, the number of women is far below the project target especially for level 1&2 target groups. In relation to the youth, only 8 females, versus 23 males have been selected as beneficiaries. The project does not have a gender specialist, hence lacks the skills to implement the project according to gender sensitive analysis. The project has signed an MOU with HIVOS to implement GALS HH methodology under the empower@scale grant. However the MOU does not provide details of the nature of support and deliverables in relation to the grant.

### Main issues

Out of the 300 beneficiaries selected, 204 beneficiaries are adult males, and 65 are women. While the process of selection of target groups is still on-going, the number of women is far below the project target especially for level 1&2 target groups. In relation to the youth, only 8 females, versus 23 males have been selected as beneficiaries. Some of the project staff expressed challenges in reaching out to women. As the project rolls out community mobilisation activities in the targeting phase, it will be important to use approaches that encourage women participation. Support can be provided by the Social Development officers.

The project has signed an MOU with HIVOS to roll out the HH methodologies, which should ideally expand women's access and control over fundamental assets, voice and leadership, ease workload and encourage their participation in project activities. Support from HIVOs is part of an IFAD grant on empower@scale that seeks to develop sustainable capacities of IFAD's implementing partners on the GALS HH methodologies by empowering learning centres and strengthening capacities of the community facilitators. The current MOU does mention the empower@scale grant but with no details of the scope of support and expected deliverables. The MOU also embeds other activities; a nutrition and gender nexus study and scaling up GALS methodology activities. The Mission would like to bring to the attention of the PCU that the procurement of these additional services should be aligned with IFAD procurement guidelines.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Define a gender and youth action plan</b>  The project gender and youth action plan should be outlined at this early stage of implementation to ensure full mainstreaming of gender and youth concerns and development of relevant staff capacity of the PCU and county level implementing partners.	PCU	06/2020
<b>Disaggregate more indicators by gender</b>  The project should ensure that all indicators are disaggregated by gender and age as relevant.	PCU	06/2020
<b>Accelerate the recruitment of the Youth, Gender and nutrition consultant</b>	PCU	07/2020
<b>Revise MOU between HIVOS and PCU</b>  Clearly define empower@scale GALs support to the project. The existing MOU should be revised to reduce its scope to only the empower@scale grant related activities. It should also define the offer of the grant for clarity between the two parties. Scaling up activities of the grant should only be considered upon roll-out of the grant support and in compliance with the IFAD's procurement procedures.	PCU / Hivos / IFAD	07/2020

### Agricultural Productivity

Rating: N/A

### Main issues

The programme's investment components have so far concentrated their activities in the preparatory phases. The reporting is mostly on preparation of ToRs, documentations for tendering (EOIs, RFPs), community mobilization and training events and activities to raise the programme's visibility. Very few beneficiaries have been identified, thus slowing the roll out of investments. The PCU needs to clearly explain the benefits from the programme to the various groups selected as programme beneficiaries. Considering that the programme is soon entering the third year, more focus should go to the activities that will result in tangible benefits in terms of increased aquaculture yields, improved sales and increased incomes. Among these, the programme should give attention to initiate the fish breeding through partnership with WorldFish and Sagana NARDTC. Attention should be given to mechanisms that will enable farmers to access inputs for establishing/ rehabilitating ponds and stocking with fish, as well as accessing quality fish feed. The training is in the



right direction, but should be more focused using effective approaches to develop aquaculture skills. The programme should plan effectively for the value chain infrastructure which will help to reduce post-harvest losses and increase fish value through processing.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>World Fish Centre</b>  Finalize negotiation and engagement of World Fish Centre, to urgently establish the improved breed system.in Sagana NARDTC	Aquaculture Specialist – Component 2	09/2020
<b>Access to Production inputs</b>  Develop mechanisms for the already selected beneficiaries to access production inputs	Aquaculture Specialist – Component 1	09/2020

**Nutrition**

**Rating: 3**

**Previous rating: 4**

### Justification of rating

The project is already implementing some activities to promote fish consumption in the 6 counties, especially in areas where fish consumption is not part of the diet. In 2019, a much publicised national “Eat more fish” campaign was rolled out in all counties. Nevertheless, the project does not seem to have a full picture of how the various components and parts of the project will come together to deliver nutrition outcomes. This is despite various opportunities to integrate nutrition within its components such as the FFS training, the aquaculture value chains study etc. The awareness of the intended project nutrition outcomes, and in particular nutrition sensitive aquaculture is limited and training should be extended to key staff implementing the project. Lastly the current beneficiary target of the project on nutrition should be revised to 60% of level 1&2 target groups and not the 300,000 reached through mass awareness campaigns with a wide and diverse outreach.

### Main issues

The project is already implementing a number of activities to promote fish consumption in the 6 counties, especially in areas where fish consumption is not part of the diet. In 2019, a much publicised national “Eat more fish” campaign was rolled out in all counties. While these activities are commendable, according to the documentation shared, it would be important to use a nutrition lens while organising the campaign activities to ensure promotion of healthy diets. It is also evident that the campaigns on their own will not result to improved nutrition of the project’s beneficiaries, the small holder farmers and in particular the most vulnerable households. The project should therefore take on a community nutrition approach that clearly promotes healthy diets, combining different sources of nutrients in complement to fish, among addressing other underlying causes of malnutrition.

Improving nutrition is core to the design of the ABDP. Nevertheless, the project does not seem to have clarity of the full picture of how the various components and parts of the project will come together to deliver nutrition outcomes. The project has various opportunities to integrate nutrition within its components such as the FFS training, the planned aquaculture value chains study, research on breeds, etc. Having a clear nutrition action plan for the project would help in appreciating the nutrition impact pathways, activities and linkages with other technical areas across the components. With regards to integrating nutrition into the FFS training, FAO has already conducted training on nutrition targeting 30 people, extension workers, lead farmers and SMEs and there are plans to scale this up in all 6 districts. ABDP should build on these efforts, as well as leveraging on existing nutrition education and SBCC materials, instead of developing new ones. The planned study on nutrition gender nexus should be put on hold until the project establishes strategic knowledge gaps that need to be filled through a studies or surveys. It was noted that some of the counties are working in close collaboration with nutritionists to inform nutrition related interventions. However the awareness on nutrition among the project staff, and in particular nutrition sensitive agriculture, is limited. It would be recommended that, in addition to the fisheries extension workers, the training by FAO is extended to also cover the county nutritionists and other relevant officers to develop capacity and ensure continuity once the FAO TCP comes to an end.

The current beneficiary target of the project on nutrition (300,000) was derived based on mass awareness campaigns and therefore not realistic. To achieve the nutrition outcome of minimum diversified diets for women (MDD-W), the project will need to review the target downwards to a fraction (about 60%) of the level 1&2 target groups. Additionally, the MDD-W indicator should be integrated into the logframe at the outcome level under component 1 and baseline values measured along with other indicators. Furthermore, the school feeding programme needs to be thought through since not all schools in the counties have school meals. The intention of school based nutrition interventions is to change behaviour of fish consumption and healthy diets by targeting children who would also influence what is consumed in their homes. The school based activities should therefore also focus on learning activities such as those aligned to production, cooking demonstration, out of school activities such as participation in fairs or interschool learning exchanges etc.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Develop a project nutrition action plan</b>  The plan should clearly articulate the target group for the nutrition actions, types of activities and how each group is expected to benefit and feed into the nutrition outcome of the projects. Through applying a nutrition lens, opportunities of integrating nutrition across all the components should also be explored and communicated to the implementers. The opportunity should be taken to further shape the school based nutrition activities to align with current realities.	PCU	07/2020
<b>Leverage on the nutrition education and SBCC training already prepared by FAO</b>  ABDP to build on and leverage on-going FAO TCP support to nutrition, to take place in the six counties. This includes training and IEC materials already developed.	PCU	07/2020
<b>Provide guidelines in messaging for the “Eat more fish campaign”</b>  Nuance the messaging of the campaign to remain relevant in terms of nutrition: promote fish alongside other crucial nutrients. The guide will be then adapted by counties for the specificities of their area.	PCU	07/2020
<b>Accelerate the recruitment of the nutrition Consultant</b>  The consultant will provide technical support to the project on nutrition and also help in coordinating with other project partners to effectively mainstream nutrition.	PCU	07/2020
<b>Training on nutrition sensitive agriculture and food systems</b>  Train the nutritionists, extension workers and other relevant staff on nutrition sensitive agriculture and food systems. They can be integrated in the planned training by FAO in the six districts - Ongoing	PCU/FAO	

## **Adaptation to Climate Change**

**Rating: 4**

### **Justification of rating**

The activities for climate change adaptation in ABDP are yet to be fully elaborated. However, preparatory activities have been initiated. The key partner for these activities is World Fish, who will support the programme with climate smart aquaculture technologies and capacity building. The main climate risks identified in the programme areas are droughts and floods that adversely affect the water quantity and quality as well as aquaculture infrastructure such as ponds. The rehabilitation of ponds and construction of new ones will need to incorporate adequate adaptation measures and support the target beneficiaries in building back better from the current floods. The Environment and Natural Resources Officers in the counties are expected to support the capacity building efforts for the communities.

### **Main issues**

World Fish as the key partner for climate smart technologies is elaborating a proposal in response to the request from the ABDP PCU. The proposal will include options for climate smart aquaculture based on the results and lessons from an ongoing grant on advancing aquaculture technologies. The technologies will focus on improved water retention in the ponds, water use efficiency, improved pond construction and system efficiency. World Fish will provide training for fisheries officers in climate smart aquaculture techniques. In addition, training materials can be provided for the ENRM officers to ensure they are able to build the capacity of the smallholders. Climate change risk analysis for the target sub-counties has been incorporated in the ToRs developed for the Environmental and Social Management Plan (ESMP) to be developed for the ABDP. This provides a starting point for the articulation of local level climate change risk management options. Resources such as the How to do: Fisheries, Aquaculture and Climate Change can provide some key messages for the sensitisation exercises being conducted to ensure climate change mainstreaming from the initial stages of programme implementation.

The Farmer Field Schools also provide an entry point for the capacity building of the smallholders in climate change

adaptation. As such the manuals being developed by FAO can integrate relevant options for the target sub-counties and enable farmers to build on their indigenous knowledge of managing climate related risks. The Programme Implementation Manual can also be updated to incorporate the climate risk management measures and their mainstreaming in the activities. The Environment and Natural Resources Management (ENRM) Officers in the counties, who are also responsible for climate change mainstreaming, confirmed their involvement in the programme implementation. They expressed the need for capacity building as technical officers to ensure they are able to provide the step down training for the smallholders and advise them accordingly on climate change adaptation. The training of the officers can be provided in the context of the ESMP and the earmarked Technical Assistance as well as from materials from World Fish.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Climate change adaptation messages</b>  Develop climate change adaptation messages for the sensitization sessions	PCU/CPIT	09/2020
<b>Climate Smart Aquaculture</b>  Articulate the climate smart aquaculture activities for the Programme in the counties where activities have been initiated	PCU/ World Fish	12/2020

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

### **Institutions and Policy Engagement**

**Rating: 5**

#### **Justification of rating**

This programme will support local institutions such as KMFRI, FIQA and RIAT to strengthen their capacities for improved performance of the fisheries sub-sector. It is commendable that at this early stage of implementation, the programme has already commenced support to these institutions. Moreover, a study of the existing policies on aquaculture in Kenya and review of the National Aquaculture Strategy, as well as development of the National Aquaculture Development plan for the country, has commenced. In addition, ABDP has participated in the regional and county level policy forums through the Regional Development Implementation and Coordination Committees (RDICCs) and County Development Implementation and Coordination Committees (CDICCs).

