

## Zambia

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### RURAL FINANCE EXPANSION PROGRAMME (RUFEP)

#### Supervision and Implementation Support report

Type of mission	Supervision and Implementation Support
Project Name	RUFEP
Country	Zambia
Country programme manager	Abla Benhammouche
Name of Project Director	Michael Mbulo
Date of mission (month/year)	May/ 2018
Project Area:	National
Days in the field	13
Field sites visited	Lusaka, Petauke, Chipata
Mission composition	Ms Abla Benhammouche, IFAD Country Director, with the participation of Ms. Teresa Maru-Munlo (Programme Management Specialist/Deputy Mission Leader); Mr Dick Siame (Country Programme Officer, Monitoring and Evaluation Specialist); Mr. Fabrizio Vivarini (Financial Management Specialist) and Mr Waseem Khan (Procurement Specialist).

ESA  
Programme Management Department

Report n.: 4804-ZM



## Abbreviations and acronyms

AWPB	Annual Work Plan and Budget
BoZ	Bank of Zambia
CBFI	Community Based Financial Institution
CCPC	Competition and Consumer Protection Commission
CHAZ	Churches Health Association of Zambia
DBZ	Development Bank of Zambia
EMD	Economic Management Department
EOI	Expression of Interest
ETP	Entrepreneurship and Technology Park Limited
FSDZ	Financial Sector Deepening Zambia
FSPs	Financial Service Providers
GRZ	Government of the Republic of Zambia
ICO	IFAD Country Office
IDMD	Investment and Debt Management Department
ILO	International Labour Organization
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IOF	Innovation and Outreach Facility
IPs	Implementing Partners
IRC	Internal Review Committee
KCCC	Kasama Christian Community Care
KM&T	Knowledge Management and Technical Support
KZF	Keepers Zambia Foundation
MCDSS	Ministry of Community Development and Social Services
MED	Monitoring and Evaluation Department
M&E	Monitoring & Evaluation
MLF	Micro Loan Foundation
MoDP	Ministry of Development Planning
MoF	Ministry of Finance
MOU	Memorandum of Understanding
MSME	Micro Small and Medium Enterprises
NACRO	New Apostolic Church Relief Organization
ORMS	Operational Results Management System
PIA	Pensions and Insurance Authority
PIM	Programme Implementation Manual
PCO	Programme Coordination Office
PVC	Programme Vetting Committee
PSC	Programme Steering Committee
REES	Rural Economic Expansion Services
RIMS	Results and Impact Management System
SEC	Securities Exchange Commission
SPs	Strategic Partners



## A. Project Overview

Region:	East and Southern Africa Division		
Country:	Zambia	Project at Risk Status:	Not at risk
Project Name:	Rural Finance Expansion Programme	Environmental and Social Category:	B
Project Id:	1100001650	Climate Risk Classification:	3
Project Type:	Credit and Financial Services	Executing Institution:	not available yet
CPM:	Abla Benhammouche	Implementing Institutions:	not available yet
Project Director:	not available yet		
Project Area:	not available yet		

Approval Date	11/12/2013		
Signing Date	22/07/2014		
Entry into Force Date	22/07/2014	Last audit receipt	12/07/2017
Available for Disbursement Date	04/12/2014	Date of Last SIS Mission	27/10/2017
First Disbursement Date	15/12/2014	Number of SIS Missions	5
MTR Date	not available yet	Number of extensions	0
Original Completion Date	30/09/2022	Effectiveness lag	7 months
Current Completion Date	30/09/2022		
Financial Closure	not available yet		

### Project total financing

IFAD Financing breakdown	IFAD	\$8,416,001
Domestic Financing breakdown	Domestic Financing Institutions	\$3,298,493
	National Government	\$2,612,804
Co-financing breakdown,	Spanish Fund	\$11,987,759
Project total financing		\$26,315,057

### Current Mission

Mission Dates:	14-25 May 2018
Days in the field:	
Mission composition:	Ms Abla Benhammouche, IFAD Country Director, with the participation of Ms. Teresa Maru-Munlo (Programme Management Specialist/Deputy Mission Leader); Mr Dick Siame (Country Programme Officer, Monitoring and Evaluation Specialist); Mr. Fabrizio Vivarini (Financial Management Specialist) and Mr Waseem Khan (Procurement Specialist)
Field sites visited:	Lusaka, Petauke, Chipata

## B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective			Assessment of the Overall Implementation Performance		
Effectiveness and Developmental Focus	4		Project Management	4	
Effectiveness	4		Quality of Project Management	5	
Targeting and Outreach	4		Knowledge Management	4	
Gender equality & women's participation	5		Value for Money	4	
Agricultural Productivity	4		Coherence between AWPB and Implementation	3	
Nutrition			Performance of M&E System	5	
Adaptation to Climate Change	4		Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)	4	
Sustainability and Scaling-up	5				
Institutions and Policy Engagement	6		Financial Management and Execution	4	
Partnership-building	5		Acceptable Disbursement Rate	3	
Human and Social Capital and Empowerment	4		Quality of Financial Management	5	
Quality of Beneficiary Participation	5		Quality and Timeliness of Audit	3	
Responsiveness of Service Providers	4		Counterparts Funds	6	
Environment and Natural Resource Management	4		Compliance with Loan Covenants	4	
Exit Strategy			Procurement	5	
Potential for Scaling-up					

## C. Mission Objectives and Key Conclusions

### Background and main objective of the mission

The overall objective of the Mission was to review progress of, and provide support as may be necessary for effective implementation of the Programme. The central objectives of the Mission were to evaluate the overall progress of RUFEP implementation in reference to its achievement of development objective and goal and provide necessary assistance to the government to improve implementation. Specific objectives included; a) to establish the effectiveness (or lack thereof) of the mechanisms put in place for the implementation of aligned activities; b) undertake field visits to interact with the beneficiaries to assess benefits reaching them and receive their views on how improvements can be made and systems created sustained; c) review fiduciary aspects, focussing on financial management, disbursement and procurement issues and assess provision of counterpart funds in terms of amount and timeliness, and compliance with loan covenants; d) overview of issues affecting sustainability, including but not limited to; institutions and policy engagement, partnership building, human and social capital and empowerment, beneficiary participation, responsiveness of service providers and exit strategy; and e) check actions taken on the last Mission's recommendations.

The Mission met with Ministry of Finance (MoF), Strategic and Implementing Partners. The Mission also reviewed the minutes of the Programme Steering Committee (PSC) and the Programme Vetting Committee (PVC). The Mission met and held discussion with Strategic Partners SPs and Implementing Partners (IPs) in Lusaka, Petauke and Chipata in Lusaka and Eastern Provinces respectively. The field trips were undertaken, jointly with the RUFEP personnel. During the field visits the Mission met with IP managers and respective beneficiaries. A short debrief was held with each partner at the end of the visit.

Pre-wrap and wrap up meetings were held with the PCO and MoF respectively to discuss the draft Aide Memoire. Based on the comments provided by the PCO, the final Aide Memoire was prepared and forwarded to MoF for review and signing. The Aide Memoire was signed by Dr, Emmanuel Mulenga Pamu, Permanent Secretary-Budget and Economic Affairs, Ministry of Finance (MoF) and Ms Abila Benhammouche, the IFAD Country Director.

### **Key Mission Conclusions**

The MoF through the PSC provides a strong governance to RUFEP, and has been instrumental in providing guidance on fast tracking delayed activities, including procurement. The Programme has good operational and financial systems that are useful in tracking progress, and providing a sound basis for corrective action. The pace for implementation continues to increase with increased partnerships and activities. The establishment of the Rural Finance Unit (RFU), implementation of Association of Microfinance Institutions of Zambia (AMIZ) activities and improvement Window 3 of Component 2 activities will further improve performance of the Programme and ensure activities and disbursements are balanced up between the three components.

Overall, the Programme's physical and financial performance has been low for a programme that is in its fourth year of implementation. The disbursement rate (IFAD loan and STF grant) is below par at 33% of the total allocation and actual expenditures amount to USD 5.7 million or 22% of the total programme budget. The disbursement has markedly improved compared to what was reported during last Mission: for IFAD loan, the current disbursement including Withdrawal No. 16 is 33%, up from 15%, while the current disbursement rate for the Spanish Fund including Withdrawal No. 13 is 38%, up from 22%. The programme has a good pipeline that will increase disbursement to 42.33 % by or before end of 2018. Even though the Programme has been affected by a low delivery rate during the initial years of implementation, it continues to demonstrate satisfactory trends in regard to value for money, as evidenced by its efficiency and activities implemented in respect of the anticipated budgets.

The Programme reporting has improved further as evidenced by more details as advised by the previous Mission, but the Mission noted that the quarterly, and subsequently annual reporting can be improved, to make them more focused and reader friendly, especially in line, not only with the work plans, but also with agreed indicators in the approved Log frame. The Mission recommended that the PCO should complete the preparation of the 2017 Annual Progress Report, and also, review quarterly progress reports content in line with outcomes and outputs, and subsequently review partner templates and include reporting as part of the orientation.

The PCO has improved synergies between programme finance management and partner implementation activities in a bid to reduce variances. The Mission encouraged the PCO not to slow down its efforts in developing grant pipelines on a continuous process. The Mission noted that the process had slowed down in the last quarter as evidenced by the reduced number of grant applications reviewed by the Programme Vetting Committee (PVC), and this may reverse the gains of reduced grant process turnaround time as reported during last Mission, and also the reduced variances in disbursements. The PCO explained that the slowdown was largely attributed to the time that was required to process grant agreements and ensure disbursements were done for the projects that were approved by the PVC in December 2017.

Given this background, the Mission is of the view that the Programme's likelihood of achieving the development objective is satisfactory. Already the programme through the recruited IPs has reached 40,719 persons in the last two years, and 86.98% are women. With new partnerships, there is high likelihood that RUFEP will surpass the targets. With several IP agreements fully executed, and as reporting is streamlined it is clear that good progress has been made with several outputs.

## **D. Overview and Project Progress**

The Mission noted that, agreed actions from last Mission had been completed, but some are on-going, but overall, the PCO had implemented all agreed actions. The Mission noted that the on-going

actions, need to be monitored closely and these include; the Development Bank of Zambia (DBZ) credit to rural FSPs; partner reporting, programme reporting and knowledge management.

**Component 1: Strategic Partnerships** is rated **moderately satisfactory (4)**, RUFEP currently has seven (7) SPs, managing projects with a total cost of USD 2,842,882 of which only 29.3% has already disbursed. However, the PCO has projected to disburse a total of USD 2,358,000 in 2018, and this means that by the end of the year, a total of 33.6% of the budget will be used up. However, discussions with RUFEP and partners indicate that there are various activities being planned, and furthermore RUFEP will continue recruiting new partners. Under this component, two out of the three outputs are on track to be achieved and these are improved capacity of macro-level institutions and development/enhance of rural finance policies and regulations. RUFEP in collaboration with other partners has supported the development and the launch of the National Financial Sector Development Policy (NFSDP) and the National Financial Inclusion Strategy (NFIS) 2017. RUFEP has also supported the launch of the Rural Finance Policy and Strategy, and creation of awareness on the Moveable Property Registry System (MPRS). Preparatory works to achieve the third output, which is to do with wholesale lending have started by way of bank policy review, staff training and plans for a baseline survey of rural financial institutions. A total of 34 partner staff have been trained and 14 stakeholder forums have been held reaching 963 in financial sector leadership positions of whom 587 were men and 376 women. Bank of Zambia (BoZ) in collaboration with RUFEP has done well financial literacy workshops in rural areas, reaching 963 community members in 8 districts, and they have plans to reach more 20 districts. From these workshops BoZ has started to engage commercial banks to respond to complaints and concerns raised by the communities. Going forward BoZ plans to strengthen the consumer protection regulations. As part of regulations development, BoZ with RUFEP support engage a consultant to carry out a study on agency and mobile banking.

