

## **Republic of Tajikistan**

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### **Livestock and Pasture Development Project**

#### **Mid-term review report**

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

Mission Dates: 9 October to 3 November 2015  
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Near East, North Africa and Europe Division  
Programme Management Department



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## **Abbreviations and acronyms**



## **A. Introduction<sup>1</sup>**

1. An IFAD mission visited Tajikistan from 9 October to 3 November to undertake a mid-term review (MTR) of and provide support to the Livestock and Pasture Development Project (LPDP, IFAD Grant No. G-I-DFS-8083-TJ). So far, there were a start-up, one supervision and three implementation support missions carried out during 2013-2015, and the MTR was conducted in parallel with supervision of the Khatlon Livelihoods Support Project (KLSP, IFAD Grant No. DSF-8026-TJ). The objective of the MTR was to assess continued project relevance, effectiveness in achieving the objectives, effectiveness of the project's targeting and gender mainstreaming strategy, efficiency in project implementation, impact on food security and incomes of the rural poor to reduce rural poverty in the Khatlon region. In addition, the mission: (i) provided implementation support to improve project performance; and (ii) provided guidance for the resolution of outstanding implementation issues and obtained agreement on further steps.

2. The mission had meetings and discussions with Mr. Sadi Karimov, Director of the Project Management Unit (PMU) and his staff, Mr. Davlatlali Hotamov, the First Deputy Minister of Agriculture (MOA) and his staff, Mr. Kodiri Kosim, Chairman of the State Committee on Investments and State Property Management (SCISPM) and his staff, and Mr. Ahliddin Nuriddinzoda, the Head of Department on Foreign Investments/Projects of the Ministry of Finance (MOF) and his staff. The mission visited five districts, namely Baljovan, Khovaling, Muminobod, Shurobod and Temurmaliq, and held discussions with the local administrations, regional staff of LPDP/KLSP and German Agro Action (GAA) and 41 community organisations (project beneficiaries), including 31 participating in the LPDP five districts. Altogether, the mission spent 11 days in the field. In addition, discussions were held with the representatives of donor organisations currently acting in Tajikistan, including the ADB, EU, EBRD, GIZ, JICA, WB, WFP, and the FAO Office in Tajikistan. Please refer to Appendix 9 for Mission schedule and persons met including the mapping of visited communities.

3. This Aide-Memoire reflects the mission's main findings and recommendations, and records the agreements reached with concerned authorities as discussed at a wrap-up meeting on 2 November 2015 with the PMU Director and his staff. As this was a mid-term review, a greater attention was paid to the issues on targeting, impact, sustainability and lessons learned. This document is subject to confirmation by IFAD.

4. The mission expresses its sincere appreciation for the cooperation and hospitality extended by Government Authorities, and in particular to the PMU.

## **B. Overall assessment of project implementation**

5. The Livestock and Pasture Development Project is the second IFAD project in Tajikistan. LPDP became effective on 5 August 2011, and constitutes an investment of USD 15.8 million, of which the IFAD grant amounts to ca. USD 14.6 million (SDR 9,300,000) or 92% of total project cost; a contribution by the Government of about USD 407 000 (3% of total costs); and beneficiaries' contribution equivalent to approximately USD 775 000 or 5% of total project costs. There is a financing gap of about USD 3.4 million compared to the appraisal value, which was expected to be filled by IFAD from the country allocation for the 2013-15-allocation cycle. However, this has not been materialized, instead of a second phase has been designed and negotiated covering additional districts in the project province. LPDP II is scheduled to start in early 2016.

6. The development goal of the project is to contribute to the reduction of poverty in Khatlon Oblast. The development objective of the project is to increase the nutritional status and incomes of 22 400 poor households by enhancing livestock productivity in a sustainable manner. In collaboration

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<sup>1</sup> Mission composition: Mr. Frits Jepsen, IFAD Country Programme Manager (CPM); Ms. Anara Jumabayeva, Senior Investment Support Officer, Team Leader/Project Management; Ms. Inna Punda, Agribusiness Specialist; Mr. Brien Norton, Pasture Management Specialist; Mr. Mikael Kauttu, IFAD Programme Officer; Mr. Leon Williams, Impact Monitoring Specialist; Mr. Malek Sahli, IFAD Senior Finance Officer and Regional Team Leader; Mr. Tom Anyonge, IFAD Lead Technical Specialist on Institutions and Organisations; and Mr. Harold Liversage, IFAD Lead Technical Specialist on Land Tenure. The mission was accompanied by Ms. Zainab Kenjaeva, IFAD Country Presence Officer in Tajikistan

with the Government of Tajikistan seven districts have been identified for the project in the Khatlon region. These are (in alphabetic order) Baljuvon, Farkhor, Khovaling, Muminobad, Shurobad, Temurmaliq and Vose. The outcomes expected from LPDP include the following: (i) enhanced livestock productivity and production; (ii) enhanced productive capacity of pastures; and (iii) increase in women's ability to process and market livestock products. The project has three principal inter-related components as well as the required support for project management and implementation as follows: (i) Institutional Development; (ii) Livestock and Pasture Development; (iii) Income Generation for Women; and (iv) Project Management. The Institutional Development component has two sub-components: (i) Development of Community Organisations; and (ii) Institutional Strengthening. The Livestock and Pasture Development component also has two sub-components: (i) Strengthening Private Sector Services; and (ii) Improved Pasture Management. The Income Generation for Women has no sub-component but a number of activities. The provision for Project Management is presented as two sub-components: (i) Project Management Unit; and (ii) Monitoring and Evaluation.

7. The project is progressing very well and it has managed to undertake all the planned activities up to day, including the following key ones: (i) legal establishment and capacity building of 203 Pasture User Unions (PUUs); (ii) provision of land use certificates to 171 PUUs, with majority of them in possession of such certificates or their final processing phase; (iii) preparation of Community Livestock and Pasture Management Plans (CLPMP) for all 203 PUUs, including maps; (iv) preparation and approval of 167 first priority subprojects with completion of 25 subprojects and 142 subprojects under implementation with hand-over in this November; (v) commencement of rotational grazing on nearly 70 000 ha; (vi) Community Interest Groups (CIGs) for fodder production and promotion of around 20 households per CIG were formed in 122 villages for a total of 2 407 member households, bringing a total of 602 ha into fodder production; (vii) supply of 80 Gissar rams to 20 CIGs for improved sheep breeding trials; (viii) provision of 738 Income Generating packages (IGA) to 883 Women CIG; and (ix) establishment of two veterinary clinics with 22 more to come.

8. After just 1 year of full scale implementation, the project appears to be generating a wide range of improvements in income, nutrition and food security, quality of life, and control over physical and natural assets. Key benefits highlighted by the beneficiaries themselves to the mission were: (i) better management of their resources; (ii) improved animal health and productivity; and (iii) improved coordination and collaboration in solving the problems of the community. In PUUs, which have been implementing rotational grazing for less than 12 months, the mission heard reports of increases in milk production from 4-5l/day to 6-8l/day, as well as increases in fat content of milk. Estimated weight gain for sheep is on average around 3-4kg above normal, while for cattle approximately 10kg.

9. Below is the status of the key actions agreed during the implementation support mission in October 2014:

Agreed action	Responsibility	Agreed date	Status
Submit AWPB in accordance with grant terms i.e.no later than 60 days before the start of the reporting period	PMU Director	31 October 2014	Completed
Conduct a roundtable on policy and legislation issues with the GoT, NGOs, projects and donors engaged in pasture management improvement initiatives to elaborate joint roadmap	PMU/PP Consultant	Mid December 2014	Completed
Submit a revised PIM (based on gained experience) to IFAD and PSC for approval	PMU	End January 2015	In process*
Complete establishing the project M&E system including MIS	PMU	End January 2015	Completed and continuous
Submit the remaining CLPMPs to IFAD as per agreed schedule	PMU Kulob/CF	End December 2014	Completed
Submit the remaining grant subprojects to IFAD as per agreed schedule	PMU Kulob/CF	End January 2015	Completed
Continue tendering and implementation of grant sub-projects	PMU/CF	Continuous	Ongoing

\* In view of the upcoming LPDP II there will be a unified PIM for both phases, preparation of which is in progress

10. The project, scheduled for completion in September 2017, has been officially operational for almost 50 months or 67% of its 74-month implementation period. However, the de facto operation was initiated in March 2013 with disbursement of the first instalment of USD 600 000. As of 31 October 2015, IFAD grant disbursement amounts to SDR 3 924 113 (ca. USD 5 678 965), constituting a 42% disbursement.. It is estimated that project funds will be fully disbursed before the completion date of 30 September 2017. Thus, the overall financial performance of the project is rated as **satisfactory** (see further below in Section on Fiduciary aspects).

11. The project was largely in line with the 2014 Annual Workplan and Budget (AWPB), i.e. 88% of the planned target, and the execution rate for ten months of this year is almost 75% against the 2015 AWPB. In view of the good progress in implementation of CLPMPs and reported visible outcomes on the ground the project's overall performance is rated as **satisfactory**.

12. As was mentioned above, there is a financing gap of USD 3.4 million compared to the appraisal value. Furthermore, there has emerged a project financing deficit of almost USD 1.8 million due to depreciation of SDR against USD observed in the last years. Moreover, there are already about 23 840 households counted in 203 participating PUUs, which is exceeding the estimated 22 400 households in the design. Given the per household allocation of community grants for pasture improvement and livestock development, more funds are required to meet these community priorities. In view of this and considering the upcoming LPDP II, the following major revisions to the project design are recommended: (1) moving Farkhor and Vose districts to the second phase; (2) dropping locust control activities (also as a JICA/FAO project is expected to commence soon); (3) continue working only in those PUUs with secured land certificates in hand; and (4) reallocation of Grant Categories as following:

Category	Current Allocation, SDR	Current Allocation, USD	Commitments, USD	Disbursements, USD	Strong Commitments, USD	Balance, USD	Proposed Allocation, USD	Proposed Allocation, SDR (rounded)	New Balance, USD
Civil Works	130 000	182 486	305 484	251 816	53 668	-122 998	305 484	218 000	0
Equipment, Goods and Vehicles	320 000	449 197	480 688	473 433	7 255	-31 491	560 688	400 000	80 000
Training, TA and Studies	1 590 000	2 231 947	1 598 101	1 351 241	246 861	633 846	1 810 000	1 290 000	211 899
Community Grants	5 605 000	7 867 963	2 559 512	1 154 172	1 405 340	5 308 451	8 943 750	6 370 000	6 384 238
IGA Grants	635 000	891 375	565 094	334 332	230 762	326 281	565 094	403 000	0
Reserve Fund	130 000	182 486	177 190	177 190	0	5 296	177 190	126 000	0
Operational Costs	510 000	715 907	493 533	493 533		222 374	692 000	493 000	198 467
Unallocated	380 000	533 421			0	533 421			0
<b>Total</b>	<b>9 300 000</b>	<b>13 054 782</b>	<b>6 179 602</b>	<b>4 235 717</b>	<b>1 943 885</b>	<b>6 875 180</b>	<b>13 054 206</b>	<b>9 300 000</b>	<b>6 874 604</b>

13. It has been agreed that the following key actions would be undertaken:

Agreed action	Responsibility	Agreed date
Formal request from the MOF to IFAD on reallocation of Grant categories	MOF/PMU Director	As soon as possible
Prioritise the hiring of an External Auditor in accordance with IFAD guideline	Chief Accountant/ PMU Director	As soon as possible
Testing GPS use for monitoring of rotational grazing	GIS/Mapping Consultant	Mid Nov 2015
Ensure the publication of General Procurement Notice (GPN) on the UNDB website	Procurement Staff	As soon as possible but not later than end Nov 2015
Make amendments to the Project Procurement Manual with further submission to IFAD review	Sr. Procurement Specialist	As soon as possible but not later than end Nov 2015
Make amendments to LTR in terms of procurement and submit to IFAD for no objection	Sr. Procurement Specialist	As soon as possible but not later than end Nov 2015
Finalize the MIS, M&E information collection database tables, collection forms and collection protocols	M&E Consultant	End Nov 2015
Testing application of Earth Collect (remote sensing) tool for monitoring of pasture conditions	IFAD/GIS/Mapping Consultant	End Nov 2015
Submission of Mid-term Survey report to IFAD	PMU Director	End Nov 2015
Animal head and weight inventory by all participating PUU	M&E Consultant/ District Officers	End Dec 2015
Provision of documentary evidences from PUU on fulfilment of their obligations for release of second tranche (for implementation of second priority subprojects), specifically: 1) Land certificate; 2) Protocol confirming application of rotational grazing; 3) implementation of Animal Health Plan; 4) collection of pasture use fee; 5) collection of beneficiary contribution; and 6) regular PUU meetings	Project Coordinator/ District Officers	End Dec 2015
Submission of amended Pasture Law	PP Consultant	End Feb 2016
Prepare M&E Guidelines for the project, including Community M&E Handbook	M&E Consultant	End Feb 2016
Prepare a more complete learning strategy including exchange visits, networking, workshops, training sessions, and establishment of mentoring relationships between PUUs, CIGs and women's groups	Project Coordinator/ Public Relations Consultant	End Feb 2016

## C. Outputs and outcomes

### Component 1: Institutional Development (Satisfactory, 5)

14. Under the Institutional Development component there are two sub-components: (i) Development of Community Organisations; and (ii) Institutional Strengthening.

15. Under the first sub-component it was foreseen by the project design that a minimum of 100 Pasture User Unions (PUUs) would be formed, mobilized and strengthened. It is expected that the participating PUUs will be committed to: (i) undertake overall pasture management responsibility by specifying individual and collective responsibility within the group; (ii) set and collect pasture user fees which should be sufficient to cover tax liabilities and associated costs for pasture operation and maintenance; and (iii) provide cash contributions for pasture rehabilitation works and livestock development activities (grant sub-projects). The PUUs, as focal points for the project, are used for the introduction of the project and participatory identification of the target beneficiaries according to the established criteria for each project component. This ensures the selection of households, which meet the criteria specified for each type of activity. Smallholder households interested in participating in livestock development activities will be organised into Common Interest Groups (CIGs) for the project interventions. Women's CIGs will be used for the identification and implementation of income generating activities for women. The project requires documented assurance from the hukumat and jamoat administrations on transfer of legal rights for pasture use to the participating.

16. For the reasons described above, LPDP has reduced its regional scope to five districts instead of the original six envisaged in the project design document and seven proposed by the regional Government. Yet, in spite of dropping Farkhor and Vose districts from LPDP activities, 203 Pasture Users Unions (PUUs) have been created, as against a target of 100 PUUs. Within those 203 PUUs there are 23 841 households. The Hukumat (district) statistics report a total of 138 375 ha of pasture in these five districts. The project aimed to benefit 22 400 households and improve pasture condition and productivity of 108 500 ha. Clearly the number of target beneficiaries and of planned improved pasture area can be achieved within the remaining project area. The locust-control objective in the original LPDP plan – studies of locust control measures and development of local and regional strategies – has been dropped due to the budget constraints and in order to focus on the main livestock initiatives and in view of the commencing JICA/FAO locust project.