#### **Main issues**

The programme is also meant to carry out studies on carrying capacities of water bodies and support formulation of policies, codes, regulations, environmental and social safeguards (EIA/ SEIA), and zoning/mapping suitable areas, in order to help farmers improve fish farming in ponds and improve enabling environment in cage farming. These activities are valuable project interventions meant to improve the overall policy environment in the fisheries sub-sector, and the Mission recommends they be launched during the next year.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>PCU to sensitize counties to hasten recruitment of fisheries staff where there is shortage</b>  immediate	PCU/Counties	11/2019
<b>PSC</b>  PSC to provide guidance on selection of the two Counties to participate in the PSC at a given time and the duration of their participation.	PSC	03/2020
<b>Launch remaining policy related interventions</b>  Launch the remaining policy related activities such studies on carrying capacities of water bodies and support for formulation of policies, codes, regulations, environmental and social safeguards (EIA/ SEIA), and zoning/mapping suitable areas to help farmers improve fish farming in ponds and improve enabling environment in cage farming	PCU	12/2020

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

Too early in the project to measure.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>It was not clear whether the PCU should sign a subsidiary agreements or MOUs with the Implementing Partners.</b>	IFAD PCU	11/2019
<b>Finalize engagement of implementing partners</b> Expedite signing of agreement with World Fish Centre and other remaining implementing partners	PCU	07/2020
<b>Revise MOU with HIVOS</b> Cancel current MOU with HIVOS and sign new MOU	PCU	07/2020
<b>Coordinate FAO implemented activities</b> Better coordinate activities implemented by FAO through joint planning, joint implementation, regular consultative meetings and reporting- Continuous	PCU	

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

The project has undertaken sensitisation meetings in all the 6 counties to create awareness of the ABDP project. However, community mobilisation to capture the views and reach the most vulnerable – the poor, women etc. has not yet been done. It is important to point out that farmer group's mobilisation and trainings led by FAO have been going on although the Mission was not able to establish the quality of farmer engagement.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Develop a community mobilisation plan</b> In liaison with Ministry of Gender and sport, prepare a community mobilisation plan and roll it out in all counties for effective poverty targeting and community consultation. The plan should include practical guidance and methods on how to engage the most vulnerable, the poor, women and youth. The project should work with the social development workers to lead the mobilisation and targeting activities.	PCU	06/2020
<b>Define and share grievance mechanisms and platforms with beneficiaries</b>	PCU	09/2020

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

The programme employs various service providers to support the implementation of planned activities and the delivery of key services. Key technical service providers and consultants are yet to be procured. Nevertheless, the Mission was pleased to note that civil works and equipment and motor vehicle supplies for the PCU offices in Nyeri and Kisumu were completed on time and are of acceptable quality.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>TA</b> The PCU to replace recruitment of a Consultancy Firm to provide TAs with recruitment of individual consultants in the areas Community Development; Gender, Youth, Nutrition and Targeting; and Entrepreneurial Opportunities Development Expert.	PCU	12/2019
<b>recruitment</b> To replace recruitment of a contractual advisory firm (Transactions Advisor), with recruitment of an Individual consultant to oversee implementation of business development and 4P activities. To work with the Entrepreneurial Opportunities Development Expert to be recruited under component 1.	PCU	12/2019
<b>NO for TA</b> The PCU to prepare and submit to IFAD for NO a request with strong justification to revise the TA recruitment as discussed above.	PCU	12/2019
<b>The PCU to hasten finalization and submission to IFAD of TORs for recruitment of those consultants already agreed upon</b>	PCU	01/2020

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

**Rating: 4**

#### **Justification of rating**

Natural resources management is key to the implementation of the ABDP, particularly in relation to water and land resources. Activities to ensure improved natural resources and environmental management are yet to begin in earnest. However, key messages should be incorporated in the Programme sensitization sessions. The environmental aspects of potential concern are pollution control, waste management, sedimentation levels in water sources, encroachment on land, use of riparian areas and protection of water sources. Environment and Natural Resources Management (ENRM) Officers at county levels have the responsibility to incorporate conservation and resource use efficiency and are integrated into the County implementation teams.

#### **Main issues**

The main environmental challenges have been identified in the counties where the ABDP will be implemented. The ABDP activities are expected to improve the management of the environment by the smallholders through good practices for natural resources conservation. Indicators to enable the monitoring of the improved NRM will have to be incorporated in the M&E system of the Programme. The indicators can be sourced from the Environment and Social Management Plan that will be developed for the Programme, which will include a monitoring plan. For the improvement of ENRM to materialise capacity building for the farmers is essential in areas such as water source protection, waste management and pollution control. Capacity building can be incorporated into the FFS manuals being developed to engender peer to peer learning and empowering farmers to prioritise and select the appropriate measures. The approach for improving ENRM should be articulated in the PIM.

The engagement of different Government Agencies such as KMFRI and FIQA in the programme implementation will enable adequate attention to the status of the natural resources including the fish resources. Pesticide management is a key area of focus for the environmental management in the Programme. Adhering to the national regulations and best practice promotion should be ensured through the national Agencies. The Technical Assistance already embedded in the Programme implementation to support environmental aspects should be well planned and utilised to include a focal person in the PCU for the ENRM activities. The focal person can be provided with a retainer contract to ensure timely support to the Component Leads and the County level implementation teams in ENRM.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Environmental and Natural Resources Management Messages</b>  Develop tailored ENRM messages for the sensitisation sessions of the Programme	PCU/CPIT	09/2020

<b>Exit Strategy</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

ABDP has strong scaling-up potential, which was inbuilt in the programme design. This includes the phased implementation approach, which allows learning from a smaller number of counties and taking the lessons and knowledge to a larger number of counties; scaling-up some of the technologies and models piloted by previous aquaculture interventions in Kenya, and; piloting new technologies and partnership models that will be scaled further by private and public sectors, such as aquaponics and spirulina enterprises. Due to the delayed pace of implementation, the programme is still at a nascent stage and yet to establish the building blocks for scaling-up. Hence the capacity of the programme for scaling-up capacity is yet to be tested or demonstrated.

<b>Potential for Scaling-up</b>	<b>Rating: 4</b>
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#### **Justification of rating**

ABDP has strong scaling-up potential, which was inbuilt in the programme design. This includes the phased implementation approach, which allows learning from a smaller number of counties and taking the lessons and knowledge to a larger number of counties; scaling-up some of the technologies and models piloted by previous aquaculture interventions in Kenya, and; piloting new technologies and partnership models that will be scaled further by private and public sectors, such as aquaponics and spirulina enterprises. Due to the delayed pace of implementation, the programme is still at a nascent stage and yet to establish the building blocks for scaling-up. Hence the capacity of the programme for scaling-up capacity is yet to be tested or demonstrated.

#### **Main issues**

ABDP was designed with a strong scaling-up intentions. This includes: (i) Building on, and taking to the next level, some of the technologies and models piloted by previous aquaculture interventions in Kenya in the past few years, including ESP, Trilateral Cooperation/GIZ and KMAP/FarmAfrica, so that the benefits can reach a greater number of rural poor in a sustainable way; (ii) Piloting new technologies and partnership models that will be scaled further by private and public sectors to turn the aquaculture sector into a robust economic sector contributing significantly in income and employment generation and food security. Among these, aquaponics and spirulina enterprises will be piloted under the programme's innovation window, with an eye to create opportunities for the youth; (iii) Phased implementation approach, which allows learning from a smaller set of counties and taking the lessons and knowledge to a larger number of counties. Public-private-producer partnerships (PPPPs) model along the aquaculture value chains provide other avenues for scaling up, by attracting private-sector investments to the smallholder sector, providing beneficiaries with market access and value chain financing and reducing risks. ABDP's scaling-up pathway will, therefore, mainly be by expanding services to more smallholder farmers across the country and functional expansion, including financial services and market access through new commercial partnerships. The Drivers of scaling up will be the incentives provided by the Programme and increasing demand for services to develop aquaculture across Kenya's Counties. While the scaling-up potential and the approach are well defined, the programme is still at a nascent stage and yet to establish the building blocks for scaling-up.

### **c. Project Management**

<b>Quality of Project Management</b>	<b>Rating: 3</b>	<b>Previous rating: 3</b>
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#### **Justification of rating**

The PCU is established and operational, at both Nyeri headquarters and Regional Office in Kisumu. The Mission was also pleased to note that the capacity of the PCU has been enhanced through recruitment of additional staff (a regional Accountant, two Programme Assistants and support staff). Nevertheless, recruitment of the Deputy Coordinator, an MIS Officer and Procurement Assistant to further enhance PCU capacity, is yet to be finalized. Likewise, the PSC is established, functional and holds its meetings regularly to provide guidance and oversight to the programme. The County and sub-county coordinating and implementation teams have been formed and starting to play their roles of oversight and coordinating programme activities at the lower levels. Nevertheless, there is need for the CPCCs to play a more enhanced role in the work planning process.

#### **Main issues**

The Project Coordination Unit (PCU) responsible for the day to day management of the programme is established and operational. The PCU is comprised of ten (10) competitively recruited technical staff as follows: Programme Coordinator; Finance Manager; two Aquaculture specialists in charge of the two technical components (with one also being the Western Regional Office Coordinator); Senior Monitoring & Evaluation and Knowledge Management Officer; Procurement Officer; Programme Accountant; Western Regional Accountant and two Programme Assistants. To further enhance the capacity of the PCU, a Deputy Coordinator, an MIS Officer and Procurement Assist are being recruited. The Mission noted that while recruitment for the MIS Officer and Procurement Assistant is at an advanced stage, the process is yet to be launched for the Deputy Coordinator. The Mission reviewed the draft Terms of Reference for Deputy Coordinator availed by the SDFA&BE and provided technical comments for its finalization. Concerning operations of the programme offices, the Mission was pleased to note the PCU offices in Nyeri and Kisumu Regional Offices are fully functional as demonstrated by the availability of adequate facilities used to expedite the remote supervision. The programme motor vehicles have also been purchased to facilitate logistics.

The Project Steering Committee (PSC) has been established and functional. The PSC is chaired by the PS State Department of Fisheries, Aquaculture and Blue Economy. The membership of the PSC is drawn from relevant Ministries as well as the representatives from two participating counties. The Mission noted the need to co-opt in the PSC, the Ministry in charge of Environment to provide its perspectives given the number of programme activities that require environmental consideration. The PSC holds quarterly meetings and so far three meetings have been held during the financial year, with two being personally chaired by the Principal Secretary, State Department of Fisheries Aquaculture and Blue Economy. To effectively carry out its oversight mandate, the PSC formed two Sub-committees, Finance & Implementation and Human Resources.

At the local level, the programme activities are coordinated and implemented by the County Project Coordinating Committees (CPCCs), County Project Implementation Teams (CPITs) and Sub-county Project Implementation Teams (SPITs). The Mission noted that all CPCCs, CPITs and SPITs have been established for all the fifteen programme counties. Furthermore, the Mission was pleased to note that Nyeri and Kakamega counties have embarked on enhancing the capacity of their respective Fisheries Department by recruiting additional extension staff. Concerning facilitation of the counties, six counties (Nyeri, Kirinyaga, Meru, Kakamega, Homabay and Migori) recently received new programme vehicles, thereby addressing the critical transport logistics issues. Nevertheless, the Mission noted the need for the counties to be more effectively involved in annual work planning process. Furthermore, the Mission noted that the programme PIM had been prepared immediately after programme start-up. The Mission of November 2019 recommended revision of the PIM to capture additional aspects and update certain sections. The Mission commends the PCU for updating the PIM to address most of the areas agreed during the last mission. Further revision of the PIM is required to capture emerging issues such as investments in public dams etc., beneficiary complaint and redress mechanism and inclusion of the Ministry in charge of Environment in the PSC.