While DBZ's initial staff training, was of a generic nature and precipitated concerns from the PCO and the last Mission, the situation has since being rectified by DBZ through development of plans more in line with the Programme objective. These include review of credit and gender policies, and also initiating discussions with two MFIs regarding a credit line.

SaveNet is now fully established and registered with staff and an interim Board. Recruitment of new members and development of master training material has started. Since the last Mission, 10 new member organizations have been recruited bringing to 29 the total SaveNet membership, which means the total number of groups reached and beneficiaries has also increased. In regard to creating linkages between groups and FSPs, SaveNet has already held preliminary discussions with 2 commercial banks; Zambia National Building Society (ZNBS), and Atlas Mara Bank and one MFI, Vision Fund Zambia (VFZ). They are also in discussion with Risk Shield and MTN. Some of the products being explored include savings, investment fund, and insurance and mobile payments. So far SaveNet has identified potential partners that include Zambia National Commercial Bank (ZANACO), National Savings and Credit Bank (NATSAVE) and Atlas Mara.

The other SPs partners have just started activities and have little to report. These include Consumer and Competition Protection Commission (CCPC), Financial Sector Deepening Zambia (FSDZ) and Ministry of Community Development and Social Services (MCDSS). After a very slow start the Rural Finance Unit (RFU) is now set up, and will start implementing the work plan. Also, at AMIZ plans are advance to start implementing the planned activities.

**Component 2: innovation and outreach facility** is rated **satisfactory (5)**. To date the programme has signed 23 grant agreements with IPs, seven (7) under window 1, eleven (11) under window 2 and five (5) under window 3. This is 32% of what is to be achieved by end of the Programme period. Given the 15 month initial delay and time taken at the beginning of the Programme to develop systems, this is commendable, and based on this track record it can be safely concluded that the set target will be realized. The partner contribution is above the target of 10% in both window 1 and 3, while it is above 50% in window 2. Two (2) out of five (5) new products/delivery mechanisms have been introduced by three IPs (VFZ, Microloan Foundation ) with support of RUFEP, and these are agency banking and mobile money.



**Under window 1** the linkages process was initially delayed by the RCT studies, but work by various partners has started and is progressing well. The activities under the CBFI linkages window for all the 4 existing implementing partners had been considerably delayed because of their involvement with the Randomized Control Trial (RCT) study with the University of Mannheim which was not foreseen at the time of design. The RCT requirements introduced pre-requisites to implementation of activities, for example the need for a baseline study before start of activities, the need to train all the groups regardless of maturity level, and the random sampling which could actually exclude mature groups from linkages and allow nascent groups to be prioritized for linkages. Also, some of these additional and unforeseen activities such as additional frequent monitoring increased implementation budgets forcing partners to revert to RUFEP for additional grants. But significant progress has been made; four IPs have reported training of 522 groups, while a fifth IP is testing a mobile loan product with 40 groups.

**Window 2** is the most popular of the three windows, and has attracted eleven partnerships, all with varied innovations in mobile and agency banking focused on rural areas. Some partners sought support to invest either in development of new systems or upgrade, while others are using the funds to introduce agency and mobile banking. The partners are varied and include Value Chain Developers (VCDs), Microfinance Institutions (MFIs), Mobile Network Operators (MNOs), and financial technology (Fintechs) companies. Commercial banks are collaborating with some of these partners. Six grants were disbursed in March alone, and therefore, based on this trend, this window is most likely continue receiving the most inquiries and applications.

**Window 3** has been slow moving until the immediate past quarter. The PCO had explained to the last Mission in November that there were two reasons that contributed to the low uptake, first there seemed to have been confusion around the term "Equity" which has been cleared through one on one sensitization. Secondly, some potential applicants had explained that the amount limit was too small. Rather than relying on the call for proposals, the PCO has adopted a combination of call for proposals and one to one visits to potential applicants to explain how the grant works. This has resulted in two (2) partnership agreements since the last Mission. And this brings to five (5) partnerships under this window, and one is under process.

The Programme has a sound financial management system, which can generate various customized progress reports that show clear variances on a need basis, for the various stakeholders. The Monitoring and Evaluation (M&E) system is established, and can be used to generate different kinds of progress reports. However, the PCO needs to build IP capacity to provide useful base information, which can ensure M&E system can be used to generate results oriented reports. The PCO informed the Mission that they have been supporting partners to stream line and align their own M&E systems, to ensure better reporting.

The PCO has a strong team that works well together, and understand the Programme objective, and are committed to achieving the same. To date the PCO has been responsive to Mission queries and concerns, and have implemented actions as agreed. Even though the Programme is still behind schedule with several partner activities, they have developed strategies to fast track activities by intensifying recruitment of new partners and streamlining the assessment of applicants to minimize the grant approval and disbursement turnaround time. They also provide technical advice and backstopping support to applicants and partners on need basis in order to fast track processes. The PCO regularly monitors of partners, to undertake progress reviews and identify areas for further improvement. The feedback from partners in regard to value added by RUFEP is all positive.

The beneficiaries are happy with the innovative services provided by the IPs, reporting that the innovations are bringing financial services closer to them, and building their capacities. Through group participation and support from RUFEP partners, beneficiaries have been able to borrow small loans which they have invested in farming, house construction, house improvement, school fees, medical, better household nutrition and limited asset acquisition. They have also been able to save, and some have opened accounts with banks for the first time.

## E. Project implementation

### i. Effectiveness and Development Focus

#### Development Effectiveness

##### Effectiveness

Rating: 4

##### Justification of rating

For quarter one 2018, 47% of the physical targets are on-going and on schedule, 12% are delayed while 3% are on-going but delayed. 7% are completed, and 13% are not yet due while 1% are either cancelled or postponed. More delays have been occasioned with Component 1, but this is shortly going to change positively, as establishment of the RFU is completed, and also AMIZ is set to start implementation. Furthermore, activities under Component 2 Window 3 that had stalled, have started to build up. The pace of implementation is going to increase with new partnerships, because the processes are now well established requiring minor modifications unlike in the past two years where most processes were new to both RUFEP and the partners.

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

The Log Frame has been revised once more since the last mission, in accordance with the new IFAD Guidelines, reducing the number of indicators from 69 to 27 Core Indicators in the current LF, which adopted the Operational Results Management System (ORMS). The Mission noted that IFAD needs to officially endorse the revised LF to avoid potential misunderstandings with future Missions or Mid-Term Review. RUFEP is measuring outputs, but has yet to start measuring outcomes due to delays on start-up and signing of Partnership Agreements with its partners who are the main implementers of its interventions. The delays in grant application and implementation activities were not foreseen at design. Initially application process took up to 16 weeks because of the learning on both the Programme side and the partners' side, but has been considerably reduced to 7 weeks during the last half year. The third delay was occasioned by the requirements of the Random Control Trial (RCT) Study with the University of Mannheim. The RCT introduced pre-requisites to implementation of activities, for example the need for a baseline study before start of activities, the need to train all the groups regardless of maturity level, and the random sampling which could actually exclude mature groups from linkages and allow nascent groups to be prioritized for linkages. These delays resulted in delay or led to slow pace of implementation of activities by various partners. But the PCO has put in place a fast track plan.

Actions	Responsibility	Deadline	Status
<b>Revised Indicators</b> Seek official endorsement/ approval of revisions from IFAD	PCO/IFAD	June/ 2018	Agreed
<b>Reporting</b> Complete 2017 annual report	PCO	June/ 2018	Agreed
<b>Reporting</b> Review progress report content in line with respective indicators Review IP reporting template and include reporting in IP orientation workshop	PCO	September 2018	Agreed

#### Development Focus

##### Targeting and Outreach

Rating: 4

##### Justification of rating

RUFEP has reached 40,719 beneficiaries nationwide as at 31 December, 2017. Since 2017 RUFEP has increased its outreach to all provinces and districts. This has been made possible by activities undertaken by SPs such as BoZ; DBZ; SaveNet and CPCC which have a national character. The low outreach figure can be attributed to the late start-up of RUFEP, delayed

for almost 1 year coupled with the non-implementation of up to 50% or more of planned activities. Targeting and Outreach activities by RUFEP through its IPs and SPs are embedded in most of its processes including joint planning, progress reporting including monitoring and backstopping. RUFEP also conducts targeted field visits to engage directly with beneficiaries on matters of programme delivery including their participation and interaction with IPs and of late with SPs.

## Main Issues

None

### Gender equality & women's participation Rating: 5

#### Justification of rating

RUFEP has ensured that its interventions, are gender responsive in line with "The Gender and Poverty Responsiveness Checklist" guidelines found in its PDR. Given its target of reaching 140,000 (50% women and 25% youth) beneficiaries, as at end of 1<sup>st</sup> Quarter, RUFEP had reached 40,719, of whom 35,373 were women. Groups visited (Chikulo and Hospice Savings Groups), in Petauke District, had a predominance of women membership. The youth represented about 50% of membership in both groups. The women explained that low men representation is due to men's lack of commitment especially on loan repayments. Group listed some of the benefits they received from RUFEP partners which ranged from asset acquisition (house; livestock; shop; land; bicycle) and school fees.

#### Main issues

Non

Actions	Responsibility	Deadline	Status
<b>Reporting</b> RUFEP should collect data on women in leadership positions in all RUFEP interventions nationally.	PCO/IP	November /2018	Proposed
<b>More inclusion of men</b> RUFEP should encourage IPs to explore ways of how women dominated groups can incorporate trustworthy men to participate in its interventions	PCO	November/ 2018	Proposed

### Agricultural Productivity (if relevant) Rating: 4

#### Justification of rating

RUFEP beneficiaries predominantly derive their livelihoods from agricultural production and therefore its activities on financial inclusion has a direct bearing on how access to rural finance services can benefit agricultural development and increase production. Although agricultural productivity is not the objective of interventions of all RUFEP IPs, most of them increased agricultural productivity (milk, tomato, maize, and groundnut) which improves sales and home consumption. The members of the Chikulo and Hospice Savings Groups in Petauke district informed the Mission that they used about 50% or more of their savings to buy agricultural inputs, labour and ploughing. Safwa and Khamalidyese Savings Groups in Chipata district also attested to similar usage of their savings

#### Main issues

The main issue is how RUFEP will incorporate this in its M&E System and ensure that required data capture is adhered to by its IPs. This may require revising Partnership Agreements to accommodate this requirement and actual data may be obtained from programmes directly executing interventions on agricultural productivity.