#### Sub-Component 1.1: Development of Community Organizations

17. **Pasture Users Unions established.** All five districts have received half-day introductory launching workshops to create awareness of LPDP, its aspirations, implementation plan and activities. The last two launching workshops were for Baljuvon District in November 2014 and Khovaling District in December 2014. PUUs were then established in 26 villages in Baljuvon and 35 villages in Khovaling. Meanwhile, a full complement of PUUs has been established in Muminobod (40 PUUs) and Temurmalik (also 40 total PUUs), three-quarters of them in the past 12 months. The PUU Board, elected by the entire PUU, consists of from 10 to 12 members, of whom a minimum of three are women. During the field trip to meet PUU Boards (PUUBs), the mission team found that the women members were often quite vocal and contributed their share to decision-making.

18. **Community Facilitators.** The launching workshops at the district level are organized by the PMU, while Community Facilitators (CFs) organize meetings with village communities to explain the project at a local level, establish a PUU comprising at least 80% of village households and elect a PUU Board, and manage the registration and other formalities for operation of the PUU. Contracting, guiding and supervising CF organizations are carried out by the PMU/Kulyob through District Officers and Specialists. An International Community Development Advisor was hired to facilitate the process.

19. **Basic training.** Board members of PUUs established by LPDP received training in "LPDP Modalities and PUU Management and Operation, including Gender Issues". In some cases several PUUBs form a group for training purposes, thus 50 PUUB training sessions in LPDP Modalities and PUU Management were conducted in the past 12 months for 121 new PUUs. Training is also provided

in the preparation of subproject proposals for investments such as machinery, road or bridge improvements and water developments for livestock. A PRA (Participatory Rural Appraisal) was conducted in each village after PUU establishment to identify Common Interest Groups and Women's Income Generation Groups, with a focus on the poorer households in the village.. Altogether 209 training sessions were held over the past year.

20. **Pasture land use rights.** The PUU is granted exclusive right to manage the community pastures of the village under a tripartite Memorandum of Understanding between the Head of the District Hukumat, the Heads of Jamoats where villages have been targeted for LPDP activities, and the PMU. This MoU grants the PUU a 10-year pasture management authority. Part of the MoU requires the Hukumat to facilitate the recognition of community pastures by a land-use Certificate in place of a Rental Agreement.. For most of the PUUs, Certificates have been granted or are in process. A Certificate provides long-term assurance of village/PUU right to use the community pasture and is critical to the sustainability of LPDP interventions. In the case of Shurobod district, however, the Hukumat has been reluctant to grant Certificates to PUUs, which threatens the continuation of LPDP services to 28 PUUs affected. The mission met the Hukumat governor to clarify the situation and the risk of dropping his district, and assurance was given that this issued would be resolved by the end of this year.

### Sub-Component 1.2: Institutional Strengthening

21. **Policy and legal developments.** LPDP has been active in working with government agencies and politicians to introduce some amendments to the law "On Pasture". LPDP hired a legal consultant and a consultant on policy and legislation to drive this effort. If approved by Parliament and the President, the Amendment will create a State Enterprise for Pasture Development that concentrates pasture use and development issues within the MOA in a *de facto* Pasture Ameliorative Trust under the direction of a designated Deputy Minister of Agriculture. A Trust Fund will be established for pasture development investments. At the same time, the amended Law will separate matters dealing with land tenure, pasture boundaries and land allocation issues and place them under the Committee for Land. Another provision within the amendments to the Law is to insert a new clause covering fee collection and fee use by the PUUs. This provision to establish a legal basis for PUU financial operations will enhance the sustainability of PUUs as pasture and community-asset management institutions.

22. It has been agreed that the following actions would be undertaken:

Agreed action	Responsibility	Agreed date
Complete training in Khovaling in CLPMPs, pasture & fodder-based management, animal health and breeding	PMU Kulyob/CF	March 2016
Conduct other basic training for PUUs as needed	PMU Kulyob/CF	February 2016
Conduct training for veterinarians serving LPDP target populations.	PMU Kulyob	November 2015
Follow-up with Shurobod Hukumat on granting Certificates to 28 PUUs	PMU	Mid Dec 2015
Monitor progress of proposed Amendment to the law "On Pasture" as it moves through committee review and the legislative process.	PMU	End Dec 2015
Resolve inaction by Pasture Ameliorative Trest regarding pasture monitoring, pasture rehabilitation, herd movements and stock route maintenance	PMU	Continuous
Conduct local study tours to high-performing PUUs by Hukumat and Jamoat representatives with other PUUs	PMU Kulyob/CF	End Dec 2015
Conduct local study tours between low-performing and high-performing PUUs to strengthen PUU awareness & capacity, with focus on PUU management and pasture rotation	PMU Kulyob/CF	End March 2016
Conduct local study tours among Community Facilitators to learn from one another, share experiences and address mutual issues	PMU Kulyob/CF	Continuous

## **Component 2: Livestock and Pasture Development (Satisfactory, 5)**

23. This component addresses the implementation of technical developments and improvements managed by the institutions described in Component 1. LPDP aims to engage more than 4 000 PUU members in improved fodder crop production; enable more than 6 000 members to use advanced livestock and pasture management methods; introduce Gissar rams to improve the productive capacity of local sheep in a breeding trial; and construct and equip veterinary clinics. It appears that these targets will be realized by the end of 2016.

### **Sub-Component 2.1: Strengthening private sector services**

24. **Fodder promotion and production.** The AWPB for 2015 identified lack of adequate winter fodder as one of the key constraints to the development of the livestock sector. During field visits to PUUs, the mission heard that villages were now self-sufficient in winter fodder, or may need to acquire extra fodder only if the winter was much longer than usual. Some people at the meetings said that they had surplus fodder to sell. The change in circumstances over 12 months is due to the LPDP programme to increase household fodder production. Community Interest Groups of around 20 households per CIG were formed in 122 villages for a total of 2 407 member households. The CIGs were targeted for fodder promotion and production. Households were given high quality seed of alfalfa and barley, esparset also, plus carbamide and superphosphate fertilizer. The package allowed the recipient households to cultivate 0.25 ha of fodder crop, bringing a total of 602 ha into fodder production. The programme is so successful and popular that potentially more fodder-production CIGs could be served in 2016.

25. **Sheep breeding trials.** 20 CIGs for sheep breeding were established in 20 villages, comprising an average of 11 households per group, 220 households altogether. Each household owns from 8 to 10 local sheep. LPDP provided 4 Gissar rams to each sheep breeding CIG. The rams are kept in the village until ewes are ready for mating, then all 4 Gissar rams travel with that Group's ewe flock to the pastures or crop-residue fields. The flock of 80-100 ewes + 4 rams is kept separate from other village sheep in the pasture or while grazing crop residues. Lambs from the Gissar rams should be monitored for birth weight and weight gain over 6 months for comparison with lambs from the regular village flock, a control group.

26. **Business Development:** A number of services to livestock producers have been envisaged, but full development and LPDP support in this area has been limited to promotion of fodder production, discussed previously. Support for other entrepreneurial activities is being launched in the second half of 2015. Having reached self-sufficiency in winter-fodder requirements, many recipients of the fodder seed and fertilizer packages are selling the surplus fodder produced. PUU demand for more fodder CIGs could expand this programme to become a significant income generator for many more households, as well as obviating the need to purchase winter fodder. Women in PUU meetings reported that pasture rotation was increasing milk yields; some said 30-40% higher while some women thought that the milk yield had doubled. Cow milk surplus to household requirements can be sold or used for barter in the village, but other possibilities arise. Surplus milk could be sold to dairy factories if an organized supply network can be established.

27. **Veterinary services:** Two veterinary clinics have been built by LPDP and the construction and equipping of 22 more clinics are in progress. Many villages already have government veterinary clinics. The LPDP strategy is to locate a new clinic in a central village from where the veterinarian can deliver veterinary services to surrounding villages. Veterinary training is scheduled to begin in November, and delivery of veterinary equipment in December 2015. A number of veterinarians serve as Chairs of the PUU Boards, clearly occupying a natural leadership position in the village. Along with fodder crop promotion, the construction and equipment for veterinary clinics are expensive investments that have raised the actual and projected expenditures for this activity to USD 195 000 higher than the initial appraisal. Major investment will continue in 2016.

28. It has been agreed that the following actions would be undertaken:

Agreed action	Responsibility	Agreed date
Provide support packages for entrepreneurs in production of fodder seed, seed cleaning and poultry feed enterprises	PMU Kulyob	April 2016
Monitor lambs from the superior Gissar rams in the sheep breeding trials: weight at birth and weight gain at 6 months	PMU Kulyob/CF	Jan-Feb and Jul-Aug 2016
Arrange for Manager of a dairy factory to talk to PUUB and women's groups on the requirements for selling surplus milk to dairy factories	PMU Kulyob/CF	Immediately
Complete construction of planned veterinary clinics	PMU Kulyob/CF	Mid 2016
Deliver veterinary equipment to existing clinics	PMU Kulyob	March 2016

### Sub-Component 2.2: Improved pasture management

29. This sub-component is ranked by the AWPB as the central part of LPDP activities. The stated objective is to reverse the trend of destructive grazing, use pastures more efficiently and raise the efficiency of livestock production. This programme has been lead by the National Lead Technical Consultant assisted by IFAD and an International Pasture Management Advisor. A target of 108 500 ha was set for pasture improvement. With the current restriction in LPDP scope to five districts instead of six, only 80 205 ha of pasture are managed by 203 PUUs, according to the records from the CLPMPs. The Hukumats, on the other hand, list a total of 138 375 ha of pasture for these five target districts.

30. **CLPMP development:** As of the end of October, all 203 PUUs have prepared Community Livestock Pasture Management Plans (CLPMPs) as a result of training and workshops. These CLPMPs assess the availability of livestock feed relative to community herd requirements in different seasons. A major issue is overgrazing of summer and winter pastures. The CLPMPs establish the need for pasture rotation to increase the efficiency of pasture utilization and improve livestock productivity, and include a pasture rotation plan. CLPMPs identify the main problems limiting livestock production and list the inputs needed to solve these problems. For example, farming equipment is often identified to support cultivation of winter fodder crops. The desired inputs form the basis of subproject submissions to the PMU to award investments and provide technical support. A GIS specialist in the PMU has prepared pasture area maps for all PUUs in the past 12 months to be used for designing grazing rotations in community pastures. In Temurmalik alone, 40 PUUs participated in community-based mapping activities. With all the CLPMPs finished, LPDP can concentrate on solving village problems and improving the efficiency of pasture utilization.

31. **Pasture rotation:** Along with criteria related to PUU establishment and Board election, PUU legal documentation and fee-collection, and the completion of a CLPMP, pasture rotation is a prerequisite for a PUU to receive support for its second priority subproject investment. To document a pasture rotation, the PUU should prepare a simple 1/2-page protocol describing the rotation, accompanied by a map and photographs. PUUs in possession of GPS units should track herd movements and record locations of pasture grazing subdivisions and length of time spent in each one. These records will educate PUU members in rotational grazing strategies and ensure that a portion of a pasture is not grazed at the same time every year. In addition GPS coordinates of rotation units can serve as monitoring targets for satellite-imagery based measurement of vegetation and ground cover. The schedule of a rotation allows the satellite data to focus on a pasture parcel before it is grazed or immediately after grazing has begun. Further on-ground monitoring of trend in pasture condition, carried out by PUU members following simple guidelines, will create a complete picture of a community's pasture rotation management.

32. In the past year, rotational grazing has been introduced to nearly 70 000 ha of pasture in just 3 districts: Shurobod, Muminobod and Temurmalik. The pasture rotation total area will certainly increase as PUUs in Baljuvon and Khovaling implement rotation grazing next spring. A few PUUs in Baljuvon visited during the supervision mission were unclear about how to implement pasture rotation, and

clearly some further training is required. The National Consultant for Pasture Management has developed schematic representations of rotation schedules, many of which were observed on the walls of the PUU offices visited. The local PUUB adapts the concept to local circumstances. For example, although the schematic plan generated by the PMU/Kulyob calls for a one-week grazing period, implementations of the grazing plan have variable periods with some as short as 2-3 days. The PUUB appoints a pasture Supervisor who manages the herding of village livestock according to the rotation plan, and instructs PUU herders on current grazing areas.

33. The adoption of rotational grazing in community pastures after just one year is a remarkable LPDP success story. PUUB reports to the mission spoke of more grass available, more milk production on pastures with grazing rotations, heavier cattle and bigger small ruminants, and healthier animals. Pasture rotations are a relatively low-cost change to pasture use, and give a substantial return on investment. The benefit of pasture rotation to livestock production should be quantified for monitoring purposes, and for community instruction

34. **Demonstration (pilot) plots.** The Project Implementation Manual requires each village to identify an area of 1 ha to be fenced and used for demonstrations and trials. 95 PUUs have identified the location of their demonstration sites, of which 60 have received fencing materials supplied by LPDP. The PUU's contribution is the labour for erecting the fence. In many cases the fencing materials are lying idle because of the hardness of the ground at this time of year. Fencing will be done after rains have softened the soil. The demonstration sites will illustrate the vegetation response to absence of livestock grazing, which should reveal a diverse array of plant species that are not obvious under continuous grazing. The fenced hectare can be used for hand-broadcasting seed of local desirable species to observe the effectiveness of this method of targeted pasture improvement. It can also serve to test the introduction of shade trees. Shade is an important feature of optimal livestock production, especially in summer, but most of the community pastures are without shade. In addition, the ungrazed protected areas provide sites for both on-ground and satellite-based monitoring of plant biomass. GPS coordinates of each 1 ha area are recorded by the National Pasture Management Specialist.

35. **Subproject investments:** Of 203 subprojects reviewed, 167 subproject submissions were approved and initiated in the past year. Generally the first choice for subproject investments is farming equipment: the first choice of 149 CLPMPs and second choice in 13 CLPMPs. This year, 28 tractors (mostly Belarus 82.1), 21 trailers for hauling hay and fodder, 27 ploughs, 80 sets of harrows and 2 threshers were purchased and delivered to villages. During the mission several PUUs noted that they need a chaff cutter to prepare cereal straw for winter fodder. Not every village is entitled to receive a tractor; some tractors are shared among adjacent villages. Other high-priority subprojects include drinking water for livestock (first choice in 15 CLPMPs and second choice in 19 plans); road construction (10 first choice and 6 second choice); bridge renovation or replacement; construction of sheep yards and other unspecified infrastructure; rehabilitation of pastures and livestock breeding. Pasture degradation is usually low on the list of problems to be addressed. Water-point development in community pastures is the second-highest priority after farm machinery. At present, it is common for village herds to walk to summer pastures 4 times a day at a distance of 4-5 km each way, returning at mid-day to the village to drink. The livestock maintenance cost of these long-distance walks is at the expense of weight gain and milk production. Where water points have been developed in remote pastures, such as Langar, LPDP also builds a herder's hut for shelter and overnight comfort. Four water points have been completed for Momirak village. The PUU leaders in Momirak report reduction in mortality and improvement in livestock health and productivity as a result.