<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>The Department of Interior and Coordination to be co-opted into the PSC membership as provided for in the PDR and FA.</b>	PCU	03/2020
<b>counties to participate in PSC</b> The PCU to bring up to the PSC, in its next, the request to deliberate and provide guidance on the criteria for selection of the two counties to participate in the PSC and the tenure for each period of representation. This will then be included in the revised PIM's Governance section.	PCU	03/2020
<b>The PCU to sensitize counties to recruit the required staff to implement the programme activities at the sub-county level.</b>	PCU	03/2020
<b>Expand PSC</b> Enhance the PSC by co-opting the Ministry in charge of Environment	State Department of Fisheries Aquaculture and Blue Economy/ PCU	06/2020
<b>Finalize PCU Set up</b> Finalize recruitment of the Deputy Coordinator, MIS Officer and Procurement Assistant to enhance the capacity of the PCU	State Department of Fisheries Aquaculture and Blue Economy/ PCU	07/2020
<b>Revise PIM</b> Revise PIM to capture emerging issues such as investments in public dams etc., beneficiary complaint and redress mechanism and inclusion of the Ministry in charge of Environment in the PSC	PCU	07/2020

#### **Knowledge Management**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

The Mission observed that the project has developed detailed draft KM strategy that defines the KM status and needs in the programme, objectives and direction of KM perspective, and the KM tools to be used. In addition, the strategy addresses KM questions on people, processes and technology that are relevant to the Programme. The Mission appreciated the attention that KM has received in the programme. Moreover, the PCU has incorporated strategic actions that will analyse innovations for youth, nutrition, and engagement in in-country forums. However, the plan does not include a detailed dissemination approach.

#### **Main issues**

The programme planned a stakeholders' validation workshop for the KM strategy. However, this was halted due to the COVID-19 situation. In addition to the draft KM strategy, the programme had planned KM activities to: (i) conduct 3 KM studies; (ii) develop a website; (iii) conduct 2 Meetings and workshops (including for South-South Cooperation). The programme conducted 2 KM studies (67%) and 5 meetings and workshops out of the planned 2 (150%). Regarding website development, the PCU reported that bids to create the website so far has been unresponsive. However, the programme produced flyers, newsletters, and a programme logo, which contributed to the communication strategy and programme's visibility. The programme needs to focus more on the use of evidence-based knowledge and lessons derived from implementation activities attributed to M&E data, and which can be used to produce advanced level KM products such as policy briefs. This should be further detailed in the final KM strategy, which should include a clear dissemination plan for KM products. Moreover, the draft KM strategy will need to include a communication and visibility plan. The programme could engage with the recently recruited IFAD Regional Communications Officer in the development of the communication and visibility plan.



<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>KM Plan and Strategy</b> Develop a detailed KM Plan and Strategy that will answer KM questions and address people, processes, technology and dissemination of KM activities and products	KM & M&E Officer	02/2020
<b>Revision of draft KM strategy</b> Revise the KM strategy to include a detailed action and dissemination plan of advanced KM products.	PCU	07/2020
<b>Inclusion of a Communication and Visibility Plan</b> With support from the IFAD Regional Communications Officer, develop a communication and visibility plan to include in the KM strategy	PCU	08/2020
<b>Organise a workshop on social inclusion with county staff</b> Organise a workshop for county staff and PCU to share best practices and knowledge about gender, youth, and nutrition in the projects implementation.	PCU	09/2020

#### **Value for Money**

**Rating: 4**

#### **Justification of rating**

This being the first full supervision for the programme, a comprehensive Value for Money assessment is yet to be carried out. However, most of the completed activities were done within budget. It was also observed that cost of civil works related to the PCU offices in Nyeri and Kisumu were within budget and reasonable acceptable market prices. Moreover, motor vehicles were purchased through competitive bidding rather than the Government preferred supplies agreement, enabling the programme to make cost savings.

#### **Main issues**

The Value for Money (VfM) has not been fully assessed for the programme but it was noted that most activities were completed within budget. Despite low physical achievements under the programme technical components, the Mission noted that programme management budget utilization was 38% for the project period, with the possibility that this budget line could be exhausted before programme completion. The Mission was informed that the reason for the high utilization of the programme management budget was the high number of frontloaded activities under the component. Nonetheless, PCU will have to closely monitor expenditures under programme management to ensure activities are implemented within budget and avoid future re-allocation of budget from the technical components.

#### **Coherence between AWPB and Implementation**

**Rating: 3**

**Previous rating: 4**

#### **Justification of rating**

In the current financial year, the programme has achieved: (i) approximately an average of 35% of physical progress of the planned activities under Component 1 with an actual component budget expenditure of 44.2% of the FY allocation; (ii) approximately an average of 20% of physical progress of the planned activities under Component 2 with an actual component budget expenditure of 46.2% of the FY allocation, and; (iii) approximately an average of 90% of the planned activities under Component 3 with an actual component expenditure of 88.4% of the FY allocation. With a month remaining to end the financial year, the programme has performed moderately unsatisfactory in this respect.

#### **AWPB Inputs and Outputs Review and Implementation Progress**

Cumulatively, the programme has achieved: (i) approximately 16% of physical progress of the planned activities under Component 1, with a cumulative component budget expenditure of 1% of the total allocation; (ii) approximately 11% of physical progress of the planned activities under Component 2, with a cumulative component budget expenditure of 1% of the total allocation; (iii) approximately an average of 83% of the planned activities under Component 3, with a cumulative component budget expenditure of 28% of the total allocation. Delays in the initial disbursement of funds due to the requirement to fulfil preconditions of initiating the first withdrawal and the lengthy procurement process were major factors that affected the programme AWP&B performance. Furthermore, it was observed that the programme has doubled some

of the procurement items in the AWP&B as compared to the appraisal targets. This has led to the result of 83% of appraisal targets already being met for Component 3. It was also observed that the programme exceeded the planned physical progress in some of the activities. This can be seen in activities such as 'meetings and workshops', where 2 meetings were planned and 5 were achieved. It may be a good practice to aim for the planned annual target to avoid cost overruns.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>ORMS reporting</b>  The PCU to strictly follow the ORMS reporting format in all the reporting of implementation progress as shown in Appendix 1. continuous	PCU M&E	

<b>Performance of M&amp;E System</b>	<b>Rating: 4</b>	<b>Previous rating: 4</b>
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#### **Justification of rating**

ABDP is striving to set up a strong foundation for MIS-based M&E system. However, the programme is facing delays in procurement and getting a NO, which has been further compounded by COVID-19 situation. As a result, there has been no change in the status of the M&E system from the previous mission. The planned MIS-based M&E system has not been developed and the baseline survey is not conducted yet. These delays have also affected the log frame effectiveness in capturing output indicators. As ABDP approaches its 3rd year, it is critical that the programme ensures activities that were planned are implemented.

#### **M&E System Review**

**M&E/MIS system.** The Mission observed that ABDP has set up different data capturing and monitoring tools to implement their M&E plan. They plan to use these tools as they await the development of the M&E MIS-based system. The tools include the use of an MS-Access reporting tool that aggregates and reports M&E progress and use of mobile technology apps (Kobo Toolbox) for field data capturing. Currently, the programme is still in the process of recruiting a consultant to develop the MIS/M&E system. The EOI and RFP were granted IFAD's NO and currently the programme is evaluating proposals for selection. The PCU should prioritize this for the consultant to begin work, which can be done in-house even during the COVID-19 situation, ensuring the system is developed and deployed in the first half of the 2020/21 implementation cycle.

**Baseline Survey:** The need of a baseline survey in the early stages is critical for the programme to provide evidence-based attribution of programme impact. The last partial supervision mission highlighted the issue and requested the programme to fast-track baseline survey as a priority. The EOI and report were submitted, and IFAD gave NO for baseline survey. The PCU has reported that the RFP will be uploaded in NOTUS for NO. With COVID-19 situation, the baseline survey may take slightly longer as it requires the restrictions on travel to be lifted. Nonetheless baseline survey remains a top priority for the programme.

**Logical Framework and addition of Nutrition Core Indicators.** The programme uses the ORMS retrofitted log frame to update indicators at all levels in the results hierarchy. As detailed and recommended in the Log Frame Analysis and Main Issues of Development' section, the PCU urgently requires capacity in understanding IFAD core indicators and how to measure them. The Mission noted inconsistencies in outreach and targeting data in the updated log frame presented to the team. There is need for further support and capacity building for the PCU team on core indicator guidelines, including the measurement of nutrition core outcome indicators. Currently the log frame has 2 indicators relating to nutrition - at the programme goal level and at the development objective level. There is need to modify these indicators in the log frame, as lessons have shown that having nutrition indicator at a high level such as the 'project goal' raises questions on data and attribution when measured at the end of the project. It is therefore important to categorize these to outcome indicators to ensure that periodic monitoring and evaluation is done through the annual outcome surveys (AOS).

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Develop standard physical progress data reporting tools and submit to IFAD for review</b>	KM & M&E Officer	12/2019
<b>targeting</b> Recruit consultant, conduct baseline survey and ensure that the targeting strategy is incorporated and raw baseline data is obtained	ABDP PC	06/2020
<b>Modify nutrition core outcome indicator in logframe</b> M&E to ensure the nutrition indicators are modified in line with the recommendations from the IFAD Nutrition Specialist	PCU and M&E	07/2020
<b>Finalizing the development and deployment of MIS-based M&amp;E system</b> PCU to ensure the system is developed and deployed in the first half of the 2020/21 implementation cycle	PCU	09/2020
<b>Conducting of baseline survey</b> PCU to prioritize and ensure a baseline survey is conducted in the 2020/21 financial year	PCU	02/2021
<b>Use already designed MS-Access reporting tools to aggregate and report M&amp;E progress until M&amp;E MIS is developed</b> continuous	KM & M&E Officer	

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

**Rating: 4**

**Justification of rating**

The main SECAP related documentation is the overall Environment and Social Management Plan (ESMP) for the Programme and thereafter the site-specific screening and impact assessments. The Expression of Interest for the ESMP has been published, while the site-specific assessments will only be done once sites are identified and prior to any infrastructure works such as pond rehabilitation and construction. The fish processing factories and other units will also require environmental certificates, which will be a criterion for their inclusion in the Programme. The environmental screening will be undertaken by the ENRM Officers at county level who will also support the development of the site specific ESMPs and compliance with national environment regulations.

**SECAP Review**

The development of the ABDP environmental assessment and the resulting ESMP should be expedited for it to inform the management of the environmental and social risks in the Programme. Given the COVID-19 context, specific focus on community health will need to be incorporated and protocols established to conduct the consultations based on the guidelines from the relevant authorities. The recommendations from the ESMP with regards to the various certificates required and the SECAP adherence should be reflected in the PIM. The involvement of the ENRM Officers at county level in the Programme implementation is good practice that will enable the timely development of site specific ESMPs. Measures should be put in place by the Programme to facilitate the Officers to perform their roles effectively. In addition, a focal point from the National Environment Agency (NEMA) should be included in the Programme Steering Committee to provide oversight on the adherence to national regulations, and when necessary, facilitate the relevant approvals required from the Agency. The development and implementation of the ESMPs should be done in a participatory manner and thus capacity will need to be developed among the beneficiary communities. The implementation of ESMPs will require adequate resources to be set aside in the AWPB for the Programme and be channelled to the Counties in a timely manner. Thus far the potential private sector partners have provided the necessary NEMA certification to the PCU as part of the collaboration eligibility criteria.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Environmental Assessment</b>  Expedite the development of the Environment and Social Management Plan	PCU	12/2020

#### **d. Financial Management & Execution**

<b>Acceptable Disbursement Rate</b>	<b>Rating: 2</b>	<b>Previous rating: 3</b>
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##### **Justification of rating**

71. The current disbursement rate is unsatisfactory (2) standing at 5%, which has not changed from the previous mission rating. The last WA was 250 days ago. Although three further WAs amounting to USD 1,802,658 have been submitted through ICP, these have not yet been processed. 71. The current disbursement rate is unsatisfactory (2) standing at 5%, which has not changed from the previous mission rating. The last WA was 250 days ago. Although three further WAs amounting to USD 1,802,658 have been submitted through ICP, these have not yet been processed

##### **Main issues**

Finalize signing of the amendment to the FA for additional financing that was approved in December 2018, to cover the US\$27.9 million

It should be noted that by 18 December 2020 this funds will be automatically cancelled as per the GC governing financing through IFAD

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Submission of IFR as per FA</b>  Submit the semi-annual IFR which will include the domestic contribution	financial Controller	06/2020
<b>Finalise TOR for external audit</b>  Finalize TOR and submit for NO objection clearance	Financial Controller	06/2020
<b>Submit WA according to IFAD guidelines</b>  Submit the WAs according to 30% or 3 month lapse as per the guidelines in the LTB to avoid liquidity issues	Financial controller	07/2020
<b>Obtain authorization to revise Funds flow</b>  Obtain approval from the National Treasury and Planning on the revised funds flow arrangement to facilitate revision of the LTB.	Coordinator	09/2020
<b>Submit Unaudited Financial statements</b>  Submit unaudited Financial Reports for 2019/2020 FY to IFAD	Financial Controller	09/2020

#### **Fiduciary aspects**

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

The Mission notes that there is steady progress in the various aspects which include improved use of the software, funds flow is getting sorted out and thus will provide more clarity. The staffing component is now complete with the Regional recruitment and the internal audit of the programme is ongoing which enhances the internal control.

