

## **Republic of Ghana**

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### **Root and Tuber Improvement and Marketing Programme RTIMP**

#### **Supervision report**

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

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Project No. 1312  
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West and Central Africa Division  
Programme Management Department



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## **Abbreviations and acronyms**

AMSEC	Agricultural Mechanisation Service Centre
FFF.	Farmer's Field Forum
GEF	Global Environmental Facility
GPC	Good Practice Centres
GSA,	Ghana Standards Association
IEC	Education and communication
RTIMP	Root and Tuber Improvement and Marketing Programme
MEF	Micro Enterprise Fund
SCF	Supply Chain Facilitators



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

1. The Root and Tuber Improvement and Marketing Programme (RTIMP) is in its seventh year of implementation (Programme duration is 8 years from 2007 to 2014). The Programme objective is that livelihoods are enhanced for the rural poor who rely on roots and tubers for their income and food security. The Programme promotes the development of competitive, market-based and inclusive R&T commodity chains by providing relevant, effective and sustainable services, accessible by the rural poor.

2. Specifically, RTIMP develops linkages within the commodity chain for roots and tubers; enhances the production of roots and tubers through improved technologies; and develops the processing and marketing infrastructure for roots and tubers. The Programme connects farmers with processors, markets and relevant, effective and sustainable services to increase agricultural productivity and profitability. Additionally, it empowers farmers by developing capacity within farmer-based and other trade organisations.

3. The Programme consists of the following main components:

4. **Support to Commodity Chain Linkages:** provision of information, education and communication (IEC), building networks to allow for knowledge transfer, investments, marketing, and the creation of an Initiative Fund (IF) to provide needed capital in small amounts to finance pilot activities of the R&T Commodity Chain identified on a case-by-case basis.

5. **Support to R&T Production:** Multiplication and distribution of R&T planting material, agricultural research, Integrated Pest and Disease Management and soil fertility management and technology dissemination adoption through Farmer's Field Forum (FFF). The FFF is an innovative platform for mutual learning for smallholder farmers, extension agents and researchers, together with Programme staff.

6. **Upgrading of small-scale R&T processing, business and marketing skills:** Support to the establishment of Good Practice Centres (GPC) for the development and upgrading of cassava processing technologies including business development training. Operation of a Micro-Enterprise Fund (MEF) (matching grant facility).

7. The Programme has made significant progress during the latest years and it is now in its last two years of implementation. Recent past supervision missions have noted improved collaboration and cohesion with activities and outputs that are aligned to project outcomes. However, financial and administrative issues still remain as a major issue due to incomplete follow-up and implementation of recommendations of earlier missions.

8. During April 2013, additional technical assistance has been provided to the project to address the persistent issues confronting the effective and efficient financial administration of the Programme. Further areas of focus include progress made with regard to the HQCF value chain, identification of potential PPPs to guide future support to R&T value chains under GRGP; implementation of the GEF and OFID grants; sustainability aspects for GPCs and seed sector intervention. In addition, RTIMP is participating in a review of matching grant schemes in the agricultural sector in Ghana, which is linked to the overall METASIP review, which is expected to provide lessons RTIMP's approach and operation of activities pertaining to access to term finance for capital

9. An IFAD Implementation Support Mission visited the Root and Tuber Improvement and Marketing Programme (RTIMP) from June 10<sup>th</sup> until June 17<sup>th</sup> 2013. The mission agreed with the Programme management that a more inter-active process would be followed, enabling management and implementation partners to develop full ownership of the review, assessment and proposals.

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<sup>1</sup> Mission composition: Officer; Mr Niels Bossen, Associate Professional Officer; Mr Richard Pelrine, Agribusiness Finance Specialist; Mr Alex Endeshaw, PPP specialist; Mr Jean Bosco Rurangangabo, Financial Management Specialist. Ms Aissa Toure, IFAD Country Programme Manager Togo/RTIMP Task Manager, and Mr Ulaş Demirag, IFAD Country Programme Manager Ghana, assisted the mission as required.

10. Accordingly, the following observations are a joint assessment by the PMU/implementers and the mission team. The aim to develop greater ownership and self-assessment in forthcoming implementation support exercises.

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

11. **Main Positive Aspects.** The Programme continues to make very good progress in all Components. There are now some good outcomes being observed in income generation at all parts of R&T value chains, demonstrating good progress in income growth and poverty alleviation. It is now clearly demonstrable that application of the RTIMP model can and indeed does lead to sustainable income generation for farmers and others in the value chains. Sustainability has also been enhanced by a commercial approach to planting material reproduction which has shown initial positive results. Despite earlier problems, there has been greatly improved disbursement of Micro Enterprise Fund (MEF) grants, largely through RCBs. This has enabled vital capital formation by numerous participating Value chain entities.

12. In addition to the above, there has been sound improvement in Programme management, M&E and fiduciary aspects. Planning functions are largely done on time, M&E capacity has been improved and the Programme is largely in compliance with financial management requirements. It is noteworthy that a large volume of accurate financial information and analysis is now being used to guide VC entities in improved financial management, increasing their sustainability.