36. It has been agreed that the following actions would be undertaken:

Agreed action	Responsibility	Agreed date
Provide training in pasture rotation as needed	PMU Kulyob/CF	continuous
Document pasture rotations with a protocol describing the place and time of units in the grazing rotation with maps & photos, and record GPS coordinates of rotation units	PMU Kulyob/CF	End 2015 & on-going
Based on GPS coordinates of pasture rotation units, monitor pasture condition using satellite imagery analysis	PMU/FAO	continuous
Monitor trend in pasture condition in permanent locations of the rotation using simple on-ground observations	PMU Kulyob/CF	May-August 2016 & 2017
Make a regular 6-month inventory of household livestock numbers & gender in age-class distributions, and also record recent mortality	PMU Kulyob/CF	Begin Nov-Dec 2015
Monitor body weights of animals in a sample of households in the same categories and time intervals as the livestock inventory	PMU Kulyob/CF	Begin Nov-Dec 2015
Assign a staff to be specifically responsible for livestock monitoring of numbers and live weights	PMU Director	November 2015
Complete the fencing of 1-ha pilot demonstration areas	PMU Kulyob/CF	April 2016
In established 1-ha demonstration sites, take GPS recording, measure vegetation biomass and link to satellite image data	PMU Kulyob/CF and FAO	May 2016

### Component 3. Income Generation for Women (IGA) (Satisfactory, 5)

37. The main objective of this component is to help enhance the nutritional status and increase the incomes of women from poor households, especially women-headed households in the project districts. Despite the fact that livestock is a key factor in the livelihoods of the small farming households in the project districts, there are many households who are too poor to own any livestock. Thus the project has provided different packages paired with the training programs tailored for the most vulnerable members of the rural community: poor women and women-heads of households.

38. The component includes four activities: (a) poultry packages; (b) bee-keeping packages; (c) small ruminant packages; and (d) livestock processing and marketing activities.

39. The component is perfectly **within the schedule**. The activities were initiated in August 2014 with the recruitment of International and National IGA Consultants. As of today USD 448 939<sup>2</sup> have been disbursed out of the total allocated IFAD Grant of USD 996 thousand or 45% (a design allocation). The disbursement executed so far consists in procurement of live animals and hives of honeybees, processing equipment and tools, and technical assistance provision.

40. The project has already met its outputs targets set in the updated logical framework: (i) training on IGA packages provided to 883 women, and (ii) 883 women take part in Women Income Generation Groups (WIGG). Overall, 738 IGA packages were distributed to support the activities selected by women<sup>3</sup>. Groups' formation resulted from a thorough data collection (as part of the baseline survey), selection of eligible villages and beneficiaries within those, community mobilization and establishment of WIGGs, and a feasibility assessment of the proposed package(s).

41. All interviewed beneficiaries reported a net improvement in family nutrition, especially among infants, and a substantial cash income increase<sup>4</sup>. Anticipating the results of the mid-term review survey, it seems that the project is well on track with regards to the achievement of its outcome target ("at least 90% of women engaged in IGA report increased incomes").

<sup>2</sup> As of October 1, 2015

<sup>3</sup> Some IGA foresee one package per group, i.e. *kurut* production

<sup>4</sup> For example, a young woman could gain TJS 1 575 and one ton of wheat by selling some 80 kg of honey produced this year.

42. **Small-scale poultry (laying hens) package.** As of today, 250 Women Income Generation Groups (WIGG) on poultry were established and benefited from the IGA packages (see table above). Small ruminants package. The project has supported 450 WIGGs. One package consists of three goats, two sheep and winter feed stock. Animals of the visited households feature fair productivity parameters (birth rates and live weigh gain). However, some of the visited households lack regular veterinary support, which calls for the same recommendation as in case of the laying hens: regular visits of the vets to conduct all the necessary epizootic measures, including blood samples for chlamydiosis, brucellosis and vibriosis. It is also recommended that IGA Consultant and Livestock Specialists visit the participating PUUs to discuss, jointly with the newly-born livestock owners, the dynamics of the herd and the economics of the model (i.e. planning of fattening activities towards demand spikes Honey bee keeping. Perhaps, one of the most lucrative packages under the project. Three apiculture WIGGs were set up and supported in Baljovan district embracing 13 women. Beneficiaries have been provided with 130 beehives and simple equipment necessary for honeybee keeping. Interviewed women reported substantial income gain, notwithstanding relatively low yields of honey per hive (5-10 kg per hive). The project has warranted a close mentorship of the participating women by a local experienced facilitator, which was crucial to ensure the sustainability of such businesses: productivity and market-wise. It is recommended to further support women-apiculturists by facilitating the formation of the Beekeepers Association. This will allow for an investment into production infrastructure (packaging line in particular) and will greatly facilitate the access to markets, both retail and wholesale. The PUUs of Baljovan would benefit from IGA Consultant's guidance in terms of business plan preparation for the eventual honey packaging facility.

43. **Livestock products processing and marketing: wool processing.** The project has facilitated the establishment of 15 WIGGs on wool processing and marketing in all the districts covered by the project except Shurobod. The procurement of wool processing equipment and tools has been completed. While good market assessment has been already carried out by the IGA Consultants in the regional office, it is advisable to further assess the nature of the demand from the souvenir shops, luxury hotels and airport duty free in terms of product mix and packaging (i.e. plastic bags to protect from moth, women names and a photograph vs. label, etc.). Finally, to reduce the production costs and enhance the marketability of the products it is recommended to carefully study the natural dyeing agents<sup>5</sup> available locally, their sources and costs.

44. **Livestock products processing and marketing: kurut production.** Ten WIGGs were established in Shurobod. Women have already received all the necessary training and equipment. It is too early to analyze their activities as raw milk for processing is not available at this time of the year.

45. The overall component performance is rated as **satisfactory**.

Agreed action	Responsibility	Agreed date
Ensure regular visits of poultry package owners by the veterinarians (once every 3-6 months)	Project Coordinator/ Livestock Specialist	Immediately
Assist Baljovan PUUs in the project proposal appraisal for the honey packaging line	BD/IGA Consultants	Mid Dec 2015
Design and deliver a workshop on the economics of wool processing; explore natural dyeing agents sources and costs	BD/IGA Consultants	Mid Dec 2015

## D. LPDP implementation progress

46. **Project Management Performance (Satisfactory, 5).** All of the envisaged elements of project management are in place. The PMU national and regional offices continue demonstrating outstanding performance. The PMU Director takes responsibilities including but not limited to project management, financial management, accounting, etc. The planning, budgeting and reporting process follows the established system of implementing IFAD projects in the country, including the preparation of Annual Work Plan and Budgets (AWPBs).

<sup>5</sup> These include minerals, fruit skins (pomegranate) and much more.

47. In accordance with conditions of the Financing Agreement, the **Project Steering Committee (PSC)** continues meeting on a regular basis. The First Deputy Minister of Agriculture has been elected as chairman of the PSC. The PSC includes representatives of the Ministry of Finance, the State Committee on Investments and State Property Management, the Tajik Agricultural Sciences Academy, the State Committee for Women and Family Affairs and the representatives of communities and the private sector.

48. Overall, the Community Facilitators, national and international consultants and other project partners have performed in a satisfactory manner.

49. The last mission's recommendation on streamlining management procedures has been taken into account.

50. **Monitoring and Evaluation is satisfactory (5).** The structure of M&E consists of these layers: (i) village level organizations (such as PUUs and WIGGs and others); (ii) community facilitators who collect the information from village level organizations, synthesize, validate and submit to the (iii) regional district officers, who manage information submitted by CF's as well as direct project output data in excel based M&E databases. The Project had commissioned a Mid-term impact study, which the contracted consulting company was however not able to share during the mission.

51. The project's Access based Management Information System (MIS) is being set up, and the mission made its recommendations for completing it. The mission recommends that the M&E Consultant and Business development consultant lead the work on finalizing the MIS, M&E information collection database tables, collection forms and collection protocols as a first priority. The PMU is operating the Planner as an overall database combining data on planning and actual data on financial inputs, outputs, outreach and procurement. The mission recommends that as a second priority after finalizing the MIS, the M&E Consultant in coordination with the IFAD Programme Officer explore the possibility to incorporating the Planner into the MIS.

52. LPDP maintains a geo-referenced register of benefiting villages and pastures, and will explore geo-tracking of herds implementing pasture rotation for triangulating with data on conditions of livestock and pastures. The mission also attended a session to explore the possibility to adapt Open Foris (an open-source solutions for environmental monitoring, developed by FAO) to monitor pasture conditions through remote sensing. The mission recommends that the project explore the possibility to adopt Open Foris for pasture condition monitoring further with the support of IFAD as appropriate.

53. **AWPB.** Coherence between AWPB & implementation is **satisfactory (5)**, and the project is on track to achieve its annual targets. The AWPB was provided to IFAD on 31 October 2014, approved, and subsequently revised in February 2015. The AWPB and Progress Reports are done with the Planner, and are overall accurate and comprehensive.

Agreed action	Responsibility	Agreed date
Submit a staffing proposal to IFAD (in view of the KLSP closure and LPDP expansion)	PMU Director	End Dec 2015
Finalize the MIS, M&E information collection database tables, collection forms and collection protocols	M&E Consultant, Business Development Consultant	End Nov 2015
Explore the possibility of incorporating the Planner in the MIS	M&E Consultant, Business Development Consultant, IFAD Programme Officer	End Jan 2016
Avoid clustering of activities under generic descriptions.	PMU Director, Project Coordinator, Sr. Procurement Officer and Chief Accountant	Immediately

54. **Gender focus in implementation.** The project's gender focus is **satisfactory (5)**. The PMU and implementing partners are committed to addressing gender issues and women's empowerment and sufficient human and financial resources have been allocated to these aspects of the project, including capacity building of community organisations on gender issues and dedicated activities for women. The project M&E system adequately captures gender disaggregated data and all RIMS indicators are disaggregated. Women's activities in general were below target in 2014 but have recovered strongly in 2015. The mission reviewed the reports of the International Consultant in WIG

and encourages the PMU to follow the recommendations made, including shifting to a stronger focus on marketing and business skills, identifying high potential women's groups and assisting them in improving product quality and packaging, and generating linkages with target markets beyond the local .

55.

56. So far women's leadership roles in community organisations remain somewhat quota driven. Ensuring that the project supports female role models in the target communities, for example by monitoring progress on the target that 10% of vets supported by the project are female, will play a large role in changing attitudes to women's, and ensuring their greater involvement in PUU councils. It will be important over coming years to monitor the extent to which women's participation begins to exceed the required quotas. This will indicate that their participation in PUUs and other community organisations has shifted from being as representatives of the women's groups, to being representatives of the community as a whole. The mission recommends that the project formally nominate WIG Specialist as gender focal point and prepare a consolidated Gender Section in the PIM including all of the gender specific indicators, targets, activities and targeting and empowerment mechanisms planned by the project. The mission also recommends that the Gender Assessment be undertaken in early 2016 in order to guide the project's engagement with women in target communities over the remainder of the LPDP I and II.

57. The mission recognises that in general the project is doing well with regard to gender issues, it also believes that the very high capacity of the PMU, the effective CFs, and the strong beneficiary participation create an opportunity to do even more. The mission recommends that the PMU explore the possibility of further developing their community-driven development methodology through the introduction of approaches and ideas from the area of Household Methodologies<sup>6</sup>. The project should consider organising a workshop on Household Methodologies, together with relevant stakeholders, community facilitators, PUU representatives, to discuss if these approaches would be relevant in Tajikistan and how they could be incorporated in the project.

58. **Poverty focus in implementation. Satisfactory (5)** The project has a clear strategy for reaching out to poor rural women and men and is doing so successfully. Though households with more livestock (better-off HHs) will tend to benefit more from the main activities relating to pasture management, in the target communities almost all HH's own some livestock and aspire to own more so the activities correspond well with their needs and the project approach is the best option for achieving its objectives. The project also has a range of self-targeted and direct targeted mechanisms to enhance the poverty focus and the poorest HHs in each community (typically WHHs) are supported directly with chicken, small ruminant or seed packages as well as training, providing a means for them to obtain greater benefit from project, and also increasing their social status.

59. PUU Boards are typically dominated by households from the mid-range of the wealth ranking but having individuals capable of handling the bureaucracy of the project – typically teachers, doctors, vets and other public figures - has been key to their success and this is recognised by the community members who elected them. Nevertheless, the availability of HH wealth ranking data at the level of the PUUs would make it easy for the PMU to monitor the average wealth ranking of HHs on PUU councils, in order to identify those where PUU councils become dominated by wealthier HH members and to monitor risk of elite capture, and also to identify those where poorer HH members have been elected and to learn lessons from these examples about how poorer HHs can be empowered.

60. **Effectiveness in targeting. Satisfactory (5)** The project targeting strategy is described in detail in the PIM and is being effectively implemented in practice, including geographic targeting based on indicators of poverty and agricultural production, together with enabling measures, capacity building, self-targeting and direct targeting (based on participatory HH wealth ranking exercises). This strategy has been implemented rigorously and effectively and monitored closely at the community level with clear documentation of the very poor households receiving direct targeted support. The

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<sup>6</sup> <http://www.ifad.org/knotes/household/index.htm>

project is reaching its intended target groups, namely smallholder livestock farmers, private veterinary service providers, and women headed households and women belonging to poor households.

61. Monitoring of targeting performance could be better integrated within the overall M&E system. For example, linking the HH wealth ranking data, or HH livestock ownership data at community level, with the PMU MIS would enable a clearer breakdown of the wealth categories/livestock ownership of the beneficiaries. The mission also undertook spot checks of targeting, by cross-referencing the details of the HHs which had received the packages with the results of the HH wealth ranking to ensure they were amongst the lowest ranking HHs and was satisfied that generally this is the case - packages for WHHs are being distributed to women headed households and young women with families in HH with few assets. It is recommended that the PMU continue closely monitoring of targeting of packages, including requiring CFs to confirm in progress reports that HHs receiving the packages are amongst the poorest in the village, as per the HH wealth ranking exercises, and conducting spot checks during visits to PUUs by comparing the documents naming the recipients of packages with the village HH wealth ranking.