##### **Main issues**

Some key actions still need to be undertaken including opening a separate programme bank account for counterpart funds as foreseen in the PDR and noted in the financing agreement. Similarly the budget module, the asset module, the bank account reconciliation function including the issue of proper capture of exchanges within the system need to be urgently addressed, As programme implementation picks up, liquidity management will be very vital. Timely actions at every stage of the WA preparation, approval within ICP and clearance at IFAD is pivotal determinants of availability of funds for timely activity implementation. The PCU has the opportunity to ensure and strengthen the financial system early enough if recommendations are timely implementation.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Sign FA for additional financing</b>  Finalize signing of the amendment to the FA for additional financing that was approved in December 2018, to cover the US\$27.9 million. It should be noted that by 18 December 2020 this funds will be automatically cancelled as per the GC governing financing through IFAD	National Treasury/Coordinator	06/2020
<b>Counterpart bank account</b>  Open a separate programme account for the Counterpart funds as per the Letter to the Borrower	Financial Controller	07/2020
<b>Proper Asset Register</b>  Properly utilization of the asset module to generate a full and complete Asset register .as well as activation of the bank reconciliation facility. Post all expenditures in the system real time	Financial Controller	09/2020
<b>Full operational use of the accounting software</b>  Operationalize the accounting software fully to include budgetary control, automatic generation of financial reports and SOEs.	Financial Controller	10/2020

#### Quality and Timeliness of Audit

Rating:

#### Counterparts Funds

Rating: 4

Previous rating: 4

#### Justification of rating

80. The balances reflected in the project accounts show total amount disbursed of USD 2,489,978

#### Main issues

Following through different presentations of the amounts and the balances reflected do not give clarity of the actual balances attributable to the GoK. The balances on the accounts reflect far less amounts of KES 130,659,214 and taken together with what is reflected as spent (USD 1,188,392.69) gives an amount of about USD 1,319,051. This seems to be mainly as a result of comingling of funds on the same account, without clear segregated reconciliation of all the funds in this one account. The amounts budgeted for the year 2019/2020 have not yet been received. None receipt of budgeted amounts clearly affects the level of implementation of activities.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Open separate Counterpart bank account as per FA</b>  The programme needs to urgently separate the bank accounts for the counterpart funds as originally foreseen in the PDR and included in the Financing agreement. Tracking of the actual amounts is not very clear due to the comingling of funds and if this is not quickly addressed, this will affect the reported figures and seen currently in the varying balances captured in various documents.	Finance Manager/Coordinator	07/2020

#### Compliance with Loan Covenants

Rating: 4

Previous rating: 5

## Justification of rating

The compliance with loan covenants is rated as being moderately satisfactory. The Programme needs to urgently separate programme bank accounts as foreseen in the PDR and stated in the financing agreement. Comingling of funds is already beginning to manifest risks of differences in figures reported in various reports and reconciliations. Similarly the outstanding functionalities of the software package need to be urgently finalized. Given that the Mission has been remote, it has not been able to confirm the additional improvements since the last mission. The rating is downgraded due to a major outstanding opening of the programme account which now has caused comingling of funds and hence some of the challenges already emerging, where it is not easy to ascertain the balances relating to IFAD with surety as shown by varying figures in the various reports that were provided by the team.

## Procurement

### Procurement

**Rating: 3**

**Previous rating: 3**

## Justification of rating

Some cases of non-compliance with IFAD requirements were noted. Some procurement activities were initiated without being properly identified in the procurement plan. The requisite number of prior review activities in thresholds of goods, works and non-consulting service categories as per LTB has not been adhered to. The 18-month procurement plan is yet to be updated as had been agreed during the partial supervision and implementation support mission of November 2019 to expedite the implementation of procurement plan and submit a monthly progress report on procurement to IFAD. Procurement records were available on request and generally well kept. The procurement of project motor vehicles had been concluded, but was missing in the contract register.

## Procurement Review

It was observed that the procurement unit came into place together with the PCU sometime after the project had commenced. Initial procurement activities were approved on a case-by-case basis and conducted by the State Department of Fisheries. Since then, the procurement unit was put in place and an 18-month procurement plan was crafted independent of the AWP&B process. The reviewed activities were in categories of goods (3No), works (1No) and consulting services (5No – 1 firms' selection and 4 individual consultant selections). The project team was responsive in provision of procurement documents and records and there was access to procurement files and records including those that had not been included in the initial review request. Being a remote supervision, the project team responded well and promptly to requests of photos and videos to verify filing status. It was however noted that records for renovation of PCU offices were not availed on request and remained unavailable for duration of review for reason of not having been transferred from the State Department of Fisheries that had implemented the activity before commencement of the PCU.

The reviewed 18-month procurement plan contained 32 activities for goods that were well and clearly described. These included 13 of which had been completed, 13 that were new and 4 cancelled. Others were in process. There was a repetition of 2 activities, namely project motor vehicles whose lots appeared as separate activities, and procurement of tablets for counties that was shown as two separate activities following a revision of quantities. The numbering of activities was sequential though not all of them had been serialized. Notably, there were only four prior review activities despite a requirement in Letter to Borrower that first five goods contracts be subject to prior review. There is no planned provision for a sufficient standstill period for NCB and ICB procedures that is consistent with IFAD Procurement Handbook and the National procurement law requiring 14 days. Actual columns had not been updated. There were 8 works activities in the procurement plan that were well described and sequentially numbered with 5 works activities that are completed. All activities are post review, despite a requirement in Letter to Borrower that first five works contracts be subject to prior review. Actual columns were not updated. There were 17 non-consulting service activities that were well defined. The serialization had repetitions and not each activity had a unique number. There were three post review activities despite a requirement in Letter to Borrower that first five non-consulting service contracts be subject to prior review. There are 19 listed consulting service activities. Item 6 (programme technical assistance consultancy) was captured as one activity in the PP and yet it is for 3 separate individual consultants. Though procurement of individual consultants is ongoing and a No Objection provided for each of their TOR, the PP has yet to be upgraded to indicate separate individual consultancies. There is one repetition for Activities 15, 16 as confirmed by their similar descriptions and AWPB reference. The draft procurement plan for upcoming FY 2020/21 was in the required IFAD format and filled out satisfactorily.

The procurement unit is staffed by one project procurement specialist who reports directly to the Programme Coordinator. The specialist is involved with all aspects of procurement, record keeping, contract management and issuing of stores. The project is in the process of acquiring a procurement assistant to support the procurement specialist. It is hoped that in so doing, it will allow the procurement specialist to put more focus on strategic aspects of the project procurement. Initiation of reviewed procurement activities had been done through user departments. The activities contained detailed terms of references and specifications. Terms of Reference for consulting assignments are well articulated and complete. However, there was an affected procurement activity of Lot 2 project motor vehicles owing to specifications that did not adhere to national standards for maximum engine capacity.

Solicitation documents for open market approaches were posted online and free to access with bid opening occurring

within 30 minutes of submission deadlines. Opening minutes were availed to bidders. Evaluations were consistent with solicitation document requirements. Shortlisting criteria for Baseline Survey consultancy includes evaluation of financial reports and provision of mandatory documents such as tax compliance and business registration that is not necessary at this stage. Selection method is not identified in the REOI. PPP Advisor consultancy procurement method is listed as QCBS, though the process is Individual Consultant Selection method. Procurement of project motor vehicles was through ICB. The SPN mentions procurement guidelines but does not specify what guidelines (i.e. World Bank Procurement Guidelines January 2011 revised July 2014). There are no standard IFAD fraud and anti-corruption provisions in the instructions to bidders and the general conditions of contract, but instead those of the World Bank have been customized as part of the solicitation. There was a mini-competition for one lot, with bidders advanced opportunity to revise their prices based on revised set of specifications necessitated by set limits on maximum engine capacity. This was akin to conducting a new procurement activity. Bid evaluation was well conducted though it lacked a smooth flow of information in the evaluation report and is recommended that World Bank templates for evaluation of goods and works be adopted. Notification of contract award for motor vehicles was done concurrently to both the bidder recommended for award and the unsuccessful bidders on 11th October and contract signed on 24th October, 2019. Though the World Bank guidelines for ICB are silent on standstill period, it remains a day short of the 14-day standstill period required by the Public Procurement and Asset Disposal Act, 2015. The contract is duly executed by the Programme Coordinator who has been officially delegated to undertake the role.

There was no evidence of confirmation of securities from the issuing institutions. Retention sums were in place for works contracts. It was observed that the project would rely on Government appointed supervision engineers at the participating counties during contract execution of works. These officers are not necessarily seconded to the project and it may therefore be prudent to create a direct link for closer contract management through issuance of a Terms of Reference. There was no use of contract monitoring forms to process payments. The procurement of project motor vehicles had been concluded, but was missing in the contract register.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Submit request for recruitment of Procurement Assistant to support procurement activities.</b>	PMU	11/2019
<b>Upgrade the 2019-2020 Procurement Plan to reflect the above-mentioned comments.</b>	PMU	12/2019
<b>Update the register of contracts to reflect the above-mentioned comments.</b>	PMU	12/2019
<b>Develop more comprehensive PO to include clear conditions, terms of payment and acceptance.</b>	PMU	12/2019
<b>PIM</b> Revise the PIM for the Programme to incorporate the different steps to be followed for the Procurement of consultancy services	PMU	01/2020
<b>Finalise recruitment of Procurement Assistant</b>	PMU	04/2020
<b>filing</b> Allocate sufficient space for the procurement filling and ensure that complete documentation of procurement processes is kept on procurement files, including all relevant documents.	PMU	04/2020
<b>Procurement Plan</b> Upgrade the procurement plan to identify all activities and update the actual columns to reflect current status. IFAD to provide No Objection before commencement of activities. IFAD standard template to be used and cell formulas for planned activities not to be interfered with	Procurement Specialist	06/2020



<b>Individual Consultancy contracts</b>  Use time based individual consultancy contract templates and incorporate IFAD standard fraud and corruption provisions	Procurement Specialist	06/2020
<b>Contract Award</b>  Contract award for project motor vehicles to be posted on UNDB online. Other contract awards to be posted on available government portals.	Procurement Specialist	06/2020
<b>Contract Register</b>  Regularly update the contract register and provide a cross reference to the procurement plan activities	Procurement Specialist	06/2020
<b>IFAD guidelines</b>  Adhere strictly to IFAD guidelines with regard to No Objection requirements, implementation of unplanned transactions, and application of eligibility criteria. Continuous	PMU	
<b>Procurement Plan</b>  Expedite the implementation of procurement plan and submit a monthly progress report on procurement to IFAD covering the actions taken during the month and the anticipated steps during the next month. continuous	PMUI	
<b>Organize a monthly meeting between the Procurement Officer and originators.</b>  continuous	PMU	
<b>Use of IFAD fraud and corruption provisions</b>  Incorporate IFAD fraud and corruption provisions in solicitation documents and general conditions of contract-continuous	Procurement Specialist	
<b>Adoption of World Bank templates</b>  Use WB templates for evaluation of goods & works and for REOI-continuous	Procurement Specialist	
<b>Adoption of IFAD shopping templates</b>  Use IFAD shopping templates for goods and non-consulting services-continuous	Procurement Specialist	
<b>Administrative Review template</b>  Incorporated administrative review template in solicitation documents-continuous	Procurement Specialist	
<b>Contract monitoring forms</b>  Institute use of IFAD contract monitoring forms in tracking payments alongside the standard government documentation in use-continuous	Procurement Specialist	



## e. Key SIS Indicators

**Likelihood of Achieving the Development Objective**

**Rating: 4**

**Previous rating: 4**

### Justification of rating

The programme implementation team has made a lot of progress, yet has to demonstrate confidence in deploying field activities, which are required to achieve the development objectives.