### **Main Concerns:**

13. It is evident that demand for R&T products has continued to grow, both for domestic and international markets. There is thus an induced shortage of supply of R&T raw materials for processing and marketing although overall production is increasing. There needs to be greater emphasis on enabling farmers to reliably supply this burgeoning market demand.

14. In relation to these concerns the main risks observed in the Programme are: (a) supply of roots and tubers from farmers remains significantly below market demand; (b) The lack of experience of SFCs in financial intermediation with the result that the specific financial needs of VCs have not been satisfied; (c) There is still some communication gap between component specialists and the M&E unit and the system remains focused on activities and has missing linkages between output and outcome levels; (d) The optimization of the financial management tool SCALA acquired in 2010 remains a challenge; and, (e) The current knowledge generation and dissemination of the project outcomes and best practices is not mainstreamed in project operations.

15. The following has been agreed as a means of responding to the identified risks:

16. Renewed emphasis on farm productivity through better access to finance from the MEF and through support from RAFiP, commercial access to improved planting materials, introduction of mechanical cassava harvesting and better communication of supply needs within value chain groups;

17. SCFs will be given specific instruction and orientation on provision of financial advice. More use would be made of the positive financial records being generated, combined with services and support from the RAFiP;

18. Application of an integrated results communication and dissemination system involving Programme specialists, the M&E unit and Programme stakeholders and implementation partners;

19. The SCALA system is to be optimized in the immediate future; and,

20. The Programme will place renewed emphasis on publicising its results in the mass media, industry forums and through its website.

The overall rating of the Programme is satisfactory.



## **C. Outputs and outcomes**

### **Component A. Commodity Chain Linkages**

#### **21. A.1: Effective Information, Communication and Knowledge Management**

22. The Programme agenda for this activity is on course with 73,373 information materials on various topics out of a Programme target of 74,755 developed and distributed. Various subjective assessments from DADUs and other stakeholders on these activities are positive. However, no objective assessment has been done to assess impacts of the activity. It is therefore agreed that an assessment of the impact of distributed IEC materials be conducted to ascertain impact before the end 2013.

#### **23. A.2: Link Small Producers to Larger Scale Markets and Promoting New Uses of R&T**

24. Supply Chain Facilitators (SCFs) have continued to be active in four value chains; namely Export Gari, High Quality Cassava Flour (HQCF), Plywood Cassava Flour (PCF) and Export of Yams. The engagement of SCFs has been extended to October 2013 due to promising results observed during their initial contracts. Financial intermediation for value chain entities was recognised as a key activity of the SCF assignment, due to the need for access to commercial finance to enable expansion. However, efforts to date have not yielded significant results. It is therefore agreed that RTIMP should seek support from RAFiP in facilitating access to commercial banks and RCBs.

25. It has been agreed that the SCF for PCF should concentrate on improving the quality of product to give confidence to the users and also ensure consistency in supply. This follows some incidents observed whereby buyers switched to imported wheat flour as a result of PCF quality inconsistency.

26. The facilitators should all be required to keep cumulative data on the volumes and values produced and exported, as an objective measure of their effectiveness. For yams, information on the preferred varieties on both the international and local markets should inform support for commercial yam seed production.

27. The mission also made the following observations on activities of SCFs:

- (a) They are lacking information on innovations; such as RCB financing and commercial planting material supply;
- (b) They lacking knowledge of improved financial management techniques for value chain entities; and,
- (c) In some cases, they are behaving more like consultants than mentors for value chain entities.

28. It is therefore agreed that there be closer supervision of SCFs by PCO specialists, as well as interaction with them to ensure consistency of knowledge and technical approaches.

29. **Initiative Fund.** The Programme has commissioned the manufacture of ten cassava harvesters to be given to Agricultural Mechanisation Service Centre (AMSEC) farmers as well as private farmers with large acreages. These will be assessed for use in dry season harvesting to maintain supplies. A financial and technical assessment of this innovation will be undertaken to ensure that it is viable for use by farmers.

30. **Other activities supported by the Initiative Fund have included:**

- (a) Development of a new model dryer has been through GRATIS Foundation; a prototype will be delivered within June 2013 for testing in HQCF and PCF Chains;
- (b) Development of Beauregard Sweet Potato production and marketing: Continued field observation will be supported in 2013, pending release in minor season of 2013 to farmers; and,

- (c) Provision of access to Esoko electronic platform for market information to farmers and value chain entities on a pilot basis.

**31. A3: To strengthen Commodity Chain partnership and policy dialogue**

32. The Value Chain Groups of Kanyitewalle and Asueyi have provided excellent services to their members over a prolonged period in terms of facilitating communication and access to commercial services within the value chains. Because of this experience, the process should be further strengthened and replicated at the other GPCs. These value chain groups should be promoted and mentored to serve as a base for up-scaling. It has been agreed that the Programme will investigate the development and provision of localised Esoko services for such value chain groups for development testing.