62. **Innovation and learning. Satisfactory (5)** Detailed information on innovation and learning in the project is provided in Appendix 7. Overall the project innovations are mainly adaptations of existing approaches and technologies, but this approach has been successful. The PMU places a strong focus on learning but would benefit from developing a more detailed learning strategy and preparing a specific KM and Communication Plan with a pipeline of potential knowledge products.

63. **Climate and environment focus in implementation. Satisfactory (5)** The central pillar of the project – improved pasture management – is expected to make a major contribution to addressing issues of land degradation in the project area, reducing soil erosion, improving biodiversity, and strengthening resilience to drought. In addition veterinary clinics being constructed by the project will be equipped with solar panels to ensure a reliable supply of electricity to refrigerators for vaccines and medicine. During 2015 FAO has implemented a number of conservation agriculture demonstration sites in the project area, under the IFAD-financed KSLP. Initial results concerning the demonstrations and the interest of farmers in the area of adopting CA technologies should be available by end-2015. Based on an assessment of the potential for scaling-up CA in the project area, the possibility of providing incentives for PUUs to purchase CA equipment rather than conventional agricultural equipment should be considered, and the partnership with FAO continued in order to provide further awareness raising and training to beneficiaries of LPDP. If the demonstrations have been successful, it is recommended that the beneficiary contribution required for purchase of conservation agriculture equipment set at 5%, rather than the 10% required for purchase of conventional equipment. During the process of preparation of community plans and subprojects, communities should also benefit from some training on CA, and where possible from study tours to local demonstration sites. Linkages should be established with other ongoing initiatives piloting and promoting CA in Tajikistan to support these efforts.

Agreed action	Responsibility	Agreed date
Formally nominate WIG Specialist as gender focal point and prepare a consolidated Gender Section in the PIM including all of the gender specific indicators, targets, activities and targeting and empowerment mechanisms planned by the project	PMU Director/ Project Coordinator	As soon as possible but not later than end Feb 2016
Strengthen female staffing of the project by requiring CFs to provide at least one female field officer, in a role which has direct contact with the communities, in each district.	PMU Director/ Project Coordinator	Immediately
Follow up on the recommendations of the International Consultant in Income Generating Activities in order to shift focus of project support towards developing profitable and sustainable enterprises.	PMU Director/ Project Coordinator	Immediately
Organise a workshop on Household Methodologies with relevant partners and stakeholders and consider whether they could be usefully incorporated in the project.	Project Coordinator/ District Officers	End Feb 2016
Link HH wealth ranking data to the project MIS in order to enable closer monitoring of the wealth categories of the beneficiaries, and begin monitoring average wealth ranking of HHs represented on PUU Councils	Project Coordinator/ M&E Consultant	End Dec 2015
Prepare a more complete learning strategy including exchange visits, networking, workshops, training sessions, and establishment of mentoring relationships between PUUs, CIGs and women's groups.	Project Coordinator/ M&E Consultant	End Feb 2016
Identify a KM Focal Point, establish a KM and Communication plan and develop a pipeline of Knowledge Products to be developed over the coming years.	Project Coordinator	End Feb 2016
Review experience of FAO conservation agriculture demonstrations in the project area and if successful reduce beneficiary contribution for conservation agriculture equipment from 5% to 10% and provide additional training on this topic.	Project Coordinator/ PMU Director	End Feb 2016

## E. Fiduciary aspects

64. **Financial management.** During its review, the mission identified some minor areas where FM-practices could be further improved and the risk mitigated. Overall, the project financial management is satisfactory (5).

65. The Financial Management (FM)-unit of the PMU is responsible for budgeting, accounting, maintaining internal controls, preparation of withdrawal applications, execution of payments, financial reporting and ensuring compliance with external audit requirements.

66. According to the last supervision mission recommendations, the PMU hired an accounting assistant and the access of the Chief Accountant is now limited to approval only i.e. the ability to initiate transactions and update supplier masterfile information was removed.

67. **Internal audit.** The PMU has no internal audit function in place. However, the project is subject to internal review by the State Agency on Anti-Corruption on an annual basis, and by the Accounting Chamber and Revision Commission of the MOF on an ad hoc basis. A review was taken place in March 2015 and the State Agency's report didn't show major findings.

68. Considering the expansion of the activity during the next FY for the category Pasture Improvement Grants and the significant number of PUU (203), the mission recommends that the project set up its own internal audit to control the information system process and ensure the quality of reporting process from PUU (subject to the availability of project funds).

69. **Fixed Asset Register.** The FM-unit records all assets in the 1-C software. This information is used by the Administrator to create a fixed asset listing with serial number, location, custodian, historical cost etc. All assets are tagged and a commission is created yearly to physically verify the assets before year end. The last physical count was February 2015 with no major issues regarding the assets status of use.

70. The project applied previous supervision mission recommendation related to the set-up of vehicles maintenance log.

71. **Information back-up and filing.** The accounting data is password protected and backed up on weekly basis into an external flash drive and on the Chief Accountant's computer. All supporting documentation is filed in the PMU and correctly archived.

72. **Financial reporting.** The PMU prepares its financial statements in accordance with IPSAS cash. In accordance with best practice, the PMU prepares and submits to IFAD Interim Financial Reports (IFRs) semi-annually and annual financial statements as well as a reconciliation of the Designated Account.

73. Payments are managed so that they do not occur at month end. Hence the balance in the accounting records of the bank accounts agrees to the bank statements. Monthly Bank reconciliation is correctly designed, processed and approved.

74. **Accounting.** The PMU uses IPSAS-cash as basis for accounting. The project transactions are recorded in the accounting software 1-C. This has been modified so that all the financial reporting requirements of the project are automatically generated by the system, including the Designated Account reconciliation and withdrawal applications.

75. **Internal controls.** Despite the limited number of FM staff, the mission notes the sufficient level of segregation of duties and authorization with regards to transactions. The PMU maintains a Financial Management Manual, which is kept substantially up to date. The assistant accountant/FM Consultant prepares payment orders together with all the relevant supporting documentation. The Chief Accountant checks and then provides to the PMU Director for signature. At the end of each period, the Chief Accountant reviews all transactions for the month, ensuring validity and accuracy. Any corrections required are made at this point and then the accounting records are closed off. Once a period is closed it cannot be reopened.

76. **Budget Monitoring.** The FM-unit undertakes budget monitoring at the stage of payment. Budget monitoring functionality is correctly implemented in 1-C software and linked to the accounting module. A monthly report is prepared for the different departments of MOF and MOA explaining the trend of the operational activities and indicating the reasons the deviation.

77. The PMU is monitoring the budget in the system based on the design costab and not the final amount of the grant agreement. This situation shows deviation between IFAD statistics and the PMU in terms of disbursement and operations progress.

78. The PMU is reporting based on the design Costabs and not the final amount of the Grant Agreement. This situation shows deviation between IFAD statistics and the PMU in terms of disbursement and operations progress. The mission recommends the PMU to prepare the AWPB and to monitor budget with updated figures in line with the Grant Agreement.

79. **AWPB.** The AWPB was prepared by the end of the year and submitted to the Project Steering Committee for approval and subsequently to IFAD for its no objection on November 1, 2014. Later, the 2015 AWPB was revised in February, and IFAD provided its non-objection. As of September 30, 2015 the project spent USD 3.85 million of annual project funds against the planned USD 5.17 million yielding an execution rate of 75%. The AWPB is prepared using the Planner tool (an Excel based software) provided by IFAD. For 2015 the AWPB includes both financial and physical targets as well as financing from all sources and attribution of activities to each financing partner.

80. **Flow of funds.** Currently the project operates three accounts in a commercial bank (Tajprombank Zao): (i) the IFAD designated account denominated in USD, (ii) the IFAD project account denominated in TJS and (iii) the funds from beneficiaries denominated in TJS. The mission undertook a reconciliation as at March 31, 2015; June 30, 2015 and September 30, 2015. Monthly Bank reconciliations reviewed were correctly designed, processed and approved.

81. **Disbursement rate.** The disbursement rate is assessed as **satisfactory (5)**. From September 2014 to date 6 WAs for replenishment and 2 WA for Direct Payments have been processed under the IFAD Grant for a total amount of USD 3.92 million, yielding a total disbursement rate of 42%. The 9th WA amounting to USD 820 704 for Direct Payment will be processed shortly. Based on the approved

AWPB, the disbursement for the Pasture Improvement Grants will increase during last quarter 2015 and next year as preparation of PUU's priority subprojects has been finalized and first disbursements were done during the 2<sup>nd</sup> quarter 2015. The disbursement rate is considered as satisfactory with disbursement factor of 0.93 or rounded 95%<sup>7</sup>.

Disb Rate	PY4-STTMN Target	Coeff	Rating
42%	45%	0.93	Satisfactory*

\* It is also expected that the project would meet its 2015 AWPB target and project funds would be fully disbursed before the completion date.

**82. Use of SOE and adequacy of supporting documentation.** The mission examined on post review eight (8) WAs that have been submitted to IFAD aggregating USD 3.28 million covering expenses for the period September 2014 to September 2015. The mission examined the calculations and the documentation in respect of WAs and found these to be satisfactory on aspects as (a) the logic used (b) arithmetical accuracy of the Special Account Reconciliations (c) application of correct rate of exchange (d) tallying of balances in designated accounts with bank statements (e) exclusion of non-eligible claims and (f) supporting documents.

Categories	Amount USD	Scope covered USD	Scope
Civil Works	107 146	101 099	94%
Equipment, goods and vehicles	276 313	265 703	96%
Income Generating Activity (IGA) Grants	186 574	180 544	97%
Operating costs	356 397	163 808	46%
Pasture Improvement Grants	994 380	976 522	98%
Pasture Reserve Fund	177 190	147 020	83%
Training ,workshops, technical assistance and studies	1 182 916	652 264	55%
<b>Total</b>	<b>3 280 915</b>	<b>2 486 959</b>	<b>76%</b>

**83. Counterpart funds (Satisfactory, 5).** Contributions from the government are provided by way of VAT exemption. In accordance with the Tajikistan tax law, projects managing grant funds are not subject to duties and taxes. Hence, invoices from suppliers, which would normally include VAT are issued to the project without VAT. The project submits a report on a monthly basis to the tax authorities of the VAT exemptions, which are being claimed. The contributions are recorded by way of a journal debiting expenditure (under government contributions) and crediting income. The VAT reports are submitted on a timely basis. Government contribution exceeded the budgeted amount and totalized 285 934. The FY 15 budgeted Government contribution amounts to USD 191 470. This over contribution is due to the VAT exemption on Agricultural machineries acquired for Community's need. As of September 30, 2015 the beneficiaries' contribution achieved 69% of budgeted amount for FY15 and totalized USD 132 724.

<sup>7</sup> "Satisfactory: Disbursement rate is greater than or equal to 95% and less than 120% of the PDP for the same type of project [...]. The number of years and disbursement rate need to be rounded to integer [...]" - IFAD's Guidance Note for Supervision Aide Memoire, (p. 37).

84. **Compliance with loan covenants.** The compliance with the loan covenants is **satisfactory (5)**. Except for the following one, the project has complied with all the loan covenants:

- The auditors for the fiscal year 2015 were not appointed till the end of this mission although Article VIII of Section 9.03(a) of the General Conditions and paragraph 23 of the Letter to the Borrower require that the auditors for a fiscal year be appointed within 120 days from the beginning of such financial year.

85. **Audit.** The project is rated as **Satisfactory** in terms of quality and timeliness of Audit report submission. External Audit report was timely submitted to IFAD. The FY14 external audit was conducted by Grant Thornton, which is included in the World Bank list of approved auditors. In general, it is observed that audit work throughout the project's life has been completed following IFAD's Project Audit Guidelines. The audit report for FY 2014 was conducted using International Standards of Auditing (ISA) and project used IFAD external auditors TORs upon CFS no objection. The 2014 audit report was unqualified. The management letter did not disclose any material issues. The auditor has assessed the IC systems as good i.e. all expected controls available; no significant issues arising; evidence shows control is working; and evidence is retained and documented.

86. Furthermore, the Audit Guidelines of IFAD provide that the appointment of the External Auditor be completed before the end of the reporting period, which is to be audited and that the shortlist for appointment should be cleared by IFAD. The mission recommends that the PMU give priority to the external auditor's appointment.

87. Agreed Next Steps:

Agreed action	Responsibility	Agreed date
Prioritise the hiring of an External Auditor in accordance with IFAD guideline	Chief Accountant/PMU Director	As soon as possible Continuous/As soon as possible but not later than 30 June 2016
Audit report including management letter for 12 months to be submitted to IFAD.	Chief Accountant/PMU Director	
Procurement team should have access to 1C accounting software and maintain the data entries for signed contracts. Data should be then validated by Chief Accountant	Sr. Procurement Specialist/Chief Accountant/PMU Director	As soon as possible
Internal audit function to be created	PMU Director	As soon as possible
To follow the expenditure related to Budget software and include it in the Assets Register.	Chief Accountant	On-Going
Training on FM e-learning courses	Finance Team	March 2016

88. **Procurement.** Overall, the performance of procurement is considered **satisfactory (5)**.

89. **Background.** The PMU implements both LPDP and KLSP, and a Unified Procurement Unit carries out the procurement activities. The PMU prepares annual procurement plans (PP), which are submitted to IFAD approval as an integral part of AWPB. Since the beginning of 2014 and until October 2015, the PMU had been concluded a total of 59 contracts for a total amount of US\$ 5,863,149.00, including 31 contracts for procurement of goods to the amount of USD 4 452 108, 10 contracts for procurement of construction and repair works of USD 390 667 and 18 contracts for services of USD 1 020 37. It is expected that all the remaining contracts will be signed before the end of this year.

## Key outcomes/issues and recommendations

90. There is an adequate procurement capacity. The PMU Senior Procurement Specialist has been working in LPDP since the beginning and has sufficient proficiency in procurement procedures of the WB and IFAD, and he has participated in a number of workshops on procurement. Assistant Procurement Specialist has been working in LPDP since May 2015 and has minor experience in procurement. Also, two PMU KLSP Procurement Consultants are involved in LPDP. The mission has recommended to strengthen the procurement personnel potential capacity and to continue to improve the knowledge in various training courses on procurement.

91. The mission has noted that the procurement personnel are periodically involved in performing functions beyond their Terms of Reference (TOR, Technical Specifications). It was recommended to engage individual experts or to attract the final beneficiaries in development of such documents.

92. **Procurement Plan (PP).** It is noted that the used template (made in Planner) does not fully reflect the process of the implementation of procurement activities, there is no tool to monitor the procurement, the important aspects are missing, and there are some inconsistencies between the PP and the actual data on procurement conducted though all IFAD's no-objections are in place. It is recommended to adjust the PP into conformity with the requirements and to provide for IFAD formal approval as soon as possible. The PP template was discussed in detail with the procurement personnel.