**Assessment of the Overall Implementation Performance**

**Rating: 4**

**Previous rating: 4**

### Justification of rating

The programme has a lot of potential and so far the foundations, institutionally and implementing arrangements, required to implement field activities are in place.

## F. Agreed Actions

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Overview and Project Progress</b>		
<b>Procurement</b> Finalize procurement of the various Technical Assistance (individual consultants) required to support implementation under the two technical components	Programme Coordinator	03/2020
<b>Carry out studies on capacity of water bodies to develop coherent regulations for Cage Culture</b>	Head Component 2	04/2020
<b>Participatory Needs Assessment</b> Carry out Participatory Needs Assessment at community level to identify levels of poverty and eligible Programme beneficiaries in line with the programme targeting strategy	Head Component 1	05/2020
<b>national workshop</b> Conduct national workshop with stakeholders (4P & Aquaculture Business) to create awareness on possible partnership opportunities in the programme	Head Component 2	05/2020
<b>Provide leadership to ensure critical planned activities under the technical components are implemented</b>	Programme Coordinator	06/2020
<b>Household Methodology &amp; Nutrition (study</b> Engage Hivos to carry out Household Methodology & Nutrition (study on Nutrition-Gender Nexus) and develop Fish Nutrition curriculum	Head Component 1	06/2020
<b>regulations and guidelines</b> Finalize development of regulations and guidelines for aquaculture, marine culture and cage culture as well as formulation of National Aquaculture Development Plan	Head Component 2	06/2020

<b>Conduct detailed fish value chain assessment to inform programme interventions</b>	Head Component 2	06/2020
<b>Complete Consultant Recruitment</b> Complete the recruitment of Aquaculture Business Development Consultant	Aquaculture Specialist – Component 2	07/2020
<b>COVID-19 Mitigation Strategy</b> Develop a COVID-19 mitigation strategy for the programme	PCU-Programme Coordinator	08/2020
<b>Consultant Recruitment</b> Complete the recruitment of 3 long-term consultants	PC/ Aquaculture Special	08/2020
<b>Regulations and Guidelines for Aquaculture</b> Finalize development of regulations and guidelines for aquaculture, marine culture and cage culture as well as formulation of National Aquaculture Development Plan Conduct detailed fish value chain assessment to inform programme interventions	Aquaculture Specialist – Component 2	08/2020
<b>Action Plan</b> Prepare an action plan and seek approval to address the effects of the recent floods on the programme 's target groups	PCU-Programme Coordinator/ CPITs/ Aquaculture Specialist	09/2020
<b>Monitoring Plan</b> Develop a plan to monitor fish restocked in dams and the benefits from the intervention	PC/ Aquaculture	09/2020
<b>Annual Aquaculture Day</b> Launch the Annual Aquaculture Day, virtually if necessary	Aquaculture Specialist – Component 1	09/2020
<b>National Stakeholders Workshop</b> Conduct national stakeholders workshop on 4P & Aquaculture Business to create awareness on possible partnership opportunities in the programme	Aquaculture Specialist – Component 2	09/2020
<b>Study on Water bodies capacity</b> Carry out studies on capacity of water bodies to develop coherent regulations for Cage Culture; incorporating amendments: (i) in the ToRs to include training counties on the recommendations (ii) the study be done by a national research institution instead of individual consultant	Aquaculture Specialist – Component 2	09/2020
<b>Development Effectiveness</b>		

<p><b>Finalize the TORs for procurement of Community Development Specialist and submit for IFAD No Objection</b></p> <p>The selection of target groups have been initiated in 6 counties (Homa bay, Migori, Kakamega, Kirinyaga, Nyeri, Meru) with 50 beneficiaries per county, totalling to 300 households. Considering that the level 1 and 2 direct project target is estimated at 30,500 in 15 districts (about 2,000 per district), the project seems to be way off the target. The project has developed a targeting strategy, which provides a criteria of how to select level 1 &amp; 2 beneficiaries and also provides registration details to capture each beneficiary details, although quite weak on the methodology. The first phase of the targeting focused on groups that existed during the previous economic stimulus programme, some of which are no longer functional, which was confirmed by the beneficiaries interviewed by the Mission. Due to unavailability of a detailed beneficiary list, it was not possible to verify if those targeted included the poorest and most vulnerable. In addition, FAO has conducted mobilisation of 70 groups in the 6 counties, with an average of 25-30 members per groups. These farmers have already been trained through the FFS approach. Those who qualify as level 1 &amp; 2 targets should be considered as part of the ABDP beneficiaries and reported in the project outreach.</p> <p>The project has undertaken sensitisation across all the 6 counties (at sub-county/ward level), an exercise that was used to select the initial target beneficiaries. In order to intentionally reach the poor and most vulnerable in the community, more targeted community mobilisation activities should be undertaken to build awareness about the project and encourage participation of the vulnerable groups. Participatory methods should be applied to inspire interest and participation of the youth and women. Working with the Social Development Officers at the community level will help to effectively target the hard to reach members of the community.</p>	PC	12/2019
<p><b>Align activities to indicators</b></p> <p>To align each programme activity to its corresponding indicator for effective implementation and monitoring when preparing the next Work Plan.</p>	M&E Officer	03/2020
<p><b>graduation criterion</b></p> <p>Develop a graduation criterion with clear guidelines on graduation of smallholder farmers from Level 1 to Level 2 at the individual level rather than the group level</p>	KM & M&E Officer	04/2020
<p><b>Capacity for PCU in understanding IFAD Core Indicators</b></p> <p>Train ABDP team on the IFAD Core Indicators and their measurement.</p>	IFAD	06/2020
<p><b>Revision of log frame data and indicators</b></p> <p>The PCU with support from IFAD to revise log frame data and indicators to reflect IFAD guidelines on measurement of core indicators</p>	PCU	06/2020

<b>Define a gender and youth action plan</b>  The project gender and youth action plan should be outlined at this early stage of implementation to ensure full mainstreaming of gender and youth concerns and development of relevant staff capacity of the PCU and county level implementing partners.	PCU	06/2020
<b>Disaggregate more indicators by gender</b>  The project should ensure that all indicators are disaggregated by gender and age as relevant.	PCU	06/2020
<b>Further define the project targeting strategy</b>  The draft targeting strategy does not provide the needed guidance to the districts on the methodology of targeting along the project cycle. The document needs to be expounded to clearly define various methods of poverty targeting, geographic, self, direct, empowerment measures etc to facilitate reaching and ensuring engagement of the most vulnerable. Targeting should consider vulnerability due to economic/cultural/social factors, age, gender nutrition, climate change as relevant. This includes elaboration of the methodology on schools targeting by setting a clear criteria that is aligned with the strategic objectives of the project.	PCU	07/2020
<b>Include the FAO formed groups as part of the beneficiaries</b>  Since the FAO TCP activities are part of the overall ABDP programme, it is recommended that the groups selected are integrated among the targeted individuals for ABDP and reported as project outreach in the log frame, subject to qualification as level 1&2 categories.	PCU	07/2020
<b>Accelerate the recruitment of the Youth, Gender and nutrition consultant</b>	PCU	07/2020
<b>Revise MOU between HIVOS and PCU</b>  Clearly define empower@scale GALs support to the project. The existing MOU should be revised to reduce its scope to only the empower@scale grant related activities. It should also define the offer of the grant for clarity between the two parties. Scaling up activities of the grant should only be considered upon roll-out of the grant support and in compliance with the IFAD's procurement procedures.	PCU / Hivos / IFAD	07/2020
<b>Develop a project nutrition action plan</b>  The plan should clearly articulate the target group for the nutrition actions, types of activities and how each group is expected to benefit and feed into the nutrition outcome of the projects. Through applying a nutrition lens, opportunities of integrating nutrition across all the components should also be explored and communicated to the implementers. The opportunity should be taken to further shape the school based nutrition activities to align with current realities.	PCU	07/2020

<b>Leverage on the nutrition education and SBCC training already prepared by FAO</b>  ABDP to build on and leverage on-going FAO TCP support to nutrition, to take place in the six counties. This includes training and IEC materials already developed.	PCU	07/2020
<b>Provide guidelines in messaging for the “Eat more fish campaign”</b>  Nuance the messaging of the campaign to remain relevant in terms of nutrition: promote fish alongside other crucial nutrients. The guide will be then adapted by counties for the specificities of their area.	PCU	07/2020
<b>Accelerate the recruitment of the nutrition Consultant</b>  The consultant will provide technical support to the project on nutrition and also help in coordinating with other project partners to effectively mainstream nutrition.	PCU	07/2020
<b>World Fish Centre</b>  Finalize negotiation and engagement of World Fish Centre, to urgently establish the improved breed system.in Sagana NARDTC	Aquaculture Specialist – Component 2	09/2020
<b>Access to Production inputs</b>  Develop mechanisms for the already selected beneficiaries to access production inputs	Aquaculture Specialist – Component 1	09/2020
<b>Climate change adaptation messages</b>  Develop climate change adaptation messages for the sensitization sessions	PCU/CPIT	09/2020
<b>Climate Smart Aquaculture</b>  Articulate the climate smart aquaculture activities for the Programme in the counties where activities have been initiated	PCU/ World Fish	12/2020
<b>M&amp;E Officer to use the IFAD ORMS format when reporting indicators data.</b>  continuous	M&E Officer	
<b>Training on nutrition sensitive agriculture and food systems</b>  Train the nutritionists, extension workers and other relevant staff on nutrition sensitive agriculture and food systems. They can be integrated in the planned training by FAO in the six districts - Ongoing	PCU/FAO	
<b>Sustainability and Scaling up</b>		
<b>PCU to sensitize counties to hasten recruitment of fisheries staff where there is shortage</b>  immediate	PCU/Counties	11/2019

<b>It was not clear whether the PCU should sign a subsidiary agreements or MOUs with the Implementing Partners.</b>	IFAD PCU	11/2019
<b>TA</b> The PCU to replace recruitment of a Consultancy Firm to provide TAs with recruitment of individual consultants in the areas Community Development; Gender, Youth, Nutrition and Targeting; and Entrepreneurial Opportunities Development Expert.	PCU	12/2019
<b>recruitment</b> To replace recruitment of a contractual advisory firm (Transactions Advisor), with recruitment of an Individual consultant to oversee implementation of business development and 4P activities. To work with the Entrepreneurial Opportunities Development Expert to be recruited under component 1.	PCU	12/2019
<b>NO for TA</b> The PCU to prepare and submit to IFAD for NO a request with strong justification to revise the TA recruitment as discussed above.	PCU	12/2019
<b>The PCU to hasten finalization and submission to IFAD of TORs for recruitment of those consultants already agreed upon</b>	PCU	01/2020
<b>PSC</b> PSC to provide guidance on selection of the two Counties to participate in the PSC at a given time and the duration of their participation.	PSC	03/2020
<b>Develop a community mobilisation plan</b> In liaison with Ministry of Gender and sport, prepare a community mobilisation plan and roll it out in all counties for effective poverty targeting and community consultation. The plan should include practical guidance and methods on how to engage the most vulnerable, the poor, women and youth. The project should work with the social development workers to lead the mobilisation and targeting activities.	PCU	06/2020
<b>Finalize engagement of implementing partners</b> Expedite signing of agreement with World Fish Centre and other remaining implementing partners	PCU	07/2020
<b>Revise MOU with HIVOS</b> Cancel current MOU with HIVOS and sign new MOU	PCU	07/2020
<b>Define and share grievance mechanisms and platforms with beneficiaries</b>	PCU	09/2020
<b>Environmental and Natural Resources Management Messages</b> Develop tailored ENRM messages for the sensitisation sessions of the Programme	PCU/CPIT	09/2020