**Component B. Support to Root & Tuber Production**

33. **B.1: Planting Material Multiplication and Distribution. The Programme has been** pilot testing of commercial production and sale of improved cassava and yam planting materials. So far, some 388 growers (325 males and 63 females) have established 226.5 ha for multiplication in 2012. RTIMP initially provided an incentive subsidy in the form of the cost of land preparation and one-time weeding, but this will be phased out in 2013. The Programme will update its register of Commercial growers for publication/circulation to all DADUs and appropriate media to enable farmers' access to planting materials by Sept 2013. It will also continue to work closely with the Ghana Seed Inspection Division for the inspection and certification of planting materials.

34. The Programme, in collaboration with the University of Cape Coast, Plant Protection and Regulatory Services Directorate, Crop Research Institute and SARI has produced a draft final form of guidelines for the commercialization of cassava, yam, sweet potato and cocoyam. Final editing and printing is now needed for wider circulation by September 2013. This is to be followed by intensive awareness and publicity on the commercialisation initiative.

35. The Guidelines for inspection and certification of R&T planting materials has been drafted since November 2012, with the support of MoFA PPRSD and CSIR-Crop Research and Savannah Agricultural Research Institutes. It was agreed that the Programme should now expedite the circulation of the draft document various supporting agencies for their final comments to enable printing by September 2013.

36. **Farmer Field Fora (FFF).** The Programme has established 411 FFF which have played an important role in providing training and information to farmers on improved R&T production techniques. The Programme has embarked on an initiative to transform pre-qualified FFF into Sustainable Farmer Groups. It has targeted 20 of these FFFs for this transformation in 2013. Each group would be given assistance to become a legal entity appropriate to on their needs. This process will be undertaken in collaboration with the BACs of NBSSI, which would conduct the requisite training and capacity building activities of the groups. It was also agreed that the Programme apply criteria for assessing the readiness of the FFFs groups to be developed into FBOs, in addition to categorizing them to determine their level and stage of development by September 2013. The process of transformation would be demand driven, with the Programme responding to the articulated needs and vision of the candidate FFF. An outcome of this process would be the development of the guidelines or a manual on the transformation process from FFF groups into viable Groups, along with a catalogue of the lessons learnt and good practices.

**Component C. Upgraded R&T Processing & Marketing**

37. **C1: Transfer of relevant processing technologies.** The Programme has investigated the protocol for access to international markets for R&T products. The positive finding, from the Ghana Standards Association (GSA), is that as long as the Ghanaian processors meet the GSA certification standards, all international markets requirement will be met.

38. RTIMP continues to facilitate the training in RTFs for artisans for maintenance and repair of key equipment items used in R&T processing. Currently, training within the RTFs is scheduled for the repair and maintenance of the hydraulic press used in cassava processing.

39. **C2: Development and operation of Good Practice Centres (GPC)**

40. There are 19 existing GPCs, and a further five now under construction. The establishment of two more will soon commence during 2013. The Programme has undertaken a detailed and continuous process of financial analysis for GPCs and associated value chain entities. From this excellent work, it has emerged that there are two basic processor models within GPCs different models. These are:

41. A GPC as a service provider to small processors, operating on a cooperative basis. It provides services to small processors, farmer/processors and R&T farmers in its supply area; and,

(a) A GPC as a proprietary business dealing directly with supplying farmers

42. It is noted that a different analytical approach is needed to properly define the financial parameters for each model. As an example, the PCO specialist concerned has produced the following summary for financial results for the Milenvisi Cooperative GPC at Korkormu.

**Financial Analysis Summary**

43. Cooperative GPC/Per "Pole"<sup>2</sup> of Annual Production

Entity	Net Profit/Pole	Total Cost/Revenue
Farmer	491 GhC	30.6%
Farmer/Processor	1,573 GhC	29.31%
Processor	3065 GhC	54.95%
GPC Service Provider	114GhC	43.21%

44. This analysis shows extremely impressive results, with each entity within this value chain being strongly profitable, and having low costs as a proportion of total revenues. This latter indicator shows that the entities are all resilient to shocks to their financial system such as adverse price or cost changes. It is also a powerful demonstration that it is possible to make excellent financial returns from production and processing of cassava.

45. Performance analysis for all GPCs has also been conducted for the past two years. This is shown in summary form below.

Year	Gari Production	Cost/Revenue %	Total Net Profit
2011	2,369.8 MT	85.6%	245,628 GhC
2012	4,142.5 MT	72.3%	958,566 GhC
% Change	74.8	-15.6	290%

46. This shows an outstanding result in aggregate. Production of Gari has increased by almost 75% in one year, cost of production per unit of value has decreased by 15.6% in the same period,

<sup>2</sup> Approximately 1 acre or 0.4 of a hectare.

while the overall profits of the GPCs has gone up by 290%. These results provide a powerful demonstration effect for investment in cassava processing. It will be important that these messages are communicated effectively in order to stimulate greater private investment in the R&T processing sector.

**47. C3: Clients equipped with technical, business, marketing skills**

48. The Programme has supported a market expansion drive for GPCs and key processors. BACs have **been** mobilised to conduct intensive market searches to identify off-taker markets and other market openings for 8 GPCs.