Actions	Responsibility	Deadline	Status
<b>M&amp;E</b> RUFEP to consider exploring ways to capture data on agricultural productivity resulting from its interventions	RUFEP/IP		Proposed

### Adaptation to Climate Change Rating: 4

### Justification of rating

*RUFEP has no direct interventions on adaptation to climate change, but it has taken preventive measures through the creation of awareness and sharing knowledge on the subject based on the Theme Greening the rural financial sector among its partners. RUFEP has ensured that IPs and SPs disseminate relevant information to its beneficiaries on adaptation to climate change in all their interventions. This was evident during discussions between the Mission and members of the Savings Groups visited who were aware about the changing weather pattern and some had taken measures such as tree planting to counter its effects.*

### Main issues

*RUFEP may consider ways of incorporating this parameter in its M&E System, and ensure that required data capture is done by its IPs. This may require revising Partnership Agreements to accommodate this requirement and actual data may be obtained from programmes directly executing interventions on Adaptation to Climate Change or secure services of experts on the subject.*

Actions	Responsibility	Deadline	Status
<i>RUFEP should explore ways to collaborate its interventions with those of other programmes, such as COMACO and MoA, which are directly involved in agricultural production to increase farmers' awareness on how to counter climate change threats.</i>	PCO		<i>Proposed</i>

## ii. Sustainability and Scaling-up

### Institutions and Policy Engagement(if relevant) Rating: 6

#### Justification of rating

*RUFEP has established strong working relationships with two key stakeholders (MoF and BoZ) that are responsible for enacting and executing enabling laws and regulations. RUFEP supported the development and the launch of the National Financial Sector Development Policy, the National Finance Inclusion Strategy, and chairs implementation of activities under Rural and Agricultural Finance. RUFEP will also play an instrumental role in the review of the Rural Finance Policy. RUFEP has played the main role in the creation of RFU, SaveNet and resuscitating of AMIZ. RUFEP is also supporting DBZ to develop new product policies including Gender Policy for its smallholder clientele, and is currently supporting CPCC to develop guidelines on Financial Consumer Protection.*

#### Main issues

None

### Partnership-building Rating: 5

#### Justification of rating

*RUFEP has established direct partnerships with development partners such as FSDZ and through work done with BoZ, and has partnerships with both government and NGO institutions. Some of the SPs (5) and all IPs (11) are independent private institutions or registered NGOs, and they make significant contributions to RUFEP work through matching grant contributions, and undertake actual implementation of the RUFEP work plan. Through SaveNet, RUFEP provides support to about 29 NGOs. The partners that met with the Mission provided positive feedback on how RUFEP has not only focused on funding, but also knowledge sharing and capacity building.*

#### Main issues

None

### Human and Social Capital and empowerment Rating: 4

#### Justification of rating

*Through its partners RUFEP has: empowered beneficiaries through capacity building of CBFIs (538 and 123 additional ones; under Window 1 capacitated CBFIs in creating innovative linkages to formal financial institutions/services; through closer monitoring, reporting and documentation of lessons learnt of IP operations, greatly increased its influence in ensuring that communities have gained greater bargaining power and control of their economic activities.*

#### Main issues

*RUFEP's oversight of IPs needs to be strengthened. Some IPs still need to improve their capacity to implement its interventions effectively and efficiently.*

Actions	Responsibility	Deadline	Status
<b>Institutional capacity of IPs</b> <i>RUFEP should establish the capacity needs of each IP and respond appropriately.</i>	PCO		Proposed

**Quality of beneficiary participation** **Rating: 5**

**Justification of rating**

*RUFEP has: adopted an inclusive and participatory approach in dealing with its beneficiaries as demonstrated by 4 Savings Groups visited in Petauke and Chipata districts during discussions with the Mission. They highlighted the benefits from participating in RUFEP interventions, challenges faced and how they aspire to move forward. They reported that through training received, they learnt about group dynamics, transparency and accountability, leadership, inclusiveness; participation. The Mission observed a training of members through role play; adherence to group's code of conduct. The interventions have led to the establishment of platforms and processes for documenting and addressing beneficiary needs.*

**Main issues**

Non

**Responsiveness of service providers** **Rating: 4**

**Justification of rating**

*Initial response by SPs such as DBZ, BoZ, AMIZ and SaveNet has been constrained by delays in signing Partnership Agreements and slow execution of RUFEP supported interventions after signing the Agreement; the pace of SP increased exponentially after signing the Agreements as happened with BoZ, SaveNet and CPCC; some SPs, e.g. DBZ and AMIZ need targeted support by RUFEP to enable them increase their pace of implementation. In regard to some IPs their initial response was partly constrained inadequate capacity as evidenced by the time it took to develop and present grant proposals.*

**Main issues**

*Delays in signing Partnership Agreements and in some cases in the implementation of planned activities.*

Actions	Responsibility	Deadline	Status
<b>Partnership agreements</b> <i>RUFEP's continued close engagement with the concerned SPs at the highest levels of decision to ensure timely signing of Partnership Agreements</i>	PCO		Proposed

**Environment and natural resource management** **Rating: 4**

**Justification of rating**

*RUFEP encourages all IPs address the subject by describing how they will manage the environment and natural resources sustainably in their proposals; as an incentive, RUFEP through IOF offers smart grants to partners who promote a green economy in their interventions; and through its website and newsletters, RUFEP shares knowledge on the subject particularly with other IFAD supported programmes.*

**Main issues**

*The need to ensure IPs practice what is described in their proposals.*

Actions	Responsibility	Deadline	Status
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<b>Awareness creation</b> <i>RUFEP should continue creating more awareness on environment through training and capacity initiatives and holding IP accountable through reporting</i>	PCO		Recommended
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### Exit Strategy

Rating: n/a

#### Justification of rating

The government remains committed to rural finance development as evidenced by the set-up of a new Rural Finance Unit, and this unit will be able to carry on some of RUFEP's mandates in the long-term. IP are independent legal institutions that were functional before RUFEP and are highly likely to continue interventions beyond the RUFEP era. RUFEP funds projects that have a business focus, and will therefore be sustainable after RUFEP funding has ended.

#### Main issues

Non

### Potential for Scaling-Up

Rating: n/a

#### Justification of rating

Based on emerging evidence, the following interventions have potential for scaling up and replication: under Windows 1, 2 and 3; Scaling up Medeem's provision of ParcelCert™ and linking beneficiaries to financial institutions to acquire financial services; scaling up of BoZ's Financial Education Programme and Collateral Registry and Awareness Substitutes; Mobile Money for receiving loan disbursements being implemented by various IPs including VFZ, MLF, and NACRO's mobile money system of linking smallholder tomato farmers and tomato processing factory; linking Savings Groups under CBFIs to established financial institutions.

#### Main issues

Documentation of lessons

Actions	Responsibility	Deadline	Status
<b>Lessons learnt</b> <i>Closely monitor potential interventions for scaling up, paying particular attention to lessons learnt and building on successes.</i>	PCO		Agreed

## iii. Project Management

### Quality of Project Management

Rating: 5

#### Justification of rating

The PCO has achieved a good performance despite the initial delay. They have been able to develop and put systems in place that have helped fast track activities, and has managed to identify and form strong partnerships. RUFEP has positioned itself as a key and recognized financial sector facilitator, and has played a key role in coordinating activities implemented by various SPs and IPs in different project target areas. The PCO is in the process of developing a communication and knowledge management system for documenting and disseminating good practices and lessons. The team has been responsive Implementation and Support Mission recommendations and closely monitors partner activities in relationship to the annual work plan and budget, and takes corrective action on need basis.

#### Main issues

Non

### Knowledge Management

Rating: 4

#### Justification of rating

RUFEP currently uses a bi-annual newsletter to share and disseminate knowledge, and also a Website which is yet to fully function as a knowledge bank. The current information contained on the Website mostly features material on some key events on RUFEP. The KM and Communication Strategy, key to providing RUFEP with a useful framework for KM has yet to be completed.



### Main issues

*There is need to enable beneficiaries access to the website or broaden the circulation of its bi-Annual Newsletter. Also, there is need for more relevant information, particularly from the field, necessary for stimulating debate/discussions on RUFEP performance.*

### Value for Money

**Rating: 4**

#### Justification of rating

*The Programme has been affected by a low delivery rate during the initial years of implementation; however, the programme's capacity to implement the planned work plans has significantly increased during the last year 2017, thus improving the overall physical and financial performance. In this regard, the programme's success, and its capacity to attain the desired outcomes given the resources available, will mostly depend on the ability of Strategic Partners and grantees to speed up the implementation of key activities. Overall, the review reveals that the programme is being managed with due regard to economy and efficiency and activities implemented in respect of the anticipated budgets.*

#### Value for Money Review

*The review performed during this supervision show that the programme resources have been generally used in a diligent and efficient manner, despite the drawbacks associated to the low delivery rate in the first years of implementation. Overall, recurrent and operating costs have been kept under adequate control thus reducing the risk of having an unbalance between physical and financial performance.*

### Coherence btw. AWPB and implementation

**Rating: 3**

#### Justification of rating

*The budget usage has been low due to late start-up, other reasons for the incoherence between AWPB and Implementation include lengthy delays in signing partnership agreements/MOUs, during which time disbursement and execution of planned activities is delayed, as has been the case for SaveNet, AMIZ and RFU whose operationalization took almost 4 years, respectively.*

#### AWPB Review

*Of the 193 planned activities for 2017, about 50% were implemented and about the same or less for Quarter 1, 2018, respectively. As a result less than 50% (USD3,055,020 out of USD 6,299, 265 ((48.5%) approved total budget for 2017 and USD 930,000 out of USD2,124,855 for the (44%) 1<sup>st</sup> Quarter budget based on planned activities) respectively, was executed. To-date, cumulative disbursement since inception is 33 %, compared with a Rural Finance project disbursement profile in the fourth year of 55%*

Actions	Responsibility	Deadline	Status
<b>Budget Variances</b> <i>Continue to focus on quick win activities with partners and monitor IP workplans and take corrective action as needed. There is also need to improve the budgeting in order to minimize variances</i>	PPCO		Agreed

### Performance of M&E System

**Rating: 5**

#### Justification of rating

*RUFEP has established a PM&E System for implementation and reporting, and endeavours to ensure that all SPs and IPs have clear understanding of their roles and use tools, approaches and formats for contributing to PM&E requirements. The PCO undertakes frequent quality assurance of reports, and uses programme-wide progress reporting to measure results against set indicators based on the consolidated data and information from IPs and SPs.*

### M&E system Review

*RUFEP has ensured that responsibility for capturing data and consolidating information can be done by each partner, and has continued to provide support to Partners to strength M&E systems and ensuring that the learning approach is embeded in the reporting. PCO has been monitoring closely the activities of the IPs and SPs. This has supported the results based monitoring and provided a better picture for PCO to provide adequate support. With monthly data exchange occurring with the PME system, the information is also able to be extracted from the database even without conducting a visit and PCO can easily notice which are the problem areas requiring attention.*

### Requirements of SECAP<sup>1</sup>

**Rating: 4**

#### Justification of rating

*RUFEP was not subjected to SECAP at design that was approved by IFAD in 2014. However, due to its implementation delays and arrangements, social, environmental, climate adaptation and sustainability considerations shall be treated on a case by case basis, if and when they become evident, in some of its interventions, and depending on the orientation of the IP. One of the IPs (CHAZ) has incorporated some SECAP requirements by mainstreaming social, environmental and climate adaptation sustainability considerations into its interventions.*

### SECAP Review

*RUFEP has ensured effective stakeholder participation particularly through its IPs and beneficiaries, with respect to upholding SECAP guidelines, for example, promoting agro-forestry to help farmers restore and maintain soil fertility for increased crop yields although during field visits to Petauke and Chipata the Mission learned that much of this knowledge and practice is coming from COMACO and MoA.*

## iv. Financial Management and Execution

### Disbursement Rate

#### Acceptable Disbursement Rate

**Rating: auto-calculated**

#### Justification of rating

Disbursement is rated as **moderately unsatisfactory (3)**. As of 25th May 2018, IFAD's loan disbursements amount to SDR 1.8 million (USD 2.6 million) which is 33% of IFAD's planned financial support (SDR 5.5 million). As the Programme is in its fourth year of implementation, the disbursement performance is below the average of IFAD's portfolio of rural projects' (average at 55%). However, the review shows a marked increase in the disbursement rate as compared to the data presented in the previous supervision held in September 2017 (from 15% to 33%). Furthermore, the PCO has projected to disburse a total of USD 2,358,000 to the Strategic Partners in 2018 and this suggests that the disbursement rate may soon be in line with the programme profile.

The project is in its 4th year of implementation and its disbursement rate is 33%. There have (not) been any extensions.

#### Main issues

As of 25<sup>th</sup> May 2018, Programme submitted 16 WAs under the IFAD loan financing for a total amount of SDR 1.8 million (USD 2.6 million), including the authorised allocation and start-up advance of SDR 0.42 million, thus leaving an available loan balance of SDR 3.66 million (USD 5.2 million). Programme submitted 15 WAs under the Spanish Trust Fund loan (STF) totalling EUR 3.5 million (39% of total STF allocation), thus leaving an available balance of EUR 5.4 million. The review shows a marked increase in STF's disbursement rate from 22.45% to 39% as compared to the data presented in the last supervision.