93. **Project Procurement Manual (PPM).** There is a Manual, which describes in detail the procurement procedures to be applied in implementation of LPDP and KLSP. However, it is necessary to make changes and adapt the project activities to the present circumstances, thus it has been agreed that the Senior Procurement Officer is association with the mission would make amendments to the present PPM with a further submission to the IFAD approval.

94. In order to improve the efficiency and assist in the project activities, it is recommended to make additional amendments to the Letter to the Recipient (LTR) in terms of revising procurement thresholds and prior review requirements for subsequent IFAD no objection.

95. It was noted that the project considers the requirements of national legislation in its efforts to procure goods, works and services, namely the Tajikistan Government Resolution №500 dated 02.10.2010. According to the document, State Committee on Investments and State Property Management (SCISPM) participates in the bid opening and evaluation processes and prepare separate documents along with the PMU. At the same time, the results of these steps of procurement carried out by the PMU are not considered as completed or valid without conclusions of the SCISPM. This leads to a delay of procurement activities as the provision of documents from the SCISPM takes an undefined period of time. The mission held a meeting with the SCISPM regarding the joint preparation of documents and creation of a Joint Tender Committee in order to avoid duplication. It was revealed that the implementation of this proposal is not feasible because: according to the national legislation requirements, the language of these documents shall be Tajik; the SCISPM does not participate in the bid evaluation process, instead provides its conclusion on the evaluation conducted by the PMU; accordingly, these documents cannot be signed by the Tender Committee to be created by the SCISPM. Following the meeting a joint decision was taken that the Bid Opening Minutes could be submitted to the IFAD without the expectation of such document from the SCISPM.

## Procurement procedure and contract implementation review results.

96. The mission inspected in detail all the procurements undertaken up to day. It was found that the IFAD Procurement Guidelines requirements have not been respected regarding the publication of a General Procurement Notification (GPN) on the UNDB website before the start of procurement activities. It was recommended to take into account this condition in the future activities of the PMU.

97. When analysing the procurement conducted, it was found that the PMU had some difficulties in attracting a sufficient number of bidders. It is recommended to create a registration database of eligible companies that would help to save time in attracting bidders.

98. The performance of the document filing system is assessed to be satisfactory. The main documents are available and classified accordingly on the shelves. It was given further recommendations on improvement of the record keeping system, including introduction of an electronic database of key procurement documents.

99. *Goods and Works*: The mission reviewed in detail the tender process and related documents for the main part of the conducted tenders. No irregularities were found. There is a practice of drawing up short lists of suppliers prepared on the basis of advertisements of expression of interests for the Shopping method. Further, according to the short list, companies were provided with ITQ. To save the time, it was recommended to publish advertisements in a standard form together with ITQ and registration of the receipt. In order to attract more bidders, the PMU should create a database compiled based on the previous experience or market analysis, other providers could be invited additionally..

100. With reference to the procurement subject to prior review, it was noted that all the evaluation reports have been sent to IFAD approval. In order to save time, it was recommended to follow the procurement plan, i.e. to sending only the documents needed IFAD's prior review.

101. In many cases there were advance payments amounting to 40-60% of the contract amount, while usual practice recommends the ceiling of not exceeding 20%; the maximum amount of penalty was 20% of the contract amount, while the maximum penalty amount shall not exceed 10% of the contract amount. These terms were agreed with IFAD and have a forced nature due to the short agricultural/construction season in the project area.

102. In order to minimize mistakes in submitting the Bid Security Guarantee by the bidders in NCB, LIB, DC, it was recommended to duplicate the validity of this guarantee specifying the date not less than 118 days or specify the last day in the «Bid Data Sheet» of bidding document.

103. **Consulting services**: The mission reviewed in detail the tender process and relevant documents for the main part of conducted tenders. The findings are of the same nature. No violations were found. In particular, it was noted: some procurement formats are distinguished from the commonly used practice. Also, the SSS method was actively used as an exceptional measure related to the limited construction/agricultural season in the project area. The application of procedures, the forms of documents and the possibility of competitive bidding have been discussed.

104. The mission noted that an incomplete RFP version has been used in some selection processes, in particular for some forms of financial proposals. The stages of procurement procedures, the RFP forms, the payment terms of contracts and other issues have been discussed with the project staff.

Agreed action	Responsibility	Agreed date
Improve the skills and knowledge of procurement personnel through various procurement training courses	PMU Director and Procurement Staff	As soon as possible
Adjust the Procurement Plan for 2015 in line with the IFAD requirements and agreed form, and submit to IFAD review (update Planner)	Procurement Staff	As soon as possible
Make amendments to the Project Procurement Manual with further submission to IFAD review	Sr. Procurement Officer	As soon as possible but not later than end of Nov 2015
Make amendments to LTR in terms of procurement and submit to IFAD for no objection	Sr. Procurement Officer	As soon as possible but not later than end Nov 2015
Ensure the publication of General Procurement Notice (GPN) on the UNDB website	Procurement Staff	As soon as possible but not later than end Nov 2015
Create the appropriate companies log database	Sr. Procurement Officer	As soon as possible

## F. Sustainability

105. **Institution building. Satisfactory (5)** The PUUs met by the mission had been established under the project and demonstrated considerable capacity as a result of both training and 'learning-by-doing' with regard to preparation of plans and subprojects, collection of beneficiary contributions, management of the assets provided by the project, including agricultural machinery, and maintaining detailed financial and administrative records. Governance of the PUUs appeared to be transparent and all PUUs keep all relevant documentation concerning the operations and decisions of the PUU, their assets, income and expenditure, and the use of the agricultural machinery in their offices, on display on notice boards provided by the project. Though it is very early in the project, the mission felt that there were all indications that most PUUs can become effective and sustainable institutions, with good governance standards, and capable of sustaining their activities after the end of the project. It will be important to ensure that the mandate of the PUUs remains focused on issues relating to livestock and pasture management, in order to avoid excessive overlap with the role of the VOs.

106. In order to ensure this is the case the following suggestions are provided for coming years and the consolidation phase of the project.

107. **Monitoring PUU sustainability.** The PIM includes very detailed guidelines regarding institutional strengthening, including a scorecard for measuring institutional development of the PUUs. This could be used for regular annual monitoring of the evolution of PUU capacity. Building on lessons learned from the rapid assessment of VO capacity planned under KLSP, the PMU could also identify a number of key indicators of institutional sustainability which can be easily monitored by the PMU in order to identify any PUUs which are struggling and provide additional assistance.

108. **Business Skills.** A key part of the project's strategy for sustainability is the profitability of the activities supported. For this it is critical that sufficient attention be given to building the business skills of the beneficiaries, including the PUU management who are in effect managing a kind of community or social enterprise, with significant potential to expand the range of activities in which they are involved. Capacity building packages for PUU members need to include a large focus on entrepreneurship and business management skills

109. **Conflict resolution mechanisms.** While concerns about stocking rates are currently not an issue they may become an issue in future and it is important that the PUUs have institutional mechanisms to make decisions on allocation of grazing rights within the community when it eventually becomes necessary. It is suggested that the PMU ensure that all PUUs receive adequate training in conflict resolution, and that the regulations by which they operate provide clear guidelines for how to manage different scenarios, drawing on traditional conflict resolution mechanisms and systems for allocating grazing rights in the project area, and best practice from other comparable contexts.

110. **Empowerment.** Satisfactory (5) The project is providing beneficiaries with significantly greater control over their economic relations, natural assets and institutions. The PUUs are a new form of institution in the project area and are wholly owned by their members. Through the training received from the project most PUUs appear to have quickly grasped the main principles of rotational grazing, and once implemented rotational grazing is producing results within months. It is essential that the process of issuing land certificates continues in order for the project to achieve its potential impact on the empowerment of the target communities. There will be losers from this process (namely the dekhan farmers, state agencies and other private interests which currently control this land so the process should be followed closely by the PMU to ensure obstacles are not placed in the way of the PUUs.

111. **Quality of beneficiary participation. Satisfactory (5)** In most target communities, almost all HHs have some livestock and are members of the PUUs in order to graze their livestock with the village herd, access lower cost vet services, or obtain other support such as chicken, small ruminant or seed packages, or access social assistance provided by the PUU. Beneficiary contributions have been mobilised quickly (within a few months in most cases), and all beneficiaries met were happy with the support provided by the project. The PUUs are clear about their priorities for use of community

funds provided by the project and ensuring that the activities are sufficiently demand driven is a key concern of the PMU during field visits. Overall the project is strongly driven by the communities, with the main investments of project funds being entirely driven by the community development plans.

112. It will be important for the PMU to balance the importance of ensuring full uptake of pasture rotation systems, and good governance of PUUs, with the need for beneficiary ownership of these practices, as being good practices, in and of themselves, rather than just compliance requirements in order to access project funds for subprojects.

113. **Responsiveness of service providers. Satisfactory (5)** Services are generally of good quality, and delivered on time and on budget. Service providers' reports are comprehensive, informative and timely. Services provided respond in general terms to the demands of the rural clientele. Most CFs are visiting each community several times a month, participating in PUU monthly meetings, and are available by phone if the PUU has any issues or questions. At the end of 2015 the PMU will end its contract with German Agro Action (GAA) and begin working directly with the local NGO, which GAA had subcontracted to implement most of their work. This will lead to the reduced overheads being financed by the project budget. The staff of national CFs are local, know the area and have been performing relatively well, even if they were somewhat under-resourced. On average, the capacity of the CFs is sufficient but they need the support of project staff on some issues and do not always fully get message across to communities, so it is important that the PMU undertake regular field visits with the CFs during the early stages of mobilisation of new communities to clarify any confusion regarding the main objective of the project.

114. **Exit strategy (readiness and quality). Satisfactory (5)** The project exit strategy is clearly outlined in the PIM and is based around the profitability and effectiveness of the PUUs and other project activities, and on the policy, regulatory and institutional arrangements required for sustainability post-project. The project is still in early implementation, but as discussed above prospects for sustainability are strong. A key element of the project's exit strategy should be establishing an umbrella organisation for PUUs at district level or higher in order to support them post-project, including with legal advice, accounting support, and GIS/mapping support, and perhaps also marketing advice. This will need to be financed by the PUUs themselves and will take time to reach sustainability so work should start soon.

115. **Scaling up and replication. Satisfactory (5)** The project has significant potential for scaling up, but no specific scaling-up strategy. In Tajikistan financial resources at Government and community levels are extremely limited, and donor resources for rural areas are also limited. The key to scaling up will be developing models which require limited upfront investment but which deliver big gains.

116. On this basis, the practise of rotational grazing has extremely high scaling up potential. There is no cost except a short training and awareness raising exercise, and development of a rotational grazing plan, and the benefits become clear within one grazing season. Benefits are possible without any other change, simply planning a rotational grazing system but are greatest when combined with establishment of PUUs, securing access to land, and improving winter fodder availability. The evidence of this scaling-up potential is the fact that some PUUs who have not even had proper training, but have only had the idea explained to them by the CF, immediately saw the potential of the idea and began implementing it themselves and getting good results. Spontaneous adoption by neighbouring communities is likely to be an important pathway for scaling-up, with poverty, overgrazing, and the visible benefits accruing to communities who are implementing rotational grazing as key drivers. It is recommended that the project include in the exchange visits programme also non-participating communities for a greater outreach.

117. At present the project's approach to improving access to winter fodder, namely through subsidised supply of agricultural machinery to improve fodder crop production in target communities is not scalable. Primarily because of the large capital costs. However an alternative, lower cost, and therefore more scalable model is available – namely agricultural leasing. The PMU should investigate options for the project to support PUUs to lease additional agricultural machinery. It would be possible for the PUU to pay ongoing costs of leasing using the profits from the tractor services, and funds

could be redirected to other priorities such as water and infrastructure which do not generate profits and are not possible to finance in other ways. Availability of the option to lease machinery would dramatically reduce the sinking funds need by the PUUs, and enable the project to achieve overall greater impact.

Agreed action	Responsibility	Agreed date
Identify a set of indicators for PUU institutional development to monitor on a regular basis in order to identify issues needing attention.	Project Coordinator/ District Officers	End Jan 2016
Put stronger attention on the requirement for PUUs to establish a reserve fund for repairs and replacement of machinery and other assets.	Project Coordinator/ District Officers	Immediately
Increase focus on PUU business skills and provide training leading to the preparation of clear PUU business plans, not just development priorities.	Project Coordinator/ District Officers	End Jan 2016
Ensure that all PUUs receive adequate training in conflict resolution	District Officers/CFs	End Feb 2016
Consider encouraging PUUs to include a progressive element in setting user fees	Project Coordinator/ District Officers/CFs	End Feb 2016
Produce guidelines for the PUUs themselves in how they could most effectively use their funds to reduce poverty in their own villages.	Project Coordinator/ District Officers/CFs	End March 2016
Explore opportunities to establish pilot agro-leasing subprojects	Project Coordinator	End Feb 2016

## G. Other

118. **Impact.** After just 1 year of full scale implementation, the project appears to be generating a wide range of improvements in income, nutrition and food security, quality of life, and control over physical and natural assets. Key benefits highlighted by the beneficiaries themselves to the mission were: (i) better management of their resources; (ii) improved animal health and productivity; and (iii) improved coordination and collaboration in solving the problems of the community

119. In communities which had received land certificates total savings reported varied from around US\$1.25 to US\$1.50 per hectare (typically totalling US\$500-750 for communities with about 500ha of pasture land). The only cost they now have is the 5-8JTS per hectare land tax payable to the Government.. Agricultural machinery has also reduced the cost of tractor services from 100sn/ha plus 40 litres of fuel and 1 litre of oil to 70-80TJS/ha plus 30 litres of fuel and 1l of oil. Assuming fuel at US\$1/litre, and oil at US\$5/l the total cost per hectare for plough services was previously US\$60 hectare and is now US\$47 per hectare, a drop of around 20%.

120. Ex-ante financial analysis of income generating activities suggested that all would be profitable. Seed packages distributed to HHs with less than 0.25ha of land have also had a considerable impact after just one harvest. The 25-30kg of barley seed provided by the project (together with fertiliser) produced 350-450kg of grain and 1mt of straw. Where sufficient water is available, the project impact on nutrition could be increased by including vegetable seeds in the seed packages. At present households reported producing only cereals and livestock and purchasing most vegetables from the market, though many also have small kitchen gardens.

121. **Climate change impact.** As was mentioned previously, the central pillar of the project – improved pasture management – is expected to make a major contribution to addressing issues of land degradation in the project area, reducing soil erosion, improving biodiversity, and strengthening resilience to drought. In addition veterinary clinics being constructed by the project will be equipped with solar panels to ensure a reliable supply of electricity to refrigerators for vaccines and medicine. It is expected that these measures would lead to the increased climate change adaptation.