49. A training needs assessment conducted on Actors in GPC chains led to BACs conducting needs-based (tailor-made) training in:

- (a) Business record keeping using the Enterprise Record Book;
- (b) Basic accounting/financial management; and,
- (c) Business Plan preparation implementation/Financial Analysis

50. The target of 6000 entrepreneurs to be reached through this type of training has not yet been approached. So far, 1438 entrepreneurs have been trained in business development and marketing skills. It has been agreed that the Programme needs to improve its efforts in this work.

**51. C4: Facilitation of MEF disbursement.** The Programme has organised extensive refresher trainings for PFIs with the collaboration of ARB Apex Bank on the use of the MEF. This has been reinforced through experiential/peer learning from such well performed PFIs as Kwamanman, and Naara Rural Banks.

52. There has been a substantial lift in MEF Disbursement in 2013. So far, some 79 enterprises/groups constituting 1,170 clients have been trained and received access to funds under the MEF. These funds, and associated loan funds from the banks have been disbursed by 10 PFIs, constituted by 9 Rural & Community Banks and Ecobank. The total grants disbursed now amounts to GHc 482,376.00.

53. However, disbursements of the MEF grants through Ecobank have remained at low levels. Despite a direct deposit of USD 200,000.00 provided to this bank in August 2011, only two disbursements totalling USD 30,000 have been made to date. The PCO estimates that of applications submitted to Ecobank, grants totalling about USD70, 000 are likely to be financed in the next 6-12 months. It is therefore agreed that IFAD/RTIMP negotiate for return of USD 100,000.00 to Programme from the deposit. Ecobank could continue to draw funds from RTIMP based on approved grant applications if it disburses the entire USD 70,000 balance.

**Component D. Promoting a value chain approach to climate change adaptation in Agriculture in Ghana.**

54. This component has recently been added to the Programme with financing from Global Environmental Facility (GEF) and OPEC Fund for International Development (OFID) for respectively \$2,5 million and US\$ 523.800. The component was successfully launched on March 2013 and since then two technical working groups for 'cassava agro-ecosystems and water resources management' and 'innovative adaptive technologies' have been set up.

**55. D1: To raise awareness about climate change and capacity to address impacts along the cassava value chain.** An initial activity has been the formation of the two Technical Working Groups (TWGs) to provide an opportunity for the various implementing partners to bring their expertise to bear on the project activities and serve as a means of promotion of future achievements. It will be important to have the TWG members to assist the timely capturing of project lessons under the various components.

56. The baseline **study** for the component has not yet been undertaken. However, it is proposed that some of the awareness creation materials could be developed for immediate use and updated later with new information that may be derived from the study.

57. **D3; Promote innovative adaptation solutions along the agriculture value chain.** The installation of a gasification plant and bio-digesting system has the potential to improve the efficiency and productivity of the processing groups at Techiman. However, the much more complex issue of group dynamics first needs to be detailed and addressed. Some agreed activities for addressing the gaps include:

- (a) Sensitization of the different groups on their roles and responsibilities and also the potential benefits that they may gain from the plants;
- (b) The different groups need effective training in the management of their relationship with the other groups with which they would share the gasification plant and bio-digester;
- (c) The relationships among the various groups would need to be formalised subsequently through the signing of MOUs;
- (d) The beneficiaries of the project would need to be facilitated to fully accept their responsibilities towards the installations and where necessary be trained to be able to comply with all legal requirements regarding the operation of the plants; and,
- (e) The financial institutions to be involved in the stakeholder management committee for the gasification plant and other installations would need to support the project to develop financial indicators for jointly monitoring the financial viability of the installations.

58. **Sub Component D4: To effectively coordinate and supervise ProVACCA** The feedback from the first TWG meeting must be used to review the AWPB to make it more practical, realistic and achievable taking into consideration the time already lost due to the late start-up of the project.

59. **Component E. Programme Management/M&E**

60. **Planning, M&E.** RTIMP has put additional focus on M&E and a new well qualified M&E officer is now in place. RTIMP is moving towards having a satisfactory M&E performance. However, there is still the need to better reporting through a revised M&E framework, enhanced database and better assessment of Programme impact. The midline survey was carried out in 2011, but it is not clear as to the extent this has been used in RTIMP planning and M&E. The remaining communication gaps between component specialists and the M&E unit needs to be bridged in order to better coordinate and present the data and results on Programme progress.

61. It has been agreed that a clear action plan for the M&E issues to be dealt with for the rest of the Programme duration should be elaborated jointly by the component specialists and the M&E officer. The operational plan would include measures to better communicate the results of RTIMP, especially with respect to the outstanding technical achievements now being demonstrated.

62. **AWPB and Annual and Quarterly reporting.** Reports are in general submitted on time, and the reporting of RTIMP has improved since last year. A positive innovation in the reporting is the paragraph on success stories. However, the reporting still lacks numbers in terms of planned and achieved progress on outputs, and even more so on outcomes. In the narrative of AWPB 2013, activity planning should be more linked to expected outputs and outcomes and the overall Programme objective. It has been agreed that the AWPB and procurement plan is to be reviewed by end June and submitted to IFAD for No Objection.