### Fiduciary Aspects

#### Quality of financial management

**Rating: 5**

<sup>1</sup> Social, Environmental and Climate Assessment Procedures (SECAP)



### Justification of rating

The Mission considers that the organization of FM functions at PCO are adequate to cope with the fiduciary requirements both in terms of roles/personnel employed and the systems in use. The configuration of SAGE Evolution accounting software has been completed and it meets Programmes' needs, in compliance with IFAD requirements. The results of this supervision confirm that internal control and budgeting functions are satisfactorily carried out by the PCO, thus ensuring that Programme's funds are used in respect of the anticipated budget and with due regard to economy and efficiency. Internal auditing and oversight of SPs are considered to be the areas in need of improvement.

### Main issues

**Accounting.** The Mission is pleased to notice that SAGE Evolution accounting software has been set-up and adequately customized to fulfil programme needs and IFAD requirements. The software allows for a readily identification, traceability and reporting on the use of donors' ad GRZ proceeds. The Financial Controller is currently testing the software to ensure that all requirements are effectively met, including the application of First In First Out (FIFO) method and preparation of smart Statement of Expenditures. The software needs a minor improvement to ensure the automated preparation of Interim Financial Reports (IFRs).

**Budgeting.** Budget controls procedures are adequate and ensure: (i) that activities are always planned and executed in line with the estimates made during project design; (ii) that actual expenditures do not overrun the budgetary (and PDR) provisions.

The Mission is satisfied with the quality of the 2018 AWPB; the document presents detailed tables with cost assumptions and quantities for each budget line. The AWPB also includes a summary training plan, which presents the list of all trainings scheduled for the year. However, the training plan does not present detailed breakdown of costs.

**Internal control.** The organization of internal controls under RUFEP is adequate in terms of segregation of duties and authorization process for project expenditures. FM operations are regulated according to MoF rules, as set out in the Financial Manual of RUFEP. In this regard, the Mission noted that some of the section of RUFEP Financial Manual needs to be improved, specifically: (i) flow of funds and management of bank accounts; (ii) internal controls and segregation of duties; (iii) PCO oversight role on strategic partners and grantees; (iv) management of programme cars.

**Supervision and Oversight of SPs and IPs.** The Mission considers that the PCO's oversight of the SPs and IPs needs to be strengthened. In this regard, the PCO needs to (i) establish clear procedures for the oversight of both SPs and IPs, and ensure that financial reports from all SPs and IPs are periodically reviewed, and expenditures' eligibility confirmed (ii) prepare an accurate supervision/oversight plan to ensure that SPs are periodically visited.

**Internal Auditing.** The internal audit arrangements need to be strengthened as they are not yet adequate to the needs of the Programme. RUFEP internal audit services are offered by the Internal Audit (IA) Unit of MoF. Under the current arrangements, internal audit should be carried out semi-annually; however, the frequency of the internal audit is not yet satisfactory. Internal audit has been concluded for the period ending July 2017; however, no official reports have been issued by the IA unit.

Actions	Responsibility	Deadline	Status
<b>Training, Meetings and Workshop Plan</b> The AWPB 2019 will have to include the "Training Plan" prepared by the PCO with detailed breakdown of costs.	FC/PC	November/2018	Agreed
<b>PIM</b> The PCO needs to improve the PIM sections of the Financial Manual. The sections that need to be described with more details are the following: (i) flow of funds and management of bank accounts; (ii) internal controls and segregation of duties; (iii) PCO oversight role on strategic	FC/PC	November/2018	Agreed

<i>partners and grantees.</i>			
<b>Financial Reporting</b> <i>FAM will prepare IFRs each semester, in accordance with the IFAD template provided by IFAD.</i>	FAM	August/2018	Agreed
<b>Internal Auditing</b> <i>The PCO should proactively follow up with the internal auditor whenever an audit is carried out to ensure report is submitted at the earliest. The Mission further recommends that Internal Auditing should include the review of expenditures and internal control systems of selected SPs, according to an IA plan shared with the PCO.</i>	PCO/MoF		Agreed

**Quality and timeliness of audit**

**Rating: 5**

**Justification of rating**

The audit report covering the period from project start to 31<sup>st</sup> December 2016 was submitted on time to IFAD, precisely on 30<sup>th</sup> June 2017. The financial statements were prepared according to IPSAS cash basis of accounting and they were audited by Auditor General which conducted the audit according International Standards on Auditing (ISAs). The AG expressed an unqualified opinion Financial Statements, Statement of Expenditures and the operations of the Special Account for both years, and reports were acceptable to IFAD.

**Main issues**

Non

**Counterpart funds**

**Rating: 6**

**Justification of rating**

All funds required under the AWPB 2017 were budgeted for and booked in the Government's "yellow book". Funds are timely made available to RUFEP, based on programme's actual needs. The programme did not request GRZ contribution in the year 2018 as the GRZ funds available in the PA (i.e. USD 158,376 at 31<sup>st</sup> March 2018) are considered to be sufficient to cover programme's need for the year 2018.

**Main issues**

As of 31<sup>st</sup> March 2018, the Programme reported that equivalent of US\$ 0.3 million had been provided by GRZ as counterpart contribution. This amount was deposited into the programme operating account and is being utilized when need arises; the actual expenditures as of 25<sup>th</sup> May 2018 amount to USD 122,000. The cumulative GRZ contribution represent 11.5% only of the total budget of US\$ 2.61 envisaged in the PDR; while the counterpart funding appears to be low, this is exclusively due to the low expenditure rate of the project.

Participating Institutions had contributed US\$ 1.2 million which represents 36% of the total expected contribution of US\$ 1.2 million of US\$ 3,298. This performance is expected to further improve as implementation picks up

**Compliance with loan covenants**

**Rating: 4**

**Justification of rating**

The Programme has generally been implemented in compliance with the loan covenants; however, during the supervision, the PCO raised a concern about the interpretation of the Special Covenants 4 and 5, Schedule III of the FA and whether these covenants shall be applicable to all SPs (Strategic Partners and Grantees) or just only to the Strategic Partners. This issue is brought to the attention of IFAD FMD and the Legal Department as there is a need to provide a further clarification to PCO.

**Main issues**

Covenants of the Schedule III of the Loan Agreement: (4) Financial Statements of Service Providers (SPs). The Borrower shall ensure that the agreement/contract of service with each SP shall specify

*that the SP will make available to the Borrower, through the PCO, the statements of sources and uses of funds related to Programme activities under their respective responsibility in respect of each Fiscal Year (FY) within two (2) months of the end of each FY. The PCO shall attach such statements of sources and uses of funds to its own financial statement for subsequent submission to the Fund. (5) Audit of Service Providers (SPs). The Borrower shall ensure that each agreement/contract of service with each SP referred to in, paragraph 11, Section II of Schedule 1 hereto shall specify that the SP will appoint an external independent auditor to audit their financial statements relating to the Programme. These audit reports shall be submitted to the Borrower, Through the PCO, within five (5) months after the end of each Fiscal Year for subsequent submission to the Fund.*

## Procurement Review

### Procurement

**Rating: 5**

#### Justification of rating

*The procurement processes are compliant with Zambia Public Procurement Authority (ZPPA) and consistent with IFAD's Procurement Guidelines. The Mission further noted that there has been proper documentation of all processes and filing is adequate*

#### Procurement Review

*The review of the procurement processes carried out and found that they are fully compliant with the Zambia Public Procurement Act (ZPPA) and IFAD Procurement Handbook and Guidelines. The procurement plan for goods and services for 2018 for a total cost of US\$426,700 in line with the Annual Work Plan and Budget (AWPB) and has been updated with the comments made by IFAD. There has been proper documentation of processes and the documents have been properly filed. The agreed actions of the last supervision mission have been actioned and the procurement plan and contract register were maintained with actual dates.*

Actions	Responsibility	Deadline	Status
Fast track the procurement of goods and services	PCO/PS	December 2018	Agreed

## F. Relevance

### Relevance

**Rating: 5**

#### Justification of rating

*The programme objective is still relevant as financial exclusion remains a major challenge to rural development. The programme has started to achieve results in several areas especially in ensuring more rural communities can access and utilize financial services.*

#### Main issues

Non

## A. Logical Framework

Results Hierarchy	Indicators				Project Yr 0 (2014)			Project Yr 1 (2015)			Project Yr 2 (2016)			Project Yr 3 (2017)			Project Yr 4 (2018)		
	Name	Baseline	Mid-Term	End Target	Year Targets	Year Results	Cumulative	Year Targets	Year Results	Cumulative	Year Targets	Year Results	Cumulative	Year Targets	Year Results	Cumulative	Year Targets	Year Results	Cumulative
Outreach	1 Persons receiving services promoted or supported by the project																		
	persons receiving services - Number of men		51800	60000											4975	4975	10000	371	5346
	persons receiving services - Number of women		18200	80000				32,580	0	0	18188	75	75	20,488	33,168	33,243	30000	2,130	35,373
	Total		70000	140000											38,143	38218	40000	2,501	40719
	1.a Corresponding number of households reached																		
	Non-women-headed households - Number		51800	103600											4,975	4975	10000	270	5245
	Women-headed households - Number		18200	36400											33168	33243	30000	1944	35,187
	1.b Estimated corresponding total number of households members																		
	Household members - Number of people		259000	300000											190715	191090	200,000	11070	202,160
Project Goal Improved livelihoods of the rural poor through sustainable economic growth	Increase in household asset ownership by at least 80% of the beneficiaries																		
	Increase - Percentage (%)																		
	Solar	52.6%																	
	Radio	59%																	
	Television	39%																	
	Fridge	17%																	
	Bicycle	59%																	
	Chicken/poultry	62%																	
	Goats	22%																	
	Cattle	23%																	
	Households with improved food security																		
	Households - Number	756	2250	6600															
Development Objective Increased access to and use of sustainable financial services by poor rural men, women and youth	1.2.5 (Number) Percentage of persons/households reporting using rural financial services																		
	Persons - men	61.2%	63%	67%															