<b>Launch remaining policy related interventions</b>  Launch the remaining policy related activities such studies on carrying capacities of water bodies and support for formulation of policies, codes, regulations, environmental and social safeguards (EIA/ SEIA), and zoning/mapping suitable areas to help farmers improve fish farming in ponds and improve enabling environment in cage farming	PCU	12/2020
<b>Coordinate FAO implemented activities</b>  Better coordinate activities implemented by FAO through joint planning, joint implementation, regular consultative meetings and reporting-Continuous	PCU	
<b>Project Management</b>		
<b>Develop standard physical progress data reporting tools and submit to IFAD for review</b>	KM & M&E Officer	12/2019
<b>KM Plan and Strategy</b>  Develop a detailed KM Plan and Strategy that will answer KM questions and address people, processes, technology and dissemination of KM activities and products	KM & M&E Officer	02/2020
<b>The Department of Interior and Coordination to be co-opted into the PSC membership as provided for in the PDR and FA.</b>	PCU	03/2020
<b>counties to participate in PSC</b>  The PCU to bring up to the PSC, in its next, the request to deliberate and provide guidance on the criteria for selection of the two counties to participate in the PSC and the tenure for each period of representation. This will then be included in the revised PIM's Governance section.	PCU	03/2020
<b>The PCU to sensitize counties to recruit the required staff to implement the programme activities at the sub-county level.</b>	PCU	03/2020
<b>targeting</b>  Recruit consultant, conduct baseline survey and ensure that the targeting strategy is incorporated and raw baseline data is obtained	ABDP PC	06/2020
<b>Expand PSC</b>  Enhance the PSC by co-opting the Ministry in charge of Environment	State Department of Fisheries Aquaculture and Blue Economy/ PCU	06/2020
<b>Finalize PCU Set up</b>  Finalize recruitment of the Deputy Coordinator, MIS Officer and Procurement Assistant to enhance the capacity of the PCU	State Department of Fisheries Aquaculture and Blue Economy/ PCU	07/2020

<b>Revise PIM</b>  Revise PIM to capture emerging issues such as investments in public dams etc., beneficiary complaint and redress mechanism and inclusion of the Ministry in charge of Environment in the PSC	PCU	07/2020
<b>Revision of draft KM strategy</b>  Revise the KM strategy to include a detailed action and dissemination plan of advanced KM products.	PCU	07/2020
<b>Modify nutrition core outcome indicator in logframe</b>  M&E to ensure the nutrition indicators are modified in line with the recommendations from the IFAD Nutrition Specialist	PCU and M&E	07/2020
<b>Inclusion of a Communication and Visibility Plan</b>  With support from the IFAD Regional Communications Officer, develop a communication and visibility plan to include in the KM strategy	PCU	08/2020
<b>Organise a workshop on social inclusion with county staff</b>  Organise a workshop for county staff and PCU to share best practices and knowledge about gender, youth, and nutrition in the projects implementation.	PCU	09/2020
<b>Finalizing the development and deployment of MIS-based M&amp;E system</b>  PCU to ensure the system is developed and deployed in the first half of the 2020/21 implementation cycle	PCU	09/2020
<b>Environmental Assessment</b>  Expedite the development of the Environment and Social Management Plan	PCU	12/2020
<b>Conducting of baseline survey</b>  PCU to prioritize and ensure a baseline survey is conducted in the 2020/21 financial year	PCU	02/2021
<b>ORMS reporting</b>  The PCU to strictly follow the ORMS reporting format in all the reporting of implementation progress as shown in Appendix 1. continuous	PCU M&E	
<b>Use already designed MS-Access reporting tools to aggregate and report M&amp;E progress until M&amp;E MIS is developed</b>  continuous	KM & M&E Officer	
<b>Financial Management &amp; Execution</b>		
<b>Submit request for recruitment of Procurement Assistant to support procurement activities.</b>	PMU	11/2019



<b>Upgrade the 2019-2020 Procurement Plan to reflect the above-mentioned comments.</b>	PMU	12/2019
<b>Update the register of contracts to reflect the above-mentioned comments.</b>	PMU	12/2019
<b>Develop more comprehensive PO to include clear conditions, terms of payment and acceptance.</b>	PMU	12/2019
<b>PIM</b> Revise the PIM for the Programme to incorporate the different steps to be followed for the Procurement of consultancy services	PMU	01/2020
<b>Finalise recruitment of Procurement Assistant</b>	PMU	04/2020
<b>filing</b> Allocate sufficient space for the procurement filing and ensure that complete documentation of procurement processes is kept on procurement files, including all relevant documents.	PMU	04/2020
<b>Procurement Plan</b> Upgrade the procurement plan to identify all activities and update the actual columns to reflect current status. IFAD to provide No Objection before commencement of activities. IFAD standard template to be used and cell formulas for planned activities not to be interfered with	Procurement Specialist	06/2020
<b>Individual Consultancy contracts</b> Use time based individual consultancy contract templates and incorporate IFAD standard fraud and corruption provisions	Procurement Specialist	06/2020
<b>Contract Award</b> Contract award for project motor vehicles to be posted on UNDB online. Other contract awards to be posted on available government portals.	Procurement Specialist	06/2020
<b>Contract Register</b> Regularly update the contract register and provide a cross reference to the procurement plan activities	Procurement Specialist	06/2020
<b>Submission of IFR as per FA</b> Submit the semi-annual IFR which will include the domestic contribution	financial Controller	06/2020
<b>Finalise TOR for external audit</b> Finalize TOR and submit for NO objection clearance	Financial Controller	06/2020

<b>Sign FA for additional financing</b>  Finalize signing of the amendment to the FA for additional financing that was approved in December 2018, to cover the US\$27.9 million. It should be noted that by 18 December 2020 this funds will be automatically cancelled as per the GC governing financing through IFAD	National Treasury/Coordinator	06/2020
<b>Submit WA according to IFAD guidelines</b>  Submit the WAs according to 30% or 3 month lapse as per the guidelines in the LTB to avoid liquidity issues	Financial controller	07/2020
<b>Counterpart bank account</b>  Open a separate programme account for the Counterpart funds as per the Letter to the Borrower	Financial Controller	07/2020
<b>Open separate Counterpart bank account as per FA</b>  The programme needs to urgently separate the bank accounts for the counterpart funds as originally foreseen in the PDR and included in the Financing agreement. Tracking of the actual amounts is not very clear due to the comingling of funds and if this is not quickly addressed, this will affect the reported figures and seen currently in the varying balances captured in various documents.	Finance Manager/Coordinator	07/2020
<b>Obtain authorization to revise Funds flow</b>  Obtain approval from the National Treasury and Planning on the revised funds flow arrangement to facilitate revision of the LTB.	Coordinator	09/2020
<b>Submit Unaudited Financial statements</b>  Submit unaudited Financial Reports for 2019/2020 FY to IFAD	Financial Controller	09/2020
<b>Proper Asset Register</b>  Properly utilization of the asset module to generate a full and complete Asset register .as well as activation of the bank reconciliation facility. Post all expenditures in the system real time	Financial Controller	09/2020
<b>Full operational use of the accounting software</b>  Operationalize the accounting software fully to include budgetary control, automatic generation of financial reports and SOEs.	Financial Controller	10/2020
<b>IFAD guidelines</b>  Adhere strictly to IFAD guidelines with regard to No Objection requirements, implementation of unplanned transactions, and application of eligibility criteria. Continuous	PMU	

<b>Procurement Plan</b>  Expedite the implementation of procurement plan and submit a monthly progress report on procurement to IFAD covering the actions taken during the month and the anticipated steps during the next month. continuous	PMUI	
<b>Organize a monthly meeting between the Procurement Officer and originators.</b>  continuous	PMU	
<b>Use of IFAD fraud and corruption provisions</b>  Incorporate IFAD fraud and corruption provisions in solicitation documents and general conditions of contract-continuous	Procurement Specialist	
<b>Adoption of World Bank templates</b>  Use WB templates for evaluation of goods & works and for REOI-continuous	Procurement Specialist	
<b>Adoption of IFAD shopping templates</b>  Use IFAD shopping templates for goods and non-consulting services-continuous	Procurement Specialist	
<b>Administrative Review template</b>  Incorporated administrative review template in solicitation documents-continuous	Procurement Specialist	
<b>Contract monitoring forms</b>  Institute use of IFAD contract monitoring forms in tracking payments alongside the standard government documentation in use-continuous	Procurement Specialist	

## **Kenya**

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### **Aquaculture Business Development Programme Supervision Report**

#### **Logical Framework**

Mission Dates: 18/05/2020 to 03/06/2020  
Document Date: 24/08/2020  
Project No. 2000001132  
Report No. 5425-KE

East and Southern Africa Division  
Programme Management Department



## Aquaculture Business Development Programme

### Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members		150 000	213 000	0	895	0.4				
	1.a Corresponding number of households reached										
	Women-headed households					0					
	Non-women-headed households					0					
	Households		25 000	35 500	0	300	0.8				
	1 Persons receiving services promoted or supported by the project										
	Females		45 000	63 900	0	0	0				
	Males		105 000	149 100	0	0	0				
	Young		30 000	42 600	0	0	0				
	Total number of persons receiving services		150 000	213 000	0	0	0				
	Groups receiving project services										
	ASEs			2 500	0						
	Farmer Groups (SAGs)			780	0						
	Total number of groups				0						

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
<b>Project Goal</b> Reduced poverty and increased food security and nutrition in rural communities	Households having improved asset ownership index compared to baseline										
	Number of households		7 750	35 500	0						
	Percentage increase in good dietary diversity (data for households and women)										
	Percentage increase		30	60	0						
<b>Development Objective</b> To increase the incomes, food security and nutritional status of the wider communities of poor rural households involved in aquaculture in the targeted Counties	Percentage of target households reporting increased annual net income from baseline, disaggregated by fish farmers, processors and traders.										
	Percentage fish farmers				0						
	Percentage processors				0						
	Percentage traders				0						
	Percentage households (total)		30	50	0						
	Percentage increase in national annual fish consumption, (current national average 3.6 kg/capita).										
	Percentage increase		10	25	0						
	Percentage increase employment opportunities in initial DGs										
	Number of people				0						
	Percentage increase in financial returns from aquaculture activities by programme beneficiaries										
	Percentage increase		30	50	0						
	Number increase in employment opportunities from aquaculture activities (disaggregated by Women and Youth)										
	Women				0						
	Youth				0						
	Total		2 500	5 500	0						

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
<b>Outcome</b> Outcome 1: To improve production, productivity as well as food security and nutrition of smallholder farmers	Number households graduated from level 1 (subsistence) to level 2 (semi-commercial).										
	Number of households		11 700	16 400	0						
	Percentage increase in production of fish (tonnes/year) by beneficiaries										
	Percentage increase				0						
	Composite index of market prices of fish and fish products in Programme areas.										
	Price	100	95	80	0						
	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices										
	Households		15 000	24 800	0						
	Number of persons reporting an increase in consumption of fish. 3										
	Number of persons		120 000	300 000	0						
	1.2.8 Women reporting minimum dietary diversity (MDDW)										
	Women (%)										
	Women (number)										
<b>Output</b> Output 1.1: Enhanced smallholder aquaculture production	1.1.3 Rural producers accessing production inputs and/or technological packages										
	Total rural producers		20 000	29 900	0	0	0				
<b>Output</b> Output 1.2: Development of enterprises in support of smallholder aquaculture production.	2.1.6 Market, processing or storage facilities constructed or rehabilitated										
	Total number of facilities				0	0					
	Storage facilities constructed/rehabilitated		20 000	29 900	0	0	0				
	2.1.2 Persons trained in income-generating activities or business management										



Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
	Persons trained in IGAs or BM (total)		25 000	30 400	46	91	0.3				
<b>Output</b> Output 1.3: Community nutrition initiatives	1.1.8 Households provided with targeted support to improve their nutrition										
	Households		25 000	30 400	0	0	0				
	Number of schools receiving targeted support to improve nutrition through production and consumption of fish and fish products										
	Number of schools		16	30	0						
<b>Outcome</b> Outcome 2: To improve the efficiency of the value chain in fish and fish products by promoting a business approach at all scales	Value of fish and fish products marketed by Programme beneficiaries										
	Value		70 000 000 000	110 000 000 000	0						
	2.2.2 Supported rural enterprises reporting an increase in profit										
	Number of enterprises		105	240	0						
	Percentage increase in profitability of fish and fish products disaggregated by fish farmers, processors and traders										
	Fish farmers Percentage				0						
	Processors percentage				0						
	Traders percentage				0						
<b>Output</b> Outputs: 2.1: Smallholder-based aquaculture value chain development.	2.1.2 Persons trained in income-generating activities or business management										
	Persons trained in IGAs or BM (total)		5 000	15 760	23	38	0.2				
	Number of smallholder households included in outgrower schemes and linked to the market.										
	Number of households		3 500	9 360	0						
	2.1.1 Rural enterprises accessing business development services										
	Rural enterprises		5 000	14 000	0	0	0				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2020)	Cumulative Result (2020)	Cumulative Result % (2020)	Source	Frequency	Responsibility	
<b>Output</b> Output 2.2: Aquaculture sector enabling environment and support services.	Number of extension officers trained by the Programme										
	Number of officers		170	170	0						
	Policy 1 Policy-relevant knowledge products completed										
	Number		15	25	0	3	12				
	Number of regulations and policies proposed for decision makers for ratification / approval										
	Number of regulations		1	2	0						
	Number of public infrastructure upgraded and/or strengthened (markets, hatcheries, stores etc) by the programme										
	Number of infrastructure	0		14	0						
	Number of extension services training facilities rehabilitated through programme support										
	Number of services	0	1	2	0						
	Number of aquaculture research institutes equipped and/or strengthened through programme support										
	Number of institutes	0	1	2	0						

## **Kenya**

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### **Aquaculture Business Development Programme Supervision Report**

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

Mission Dates: 18/05/2020 to 03/06/2020  
Document Date: 24/08/2020  
Project No. 2000001132  
Report No. 5425-KE

East and Southern Africa Division  
Programme Management Department



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

**Table 2A: Financial performance by financier**

Financier	Appraisal (USD '000)	Disbursements (USD'000)	Per cent Disbursed
IFAD Loan	40,000	2,000	5.0%
Financing Gap	27,600	0	0%
FAO	400	-	0%
Government	31,400	2,580	8.2%
Beneficiary	43,600	-	0%
<b>Total</b>	<b>143,000</b>	<b>4,580</b>	<b>3.20%</b>

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

	IFAD Loan		Financing Gap		FAO		Government		Beneficiary		Total	
<b>Component</b>	Appraisal	Actual %	Appraisal	Actual %	Appraisal	Actual %	Appraisal	Actual %	Appraisal	Actual %	Appraisal	Actual %
1. Smallholder Aquaculture Development	19,300	24.3%	15,800	19.9%	400	0.5%	27,800	34.9%	16,300	20.4%	79,700	55.6%
2. Aquaculture Value Chain Development	14,200	25.4%	11,600	20.7%	-	-	2,700	4.9%	27,300	48.9%	55,800	39%
3. Programme Management, Monitoring and Evaluation	6,500	84.2%	300	0.6%	-	-	900	11.6%	-	-	7,800	5.4%
<b>Totals</b>	<b>40,000</b>	<b>47.4%</b>	<b>27,600</b>	<b>19.3%</b>	<b>400</b>	<b>0.3%</b>	<b>31,400</b>	<b>21.9%</b>	<b>43,600</b>	<b>30.4%</b>	<b>143,000</b>	<b>100%</b>

**Table 2C: IFAD loan disbursements (USD, as at 30.04.2020)**

**Figure 1: IFAD loan/grant disbursement, comparisons between original and revised allocations and actual disbursement**

Category	Category Description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
<b>I</b>	Goods Services and Inputs	10,700,000	0	0	795,290.73	9,904,709.27	7.4%
<b>II</b>	Grants and Subsidies	6,600,000	0	0	0	6,600,000.00	0
<b>III</b>	Consultancies	9,100,000	0	0	162,470.11	8,937,529.89	1.8%
<b>IV</b>	Operating Costs	4,500,000	0	0	8,259.40	4,491,740.60	0.8%
<b>V</b>	Salaries and Allowances	5,100,000	0	0	208,173.26	4,891,826.74	4.1%
	Unallocated	4,000,000	0	0	0	4,000,000.00	0
	Initial deposit		0	2,000,000	0	-	
	<b>Total</b>	<b>40,000,000</b>	<b>0</b>	<b>2,000,000</b>	<b>1,174,193.5</b>	<b>43,174,193.5</b>	<b>2.93%</b>

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

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section 4.02</b>	PCU to open and maintain a Project Account (in Commercial Bank); to make an initial deposit equivalent to USD 2M	Before the Initial Withdrawal	Operational Account opened with National Bank of Kenya Account No 01071216470700  Date for opening the Account 7 <sup>th</sup> May 2019  Initial Deposit of USD 2M deposited on 26 <sup>th</sup> September 2019	
<b>Section 4.02</b>	Replenish Project Account quarterly in advance	Quarterly	The Programme have only received the initial withdrawal. No other funds have been transferred to the Designated Account	
<b>Section 4.03</b>	Procurement of goods, works and services carried out in accordance with the procedures laid down in Schedule 3	Continuous	All goods and services procured follow the procurement process and IFAD guidelines	
<b>Section 4.04</b>	Insurance of vehicles, equipment and civil works financed from the loan proceeds to be consistent with sound commercial practice.	Immediately the Assets are procured	Motor vehicle insurance have been advertised and asset valuation is underway for insurance of the premises.	

<b>Section 4.05, section 11.10(b)</b>	Audit report submitted to IFAD.	Audited report and the Audit certificate issued and submitted by 31 <sup>st</sup> December 2019	Audit report was submitted. No Certificate has been issued since the Office of the Auditor General has no bearer.	
<b>Section 4.06</b>	Progress reports to be submitted to IFAD on a quarterly basis.	Quarterly by 15 <sup>th</sup> day after the quarter has ended	The three quarters for FY2019-20 have been submitted to IFAD	
<b>Schedule 4, para 7</b>	AWPB to be submitted to the Fund, for its review and comments	Draft work plan for FY 2020/21 submitted one month before the Financial Year Closes	Draft work plan for FY 2020/21 was submitted on 18 <sup>th</sup> May 2020 for review. The Programme is waiting to receive any comments so that they can submit the final document.	
<b>Schedule 4, para 8(a)</b>	A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD.	N/A	N/A	
<b>Schedule 4, para 16</b>	Project to be exempted from all import duties, excise taxes and value added tax (VAT) on investment expenditures	Continuous	The master list for tax exemption has been approved by the National Treasury	





## **Kenya**

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### **Aquaculture Business Development Programme Supervision Report**

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

Mission Dates: 18/05/2020 to 03/06/2020  
Document Date: 24/08/2020  
Project No. 2000001132  
Report No. 5425-KE

East and Southern Africa Division  
Programme Management Department



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

Component / Outcome	Sub-Component / Output	Activity	Units	01.01.2019 to 10.05.2020			Cumulative Actual	Appraisal Target (PDR)	%
				AWPB	Actual	%			
<b>Component 1: Smallholder Aquaculture Development</b>									
	<b>Sub-component 1.1: Smallholder Aquaculture Production</b>	Workshop/Consultation with Communities at Sub-county Level	Workshop	48	145	302 %	145	6	2417 %
		Participatory Needs Assessment/Consultations	No.	1	1	100 %	1	4	25%
		Group Formation	No.	3	2	67%	2	780	0%
		Organizational Skills Trainings for SAGs/e	No.	2	0	0%	0	2,340	0%
		Longterm Individual Consultancy Fees	Consultancy	3	0.2	7%	0.2	0	20%
		Double Cabin vehicles for TA	No.	4	4	100 %	4	4	100%
		Motorcycles	No.	12	0	0%	0	38	0%
		Office Furniture for TA	Office	1	1	100 %	1	1	100%
		Procurement of Tablets	No.	30	0	0%	0	36	0%
		Training of Trainers	Training	1	0	0%	0	14	0%
		Implementation of FFS (exclude FD Extension costs, include Adm Support) to counties	SAGs	120	91	76%	91	780	12%
		Annual Aquaculture Day	County					6	
		County Suitability study on Mapping of existing/ potential ponds/reservoirs	County	15	0	0%	0	14	0%
		Environmental Assessment of Existing/New ponds/Reservoirs	County	15	0	0%	0	14	0%
		Goods for New/Rehabilitated Facilities - Smallholders	Production Facilities	300	0	0%	0	23,400	0%

Component / Outcome	Sub-Component / Output	Activity	Units	01.01.2019 to 10.05.2020			Cumulative Actual	Appraisal Target (PDR)	%
				AWPB	Actual	%			
		Capacity Building of Small Scale fingerling Industry	Training	1	0	0%	0	5	0%
		Restocking of Dams	Dams	4	0	0%	0	0	0%
	<b>Sub-component 1.2: Development of Enterprises in support of Smallholder Aquaculture Production</b>	Study for developing options for Aquaculture Support Enterprises (ASEs) schemes	Consultancy	1	0.2	20%	0.2	1	20%
		Identification of Youth Champions	Training	1	0	0%	0	1	0%
	<b>Sub-component 1.3: Community nutrition Initiatives</b>	Building ponds for School Feeding Programme	Primary Schools	6	0	0%	0	56	0%
		Goods and materials for School Feeding Programme	Primary Schools	6	0	0%	0	56	0%
		Fish Fair Events - Improved Fish Recipe and Value Added Product Development /m	Shows	2	3	150%	3	44	7%
		Development of curriculum for nutrition education /o	Workshop	1	1	100%	0	1	0%
		Household Methodology & Nutrition (study on Nutrition-Gender Nexus	Consultancy	1	0.1	10%	0.1	3	3%
<b>Component 2: Support for Aquaculture Value Chains Development</b>									
	<b>Sub-component 2.1: Smallholder Based Value Chain Development</b>	Recruitment of aquaculture Business/PPPP Advisor /a	Consultancy	1	0.2	20%	0.2	1	20%
		Conduct a Detailed Value Chain Assessment study	Consultancy	1	0	0%	0	1	0%
		Vehicles	Vehicle	2	2	100%	2	2	100%
		National Workshop with Stakeholders (PPPP & Aquaculture Business)	Workshop	1	0	0%	0	2	0%

Component / Outcome	Sub-Component / Output	Activity	Units	01.01.2019 to 10.05.2020			Cumulative Actual	Appraisal Target (PDR)	%
				AWPB	Actual	%			
		Regional Forums with FD Officers and Stakeholders (Aquaculture Business & PPPP)	Workshop	2	1	50%	0	42	0%
	<b>Sub-component 2.2: Aquaculture Sector Enabling Environment and Support Services</b>	Conduct Studies on Existing Policies	Consultancy	1	0	0%	0	1	0%
		Conduct Studies on Carrying Capacity of Water Bodies	Consultancy	1	0	0%	0	1	0%
		Aquaculture Blue Book	Survey	1	0	0%	0	0	0%
		Develop and ratify MOUs with partnering institutions	MOUs	6	6	100%	6	30	20%
		Cars in support of Extension Services	No.	4	0	0%	0	14	0%
		Procure motorcycles in support of Extension Services	No.	48	0	0%	0	112	0%
		Extension Materials	No.	250	0	0%	0	0	0%
		SAGANA Training Facilities (rehabilitation and upgrade)	Facility	1	0.1	10%	0.1	1	10%
		RIAT Training Center Facilities for Aquaculture	Facility	1	0	0%	0	1	0%
<b>Component 3: Project Management, Monitoring and Evaluation</b>									
	<b>Sub-Component 3.1: Project Coordination &amp; Knowledge Management</b>	Office Preparation	Office	2	1	50%	2	1	200%
		Procurement of Vehicles	Vehicle	4	4	100%	4	8	50%
		Procurement of Laptops	Laptops	8	8	100%	8	18	44%
		Procurement of Laser Printers	No	4	4	100%	4	3	133%