63. In future reporting, the M&E unit should play a stronger role in coordinating the reporting, ensuring summary tables are made and overall conclusions drawn, as well as providing a uniform reporting template for each component.

64. The revised logframe from November 2012 is a great improvement, but the outcome area A1 is still unclear in definition of outputs and outcomes. It is agreed that the M&E unit continues its on-going

work on identifying intermediate indicators / observed effects to show linkages between outputs and outcomes under each component. The PCO will present additions to the RTIMP logframe by 15th August. It is also agreed to include indicators to track employment creation in processing and the profit margins at each step of the value chain (farmer, farmer processor, processor, service provider).

65. **Participatory Outcome Assessment (POA).** RTIMP will conduct a POA in 2013 to show the magnitude of outcomes and the linkages between output and outcomes. By 1st August the draft TOR including methodology and questionnaire will be shared with IFAD. This would assist preparation of AWPB for 2014. It is agreed to involve district directors and AEAs in the planning and to share experiences with NRGp.

66. **Database.** The PCO is establishing a database to contain client information on each component. The database should be further developed in order to track activities and year-by-year progress of each client. RTIMP and NRGp, as well as REP, will work with MOFA to develop a uniform client ID No. which would help link the databases and follow the client year by year.

67. **RTIMP Enterprise Record Books,** with versions for farmers and processors, are currently under revision. The finalization and printing is planned for August 2013. RTIMP will share ERB experience with NRGp, which is currently revising its Farmers Business Book.

#### 68. **Gender, Youth, Social Inclusion**

69. **Gender:** RTIMP has no specific focal person for gender, youth and targeting. Gender issues are to some extent mainstreamed into each component by the component specialists. Some 40% of Programme clients are women (cumulative and for 2012). Among processors, women are dominant (86%), a highly commendable outcome. It is agreed that the Programme identify and train a focal person for gender related issues in the PCO.

70. **Youth:** There is no specific youth focus in Programme document and AWPBs. It is estimated from the client register that approximately 20% of clients are in the 18-30 years age bracket. Age should be reported on more frequently in the M&E system. The NRGp design focuses on the 18-30 year old group, which could also be a prominent reporting bracket for RTIMP.

71. **Social Inclusion.** A demand-driven, value chain approach is not an easy match for the abilities of the poorest of the poor, e.g. the landless and disabled. RTIMP has used the Farmers Field Forums as a means to reach out to the poorest farmers and encourage them to organize themselves in groups. It is agreed that the component specialists keep in mind the targeting of the poorest small holders when planning activities.

### **D. Fiduciary aspects**

72. **Financial Management.** Since November 2012, RTIMP has demonstrated substantive improvement in financial management. Further improvement will be made through the benefits of SCALA accounting software. The SCALA engineer is to urgently finish required revision to enable the Programme to derive maximum benefits from the SCALA system. Furthermore, the mission recommends strict adherence to monthly bank reconciliation prepared from the SCALA system.

73. The 10 cassava harvesters have been charged to Vehicles and Office Equipment (VOE) category because there were insufficient funds under the Initiative Fund. It is agreed that the AWPB be reviewed to allow the Initiative Fund to accommodate the cassava harvesters.

74. As a further refinement of financial management, it has been agreed that the project would prepare a "No Objection" tracking sheet.

75. **Disbursement.** The cumulative IFAD loan expenditure is SDR 10.57 million, 81% of the total. Expenditure for all financiers is estimated at USD 20.9 million representing 75.5 % of the total Programme costs. Component E has been disbursed at 80.18%, while Component A disbursement is

65.9% of its allocated budget. There is scope for the Programme to put more emphasis on activities of this component.

**76. Budget execution:**

77. As of 31 May 2013, the total disbursement for 2013 is only 28.7 % of the budget. The Programme needs to speed up in implementation of activities especially by initiating most of big tenders on the procurement plan.

78. **Disbursement.** Disbursement is high for Category III (A) Technical Assistance Professional services and studies (99.23%), and category VI of salaries and allowances (96.27%). In contrast the disbursement rate for the initiative fund category (V.A) is 42.1%. With 1.5 years to go until Programme completion, it is time to reallocate funds among categories including the unallocated amount of USD 1.2 million to enable smooth completion of the Programme.

79. **Procurement.** Note that the procurement for several big items has not yet been activated.

80. **Audit.** The Programme is now undergoing the audit for 2012. It was noted that the audit quality for 2011 was poor. The Programme changed the auditors (due to the expiry of the previous audit agreement). It has been agreed with new auditors that there must be exhaustive verification before confirming bank balance and issuing opinions. It is expected that the 2012 audit will be submitted on time before June 30<sup>th</sup> 2013.