	Persons - women	57.4%	60%	64%																			
	Persons - youth																						
	Proportion of rural and urban individuals (who rely on own business) who do not have access to financial services																						
	Percentage - Percentage (%)	73%	68%	63%																			
	People registered and using money transfer services at rural outlets of banks/FSPs																						
	People registered - Number of men		20000	10000 0													20000	1469	8425				
	People registered - Number of women		20000	10000 0													20000	1787	19657				
Outcome 1. Increased outreach of rural financial services offered by MFIs and other FSPs	Banks/FSPs operating new rural agent networks in un-banked and under-banked rural areas																						
	Banks - Number		2	5													2	1	2				
Output 1.2 Policy/regulatory framework developed that is conducive for financial service delivery in rural area	Policy 1. Number of policy-relevant knowledge products completed																						
	Law documents - Number		1	2													1		0				
	1.1.6 Number of financial service providers supported in delivering outreach strategies, financial products and services to rural areas																						
	Financial institutions - Number		15	20				3	1	1	4	4	5				15	2	9				
Output 1.3 Wholesale lending to FSPs / MFIs / Value Chain Actors for on-lending in the agricultural sector	Loans provided to FSPs / MFIs for agricultural finance (number)																						
	Loans - Number		0	1	5												1	0	0				
Outcome 2. Improved performance of MFIs and other FSPs	1.2.6 (Number) Percentage of partner financial service providers with portfolio-at-risk ≥30 days below 5%																						
	Percentage - Percentage (%)		30%	60%													30%						
	1.2.7 FSPs maintain a trend of increasing profitability using operational self-sufficiency measured by Total Income/Total operating expenses																						
	Percentage		25%	50%													25%						
Output 2.1 Apex Organizations operational and providing effective support to MFIs and CBF Promoters	Members of-CBFIs supported by SaveNet members																						
	People - Number of		10000	20000													10000	15619	15619				

	people	0	0													0	8	
<b>Outcome</b> 3. Improved service delivery by CBFIs	<b>Increase in average value of CBFI savings</b>																	
	Increase - Percentage (%)	7%	15%													7%		
	<b>Percentage increase in the value of CBFI loan portfolio</b>																	
	Percentage - Percentage (%)	4%	10%													4%		
<b>Output</b> 3.1 Capacity of MFIs, other FSPs and CBFI Promoters strengthened	<b>Staff of financial institutions and service providers trained (M/F)</b>																	
	Men	100	250													100	14	32
	Women	100	250													100	3	10
<b>Outcome</b> 4. New financial products/services/models adopted by the target group	<b>Users of new financial products/services</b>																	
	Users - Number	7000	20000													7000	1856	35479
	<b>Users of new financial delivery models</b>																	
	Users - Number	7000	20000													7000	1856	35479
<b>Output</b> 4.1 Effectively operating IOF established to test and roll out financial products/services and delivery mechanisms for rural areas and agriculture	<b>Proportion of grant initiatives completed as per the grant agreement</b>																	
	Percentage - Percentage (%)	35%	70%													35%	26%	0
<b>Output</b> 4.2 CBFIs strengthened through matching grants and linked to financial services	<b>CBFIs supported by the programme</b>																	
	CBFIs - Number	700	1500													700	20	558
	<b>1.1.5 Persons in rural areas accessing financial services</b>																	
	CBFI members - Number of men	5600	15000													5600	92	2910
	CBFI members - Number of women	8400	15000													8400	266	8674
	<b>CBFIs that have been linked to FSPs</b>																	
	CBFI - Percentage (%)	7%	20%													7%	5.7%	0
	<b>CBFIs that have started using at least one new financial product/service</b>																	
	CBFIs - Percentage (%)	7%	20%													7%	5.7%	0
<b>Output</b> 4.3 Financial products/services and delivery mechanisms established that target	<b>New financial products, services and delivery models piloted/tested</b>																	

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rural clients																		
	Number		3	7												3	3	0
	Financial products, services and delivery models targeted at rural clients rolled out or expanded																	
	Number		1	2												1	1	0

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

**Table 2A: Financial performance by financier (as at 31<sup>st</sup> March 2018)**

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD Loan	8,416	2,607	31%
Spanish Trust Loan	11,988	3,983	33%
Government of Zambia	2,613	300	11%
Beneficiaries	3,298	1,310	40%
<b>Total</b>	<b>26,315</b>	<b>8,200</b>	<b>31%</b>

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

	GRZ			IFAD loan			STF Loan			Beneficiaries			TOTAL		
Component	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Strategic Partnerships	1,743	40	2	4,216	423	10	3,989	253	6	1,138	2	0.2	11,087	719	6
2. Innovation and Outreach Facility	-	6		4,200	939	22	2,690	399	15	2,160	1,190	55	9,050	2,534	28
3. Knowledge and Management Programme Implementation	869	66	8	-	57	-	5,309	2,312	44	-	-	-	6,178	2,435	39
<b>Total</b>	<b>2,613</b>	<b>112</b>	<b>4</b>	<b>8,416</b>	<b>1,419</b>	<b>17</b>	<b>11,988</b>	<b>2,964</b>	<b>25</b>	<b>3,298</b>	<b>1,193</b>	<b>36</b>	<b>26,315</b>	<b>5,688</b>	<b>22</b>



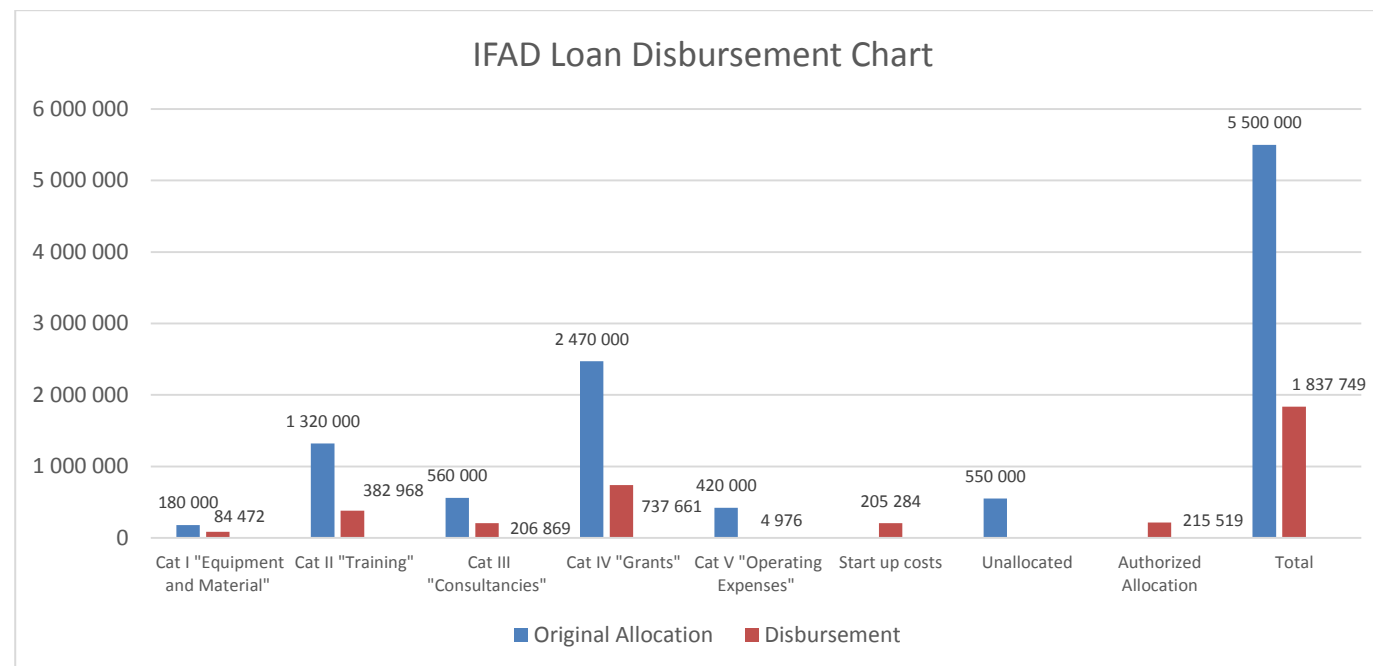
**Table 2C: IFAD loan disbursements (SDR, as at (SDR as at 31<sup>st</sup> March 2018))**

Category	Category description	Original Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Cat I "Equipment and Material"	180,000	84,472		95,528	36.94%
II	Cat II "Training"	1,320,000	382,968		937,032	29.01%
III	Cat III "Consultancies"	560,000	206,869		353,131	36.94%
IV	Cat IV "Grants"	2,470,000	737,661		1,732,339	29.86%
V	Cat V "Operating Expenses"	420,000	4,976		415,024	1.18%
	Start-up costs	-	205,284		-205,284	
	Unallocated	550,000	-		550,000	0.00%
	Authorized Allocation	-	215,519		-215,519	0.00%
	<b>Total</b>	<b>5,500,000</b>	<b>1,837,749</b>		<b>3,662,251</b>	<b>33.41%</b>

**Table 2D: Spanish Trust Fund disbursements (SDR as at 31st March 2018)**

Category	Category description	Original Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Cat I "Equipment and Material"	160,000	254,719		-94,718	159%
II	Cat II "Training"	470,000	232,593		237,406	49.49%
III	Cat III "Consultancies"	3,000,000	384,526		2,615,474	12.82%
IV	Cat IV "Grants"	1,800,000	497,621		1,302,378	27.65%
V	Cat V "Operating Expenses"	2,670,000	1,334,861		1,335,138	50%
	Unallocated	900,000	-		900,000	0.00%
	Authorized Allocation	-	823,421		-823,421	0.00%
	<b>Total</b>	<b>9,000,000</b>	<b>3,527,741</b>		<b>5,472,257</b>	<b>39.20%</b>

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



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

	Results	Unit	AWPB	Actual	% of AWPB	Appraisal	Cumulative total	% of appraisal	Sum of actuals of previous years
	Persons in rural areas accessing financial services	Number	40,000	40,719	102	140,000	40,719	29	38,218
		Male	10,000	5,346	53	60,000	5,346	9	5,346
		Female	30,000	35,373	118	80,000	35,373	44	35,373
<b>3. IOF effectively operated to test innovative financial products and delivery mechanisms for the agriculture and rural areas.</b>	Savings and Credit Groups formed/strengthened	Number	774	661	85	2,500	661	26	538
	People in savings and credit groups formed/ strengthened	Female	10,664	9,721	91	18,000	9,721	54	8408
	People in savings and credit groups formed/ strengthened	Male	3,293	2,921	89	15,000	2,921	19	2818
	Savings and Credit Groups with women in leadership position	Number	554	485	88	2,000	510	24	510

	Financial Institutions participating in the Project	Number	7	10	36	36	10	28	9
	Staff of financial Institutions trained	Female	94	2	2	1,000	5	0.2	5
	Staff of financial Institutions trained	Male	94	10	11	1,000	10	1	17
	Voluntary savers	Female	8,000	7,450	93	n.a	7450	7450	7243
	Voluntary savers	Male	3000	1934	64	n.a	3116	3116	3116
	Value of savings	USD	200,000	85,096	43	n.a	85,096	85,096	213369
	Compulsory savers	Number		17,024		n.a	17024	17024	33623
	Active borrowers (disaggregated by gender)	Female	5500	5,433	99	n.a	5433	5566	5566
	Active borrowers (disaggregated by gender)	Male	1200	1,114	93	n.a	1114	1132	1132
	Value of gross loan portfolio	USD	550,000	418,403	76	n.a	552026	552026	552026
	People trained in financial services	Female	1000	1239	124	6,408	1239	19.34	488
	People trained in financial services	Male	700	414	59	4,272	414	9.69	624
<b>Effective dissemination of information and effective programme management</b>	Government officials and staff trained	Number	94	0	-	1,000	0	0	3
	Staff of service providers trained	Number	94	4	4	1,000	4	0.4	37

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

Section	Covenant	Target / Action Due Date	Compliance Status / Date	Remarks
Section B6	There shall be one Designated Account opened in the bank of Zambia, for receiving and holding respectively the IFAD loan and the Trust Loan proceed in USD		Complied	
Section B7	There shall be a programme account in Zambian kwacha for Programme operations in a commercial bank acceptable to the Fund		Complied	
Section C2	The following are designated as additional Programme Parties: The Bank of Zambia (BoZ) and the Ministry of Agriculture and Livestock (MAL)		Complied	
Section E1	The following are designated as additional general conditions to precedent to withdrawal:		Complied	
(a)	The designated account and the programme account shall have been duly opened	Precedent withdrawal	to Complied	
(b)	The Programme Steering Committee (PSC) shall have been duly staffed	Precedent withdrawal	to Complied	
(c)	The Programme Coordination Office (PCO) shall have been duly established	Precedent withdrawal	to Complied	
(d)	The Memorandum of Understanding (MoU) between the MoF and BoZ shall have been duly executed	Precedent withdrawal	to Complied	
(e)	The Programme Implementation Manual (PIM) shall have been submitted and approved by the Fund	Precedent withdrawal	to Complied	PIM endorsed by NSC and approved by IFAD. To be improved according to the Mission recommendations
(f)	A standard separate financial management software acceptable to the Fund shall have been installed and operational	Precedent withdrawal	to Complied	Sage Pastel Accounting software installed and fully operational
<b>Schedule 1</b>				
Par 6	The PCO shall be established within the MoF for responsibilities for the daily management and coordination of all programme components and activities.		Complied	
Par 8	Programme Vetting Committee (PVC)		Complied	
Par 9	Performance-based grant agreements with each grant recipient financed by IOF facility		Complied	On-going activity
Par 10	The MoF shall enter into a MoU with BoZ and DBZ		Complied	
Par 11	Subsidiary Agreements: The Lead Programme Agency shall enter into an agreement/contract for services for each service provider for the implementation of the Programme		Complied	
Par 12	Mid-Term Review (MTR): a comprehensive MTR shall be conducted midway through the programme implementation		Not yet due	It is planned that the MTR will be conducted in November 2018
<b>Schedule 3</b>				
Par 4	<i>Financial Statements of Service Providers (SPs)</i> . The Borrower shall ensure that the agreement/contract of service with each SP shall specify that the SP will make available to the Borrower, through the		Partially fulfilled	Not implemented for grantees. During the supervision, the PCO raised a concern about the interpretation of the Special Covenants 4 and 5, Schedule III of the FA and