Component / Outcome	Sub-Component / Output	Activity	Units	01.01.2019 to 10.05.2020			Cumulative Actual	Appraisal Target (PDR)	%
				AWPB	Actual	%			
		Procurement of Color Printers	No	4	4	100%	4	1	400%
		Procurement of Photocopier Machines (heavy duty)	No	2	2	100%	2	1	200%
		Procurement of Photocopier Machines	No	5	5	100%	5	2	250%
		Office Furniture & WiFi System	Office	1	1	100%	1	1	100%
		Procurement of Financial Management Software	Software	1	1	100%	1	1	100%
		Finalization of the PIM and the first year AWPB	Workshop	1	1	100%	1	1	100%
		Workshops to prepare AWPB for Counties	Workshop	1	1	100%	1	1	100%
		National and Counties Programme Launch and Start-up Sensitisation workshops	County	6	15	250%	16	15	107%
		Annual Stakeholder Consultation Workshop	Workshop	1	0	0%	0	7	0%
		Staff Training	Staff	6	10	167%	10	110	9%
		Recruitment of Human Resource Firm to support Recruitment of PCU	Firm	1	1	100%	1	1	100%
		TA for Environment and Social Assessment & Preparation of ESMP	Consultancy	1	0	0%		1	0%
		Baseline study	Consultancy	1	0.1	10%	0	1	0%
	<b>Sub-Component 3.2: Knowledge Management and Learning</b>	Knowledge Management and Studies	No	3	2	67%	2	7	29%
		Electronic Database Development (M&E Software)	Software	1	0	0%	0	1	0%
		Website Development	Websites	1	0	0%	0	1	0%
		Meetings and Workshops (Include South-South Cooperation)	No	2	5	250%	5	12	42%

Component / Outcome	Sub-Component / Output	Activity	Units	01.01.2019 to 10.05.2020			Cumulative Actual	Appraisal Target (PDR)	%
				AWPB	Actual	%			
		Project Steering Committee meetings	No	4	3	75%	3	14	21%
		County Programme Coordination Committee Meetings	No	4	4	100%	0	198	0%
		IFAD Supervision and Follow-up Missions	Missions	2	2	100%	2	15	13%



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

Component/Outcome			Period: 01-01-2019 to 10-05-2020			Cumulative	Appraisal	
Sub-component or Output	Indicator	Unit	AWP&B	Actual	%	Actual	Target	%
Component 1: Smallholder Aquaculture Development								
Sub-component 1.1: Smallholder Aquaculture Production	Workshop/Consultation with Communities at Sub-county Level	Workshop	48	145	302 %	145	6	2417 %
	Participatory Needs Assessment/Consultations	No.	1	1	100 %	1	4	25%
	Group Formation	No.	3	2	67%	2	780	0%
	Organizational Skills Trainings for SAGs/e	No.	2	0	0%	0	2340	0%
	Longterm Individual Consultancy Fees	Consultancy	3	0.2	7%	0.2	0	20%
	Double Cabin vehicles for TA	No.	4	4	100 %	4	4	100%
	Motorcycles	No.	12	0	0%	0	38	0%
	Office Furniture for TA	Office	1	1	100 %	1	1	100%
	Procurement of Tablets	No.	30	0	0%	0	36	0%
	Training of Trainers	Training	1	0	0%	0	14	0%
	Implementation of FFS (exclude FD Extension costs, include Adm Support) to counties	SAGs	120	91	76%	91	780	12%
	Annual Aquaculture Day	County					6	
	County Suitability study on Mapping of existing/potential ponds/reservoirs	County	15	0	0%	0	14	0%
	Environmental Assessment of Existing/New ponds/Reservoirs	County	15	0	0%	0	14	0%
	Sub-component 1.2: Development of Enterprises in support of Smallholder Aquaculture Production	Goods for New/Rehabilitated Facilities - Smallholders	Production Facilities	300	0	0%	0	23400
Capacity Building of Small Scale fingerling Industry		Training	1	0	0%	0	5	0%
Restocking of Dams		Dams	4	0	0%	0	0	0%
Study for developing options for Aquaculture Support Enterprises (ASEs) schemes		Consultancy	1	0.2	20%	0.2	1	20%
Identification of Youth Champions		Training	1	0	0%	0	1	0%
Sub-component 1.3: Community nutrition Initiatives	Building ponds for School Feeding Programme	Primary Schools	6	0	0%	0	56	0%
	Goods and materials for School Feeding Programme	Primary Schools	6	0	0%	0	56	0%

	Fish Fair Events - Improved Fish Recipe and Value Added Product Development /m	Shows	2	3	150 %	3	44	7%
	Development of curriculum for nutrition education /o	Workshop	1	1	100 %	0	1	0%
	Household Methodology & Nutrition (study on Nutrition-Gender Nexus	Consultancy	1	0.1	10%	0.1	3	3%
<b>Component 2: Support for Aquaculture Value Chains Development</b>								
<i>Sub-component 2.1: Smallholder Based Value Chain Development</i>	Recruitment of aquaculture Business/PPPP Advisor /a	Consultancy	1	0.2	20%	0.2	1	20%
	Conduct a Detailed Value Chain Assessment study	Consultancy	1	0	0%	0	1	0%
	Vehicles	Vehicle	2	2	100 %	2	2	100%
	National Workshop with Stakeholders (PPPP & Aquaculture Business)	Workshop	1	0	0%	0	2	0%
	Regional Forums with FD Officers and Stakeholders (Aquaculture Business & PPPP)	Workshop	2	1	50%	0	42	0%
<i>Sub-component 2.2: Aquaculture Sector Enabling Environment and Support Services</i>	Conduct Studies on Existing Policies	Consultancy	1	0	0%	0	1	0%
	Conduct Studies on Carrying Capacity of Water Bodies	Consultancy	1	0	0%	0	1	0%
	Aquaculture Blue Book Develop and ratify MOUs with partnering institutions	Survey MOUs	1	0	0%	0	0	0%
	Cars in support of Extension Services	No.	4	0	0%	0	14	0%
	Procure motorcycles in support of Extension Services	No.	48	0	0%	0	112	0%
	Extension Materials	No.	250	0	0%	0	0	0%
	SAGANA Training Facilities (rehabilitation and upgrade)	Facility	1	0.1	10%	0.1	1	10%
	RIAT Training Center Facilities for Aquaculture	Facility	1	0	0%	0	1	0%
<b>Component 3: Project Management, Monitoring and Evaluation</b>								
<i>Sub-Component 3.1: Project Coordination &amp; Knowledge Management</i>	Office Preparation	Office	2	1	50%	2	1	200%
	Procurement of Vehicles	Vehicle	4	4	100 %	4	8	50%
	Procurement of Laptops	Laptops	8	8	100 %	8	18	44%

<i>Sub-Component 3.2: Knowledge Management and Learning</i>	Procurement of Laser Printers	No	4	4	100 %	4	3	133%
	Procurement of Color Printers	No	4	4	100 %	4	1	400%
	Procurement of Photocopier Machines (heavy duty)	No	2	2	100 %	2	1	200%
	Procurement of Photocopier Machines	No	5	5	100 %	5	2	250%
	Office Furniture & WiFi System	Office	1	1	100 %	1	1	100%
	Procurement of Financial Management Software	Software	1	1	100 %	1	1	100%
	Finalization of the PIM and the first year AWPB	Workshop	1	1	100 %	1	1	100%
	Workshops to prepare AWPB for Counties	Workshop	1	1	100 %	1	1	100%
	National and Counties Programme Launch and Start-up Sensitisation workshops	County	6	15	250 %	16	15	107%
	Annual Stakeholder Consultation Workshop	Workshop	1	0	0%	0	7	0%
	Staff Training	Staff	6	10	167 %	10	110	9%
	Recruitment of Human Resource Firm to support Recruitment of PCU	Firm	1	1	100 %	1	1	100%
	TA for Environment and Social Assessment & Preparation of ESMP	Consultancy	1	0	0%		1	0%
	Baseline study	Consultancy	1	0.1	10%	0	1	0%
	Knowledge Management and Studies	No	3	2	67%	2	7	29%
	Electronic Database Development (M&E Software)	Software	1	0	0%	0	1	0%
	Website Development	Websites	1	0	0%	0	1	0%
	Meetings and Workshops (Include South-South Cooperation)	No	2	5	250 %	5	12	42%
	Project Steering Committee meetings	No	4	3	75%	3	14	21%
	County Programme Coordination Committee Meetings	No	4	4	100 %	0	198	0%
	IFAD Supervision and Follow-up Missions	Missions	2	2	100 %	2	15	13%

## **Kenya**

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### **Aquaculture Business Development Programme Supervision Report**

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

Mission Dates: 18/05/2020 to 03/06/2020  
Document Date: 24/08/2020  
Project No. 2000001132  
Report No. 5425-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
<b>Section B.6</b>	The arrangements for the Designated Accounts denominated in USD (the "Designated Accounts") opened by the Borrower through which the proceeds of the Financing shall be channelled as well as the dedicated bank account for receipt of counterpart funding and the <b>operational bank accounts</b> shall be detailed in the Letter to the Borrower		Partly outstanding (Counterpart programme account to be opened)	Outstanding
<b>Section E.2 (a)</b>	22. The following are designated as additional general conditions precedent to withdrawal in accordance with Section 4.02(d) of the General Conditions: (a) The first Annual Work Plan and Budget (AWPB) shall have received IFAD's non-objection;	Fulfilled	Fulfilled	
<b>Section E.2 (b)</b>	(b) The Designated Accounts in USD shall have been opened by the National Treasury;		Fulfilled	
<b>Section E.2 (c)</b>	(c) The Programme Coordinator and the Financial Controller within PCU shall have been appointed with terms and reference and qualification acceptable to the Fund;		Fulfilled	
<b>Section E.2 (d)</b>	(d) The PIM as described in Section II of Schedule 1, shall have been prepared in form and substance satisfactory to the Fund;		Fulfilled	
<b>Section E.2 (e)</b>	(e) A suitable off-the-shelf accounting software shall have been procured, installed and implemented at PCU; and		Fulfilled	Some improvements are needed
<b>Section E.2 (f)</b>	(f) The Programme Steering Committee (PSC) shall have been established.		Fulfilled	
<b>Section 4.03</b>	Procurement of goods, works and services carried out in accordance with the procedures laid down in Schedule 3	31 <sup>st</sup> June, 2020 Next mission		Change of selection method from QCBS to Individual Consultant Selection for 3No activities had not been clearly identified in the procurement plan before commencement.  The minimum number of contracts for post review for goods and works as per Letter to Borrower had not been observed.

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
				<p>There are no standard IFAD fraud and anti-corruption provisions in solicitation documents, but instead those of the World Bank and Kenyan standard bidding documents have been customized as part of the solicitation.</p> <p>It was agreed with the project team that all activities and their selection methods be individually provided for in an upgrade procurement plan and that IFAD fraud and corruption provisions be incorporate in all future solicitation documents and general conditions of contract for all procurements moving forward.</p>
<b>Section 4.04</b>	Insurance of vehicles, equipment and civil works financed from the loan proceeds to be consistent with sound commercial practice.			
<b>Section 4.05</b>	Audit report submitted to IFAD.	Not Applicable	First audit report to be delivered by 31 <sup>st</sup> December 2019	
<b>Section 4.06</b>	Progress reports to be submitted to IFAD on a quarterly basis.	Fulfilled		
<b>Schedule 4, para 7</b>	AWPB to be submitted to the Fund, for its review and comments			
<b>Schedule 4, para 8(a)</b>	A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD.			
<b>Schedule 4, para 16</b>	Project to be exempted from all import duties, excise taxes and value added tax (VAT) on investment expenditures			