## **E. Sustainability**

81. Sustainability of Programme impact has been improved in several respects. Most notably, this has been derived from the increased profitability and reduced costs per unit of revenue from all parts of the R&T value chains being supported. Undoubtedly, some of the improved profitability comes from the increased prices on offer for most R&T products, but the changes go deeper than this. In part this is due to more rigorous financial management, especially at the processor level. It is also partly attributable to increased productivity by farmers and by processors.

82. Another vitally important factor in developing sustainability has been the move to promote commercial reproduction of improved planting materials. This should ensure that this improved technology remains available to farmers after Programme conclusion. Another factor aiding sustainability is the development of viable commercially oriented farmer groups, as an evolution of the FFF concept.

83. The largest risk working against sustainable growth for the R&T sector is the continued reluctance of banks to provide seasonal and medium-term finance for value chain entities. If this continues, it will stifle the growth processing and farm productivity alike. Fortunately the problem is well-identified, and probable solutions are available through adoption of procedures already being successfully applied by NRGP, as well as through support from RAFiP.

## **F. Conclusion**

84. IFAD and the Government of Ghana endorse the findings of the supervision mission.

## Appendices

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- Appendix 2 Updated logical framework: Progress against objectives, outcomes and outputs
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- Appendix 4 Physical progress measured against AWP&B, including RIMS indicators
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## Appendix 1: Summary of project status and ratings

### Project 1312 [670] Root and Tuber Improvement and Marketing Programme

#### Basic Facts

Country	Ghana			Project ID	1312	Loan/DSF Grant No.	670
Project	Root and Tuber Improvement and Marketing Programme					Top-up Grant	Loan/DSF
Date of Update	04-Jul-2013						
Supervising Inst.	IFAD/IFAD						
No. of Supervisions	8	No. of Implementation Support/Follow-up missions	6				
Last Supervision	17-May-2012	Last Implementation Support/Follow-up mission	30-Nov-2012				

				USD million		Disb. rate %
Approval	08-Sep-2005			Total financing	29.03	
Agreement	20-Jan-2006	Effectiveness lag	14.2	IFAD Total	18.96	
Entry into force	08-Nov-2006	PAR value	-----	IFAD loan	18.96	76
First disbursement				DSF grant		
MTR	07-May-2010	Last amendment	05-Feb-2010	IFAD grant		
Original completion	31-Dec-2014	Last audit	27-Jun-2012	Domestic Total	8.72	
Current completion	31-Dec-2014			Beneficiaries	0.83	0
Original closing	30-Jun-2015			Government (National)	3.89	0
Current closing	30-Jun-2015			Domes. Fin. Inst.	4.00	0
No. of extensions	0			External Co-financing Total	1.34	
				EC	1.34	100

#### Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	3	3	1. Quality of project management	4	4
2. Acceptable disbursement rate	4	4	2. Performance of M&E	3	3
3. Counterpart funds	4	5	3. Coherence between AWPB & implementation	4	4
4. Compliance with financing covenants	4	4	4. Gender focus	4	4
5. Compliance with procurement	4	4	5. Poverty focus	4	4
6. Quality and timeliness of audits	4	4	6. Effectiveness of targeting approach	3	4
			7. Innovation and learning	4	4
			8. Climate and environment focus	4	4
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Upgrading of Small-Scale R&T processing business	4	4	1. Institution building (organizations, etc.)	4	4
2. Support to R&T crop production	4	4	2. Empowerment	4	4
3. Support to increased commodity chain linkages	5	5	3. Quality of beneficiary participation	4	4

4. Responsiveness of service providers	4	4
5. Exit strategy (readiness and quality)	4	4
6. Potential for scaling up and replication	5	5

#### B.5 Justification of ratings

The June 2013 supervision mission noted further improvement in Programme management and in results delivery thanks to the business orientation of the Programme and the demonstration of the profitability of the R&T value chains. Most of the recommendations of the previous mission have been followed. However the financial intermediation assignment to the SCF has not yielded significant results. With the TA provided by IFAD, the fiduciary aspects have improved but systems and procedures need to be streamlined and the division of labor among the financial unit needs clarification. The counterpart funds have been fully paid without delay and no contraventions to the financing covenants were found. Though RTIMP is moving gradually towards having a satisfactory M&E (with a new M&E unit and a revised logframe) there is still need to see concrete results in terms of more systematic reporting on outputs and especially outcomes and impact level indicators. The overall Disbursement rate (81.6%) is satisfactory but the disbursement is low (37%) for the 2013 budget. It is urgent to initiate big tenders for boosting the disbursement. In terms of targeting, RTIMP has moderately satisfactorily targeted the small-holders through the Farmers Fields Forums and the dissemination of improved planting materials to 170.000 small-holders since Programme start.

### Overall Assessment and Risk Profile

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

#### Rationale for implementation progress rating

The Programme continues to make very good progress in all components. There are now excellent outcomes being observed in income generation at all parts of R&T value chains, demonstrating good progress in income growth and poverty alleviation. It is now clearly demonstrable that application of the RTIMP model can indeed lead to sustainable income generation for farmers and others in the value chains. Sustainability has also been enhanced by a commercial approach to planting material reproduction which has shown initial positive results. Despite earlier problems, there has been greatly improved disbursement of Micro Enterprise Fund (MEF) grants, largely through RCBs.