	PCO, the statements of sources and uses of funds related to Programme activities under their respective responsibility in respect of each Fiscal Year (FY) within two (2) months of the end of each FY. The PCO shall attach such statements of sources and uses of funds to its own financial statement for subsequent submission to the Fund.			whether these covenants shall be applicable to all SPs (Strategic Partners and Grantees) or just only to the Strategic Partners. <b>This issue is brought to the attention of IFAD FMD and the Legal Department as there is a need to provide a further clarification to PCO.</b>
Par 5	<i>Audit of Service Providers (SPs).</i> The Borrower shall ensure that each agreement/contract of service with each SP referred to in, paragraph 11, Section II of Schedule 1 hereto shall specify that the SP will appoint an external independent auditor to audit their financial statements relating to the Programme. These audit reports shall be submitted to the Borrower, Through the PCO, within five (5) months after the end of each Fiscal Year for subsequent submission to the Fund.			As above
Par 6	National and International Service Providers shall be recruited following a transparent competitive process		Complied	
Section 7.01 (b)	AWPB submitted to the Fund not later than 60 days before the beginning of the relevant year.		Complied	
Section 7.08 (a)	The LPA shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practices.		Complied	
Section 7.08 (b)	The LPA shall insure the goods imported for the project which are financed by the financing		Complied	
Section 8.03 (a)	The LPA shall provide to the Fund periodic progress reports on the project		Complied	
Section 9.02	Financial Statements: the Borrower/Recipient shall deliver to the Fund detailed financial statements of the operations within 4 months of the end of each fiscal year.		Complied	
Section 9.03	Audit of Financial Statements: Within 6 months the Borrower shall submit audited Financial Statements to the Fund and reply to the management letter of the auditors within one month of receipt thereof.		Complied	

## Appendix 4: Technical Background Analysis

*This appendix is optional and can include all additional in-depth and background analysis and working paper. You can edit chapters according to the needs and assessments conducted during supervision mission.*

### **Partnership-Building**

*In this section, report on partnerships by using the following table.*

*Details of the main project partnerships should be included, either in the text of the narrative section under the partnership-building rating, or here in this overview table. This should include the names and a brief note on the main partners/partnerships. The supervision team should also meet with partners to obtain their feedback and insights regarding the overall quality and effectiveness of the partnership and the partnership-building efforts of the project team.*

<b>Partner Name</b> (may also include networks, multi-stakeholder partnerships etc.)	<b>Details of partnership</b> <i>Indicate whether NGO, INGO, UN agency, Government agency etc. Is the partnership based on written agreement? Provide any additional details about the partnership</i>
<b>Cofinancing partnerships</b>	
<b>KM and Policy partners</b>	
<b>Private Sector</b>	
<b>Coordination/Implementing Partners</b>	

## **Appendix 5: Mission Preparation and Planning, TORs, Schedules, People met.**

### **TORs**

**TO:** Teresa Maru-Munlo, Programme Management Specialist - Deputy Mission Leader;  
Dick Siame, Monitoring & Evaluation Specialist  
Waseem Shahzad, Procurement Specialist

*A. Z. Benhammouche*

**FROM:** Abla Z. Benhammouche  
Country Director, ESA

**DATE:** 03 July 2018

**SUBJECT:** Republic of Zambia: Rural Finance Expansion Programme (RUFEP) – Supervision and Implementation Support Mission: 14 – 25 May 2018: Terms of Reference.

### **A. Introduction**

1. The supervision and implementation support Mission will visit the Republic of Zambia during the period 12 – 25 May 2018, to review progress of, and provide support as may be necessary for effective implementation of the above mentioned Programme. The central objectives of the Mission are to evaluate the overall progress of RUFEP implementation in reference to its achievement of development objective and goal and provide necessary assistance to the government to improve implementation. The review should take into account the fact that the AWPB is being implemented within the context of an aligned country portfolio. Hence, there is need to establish the effectiveness (or lack thereof) of the mechanisms put in place for the implementation of aligned activities; b) undertake field visits to interact with the beneficiaries to assess benefits reaching them and receive their views on how improvements can be made and systems created sustained; c) review fiduciary aspects, focussing on financial management, disbursement and procurement issues and assess provision of counterpart funds in terms of amount and timeliness, and compliance with loan covenants; d) overview of issues affecting sustainability, including but not limited to; institutions and policy engagement, partnership building, human and social capital and empowerment, beneficiary participation, responsiveness of service providers and exit strategy; and e) check actions taken on the last Mission's recommendations.

### **B. Programme Background**

2. The RUFEP is an eight year programme, with a total budget of USD 26.315 million, financed with a concessional loan from IFAD of USD 8.416 million, Spanish Trust Fund of USD 11.988 million, Participating Institutions contribution of USD 3.29 million and GRZ's contribution of USD 2.613 million. The overall development goal of the RUFEP, is to improve livelihoods of the rural poor through sustainable economic growth. The Project Development Objective (PDO) is to increase access to and use of sustainable financial services by poor rural men, women and youth. These objectives are to be achieved through three components: (i) Strategic Partnerships; (ii) Innovation and Outreach Facility (IOF) and (iii) Knowledge Management and Programme Implementation. The Programme is national in scope with the geographical areas to be reached, through different financial institutions and service providers. There have been four supervision missions to date. The first supervision mission took place from 28 September to 9 October 2015, while the last one took place in October/November 2017.



## **A. Documents for Reference**

The following documents will provide the required information for the Mission's work:

- RUFEP Appraisal Report;
- RUFEP Financing Agreement;
- RUFEP Letter to the Borrower;
- October/November 2017 RUFEP Supervision Mission Aide Memoire and Supervision Report;
- RUFEP Programme Implementation Manual;
- RUFEP 2017/2018 AWPB
- Other relevant documents (e.g. Rural Finance Policy/Strategic papers, RUFEP grant agreements, RUFEP progress reports)

## **B. Terms of Reference for Mission Members**

3. **Abla Benhammouche, IFAD Country Director (Mission Leader)**, will lead the Mission, provide overall guidance to the Mission members, and coordinate the day-to-day undertaking of the Mission. She will coordinate the appointments of top-level meetings and lead the Mission discussions in such meetings. She will supervise Mission operations and assure that Mission members meet their TORs. She will liaise with development partners to be briefed of their operations and any pending issues that may affect implementation of IFAD assisted Programmes/Project. She will, likewise, provide a briefing to them on IFAD operations. She will oversee the production of and present, at a wrap-up meeting, the Mission Aide Memoire, and sign the final Aide Memoire with the relevant GRZ official. She will ensure timely production of the Supervision Mission report and Management Letter.

4. **Teresa Maru-Munlo – Deputy Mission Leader/Programme Management Specialist**: You will be responsible for coordinating Mission activities, preparation of the Mission Aide Memoire (including the ORMS/Supervision Report and Management Letter. More specifically you will:

- a) Meet with the PCO and review general progress of implementation in relation to the programme goal and objective;
- b) Work with the MOF and the RUFEP PCO staff in post and review progress made *vis-a-vis* the last supervision missions recommendations and where there are implementation challenges, provide advice to the programme implementers on how to address these;
- c) Under Component 1 (Strategic Partnerships), RUFEP is expected to develop and sign Partnership Agreements, focusing on specific activities meant to strengthen partner institutions' capacity to innovate and deliver demand driven financial services to the rural communities in Zambia. Establish the extent to which these activities have been developed and implemented by visiting and discussing with the relevant partners. Where applicable, review the available drafts and provide comments;
- d) Work with the MOF and PCO to establish progress that has been made in the establishment of the Rural Finance Unit in the Ministry;
- e) Review and ascertain progress being made in operationalizing the three matching grant windows through discussions with the PCO and also grant recipients through onsite visits and beneficiary field visits. Provide any implementation support deemed necessary to improve the efficiency of activities under this intervention;
- f) Meet with the RUFEP PCO to review and establish success of implementation of the 2017/18 Work Plan and Budget, and the completeness of the 2018 Work Plan and Budget. Identify any factors that might be hindering the smooth activity implementation and work with the relevant institutions to address the underlying issues;
- g) RUFEP is being implemented within the context of an Aligned Country Portfolio. To that effect, examine and ensure that the Programme has included aligned activities in its work plan and budget and how such activities are being implemented within the context of the Aligned Country Portfolio;
- h) Work with the PCO and evaluate the following: (i) coherence (or lack thereof) between RUFEP's work plan and budget and implementation; (ii) the Programme's planned targeting approach; (iii) the Programme's planned gender focus; (iv) the Programme's planned poverty focus; and (v) how the Programme captures/documents and plans to disseminate lessons of

their experience and innovations. Use your experience from working on other Programmes/Projects and provide any useful guidance in this regard;

- i) In collaboration with other mission members; ensure that scaling up, sustainability and exit strategy issues are addressed and duly reported on;
- j) Undertake any other tasks that may be requested by the Mission Leader -- *inter alia providing feedback on performance of each mission member.*

5. **Outputs:** You will work with the rest of the Mission members to coordinate the production of: a) Mission Aide Memoire, b) Supervision report using the ORMS template c) draft Management Letter

6. **Dick Siame, Knowledge Management and Monitoring & Evaluation Specialist:** You will be responsible for the supervision of the Programme's M&E and Knowledge Management. You will pay particular attention to the progress and achievements of the logical framework indicators; completeness and coherence of the AWPB, institutional effectiveness, operational coordination, and influence of M&E results on implementation improvement. One of the major objectives is to ensure that implementation progress reports reflect not only budget usage but also clear and measurable ways of determining output, outcome, impact, and beneficiaries (disaggregated by gender) reached. More specifically, you will:

- a) Review responses to recommendations of the previous Mission;
- b) Meet with the RUFEP's Planning, Monitoring and Evaluation Specialist to discuss issues related to monitoring, capturing and reporting of the Programme's progress, including the frequency, format and content of the reports. Particular focus should be put on the implementation of the monitoring and evaluation system and the data management system. Ensure that implementation progress reports should not only reflect budget usage, but also a means of capturing (in a measurable manner) output, outcome, impact, and beneficiaries reached in line with programme household targets. As much as possible, identify perceived and actual constraints and problems as may exist and provide advice for improvement as may be needed;
- c) In collaboration with M&E staff of the Programme at different levels, evaluate implementation performance through review of relevant reports, onsite partner visits and beneficiary field visits. Identify those areas that still need improvement (and suggest corrective measures) in order to ensure the provision of detailed and informative progress reports;
- d) Work with the M&E staff of the Programme to review the logical framework, and ensure that progress is reported against objectives, outcomes and outputs (Appendix 2 of the Aide Memoire) and Physical progress measured against AWPB, including RIMS indicators (Appendix 4 of the Aide Memoire). Emphasis must be put on the need for the Programme to update these two annexes periodically as a means of ascertaining progress (or lack thereof) towards the achievement of set (annual and appraisal) targets;
- e) In collaboration with the M&E Officers, ensure that RIMS reports are completed in a timely version; the RIMS summary report should always be annexed to the annual progress reports;
- f) You will also meet and discuss with the Knowledge Management and Communications Specialist concerning systematic lessons learnt, knowledge capturing and sharing and consider if these are consistently embedded in Programme management and implementation;
- g) Check and establish whether success stories, lessons and examples of best practice are being documented appropriately, packaged and shared within the country Programmes/Projects, with the Government of Zambia and other development partners in the country and with IFAD;
- h) In collaboration with other mission members; ensure that scaling up, sustainability and exit strategy issues are addressed and duly reported on;
- i) Undertake any other assignment as may be requested by the Mission Leader.