122. **Capturing outcomes and impact in reporting.** For now these results remain anecdotal and in many cases the PUUs have not yet started keeping detailed production records. Though a baseline

has been established, it is important that improved record keeping be introduced as soon as possible. This will be beneficial not just for measuring project impact, but it is also a good practice for beneficiaries. The PMU will need to push CFs to start documenting and reporting outcomes and impact, through their routine monitoring, on issues like improvement in yields, incomes, quality of life and institutional sustainability. **(Physical and financial assets & food security, 5; natural asset management and climate resilience, 5).**

Agreed action	Responsibility	Agreed date
Establish improved record keeping practices in PUUs in order to monitor outcomes and impacts of project activities on an ongoing basis	M&E Consultant	End March 2016

## H. Conclusion

123. The Livestock and Pasture Development Project is the second IFAD-financed project in Tajikistan. LPDP became effective on 5 August 2011, and is scheduled for completion in September 2017

124. The project is successfully implementing its activities with all aspects assessed as satisfactory. Despite the short period of effective implementation, the project is already generating an increase in the physical and financial assets of rural poor women and men, boosting their food security and increasing climate resilience. The mission is confident that LPDP will exceed the targets set for the project. However, it is very important that project management keep up momentum and pay greater attention to M&E and to keeping record of good practices and lessons learned.

125. To this end, the following activities should be carried out within the next three months: (i) Submission of a formal request to IFAD for reallocation of grant funds; conclude the recruitment of an External Auditor in accordance with IFAD guidelines; (iii) submission of an amended Pasture Law; (iv) preparation of M&E Guidelines for the project, including a community M&E handbook; and (v) preparation of a more complete learning strategy including exchange visits, networking, workshops, training sessions, and establishment of mentoring relationships between PUUs, CIGs and women's groups.

126. IFAD and the PMU endorsed the findings of the supervision mission.

## Appendix 1: Summary of project status and ratings

### Basic Facts

Country	Tajikistan			Project ID	1575	Loan/DSF Grant No.	8083
Project	Livestock and Pasture Development Project					Top-up Loan/DSF Grant	
Date of Update	07-Nov-2015						
Supervising Inst.	IFAD/IFAD						
No. of Supervisions	2	No. of Implementation Support/Follow-up missions	3				
Last Supervision	03-Nov-2015	Last Implementation Support/Follow-up mission	25-Aug-2015				

USD million Disb. rate %

Approval	11-May-2011			Total financing	14.23	
Agreement	21-Jul-2011	Effectiveness lag	2.9	IFAD Total	13.05	
Entry into force	05-Aug-2011	PAR value	Not at risk	IFAD loan		
First disbursement	11-Mar-2013			DSF grant	13.05	42
MTR	03-11-2015	Last amendment		IFAD grant		
Original completion	30-Sep-2017	Last audit	28-Apr-2015	Domestic Total	1.18	
Current completion	30-Sep-2017			Beneficiaries	0.78	19
Original closing	31-Mar-2018			Government (National)	0.41	92
Current closing	31-Mar-2018			External Cofinancing Total		
No. of extensions	0					

### Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	5	5	1. Quality of project management	5	5
2. Acceptable disbursement rate	3	3	2. Performance of M&E	5	5
3. Counterpart funds	5	5	3. Coherence between AWPB & implementation	4	5
4. Compliance with financing covenants	5	5	4. Gender focus	5	5
5. Compliance with procurement	4	5	5. Poverty focus	5	5
6. Quality and timeliness of audits	5	5	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	5	5
			8. Climate and environment focus	4	5

B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Institutional Development	5	5	1. Institution building (organizations, etc.)	5	5
2. Livestock and Pasture Development	5	5	2. Empowerment	5	5
3. Income Generation for Women	4	5	3. Quality of beneficiary participation	5	5
			4. Responsiveness of service providers	5	5
			5. Exit strategy (readiness and quality)	4	5
			6. Potential for scaling up and replication	5	5

### B.5 Justification of ratings

The project is progressing very well and it has managed to undertake all the planned activities up to day. The project was largely in line with the 2014 Annual Workplan and Budget (AWPB), i.e. 88% of the planned target, and the execution rate for ten months of this year is almost 75% against the 2015 AWPB. In view of the good progress in implementation of CLPMPs and reported visible outcomes on the ground the project's overall performance is rated as satisfactory.

Majority PUUs are demonstrating considerable capacity as a result of both training and 'learning-by-doing' with regard to preparation of plans and subprojects, collection of beneficiary contributions, management of the assets provided by the project, including agricultural machinery, and maintaining detailed financial and administrative records. Governance of the PUUs appeared to be transparent and all PUUs keep all relevant documentation concerning the operations and decisions of the PUU, their assets, income and expenditure, and the use of the agricultural machinery in their offices, on display on notice boards provided by the project. Though it is very early in the project, the mission felt that there were all indications that most PUUs can become effective and sustainable institutions, with good governance standards, and capable of sustaining their activities after the end of the project.

## Overall Assessment and Risk Profile

	Last	Current
C.1 Physical/financial assets	5	5
C.2 Food security	5	5
C.3 Quality of natural asset improvement and climate resilience	4	5
C.4 Overall <b>implementation progress</b> (Sections B1 and B2)	5	5

### Rationale for implementation progress rating

After just 1 year of full scale implementation, the project appears to be generating a wide range of improvements in income, nutrition and food security, quality of life, and control over physical and natural assets. Key benefits highlighted by the beneficiaries themselves to the mission were: (i) better management of their resources; (ii) improved animal health and productivity; and (iii) improved coordination and collaboration in solving the problems of the community. In PUUs, which have been implementing rotational grazing for less than 12 months, the mission heard reports of increases in milk production from 4-5l/day to 6-8l/day, as well as increases in fat content of milk. Estimated weight gain for sheep is on average around 3-4kg above normal, while for cattle approximately 10kg. In other words, despite the short period of effective implementation, the project is already generating an increase in the physical and financial assets owned by rural poor women and men, boosting their food security and increasing climate resilience.

C.5 Likelihood of achieving the development objectives (section B3 and B4)	5	5
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### Rationale for development objectives rating

The mission is confident that LPDP would be exceeding the targets set for the project thus meeting its development objectives

### C.6 **Risks** Short description of major risks for each section and their impact on achievement of development objectives and sustainability

Fiduciary aspects	No major risks
Project implementation progress	No major risks
Outputs and outcomes	No major risks.
Sustainability	No major risks.

## Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
	Formal request from the MOF to IFAD on reallocation of Grant categories	ASAP	
	Submit Mid-term review survey; finalize the MIS, M&E information collection database tables, collection forms and collection protocols	End Nov 2015	
	Make amendments to LTR in terms of procurement and submit to IFAD for no objection	End Nov 2015	

## Appendix 2: Updated logical framework: Progress against objectives, outcomes and outputs

NARRATIVE SUMMARY	SURVEY.	OBJECTIVELY VERIFIABLE INDICATORS	RIMS CORE	BASELINE VALUES	TARGET VALUES	MONITORING MECHANISM AND INFORMATION SOURCES	ASSUMPTIONS/RISKS
<b>A. PROJECT GOAL</b>  Poverty levels are reduced in the districts of Khatlon Region targeted by LPDP <sup>8</sup>	H	<b>G.1</b> 75% of targeted HHs with <u>household asset ownership index</u> improved by 20%;	RIMS Third level	0	75%;20%	<b>Frequency:</b> Information collected at (i) start, (ii) mid-term and (iii) end of project.  <b>Sources:</b> - Baseline, - Mid-Term and Impact Survey.	Political stability Appropriate Community Facilitators and Technical Assistance are available Government pursues endeavor in poverty reduction
	H	<b>G.2</b> 75% of targeted HHs' wealth ranking improved by 20% or more		0	75%;20%		
	H N	<b>G. 3</b> 20% increase of average targeted HH incomes (compared to baseline values) – disaggregated by district and gender of household head.		7423 somoni	8908 somoni		
<b>B. PROJECT PURPOSE</b>  The nutritional status and Income of the targeted 22 400 poor households (HHs) from the five targeted districts of Baljuvon, Khovaling, Muminobad, Shurobad and Temurmaliik is increased.	H N	<b>P.1</b> Prevalence of <u>child malnutrition</u> reduced by 20% in 80% targeted HHs (gender <sup>9</sup> disaggregated): - height-for-age ( <i>stunting</i> ) - weight-for-height ( <i>wasting</i> ) - weight-for-age ( <i>underweight</i> )	RIMS Third level	40% 21% 31%	20%;80%;  32% 17% 25%	<b>Frequency:</b> Information collected at (i) start, (ii) mid-term and (iii) end of project.  <b>Sources:</b> - Baseline, - Mid-Term and Impact Survey.	Favorable government policies Prices are relatively stable
	H	<b>P.2</b> 75% of targeted HHs reporting incomes from livestock increased by 20% <sup>10</sup>		0	75%;20%		
	M	<b>P.3</b> 75% of targeted beneficiaries having positive perception <sup>11</sup> about LPDP interventions		0	75%		
	M	<b>P.4</b> Nb. of HHs benefitting of project's activities	RIMS	0	22,400		

<sup>8</sup> In Khatlon Region, 78% of people are estimated to live below the poverty line (US\$2).

<sup>9</sup> All targets and actual values for 'people-related indicators are to be set and measured disaggregated by gender.

<sup>10</sup> **NB:** cumulative national inflation at an estimated annual rate comprised between 6% and 9% per year (IMF forecast to be verified) corresponds to about 54% for the six years of the project and 33% for four years). In targeted rural areas the effects of inflation may be lower hence the target of +40% increase (or more) of nominal income looks a safe target (probably conservative).

<sup>11</sup> Perception questionnaires will need to be developed for the mid-term and end of project survey.

NARRATIVE SUMMARY	SURVEY.	OBJECTIVELY VERIFIABLE INDICATORS	RIMS CORE	BASELINE VALUES	TARGET VALUES	MONITORING MECHANISM AND INFORMATION SOURCES	ASSUMPTIONS/RISKS
<b>C. Outcomes and Outputs</b>		<b>COMPONENT 1: INSTITUTIONAL DEVELOPMENT</b>					
<b>OUTCOME:</b> Targeted Public sector organisations <sup>12</sup> (disaggregated by type, eg: PUUs, MoA, Local Government, Jamoats...) are more effective and efficient at pro-poor development	S	C.1.1 Satisfactory levels of governance <sup>13</sup> for 80% of PUUs facilitated by the project		0	80%	<b>Frequency:</b> Six-monthly reporting  <b>Sources:</b> - Progress Reports - Annual Reports - M&E Reports - VO, CF and TA Reports - Specific Public Records (e.g. of Parliamentary Proceedings)	Favourable government policies Community interest
	S	C.1.2 Managerial capacity <sup>14</sup> of targeted public organizations (disaggregated by type <sup>15</sup> ) is increased.		0	70%		
	R	C.1.3 Effectiveness: Promotion of pro-poor policies and institutions (project support to pro-poor policy and legislation with regard to sustainable pasture management.)	2.6.1 RIMS	Rating:3	Rating:5		
		C.1.4 Likelihood of sustainability of the NRM groups formed and/or strengthened	2.1.4 RIMS	Rating 3	Rating 5		
<b>OUTPUTS:</b> 1.1 200 village level Pasture User Union (PUUs) established and functional	R	1.1.a 200 NRM (National Recourse Management) groups formed (PUUs established on the village level);	1.6.4 RIMS	0	200	<b>Frequency:</b> quarterly  <b>Sources:</b> - PUUs' logbooks; - Progress Reports - Annual Reports - M&E Reports - CF and TA Reports - RIMS survey	Favourable government policies Community interest
		1.1. b. People NRM groups formed/ strengthened (members of Board).					
		1.1.c 30% of women in 80% PUU Board	1.1.11 RIMS	0	1600		
		1.1.d Crop/ livestock production groups formed (CIG);					
		1.1.e Crop/ livestock production groups with women in leadership positions (WIGG)	1.2.8 RIMS	0	30%; 80%		
		1.1.f People in crop/ livestock production groups formed/ strengthened.	1.2.10 RIMS	0	150		
					110		

<sup>12</sup> Public sector organizations are defined in the PIM in section 136 as...

<sup>13</sup> Governance levels of PUUs will be assessed through a specific study. Governance will be measured through levels of (i) democratic accountability (*qualitative*: if elections of board or head have been democratic), (ii) transparency of financial management (if members are informed of revenues and expenditures of PUUs); (iii) gender equitability (eg: presence of women's *sub-set organizations* / women's groups within the VO). Source of information will be an annual survey, conducted by CF, and mid-term / end of project HHs survey.

<sup>14</sup> Managerial capacity needs to be defined. Such level will be assessed when the project starts the interactions with the targeted organizations. Once the parameters of managerial capacities are defined, the M&E Officer will develop a list of aspects (similarly to what done for Governance levels), with help from the company developing the MIS.

<sup>15</sup> MoA, Pasture Management Trust, Locust Control Unit, SVIS, Hukumats, Jamoats, VOs, PUUs.