C.5 Likelihood of achieving the development objectives (section B3 and B4)	4	4
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#### Rationale for development objectives rating

The Programme has made progress in adopting a commercial orientation to the production of R&T planting material. The next step is to widely disseminate the register of commercial growers and to collaborate with GSID in the certification of planting material. The financial analysis of the chain actors' activities (farmers, processors, GPCs) has demonstrated the profitability of the R&T value chains. However, there is a need to widen the market prospects in conducting intensive market search to identify off-taker markets and other market openings for GPCs.

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

Fiduciary aspects	The precariousness of RTIMP financial management situation obliged IFAD to field a Technical Assistance (TA). The mission noticed that with the TA support most of the last November 2012 support mission have been implemented and RTIMP registered a significant improvement in Financial Management. The gap on the special account has been closed up by submitting WA 80, to avoid the comingling of funds, two checks are used to pay expenditure that IFAD is sharing with the Government of Ghana and the filing system has improved. However, the optimization of the financial management tool SCALA acquired in 2010 remains a challenge. Additional settings and short trainings are needed to enable the project to derive maximum benefits from SCALA systems: monitoring of the budget, reconciliation of the bank accounts within the system and the edition of financial statements. Currently, the project financial management is still ranked moderately unsatisfactory and has to keep the trend and clear all issues that are hindering its financial management to reach the satisfactory level.
Project implementation progress	The main risks observed in the Programme are: (a) The lack of experience of SFCs in financial intermediation, very few financial mechanisms that can satisfy the specific financial needs of VCs have been found; (b) There is still some communication gap between component specialists and the M&E unit and the system remains focused on activities and has missing linkages between output and outcome levels; (c) The current knowledge generation and dissemination of the project outcomes and best practices is not mainstreamed in project operations; (d) No progress is noticed in the disbursement of the MEF by Ecobank.
Outputs and outcomes	Overall progress of implementation with respect to output B1 (pilot commercialization of R&T planting material as well as development and dissemination of the guideline of the inspection and the certification commercial planting material), B2 (Farmer Field Forums to be upgraded into viable farmers groups), B3 (Integrated Pest Management) was good, however B4 (Research to further improve Cultivation Practices) needs further action as research work supported since 2010 has not been reported on by the assigned Research Institution. The Financial analyses for the Good Practice Centres (GPC) have proved that the R&T processing is a profitable business. The financial analysis of other chains actors have also shown good results that need to be pursued in terms of balanced support to R&T VC segments. Relevant processing technologies are being manufactured and will help address the issue of access key equipment such as the batch dryer. The Micro Enterprise Fund (MEF) is under

	review; the disbursement from RCBs is good unlike that of Ecobank with only two loans granted since august 2011. ProVACCA the environmental and climate change component of RTIMP was successfully launched in March 2013. Since then two technical Working Groups have been formed as an opportunity for the various implementing partners to bring their expertise to bear on the project activities and serve as a mouth piece for trumpeting future achievements.
Sustainability	Sustainability of Programme impact has been improved in several respects. Most notably, this has been derived from the increased profitability and reduced costs per unit of revenue from all parts of the R&T value chains being supported. Undoubtedly, some of the improved profitability comes from the increased prices on offer for most R&T products, but the changes go deeper than this. In part this is due to more rigorous financial management, especially at the processor level. It is also partly attributable to increased productivity by farmers and by processors. Another vitally important factor in developing sustainability has been the move to promote commercial reproduction of improved planting materials. This should ensure that this improved technology remains available to farmers after Programme conclusion. Another factor aiding sustainability is the development of viable commercially oriented farmer groups, as an evolution of the FFF concept. The largest risk working against sustainable growth for the R&T sector is the continued reluctance of banks to provide seasonal and medium-term finance for value chain entities. If this continues, it will stifle the growth processing and farm productivity alike. Fortunately the problem is well-identified, and probable solutions are available through adoption of procedures already being successfully applied by NRG, as well as through support from RAFIP.

### Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
Initiative Fund	AWPB be reviewed to allow the Initiative Fund to accommodate the cassava harvesters.	June 2013	
Commodity Chain Development	(i)Conduct an assessment of the impact of distributed IEC materials to ascertain impact (ii)Closer supervision of SCFs by PCO specialists (iii)Interaction with SCFs to ensure consistency of knowledge and technical approach (iv) Test and pilot a localized Esoko services for specific VC (v)Conduct Financial and technical assessment of new technologies (dryer)	December 2013	
Planting material commercialization	(i)Update and Disseminate the register of commercial growers (ii)Circulate the inspection and the certification guideline	Immediately	
FFF	(i)Develop a guideline or manual on the upgrading of FFF to into viable farmers groups (ii)Categorize all post-FFF groups based on their level of professional development and tailor training needs	December 2013	
M&E	Improve and implement the operational plan	Immediately	
M&E	(i)Enhanced database and better assessment of Programme impact (ii)Coordinate Programme reporting (iii)Identify intermediate indicators and indicators to track employment creation in processing and the profit margins at each step of the value chain (farmer, farmer processor, processor, service provider).	Immediately	
Fiduciary	SCALA engineers to finish settings of SCALA to allow the optimization of benefits from SCALA by the project, Strictly adherence to the monthly reconciliation of all projects bank accounts to avoid erroneous transactions, submit audit report before the 30th June deadline and follow up on the payment of counterpart funds for 2013.	Immediately	
ProVACCA	(i)Recruiting GEF-ProVACCA accountant and submit the withdrawal application on OFID grant. (ii)Sensitization of the different groups on their roles and responsibilities and also the potential benefits that they may gain from the plants (iii)Conduct the baseline and environmental assessment	Immediately	
Programme Management	Review the 2013 AWPB and PP.	June 2013	