7. **Outputs –** You will be expected to contribute (for those aspects that are directly related to your TORs) to the following Mission outputs:

- An Aide-Memoire, including;
- Supervision Report in the ORMS format with appropriate justification of each rating
- Review the submitted RIMS.

8. **Waseem Shahzad, Procurement Management.** You will work closely with the Procurement Officer of the PCO to ascertain whether RUFEP's procurement procedures are being undertaken efficiently and in adherence to IFAD and GRZ procurement procedures. Specifically, you will undertake the following:

- a) In liaison with the Deputy Mission Leader, undertake a review of the actions taken on the agreed actions of the October/November 2017 Supervision/Implementation support Mission and report on effectiveness (or lack thereof) of the actions taken;
- b) Review the management of the procurement process particularly with regard to: (i) the use of the procurement plan as a management tool; (ii) the use of the contract monitoring form; and (iii) the adherence to procurement procedures;
- c) Review procurement performance relative to the procurement plan;
- d) Identify capacity gaps (where they exist) and provide capacity building in financial management and procurement aspects, including assistance to financial/administrative staff in the preparation of financial accounts, WAs, procurement plans, and contract management;
- e) Review the record-keeping system and provide advice and guidance where necessary for improvement in establishing and maintaining an efficient and effective Procurement Record-Keeping system;
- f) Review the fixed asset registers maintained by the Programme and implementing partners and establish adequacy or lack thereof;
- g) Post-review procurements with thresholds not warranting IFAD prior reviews to ensure compliance to Procurement Guidelines;
- h) Spot Check Procurement Records irrespective of IFAD prior reviews, to ensure that best practices in relation to procurement are adhered to in accordance with IFAD and GRZ Procurement Regulations;
- i) Review the 2018 Procurement Plan and progress of its implementation. Where, relevant, offer on-the-job training on Procurement Planning;
- j) In collaboration with other mission members; ensure that scaling up, sustainability and exit strategy issues are addressed and duly reported on;
- j) Undertake any other assignment as may be requested by the Mission/Deputy Mission Leader.

9. **Outputs** – You will be expected to contribute (for those aspects that are directly related to your TORs) to the following Mission outputs:

- An Aide-Memoire;
- Supervision Report in the ORMS format with appropriate justification of all ratings;

10. **Fabrizio Vivarini, Financial Management Specialist**, will also participate in the mission, with Terms of Reference provided separately by IFAD's Financial Management Services Division.

**PROGRAMME FOR SUPERVISION AND IMPLEMENTATION SUPPORT MISSION**  
**MINISTRY OF FINANCE**  
**RURAL FINANCE EXPANSION PROGRAMME**  
**14<sup>th</sup> to 24<sup>th</sup> MAY 2018**

Date	Person	Position & Institution	Component	Time	Venue
14/05/17 Monday	<b>RUFEP PCO</b>  1) Michael Mbulo 2) Ezra Chibwe 3) Womba Phiri 4) John Loongo 5) Caiaphas Habasonda 6) Gareth Evans 7) Cephas Moonga 8) Deborah Chibonga	<i>Overall Programme briefing by RUFEP Team</i>	I-III	08.00 - 15.00 hrs.	RUFEP, Thabo Mbeki Road
		<i>Programme Coordinator</i> <i>Financial Controller</i> <i>Monitoring &amp; Evaluation Specialist</i> <i>Procurement Specialist</i> <i>National Technical Advisor</i> <i>International Technical Advisor</i> <i>Knowledge Management Specialist</i> <i>Assistant Accountant</i>			
		Detailed individual meetings with RUFEP Sector Specialists	I-III	15.30 - 17.00 hrs.	RUFEP, Thabo Mbeki Road
15/05/18 Tuesday	<b>Ministry of Finance</b>  Emmanuel Mulenga Pamu (Dr.)  Mr. Jacob Mkandawire  Mrs. Rachel Zyambo  Mr. Joseph Tumba	<i>Courtesy call on MoF</i>			
		Permanent Secretary - BEA	I-III	08.00 hrs.	MoF, Chimanga Road
		Director IDMD		08.30 hrs.	
		A/ Director, GI, IDMD		08.30 hrs.	
		Senior Economist, GI, IDMD/RFU		08.30 hrs.	
	<b>Rural Finance Unit (RFU)</b>	Briefing on initial preparations for RFU start-up activities  Ast./ Director, RFU, IDMD  Senior Economist, RFU, IDMD  Economist, RFU, IDMD	I	10.00 hrs.	
	<b>Bank of Zambia</b>	Discuss BoZ / RUFEP 2018 AWPB Activities especially further roll-out of Movable Asset Registry and Credit Infrastructure, CPMC, Sex disaggregated data, Financial	I	14.30 hrs.	Cairo Road

	<p><i>Literacy etc.</i></p> <p>Ms. Freda Tamba Director NBF</p> <p>Mr. Musapenda Phiri Head - Financial Sector Development</p> <p>Mr. Banji Milambo Senior Analyst - Regulatory Policy</p> <p>Mr. Moses Musantu Senior Analyst - Consumer Protection and Market Conduct (CPMC)</p> <p>Mrs. Maria Katepa Manager, Payments Systems Oversight</p> <p>Mrs. Stella Nkhoma Gender Specialist</p>				
16/05/18 Wednesday	<b>SaveNet</b>	Attend Quarterly Board Meeting. Discuss progress on 2018 work plan	I	08.30 hrs.	Kabulonga Road
	Mr. Samuel Tembo Board Members Chama Mubanga	SaveNet Board Chairperson  SaveNet National Coordinator			
	<b>Development Bank of Zambia</b>	Discuss Baseline Study preparations and follow up activities	I	10.30 hrs.	Katunjila Road
	Mr. Jacob Lushinga Mrs. Mavis Chaile Mrs. Chanda Kambole Mr John Chibonga	Managing Director Chief Investment Officer Head - Post Evaluation and Economic Research Senior Strategy Officer			
	<b>Association of Microfinance Institutions of Zambia</b>	Briefing on initial preparations for AMIZ start-up activities	I	14.30 hrs.	Zambezi Road, Roma
	Mr. Douglas Kamwendo Mr. Sydney Kanyanta Mr. Webby Mate	Board Chairperson and Chief Executive Officer- FINCA AMIZ Treasurer and Chief Finance Officer- EFC AMIZ Executive Secretary			
	<b>ZAZU Africa Limited</b>	Discuss progress on 2018 Work Plan	II-(iii)	16.00 hrs.	74 Independence Avenue
	Mr Perseus Mlambo	Managing Director			

	<i>Ms. Alessandra Martini</i>	<i>Chief Operations Officer</i>			
17/05/18 Thursday	<b>Ministry of Finance</b> Economic Management Department	<i>Briefing on initial activities to operationalize the NFSD and NFIS and collaboration with RFU</i>	I-III	08.30 hrs.	MoF, Chimanga Road
	Ms. Mercy C. Munoni	Assistant Director - Financial Sector Policies and Management Unit			
	Ms. Katongo Musonda	Economist - Financial Sector Policies and Management Unit	I	10.00 hrs.	Main Post Office Building, Cairo Road
	<b>Competition and Consumer Protection Commission (CCPC)</b>	<i>Briefing on initial preparations for CCPC start-up activities</i>			
	<i>Mr. Chilufya Sampa</i>	<i>Executive Director</i>			
	<i>Mr. Brian Lingela</i>	<i>Director - Consumer Protection</i>			
	<i>Mr. Owen Munkombwe</i>	<i>Project Manager</i>			
	<b>New Apostolic Church Relief Organization (NACRO)</b>	<i>Discuss progress on 2018 Work Plan</i>	II-(ii)	12.00 hrs.	Off Manchinch Road
	Mr. Tebuho Yubai	Executive Director			
	Mr. Sikota Muletambo	Programmes Manager			
18/05/18 Friday		Report Writing			
19/05/18 Saturday	Report Writing				
20/05/18 Sunday	Travel to Chipata - Eastern Province 10.30 hours				
21/05/18 Monday	<b>Churches Health Association of Zambia (CHAZ)</b>	<i>Briefing by CHAZ Team and courtesy call on Minga Mission Hospital</i>	II-(ii)	08.00 hrs.	Petauke
	SR. Asperanza Massawe	Hospital Administrator			
	Mrs. Dorothy Chiluba	Micro Finance Program Manager			
	Mr. Joyous Sikalima Mr. Wilson Mwanza	Micro Finance Program Officer Field Officer			
		Meeting with Savings Group I		09.30 hrs.	
		Meeting with Savings Group II		13.30 hrs.	
	Travel to Chipata			16.00 hrs.	
22/05/18	<b>Microloan Foundation</b>	<i>Discuss progress on 2018 Work</i>	II-(ii)	08.30	Plot 469,

Tuesday	<b>(MLF)</b>  Mr. Kenson Chipphaka  Mr. Jack Ngoma  Mr. Mateo Zanetic	<i>Plan</i>  Chief Executive Officer  Chief Financial Officer  Director Operations  Meeting with Solidarity Group I  Meeting with Solidarity Group II			Luangwa Road, Moth Area, Chipata
				11.00 hrs.  14.30 hrs.	
23/05/18 Wednesday	07.30 hrs. - Travel back to Lusaka.  15.00 hrs. - Visit Vision Fund Zambia (VFZ) Chongwe Branch and one Solidarity Group II-(ii) -				
24/05/18 Thursday	Debrief Aide Memoire with RUFEP team  Presentation of 1 <sup>st</sup> draft Aide Memoire Findings to MoF by Deputy Team Leader and Mission members	Mission Team  Permanent Secretary – MoF BEA	I-III  I-III	10.00 hrs.  15.30 hrs.	RUFEP  MoF Chimanga Road

BEA	- Budget and Economic Affairs
BoZ	- Bank of Zambia
DBZ	- Development Bank of Zambia
EMD	- Economic Management Department
EFC	- Entrepreneurs Financial Centre
FSD	- Financial Sector Development
GI	- Government Investments
IDMD	- Investment and Debt Management Department
MoF	- Ministry of Finance
NBFI	- Non Bank Financial Institutions Supervision Department (BoZ)
NFIS	- National Financial Inclusion Strategy
NFSDP	- National Financial Sector Development Policy
RFU	- Rural Finance Unit
SaveNet	- Savings Led Microfinance Institutions Network

## LIST OF PERSONS MET

**INSTITUTION** : **NACRO**  
**VENUE** : **NACRO**  
**DATE** : **17<sup>TH</sup> MAY, 2018**  
**TIME** : **12:00**

### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
1.	Tebuho Yubai	NACRO	Executive Director	0977566666	<a href="mailto:ed@nacrozmoz.com">ed@nacrozmoz.com</a>
2.	Sikota Muletambo	NACRO	Programme Manager	0955182610	<a href="mailto:pc@nacrozmoz.com">pc@nacrozmoz.com</a>
3.	Lydia Luneta	NACRO	Accountant	0977366791	<a href="mailto:fo@nacrozmoz.com">fo@nacrozmoz.com</a>
4.	Gareth Evans	RUFEP	ITA	0963871433	<a href="mailto:Gareth.evans@rufep.org.zm">Gareth.evans@rufep.org.zm</a>
5.	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
6.	Dick N Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
7.	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>