NARRATIVE SUMMARY	SURVEY.	OBJECTIVELY VERIFIABLE INDICATORS	RIMS CORE	BASELINE VALUES	TARGET VALUES	MONITORING MECHANISM AND INFORMATION SOURCES	ASSUMPTIONS/RISKS
			1.2.9 RIMS		3700		
1.2 National Forum on LPDP pro-poor development	R	1.2 Nb of National Forum held		0	1		
1.3 Regional workshops on LPDP pro-poor development	R	1.3 Regional w/shops held		0	1		
1.4 LPDP contributions to improved pasture management including policy dialogue, legal support	R	1.4 Policy published, related legislation proposed/passed		0	1		
<b>C. Outcomes and Outputs</b>		<b>COMPONENT 2: LIVESTOCK AND PASTURE DEVELOPMENT</b>					
<b>OUTCOME:</b> Livestock production and productivity increased to the benefit of the assets and incomes of at least 22 400 poor and extremely poor rural households.	H	<b>Livestock productivity data:</b> <b>C.2.1a</b> Litres of milk produced per cattle / day				<b>Frequency:</b> Annual reporting  <b>Sources:</b> - Progress Reports - Annual Reports - M&E Reports - RIMS survey - CF/TA reports - <u>Sales data source:</u> Governance Statistic Committee – 24 agriculture form (should be provided by Muso Kholov) - <u>Treatment records:</u> Tajik Veterinarian Association	Communities willing to participate in the project activities; Govt support is favourable
	H	<b>C.2.1b</b> Live weight before slaughter/Kg:		2.9 l/d	3.4 l/d		
	H	cattle		238	285		
	H	sheep		28	33		
	H	goat		19	23		
		2-year-old sheep weight is equal or above expected average (of xx kg)for 70% of HHs benefitting of sheep breeding trials		0	70%		
		<b>Crop productivity data:</b> <b>C.2.1c</b> Tons of fodder (alfalfa) produced / ha / year on demonstration plots		3.5 t/ha (traditional)	4.2 т/ha (demonstration)		
	H	<b>Pasture carrying capacity data:</b> <b>C.2.1c</b> Carrying capacity of pastures (avg livestock units on /ha + absolute)		2	3		
		<b>C.2.3</b> % of small farmers reporting increased head of cattle (herd size)	2.2.2		30%		
				0			
	H	<b>Livestock sales data</b> <b>C.2.2a</b> Litres of milk sold per cattle / year		270	320		
	H	<b>C.2.2b</b> Kg. of HHs processed dairy product sold / year					
		Yougurt					
		Chakka		0	12		
		Kurut		0	8		
		Butter		0	5		

NARRATIVE SUMMARY	SURVEY.	OBJECTIVELY VERIFIABLE INDICATORS	RIMS CORE	BASELINE VALUES	TARGET VALUES	MONITORING MECHANISM AND INFORMATION SOURCES	ASSUMPTIONS/RISKS
				0	6		
	S	C.2.4 75% of PUUs collecting regularly membership fees for O&M of the CLPDP		0	75%		
	V	C.2.5 Number of services provided disagg. by: (i) vaccinations of cattle; (ii) vaccinations of small ruminants; (iii) treatments; (iv) insemination of small ruminants		0 0 0	75000 160000 2400 7000		
<b>OUTPUTS:</b> 2.1 At least 4000 beneficiary HH trained in improved livestock husbandry practices (by CF)	R	2.1a. Nb. of HHs trained in livestock production practices 2.2.b Nb. of trainings	1.2.3	0	4000 220	<b>Frequency:</b> quarterly  <b>Sources:</b> - CF/TA Reports - Progress Reports - Veterinarians logbooks (as sources for output 2.5) - Annual Reports - Case studies	Communities willing to participate in the project activities; Govt support is favourable
2.2 2700 beneficiary HHs engaged in participatory fodder promotion and production demonstrations	R	2.2.a Nb. of HHs engaged in fodder production process 2.2.b Incremental area under fodder production (ha)	1.2.2	0 0	2700 770		
2.3 20 groups (220 HHs) engaged in improved sheep breeding trials	R S	2.3 20 groups (220 HHs) receiving 4 rams and engaged in improved sheep breeding trials		0 0 0	20 groups 220HH 80 rams		
2.4 24 new veterinary clinics built and equipped	R	2.4 Nb. of New / existing Animal health clinics built / rehabilitated and equipped		0	24		
2.5 Private sector veterinarians' capacities are strengthened to serve the population	R	2.5 Nb. Veterinarians trained		0	48		
2.6 Business Development Services (BDS) provided including plans, legal advice, and linkage with finance and markets	R	2.6 BDS provided to 40 enterprises		0	40		
2.7 200 Community Livestock and Pasture Development Plans (CLPDP) implemented	R	2.7.a Productive infrastructure constructed/rehabilitated (access roads, bridges, livestock watering points for summer pastures) 2.7.b Number of "land use right agreements" ( <b>certificates/ lease agreements</b> ) signed by PUUs	1.1.15	0 0	130 200/200		
2.8 108,500 ha of pasture rehabilitated (on average 540	R	2.8 Number of Ha of land under improved management <sup>16</sup> practices disaggregated by type.	1.1.14	0	108,500		

<sup>16</sup> Improved management practices should be identified and listed

NARRATIVE SUMMARY	SURVEY.	OBJECTIVELY VERIFIABLE INDICATORS	RIMS CORE	BASELINE VALUES	TARGET VALUES	MONITORING MECHANISM AND INFORMATION SOURCES	ASSUMPTIONS/RISKS
ha/village)							
<b>C. Outcomes and Outputs</b>		<b>COMPONENT 3: INCOME GENERATION FOR WOMEN</b>					
<b>OUTCOME:</b> Poor and extremely poor women's assets and incomes increased through provision of Income Generating Activities (IGA) skills and materials including livestock	<b>S</b>	<b>C.3.1</b> 70% of women engaged in IGA report having their income increased by 20% or more		0	70%; 20%	<b>Frequency:</b> Annual reporting  <b>Sources:</b> - Progress Reports - Annual Reports - M&E Reports - CF and TA Reports - RIMS surveys - Feedback from beneficiaries	Prices motivate producers
	<b>S</b>	<b>C.3.2</b> 70% targeted women having positive perceptions <sup>17</sup> about the project interventions  <b>C.3.3</b> Likelihood of sustainability of crop/livestock production groups formed/strengthened	2.2.3	n/a	70%  Rating: 5		
<b>OUTPUTS:</b> 3.1 Training on IGA packages provided to 685 women	<b>R</b>	<b>3.1.a</b> Number of IGA training provided to women participants		0	65	<b>Frequency:</b> quarterly  <b>Sources:</b> - Progress Reports - Annual Reports	CF/TA and private sector have credibility with the communities.
	<b>R</b>	<b>3.1.b.</b> People trained in income generating activities (women trained, disaggregated by package)	1.5.1	0	685		
3.2 110 Women Income Generating Groups (WIGGs) provided with IGA packages	<b>R</b>	<b>3.2</b> Number of WIGG received IGA packages		0	110		

<sup>17</sup> Perception questionnaires will need to be developed for the mid-term and end of project survey.



### Appendix 3: Summary of key actions to be taken within agreed timeframes

Action Area	Action Agreed	Whom	Date	Progress
Project Implementation	Finalize the MIS, M&E information collection database tables, collection forms and collection protocols	M&E Consultant	End Nov 2015	
	Prepare M&E Guidelines for the project, including Community M&E Handbook	M&E Consultant	End Feb 2016	
	Animal head and weight inventory by all participating PUU	M&E Consultant/ District Officers	End Dec 2015	
Outputs	Submit Mid-term review survey	PMU Director	End Nov 2015	
	Provision of documentary evidences from PUU on fulfilment of their obligations for release of second tranche (for implementation of second priority subprojects), specifically: 1) Land certificate; 2) Protocol confirming application of rotational grazing; 3) implementation of Animal Health Plan; 4) collection of pasture use fee; 5) collection of beneficiary contribution; and 6) regular PUU meetings	Project Coordinator/ District Officers	End Dec 2015	
	Formal request from the MOF to IFAD on reallocation of Grant categories	MOF/PMU Director	ASAP	
Sustainability	Identify a set of indicators for PUU institutional development to monitor on a regular basis in order to identify issues needing attention.	Project Coordinator/ District Officers	End Jan 2016	
	Put stronger attention on the requirement for PUUs to establish a reserve fund for repairs and replacement of machinery and other assets.	Project Coordinator/ District Officers	Immediately	
Fiduciary Aspects	Prioritise the hiring of an External Auditor in accordance with IFAD guideline	Chief Accountant/ PMU Director	ASAP	
	Ensure the publication of General Procurement Notice (GPN) on the UNDB website	Procurement Staff	End Nov 2015	
	Make amendments to LTR in terms of procurement and submit to IFAD for no objection	Sr. Procurement Specialist	End Nov 2015	
Other				



## Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

RIMS report, year 2014	Annual				Cumulative			Sum of actuals of previous years
	Unit	Plan	Actual	% of annual	Appraisal	Actual	% of appraisal	
Total outreach								
People receiving Project services	Total	8 230	7 285	89%	180 777	7 382	4%	97
People receiving Project services	Male	4 378	4 755	109%	88 581	4 834	5%	79
People receiving Project services	Female	3 853	2 530	66%	92 196	2 548	3%	18
Component 1 Institutional Development								
People receiving Project services	Total	15 615	4 695	30%	155 255	4 792	3%	97
People receiving Project services	Male	7 855	3 520	45%	79 746	3 599	5%	79
People receiving Project services	Female	7 760	1 175	15%	75 509	1 193	2%	18
Component 1.1 Development of Community Organisations								
People receiving Project services	Total	100	-	0%	7 512	-	0%	-
People receiving Project services	Male	85	-	0%	5 635	-	0%	-
People receiving Project services	Female	15	-	0%	1 877	-	0%	-
*Government officials and staff trained	#	2	2	100%	8	3	38%	1
*Government officials and staff trained	Male	-	-	0%	10	-	0%	-
*Government officials and staff trained	Female	-	-	0%	2	-	0%	-
*People trained in community management topics (pasture mgt)	#	3	4	133%	525	4	1%	-
*People trained in community management topics (pasture mgt)	Male	85	-	0%	5 625	-	0%	-
*People trained in community management topics (pasture mgt)	Female	15	-	0%	1 875	-	0%	-
Component 1.2 Institutional Strengthening								
People receiving Project services	Total	15 515	4 695	30%	147 743	4 792	3%	97
People receiving Project services	Male	7 770	3 520	45%	74 111	3 599	5%	79
People receiving Project services	Female	7 745	1 175	15%	73 632	1 193	2%	18
*Village/community plans formulated	#	230	216	94%	200	216	108%	-
*Village/community plans formulated	HH	2 100	-	0%	22 400	-	0%	-
*Village/community plans formulated	Female	550	-	0%	-	-	0%	-
*Government officials and staff trained	#	4	4	100%	20	7	35%	3
*Government officials and staff trained	Male	25	-	0%	111	79	71%	79
*Government officials and staff trained	Female	5	-	0%	32	18	56%	18
*Community workers and volunteers trained	#	330	245	74%	200	245	123%	-
*Community workers and volunteers trained	Male	920	-	0%	1 200	-	0%	-
*Community workers and volunteers trained	Female	185	-	0%	800	-	0%	-
Component 2 Livestock and Pasture Development								
People receiving Project services	Total	1 300	1 625	125%	210 198	1 625	1%	-
People receiving Project services	Male	650	813	125%	106 463	813	1%	-
People receiving Project services	Female	650	813	125%	103 735	813	1%	-
Component 2.1 Strengthening Private Sector Services								
People receiving Project services	Total	1 300	1 625	125%	20 298	1 625	8%	-
People receiving Project services	Male	650	813	125%	10 713	813	8%	-
People receiving Project services	Female	650	813	125%	9 585	813	8%	-
*People trained in crop production and technologies (incl. demo's)	#	200	250	125%	-	250	0%	-
*People trained in crop production and technologies (incl. demo's)	HH	200	250	125%	2 700	250	9%	-
*People trained in crop production and technologies (incl. demo's)	Male	-	-	0%	1 890	-	0%	-
*People trained in crop production and technologies (incl. demo's)	Female	-	-	0%	810	-	0%	-
*People trained in crop production and technologies (incl. demo's)	ha	80	87	109%	-	87	0%	-
*Staff of service providers trained (vet)	#	8	2	25%	2	2	100%	-
*Staff of service providers trained (vet)	Male	-	-	0%	48	-	0%	-
Component 2.2 Improved Pasture Management								
People receiving Project services	Total	-	-	0%	189 900	-	0%	-
People receiving Project services	Male	-	-	0%	95 750	-	0%	-
People receiving Project services	Female	-	-	0%	94 150	-	0%	-
*Livestock water points constructed/rehabilitated	#	-	-	0%	30	-	0%	-
*Livestock water points constructed/rehabilitated	HH	-	-	0%	1 200	-	0%	-
*Land under improved management practices (improved pastures)	#	80	87	109%	-	87	0%	-
*Land under improved management practices (improved pastures)	HH	-	-	0%	22 400	-	0%	-
*Land under improved management practices (improved pastures)	ha	87	87	100%	108 500	87	0%	-
*People trained in livestock production and technologies	#	-	252	0%	220	252	115%	-
*People trained in livestock production and technologies	Male	-	3 520	0%	2 800	3 520	126%	-
*People trained in livestock production and technologies	Female	-	995	0%	1 200	995	83%	-
*Roads constructed (access to pastures)	HH	-	-	0%	5 000	-	0%	-
*Roads constructed (access to pastures)	km	-	-	0%	25	-	0%	-
*Community groups formed/strengthened (pastures mgt)	#	12	12	100%	200	12	6%	-

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Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

<b>Component 3 Income Generation for Women</b>								
People receiving Project services	Total	965	965	100%	8 981	965	11%	-
People receiving Project services	Male	423	423	100%	3 978	423	11%	-
People receiving Project services	Female	543	543	100%	5 003	543	11%	-
<b>Component 3.2 Training</b>								
People receiving Project services	Total	-	-	0%	685	-	0%	-
People receiving Project services	Male	-	-	0%	-	-	0%	-
People receiving Project services	Female	-	-	0%	685	-	0%	-
*People trained in income generating activities (IGAs)	#	180	180	100%	65	180	277%	-
*People trained in income generating activities (IGAs)	Female	180	180	100%	685	180	26%	-
<b>Component 3.3 Income Generating Activities</b>								
People receiving Project services	Total	965	965	100%	8 296	965	12%	-
People receiving Project services	Male	423	423	100%	3 978	423	11%	-
People receiving Project services	Female	543	543	100%	4 318	543	13%	-
*Households receiving animals from restocking/redistribution (poultry)	#	-	-	0%	251	-	0%	-
*Households receiving animals from restocking/redistribution (poultry)	HH	-	-	0%	251	-	0%	-
*Households receiving animals from restocking/redistribution (beekeeping)	#	-	-	0%	13	-	0%	-
*Households receiving animals from restocking/redistribution (beekeeping)	HH	-	-	0%	13	-	0%	-
*Households receiving animals from restocking/redistribution (small ruminant)	#	240	240	100%	450	240	53%	-
*Households receiving animals from restocking/redistribution (small ruminant)	HH	240	240	100%	450	240	53%	-
*Households receiving animals from restocking/redistribution (small ruminant)	Female	120	120	100%	-	120	0%	-
*People trained in post-production, processing and marketing (milk and wool processing)	#	-	-	0%	10	-	0%	-
*People trained in post-production, processing and marketing (milk and wool processing)	HH	-	-	0%	170	-	0%	-
*Processing, marketing or storage facilities constructed/rehabilitated (equipment and packages received)	#	-	-	0%	25	-	0%	-
*Processing, marketing or storage facilities constructed/rehabilitated (equipment and packages received)	HH	-	-	0%	170	-	0%	-
*Processing, marketing or storage facilities constructed/rehabilitated (equipment and packages received)	Female	-	-	0%	170	-	0%	-
*Marketing groups formed/strengthened	#	-	-	0%	25	-	0%	-
*Marketing groups formed/strengthened	HH	-	-	0%	170	-	0%	-
*Marketing groups formed/strengthened	Female	-	-	0%	170	-	0%	-

