

## **Kenya**

---

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

Mission Dates: 11 to 21 November 2019  
Document Date: 04/05/2020  
Project No. 2000001132  
Report No. 5377-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>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/SEIA</b>  | Environmental Impact Assessment/Social and Environmental 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</b>       | Farmer Field School  |
| <b>FM</b>        | Financial Management   |
| <b>FY</b>        | Financial Year   |
| <b>GoK</b>       | Government of Kenya  |
| <b>Hivos</b>     | Humanist Institute for Cooperation with Developing Countries               |
| <b>HQ</b>        | Headquarter  |
| <b>ICB</b>       | International Competitive Bidding  |
| <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 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>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>PO</b>          | Procurement Office  |
| <b>PMU</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                                      |
| <b>WA</b>          | Withdrawal Application                                    |

## A. Project Overview

|                   |  |                                    |   |
|-------------------|--|------------------------------------|---|
| Region:           | East and Southern Africa Division  | Project at Risk                    | Not at risk   |
| Country:          | Kenya  | Status:                            |   |
| Project Name:     | Aquaculture Business Development Programme   | Environmental and Social Category: | B   |
| Project ID:       | 2000001132   | Climate Risk Classification:       | 2   |
| Project Type:     | Fisheries  | Executing Institution:             | State Dept. of the Ministry of Agriculture, Livestock and Fisheries |
| CPM:              | Esther Kasalu-Coffin   | Implementing Institutions:         | State Dept. of the Ministry of Agriculture, Livestock and Fisheries |
| Project Director: | not available yet  |                                    |   |
| 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:       | 07/04/2020 |
| Signing Date:                    | 22/06/2018        | Date of Last SIS Mission: | 21/11/2019 |
| Entry into Force Date:           | 22/06/2018        | Number of SIS Missions:   | 1          |
| 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:     | 11 to 21 November 2019 |
| Days in the field: | 11                     |

Mission composition: IFAD Team: Esther Kasalu-Coffin – Director, Eastern Africa & Indian Ocean Hub (Mission Leader); Ronald Ajengo – Country Programme Officer (Programme Management Specialist and Deputy Mission Leader); Josephine Mwangi – IFAD Consultant and Technical Team Lead; Ndawazhile Kaluwa – IFAD Consultant, M& E Specialist; Mohamed Abdel-Latif – IFAD Consultant, Procurement Specialist; Fabrizio Vivarini – IFAD Consultant, Financial Management Specialist;

GOK Team: (Members of the Project Steering Committee): Emma Mburu, IFAD Desk Officer, National Treasury and Planning; Isaac Sichangi, Department of Budget, National Treasury and Planning; 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. Sammy Macaria – Programme Coordinator

Field sites visited: Kirinyaga, Kakamega, Kisumu and Nyeri Counties, National Aquaculture Research Development and Training Centre NARDTC) in Sagana; Western Programme Regional Office in Kisumu; Wambugu Agricultural Training Centre in Nyeri

## B. Overall Assessment

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

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

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

|                  |
|------------------|
| <b>Relevance</b> |
|------------------|

## 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 USD143.30 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><br>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><br>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><br>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><br>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><br>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            |

## E. Agreed Actions

| <b>Agreed Action</b>  | <b>Responsibility</b> | <b>Agreed Date</b> |
|---|-----------------------|--------------------|
| <b>Overview and Project Progress</b>  |                       |                    |
| <b>Procurement</b><br>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><br><br>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><br><br>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><br><br>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><br><br>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>Development Effectiveness</b>  |                       |         |
| <b>Finalize the TORs for procurement of Community Development Specialist and submit for IFAD No Objection</b>   | PC                    | 12/2019 |
| <b>Align activities to indicators</b><br><br>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>graduation criterion</b><br><br>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                  | KM & M&E Officer      | 04/2020 |
| <b>M&amp;E Officer to use the IFAD ORMS format when reporting indicators data.</b><br><br>continuous  | M&E Officer           |         |
| <b>Sustainability and Scaling up</b>  |                       |         |
| <b>PCU to sensitize counties to hasten recruitment of fisheries staff where there is shortage</b><br><br>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><br>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><br>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><br>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><br>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>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><br>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><br>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><br><br>Recruit consultant, conduct baseline survey and ensure that the targeting strategy is incorporated and raw baseline data is obtained  | ABDP PC          | 06/2020 |
| <b>ORMS reporting</b><br><br>The PCU to strictly follow the ORMS reporting format in all the reporting of implementation progress as shown in Appendix 1.<br>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><br><br>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><br><br>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><br><br>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>IFAD guidelines</b><br><br>Adhere strictly to IFAD guidelines with regard to No Objection requirements, implementation of unplanned transactions, and application of eligibility criteria.<br>Continuous   | PMU              |         |
| <b>Procurement Plan</b><br><br>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.<br>continuous | PMUI             |         |

|   |     |  |
|---|-----|--|
| <p><b>Organize a monthly meeting between the Procurement Officer and originators.</b></p> <p>continuous</p> | PMU |  |
|---|-----|--|