**INSTITUTION** : **MINISTRY OF FINANCE**  
**VENUE** : **MINISTRY OF FINANCE**  
**DATE** : **17<sup>TH</sup> MAY, 2018**  
**TIME** : **08:30**

### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
1.	Katongo Musonda	MOF	Economist	0977380003	<a href="mailto:chisandok@gmail.com">chisandok@gmail.com</a>
2.	Chisanga Lusumpa	MOF	P.Economist	0977492507	<a href="mailto:Chisanga.lusumpa@mof.gov.zm">Chisanga.lusumpa@mof.gov.zm</a>
3.	Mercy Munoni	MOF	Assistant Director	0977856723	<a href="mailto:Mercy.munoni@mof.gov.zm">Mercy.munoni@mof.gov.zm</a>
4.	Michael Mbulo	RUFEP	Programme Coordinator	0977845052	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>
5.	Derrick N Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
6.	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>



**INSTITUTION** : CCPC  
**VENUE** : CCPC  
**DATE** : 17<sup>TH</sup> MAY, 2018  
**TIME** : 10:00

**ATTENDANCE REGISTER**

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
1.	Brian M Lingela	CCPC	Director -Consumer	0977745720	<a href="mailto:blingec@ccpc.org.zm">blingec@ccpc.org.zm</a>
2.	Mutemwa Nakambowe	CCPC	PI	0211222787	<a href="mailto:m.nakambowe@ccpc.org.zm">m.nakambowe@ccpc.org.zm</a>
3.	Owen Munkombwe	CCPC	Programme Coordinator	0969471881	<a href="mailto:o.munkombwe@ccpc.org.zm">o.munkombwe@ccpc.org.zm</a>
4.	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
5.	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
6.	Gareth Evans	RUFEP	ITA	0963871433	<a href="mailto:Gareth.evans@rufep.org.zm">Gareth.evans@rufep.org.zm</a>
7.	Chilufya Sampa	CCPC	Executive Director	0955786634	<a href="mailto:c.sampa@ccpc.org.zm">c.sampa@ccpc.org.zm</a>

**INSTITUTION** : AMIZ  
**VENUE** : FINCA OFFICES  
**DATE** : 16<sup>TH</sup> MAY, 2018  
**TIME** : 14:30

**ATTENDANCE REGISTER**

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
	Webby Mate	AMIZ	Executive Director	0977159174	<a href="mailto:Webster3110@gmail.com">Webster3110@gmail.com</a>
	Kanyata Sidney	EFC/AMIZ	Member -Treasurer	0977662893	<a href="mailto:skanyata@efczambia.com">skanyata@efczambia.com</a>
	Abduodir Sattoror	AMIZ	Member - CEO	0968820574	<a href="mailto:Abdukodor.sattoror@gmail.com">Abdukodor.sattoror@gmail.com</a>
	Douglas Kamwendo	AMIZ	Chairperson / CEO FINCA Zambia	0965600300	<a href="mailto:Douglas.kamwendo@finca.co.zm">Douglas.kamwendo@finca.co.zm</a>
	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>

	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>

**INSTITUTION** : ZAZU  
**VENUE** : ZAZU OFFICES  
**DATE** : 16<sup>TH</sup> MAY, 2018  
**TIME** : 16:00

#### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
	Alessandra Martini	ZAZU	Co-Founder	0968683955	<a href="mailto:alessandra@ilovezazu.com">alessandra@ilovezazu.com</a>
	Perseus Mlambo	ZAZU	CEO	0968683988	<a href="mailto:perseus@ilovezazu.com">perseus@ilovezazu.com</a>
	Womba Phiri	RUFEP	M&E	0977825324	<a href="mailto:Womba.phiri@rufep.org.zm">Womba.phiri@rufep.org.zm</a>
	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>

**INSTITUTION** : BANK OF ZAMBIA  
**VENUE** : BANK OF ZAMBIA OFFICES  
**DATE** : 15<sup>TH</sup> MAY, 2018  
**TIME** : 14:30

#### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
	Akabiwa Kalimukwa	BOZ	Senior Analyst - Regulatory Policy	0955751425	<a href="mailto:Akalimuk@boz.zm">Akalimuk@boz.zm</a>
	Banji Milambo	BOZ	Manager - Financial Sector Development	0950228300	<a href="mailto:bmilambo@boz.zm">bmilambo@boz.zm</a>
	Joseph Munyoro	BOZ	Assistant Director -ERS	0977829075	<a href="mailto:jmunyoro@boz.zm">jmunyoro@boz.zm</a>
	Mbinga Kafunya	BOZ	Assistant Director -ERS	0979112566	<a href="mailto:mkafunya@boz.zm">mkafunya@boz.zm</a>
	Calvin Habasonda	BOZ	Senior Analyst -Policy & Research	0975433444	<a href="mailto:chabasonda@boz.zm">chabasonda@boz.zm</a>
	Moses Musantu	BOZ	Senior Analyst -	0977857556	<a href="mailto:musantu@boz.zm">musantu@boz.zm</a>

			Consumer Protection		
	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Gareth Evans	RUFEP	ITA	0963871433	<a href="mailto:Gareth.evans@rufep.org.zm">Gareth.evans@rufep.org.zm</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>
	Fabrizio Vivarini	IFAD	Consultant		<a href="mailto:fabrizioviavarimi@gmail.com">fabrizioviavarimi@gmail.com</a>

**INSTITUTION** : **SAVENET**  
**VENUE** : **WE EFFECT OFFICES**  
**DATE** : **16<sup>TH</sup> MAY, 2018**  
**TIME** : **08:30**

#### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
	Louis Muswema	REES	Project Manager	0977146585	<a href="mailto:lmuswema@gmail.com">lmuswema@gmail.com</a>
	Tea Tihounova	Caritas Czech Republic	Head of Mission	0969300821	<a href="mailto:tea.tihounova@carita.cz">tea.tihounova@carita.cz</a>
	Dorothy Chiluba	CHAZ	Manager	0977784541	<a href="mailto:Dorothy.chiluba@chaz.org.zm">Dorothy.chiluba@chaz.org.zm</a>
	Jennipher Sakala	We Effect	Country Rep	0979280900	<a href="mailto:Jenipher.sakala@weeffect.org">Jenipher.sakala@weeffect.org</a>
	Martin Sekeleti	We Effect	Program Coordinator	0977678884	<a href="mailto:Martin.sekeleti@weeffect.org">Martin.sekeleti@weeffect.org</a>
	Lwinde Twambo	SaveNet	FO	0979978056	<a href="mailto:Lwinde.twambo@plan-international.org">Lwinde.twambo@plan-international.org</a>
	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>
	Mubanga Chama	SaveNet	National Coordinator	0966684372	<a href="mailto:Savenet-zm@outlook.com">Savenet-zm@outlook.com</a>

**INSTITUTION** : **DBZ**  
**VENUE** : **DBZ OFFICES**  
**DATE** : **16<sup>TH</sup> MAY, 2018**  
**TIME** : **10:30**

#### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
	Chilambe Lwao	DBZ	Senior Portfolio Manger	0978712450	<a href="mailto:lwaoc@dbz.co.zm">lwaoc@dbz.co.zm</a>
	NamukoloNamakando	DBZ	AHRO	0979517997	<a href="mailto:namukolon@dbz.co.zm">namukolon@dbz.co.zm</a>
	John Chibonga	DBZ	Senior Strategy Officer	0976145599	<a href="mailto:Chibongaj@dbz.co.zm">Chibongaj@dbz.co.zm</a>
M	Mavis Chaile	DBZ	CIO	0978010018	<a href="mailto:mavisc@dbz.co.zm">mavisc@dbz.co.zm</a>
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	Robert M. Malasha	DBZ	Principal Finance Officer	0975822887	<a href="mailto:robertmalasha@dbz.co.zm">robertmalasha@dbz.co.zm</a>
	Chama Kambobe	DBZ	Head - Post Evaluation and Economic Research	0975912220	<a href="mailto:kambobec@dbz.co.zm">kambobec@dbz.co.zm</a>
	Chibamba Kizito Lopa	DBZ	CPMO	0955811133	<a href="mailto:lopack@dbz.co.zm">lopack@dbz.co.zm</a>
	Carol Mwila	DBZ	Treasurer	0972082996	<a href="mailto:carolk@dbz.co.zm">carolk@dbz.co.zm</a>
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	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>
	Gareth Evans	RUFEP	ITA	0963871433	<a href="mailto:Gareth.evans@rufep.org.zm">Gareth.evans@rufep.org.zm</a>

INSTITUTION : CHAZ  
VENUE : CHAZO FFICES, PETAUKE  
DATE : 21<sup>ST</sup> MAY, 2018  
TIME : 08:00

#### ATTENDANCE REGISTER

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
1.	Wilson Mwanza	CHAZ	Field Officer	0972006870	<a href="mailto:mwanzawilson@gmail.com">mwanzawilson@gmail.com</a>
2.	Asphanza Massawe	Minga Hospital	ADM	0977218822	<a href="mailto:mingamissionhospital@gmail.com">mingamissionhospital@gmail.com</a>
3.	Chibwe Siyakasiya	CHAZ	Programme Officer	0979925100	<a href="mailto:chibwesiyakasiya@chaz.org.zm">chibwesiyakasiya@chaz.org.zm</a>
4.	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
5.	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Gareth Evans	RUFEP	ITA	0963871433	<a href="mailto:Gareth.evans@rufep.org.zm">Gareth.evans@rufep.org.zm</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>

	Womba K Phiri	RUFEP	MES	0977825374	<a href="mailto:Womba.phiri@rufep.org.zm">Womba.phiri@rufep.org.zm</a>
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**CHAZ BENEFICIARY GROUPS VISTED ON 21<sup>ST</sup> MAY IN PETAUKE**

	Chikulo Savings Group				
	Hospice Savings Group				

**INSTITUTION** : MICROLOAN FOUNDATION  
**VENUE** : MICROLOAN FOUNDATION OFFICES, CHIPATA  
**DATE** : 22nd MAY, 2018  
**TIME** : 11.00 and 14:30

**ATTENDANCE REGISTER**

S NO.	NAME	INSTITUTION	POSITION	MOBILE	EMAIL
	Kelvin M Mwanino	MLF	RS	0977447928	<a href="mailto:Kelvin.mwanino@mlfafrica.org">Kelvin.mwanino@mlfafrica.org</a>
	Jack Ngoma	MLF	CFO	0979618001	<a href="mailto:Jack.ngoma@mlfafrica.org">Jack.ngoma@mlfafrica.org</a>
	Kenson Chiphaka	MLF	CEO	0976294311	<a href="mailto:kensonchiphaka@mlfafrica.org">kensonchiphaka@mlfafrica.org</a>
	Womba K Phiri	RUFEP	MES	0977825374	<a href="mailto:Womba.phiri@rufep.org.zm">Womba.phiri@rufep.org.zm</a>
	Dick Siame	IFAD	CPO	0977452088	<a href="mailto:d.siame@ifad.org">d.siame@ifad.org</a>
	Teresa Maru-Munlo	IFAD	Consultant	+265999964645	<a href="mailto:tchemus@yahoo.com">tchemus@yahoo.com</a>
	Gareth Evans	RUFEP	ITA	0963871433	<a href="mailto:Gareth.evans@rufep.org.zm">Gareth.evans@rufep.org.zm</a>
	Michael Mbulo	RUFEP	Programme Coordinator	0977845452	<a href="mailto:Michael.mbulo@rufep.org.zm">Michael.mbulo@rufep.org.zm</a>

**MICROLOAN FOUNDATION BENEFICIARY GROUPS VISITED IN CHIPATA ON 22<sup>ND</sup> MAY 2018**

	Praise Team Solidarity Group				
	Safwa Solidarity Group				
	Khamalidedyesa Solidarity Group				