## Appendix 5: Financial: Actual financial performance by financier; by component and disbursements by category

**Table 5A: Financial performance by financier**

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	NA	NA	NA
IFAD grant	13055,00	5379,78	41,21
Co-financier	N/A	N/A	N/A
Government	406,00	373,82	92,07
Beneficiaries	775,00	146,9	18,95
Total	14236,00	5900,50	41,45

**Table 5B: Financial performance by financier by component (USD '000)**

Component	IFAD grant				Government			Beneficiaries			Total		
	Appraisal	FA*	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	MTR revised	Actual	%
1(a)	1157,00	650,00	450,13	69	-	-	-	-	-	-	650,00	450,13	69
1(b)	588,00	150,00	127,91	85	19,00	35,73	188	-	-	-	169,00	163,64	97
2(a)	854,00	900,00	602,04	67	227,00	246,52	109	82,00	39,71	48	1 209,00	677,48	56
2(b)	12100,00	9500,00	2638,63	28	13,00	32,83	253	585,00	95,42	16	10 098,00	2 980,57	30
3	1138,00	740,00	575,49	78	-	-	-	108,00	11,77	11	848,00	620,09	73
4	2163,00	1115,00	985,58	88	147,00	58,74	40	-	-	-	1 262,00	1 044,32	83

\* As revised during MTR to make the numbers in line with the Financing Agreement (to be further refined)

**Table 5C: IFAD loan disbursements (SDR, as at 31 October 2015)**

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Civil Works	130000	NA	87 327		42 673	67
II	Equipment and Goods and Vehicles	320 000	NA	319 981		19	100
III	Training, Workshops, Technical Assistance and Studies	1590000	NA	872 108		717 892	55
IV	Pasture Improvement Grants	5605000	NA	1282743		4 322 257	23
V	Income Generating Activity (IGA) Grants	635 000	NA	132127		502 873	21
VI	Pasture Reserve Fund	130 000	NA	124933		5 067	96
VII	Operating Expenses	510000	NA	312967		197 033	61
	Unallocated	380 000		0		380 000	0
	Initial deposit			791 275		-791 275	
	Total	9300000		3 923 460		5 376 540	42

## Appendix 6: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section B.2</b>	Opening of the Designated Account	Opening prior to Effectiveness	Complied with	Special Account with Tajprombank Zao
<b>Section B.3</b>	Opening of the Project Account	Grant Covenant	Complied with	Special Account with Tajprombank Zao
<b>Section E.2.a</b>	The PMU has been set up and the Project Director appointed.	Disbursement condition	Complied with	
<b>Section E.2.b</b>	AWPB approved by IFAD for first 18 months	Disbursement condition	Complied with	
<b>Section 4.08</b>	Eligible Expenditures	IFAD financing proceeds to be used exclusively to finance Eligible Expenditures	Complied with	
<b>Section 7.01</b>	Annual Work Plans and Budgets and Procurement Plans to be submitted to Fund	No later than 60 days before beginning of each Fiscal Year	Complied with	
<b>Section B.8</b>	Availability of Grant Proceeds and Counterpart Funds	Continuous	Complied with	
<b>Section 7.05</b>	Procurement of goods, civil works and services in accordance with Schedule 4	Continuous	Complied with	
<b>Section 8.02</b>	Monitoring, establishment of information management system	Continuous	Complied with, but requires further development	
<b>Section 8.03</b>	Progress Reports to be submitted to IFAD on a six-monthly basis	No later than six weeks after the end of each six-month period	Complied with	
<b>Section 8.03</b>	A Mid-Term Review to be carried out jointly by Borrower and IFAD	No later than 36 months after the Effective Date	Complied with	
<b>Section 9.02</b>	Submission of Financial Statements	Within 4 months after the end of each fiscal year	Complied with	
<b>Section 9.03</b>	Audit Reports on project accounts of each year to be submitted to Fund	Within 6 months after the end of each fiscal year	Complied with	



## Appendix 7: Knowledge management: Learning and Innovation

### Learning

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The project already plans annual meetings of all PUUs in each district. This will be facilitated by the PMU as a way to ensure the PUUs have fully understood the purpose of the project and their own opportunities for the future. There are some concerns that the CFs do not always get these messages across clearly. Many PUUs are engaged in innovation processes of their own, improving and adapting their approaches based on their experiences and the particular needs of their communities. Sufficient opportunities for PUUs to meet are essential to allow these experiences to be shared and to promote cross-fertilisation. The PMU ***should also elaborate a more detailed learning strategy including exchange visits, networking, workshops, training sessions, and establishment of mentoring relationships between PUUs, CIGs and women's groups.***

The PIM outlines the knowledge products which it intends to produce but there is no clear responsibility allocated for coordination of the production of knowledge products, with responsibility currently split between the M&E officer (who is mainly responsible for progress reporting) and a PR Officer (who provides information to the media). LPDP is in the process of producing a series of success stories regarding project activities including veterinary clinics, women's income generating activities, and water supply infrastructure. ***It is recommended that the PMU identify a KM Focal Point and establish a KM and Communication plan with a pipeline of KPs to be developed over the coming years*** based on an assessment of key project stakeholders, their interests and knowledge requirements, the products which would best suit them, the dissemination channels and the necessary partners required to produce and promote them. The numerous guidelines, brochures, and technical documents already prepared by the project are a treasure trove of interesting and useful information. ***They should be finalised, edited, formatted and published online and made available in hard copies for distribution through Jamoat offices elsewhere in the country.***

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### Innovation: Describe any interesting innovation noted during supervision

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The PIM describes the main innovative features of the project as being: (i) the private sector led approach to provision of veterinary and extension services, (ii) the establishment of a policy and regulatory framework for pasture management; and (iii) the use of a value chain approach, all of which are innovations within Tajikistan. The experiences of the project to date have essentially been the first time the national Pasture Law has been implemented in practice and the PMU is planning that a major focus over the coming years, as well as under LPDP II, will be looking at how to move from a focus on the bottom-up aspects of the project approach, to the top-down aspects related to the national policy, regulatory and institutional framework for pasture management. This includes working with government to promote establishment of Pasture Specialist and Business Advisor roles in Government District Offices. The location of the PMU in the Dushanbe, as well as having a sub-office in Kulob ensures that strong linkages are made with the communities, and also that the PMU team can play a very active role in national policy processes. This is an effective PMU structure for taking the lessons from implementation and moving them to a higher level.

The implementation of the value chain approach for women's enterprise development is still at the preparatory phase. These activities will also support product innovation in wool processing and felt production. Felt is traditionally used for carpets but the project will support women's groups to develop new products such as clothes, socks and shoes. In order to support the capacity building of project support groups, linkages are planned with other established groups in the area who have successfully established wool processing enterprises with Caritas support.

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The use of GPS systems for monitoring pasture rotation is also a significant innovation in Tajikistan. The project is still testing and developing the approach but if successful it could prove very valuable. The project's partnership with FAO is very important to this process, in regard to training and systems developed by FAO such as OpenForis are being explored as possible solutions for the project. The mission noticed the major impact which the agricultural machinery has had on the PUUs and on the beneficiaries, improving livestock production, crop production and providing a basis for institutional sustainability. Learning lessons and identifying best practices regarding profitably managing agricultural machinery as a community enterprise should form a key part of the project learning strategy.

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## Appendix 8: Audit Log

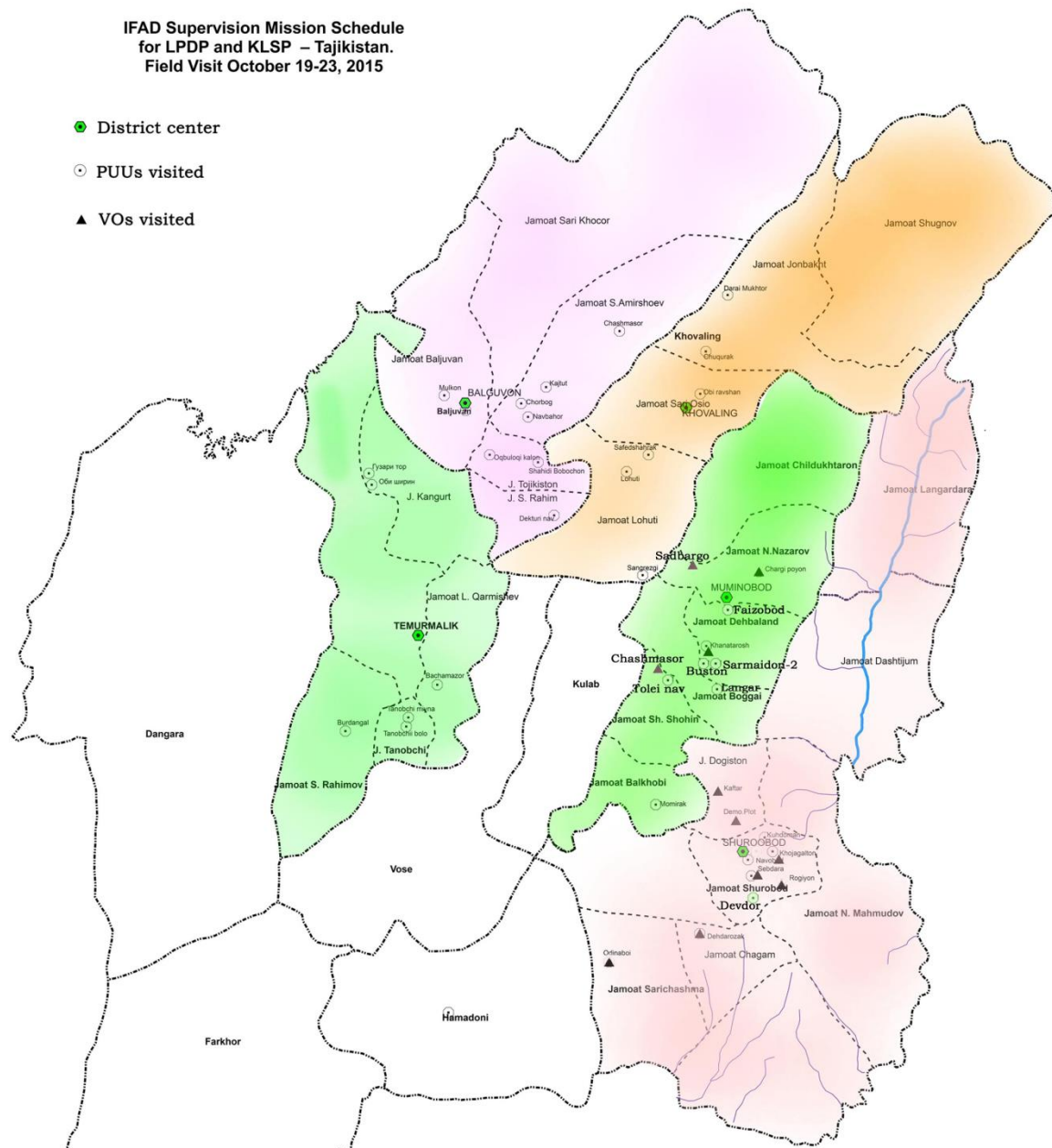
The project is rated as satisfactory in terms of quality and timeliness of Audit report submission. The audit report for FY 2014 was conducted using International Standards of Auditing (ISA) and project used IFAD external auditors TORs upon CFS no objection. The 2014 audit report was unqualified. The management letter did not disclose any material issues. The auditor has assessed the IC systems as good i.e. all expected controls available; no significant issues arising; evidence shows control is working; and evidence is retained and documented.

Financial Year	Audit Observations as per Audit Report		Audit Observations Settled		Audit Observations Outstanding	
	Numbers	Value (TJS)	Numbers	Value (TJS)	Numbers	Value (TJS)
2013	NA	-	-	-	-	-
2014	NA					
Total:	0	-	0	-	0	-



## Appendix 9: Mission Schedule and Persons met

9 October	Mission arrives in country
10-11 October	Field visit to Baljuvon and Temurmalik districts
12 October	Meetings with the LPDP PMU staff and KLSP consultants
13 October	Meetings with the LPDP PMU staff and KLSP consultants
14 October	Meetings with the LPDP PMU staff and KLSP consultants
15 October	Meetings with the LPDP PMU staff and KLSP consultants; meeting with the FAO Representative in Tajikistan
16-18 October	Reviewing projects' progress reports, consultants' reports, projects' plans and budgets; Meetings with the LPDP PMU staff and KLSP consultants
19-24 October	Field visit to Baljuvon, Khovaling, Muminobad, Shurobad and Temurmalik districts
24 October	Return to Dushanbe
25 October	Meetings with the LPDP PMU staff and KLSP consultants
26 October	Meetings with the representatives of the Delegation of the European Union in Tajikistan; European Bank for Reconstruction and Development Resident Office in Tajikistan
27 October	Meetings with the representatives of the United Nations World Food Programme Country Office in Tajikistan; World Bank Country Office in Tajikistan; Ministry of Finance of Tajikistan
28-30 October	Field visit to Muminobad and Shurobad districts
28 October	Meetings with the First Deputy Minister of Agriculture of Tajikistan; representatives of German International Cooperation (GIZ) Country Office in Tajikistan; Asian Development Bank Country Office in Tajikistan
29 October	Meeting with the Chairman of the State Committee on Investments and State Property Management; meeting with LPDP PMU to discuss initial mission findings; drafting Aide Memoires
30 October	Workshop with the project parties to discuss key findings and recommendations; drafting Aide Memoires
31 October	Drafting Aide Memoire
1 November	Discussion of draft Aide Memoire with LPDP PMU; finalization of Aide Memoires
2 November	Meeting with the representatives of JICA Country Office in Tajikistan; Wrap-up meeting with the Director of the Project Management Unit (PMU) and his staff
3 November	Discussions on the detailed plan of actions for next 6 month for both projects with the PMU staff



## **Appendix 10: Summary of Implementation Support Provided by IFAD**

So far, IFAD has undertaken three support implementation missions (in addition to supervision and MTR missions). The major inputs provided include preparation of: Project Implementation Manual; key TORs; first AWPB and PP, baseline survey's TORs, methodology and questionnaire; financial management and procurement manuals together with all relevant forms; development of mobilization and targeting strategy; and support to preparation of template Community Livestock and Pasture Management Plan. For the last 12 months and during the current mission, the following key support activities were: (i) improved template of Community Livestock and Pasture Management Plan; (ii) presentation of principals for rotational grazing and pasture conditions and their M&E; (iii) application of remote sensing tools; (ix) M&E guidelines together with electronic tools for MIS, including Planner; (v) improved Project Procurement Manual; (vi) joint preparation of 2016 AWPB; (vii) refining project case studies. Detailed discussions were held on the above topics with the related staff to provide on-the job training, concluded by the brainstorming seminar with the PMU on the mission's findings and implementation support activities as well as the proposed follow-up actions. The mission's implementation support documents were left with the PMU, and they are also available in a Dropbox specifically opened for LPDP and mission members.