### Additional observations



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

Narrative Summary	Key Performance Indicators	Means of Verification	Assumptions (A) / Risks (R)
<i>Goal:</i>			
To enhance incomes and food security to improve the livelihoods of the rural poor of Ghana	<p>x% reduction in rural poverty in Ghana by 2014....</p> <ul style="list-style-type: none"> <li>• 20 % reduction in the frequency of national food shortage among households by 2014....</li> <li>▪ 20 % reduction in malnutrition among households (Children under 5 years) in Programme support districts by 2014....</li> </ul>	<ul style="list-style-type: none"> <li>• SRID report</li> <li>• Ghana Living Standard Survey (GLSS) report</li> <li>▪ RTIMP impact assessment reports</li> </ul>	
<i>Project Development Objective:</i>			
To build competitive and market-based R&T commodity chains supported by relevant, effective and sustainable services that are easily accessible by the rural poor	<ul style="list-style-type: none"> <li>• 20 % increase in income levels of R&amp;T farmers, processors and traders (by gender) by 2014...</li> <li>• Increase in the number of sustainable R&amp;T chains established by 2014</li> <li>• Existence of relevant, effective and sustainable service delivery systems by 2014...</li> <li>• (RIMS L. 3)</li> </ul>	<ul style="list-style-type: none"> <li>• SCF Report, RTIMP</li> <li>▪ RTIMP Annual Reports</li> </ul>	<ul style="list-style-type: none"> <li>▪ Integrated R&amp;T commodity chains remain pro-poor</li> <li>▪ Increased market for R&amp;T products</li> </ul>
<b>Outcome 1:</b> Selected market-based R&T commodity chains established	4 viable market-based R&T commodity chains established and functioning by 2014 (RIMS L2)	<ul style="list-style-type: none"> <li>• Quarterly and Annual Reports,</li> <li>• M&amp;E Reports</li> <li>• Financial Analysis Report</li> <li>• Enterprise Record Books(ERBs)</li> <li>• Supply Chain Facilitators (SCFs) reports</li> </ul>	<ul style="list-style-type: none"> <li>• Willingness of Actors to belong to Chains</li> <li>• Rural infrastructures (access roads, electricity etc. ) are improved</li> </ul>
<b>Outputs:</b> 1.1. R&T Chains established 1.2. (RIMS) Quantity of R&T	<ul style="list-style-type: none"> <li>• 6 plywood chains established (RIMS L. 2) by 2014</li> <li>• 6 HQCF supply chains established (RIMS L. 2) by 2014</li> </ul>	<ul style="list-style-type: none"> <li>• SCF Report</li> <li>• RTIMP Progress and Annual Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Existing processing facilities are financially viable</li> <li>• R&amp;T products remains competitive</li> <li>• R&amp;T products remain profitable</li> </ul>

Narrative Summary	Key Performance Indicators	Means of Verification	Assumptions (A) / Risks (R)
<p>commodities traded annually</p> <p>1.3. Increased participation of R&amp;T actors (disaggregated by gender) engaged in the four chains by 2014</p>	<ul style="list-style-type: none"> <li>75 gari chains established (RIMS L. 2) by 2014.</li> <li>1 fresh yam supply chain established (RIMS L. 2) by 2014... (Note: SM recommendation)</li> <li>56,400 tons of R&amp;T commodities traded by product by 2014 (RIMS L.1) : <ul style="list-style-type: none"> <li>13,200 tons of PCF traded by 2014,</li> <li>12,800 tons of HQCF traded by 2014,</li> <li>2,400 tons of Yam (chain only) traded by 2014,</li> <li>28,000 tons of Gari traded by 2014.</li> <li>10,500 clients (disaggregated by gender) engaged in the four chains by 2014 (RIMS L.1)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Supervision Mission Reports</li> <li>Special Studies Reports</li> <li>RTIMP Annual Report</li> <li>Quarterly and Annual Reports,</li> <li>M&amp;E Reports</li> <li>Financial Analysis Report</li> <li>Enterprise Record Books(ERBs)</li> <li>Supply Chain Facilitators (SCFs) reports</li> <li>RTIMP Annual Report</li> <li>Supply Chain Facilitators (SCFs) reports</li> </ul>	
<p><b>Outcome 1.1</b></p> <p>Public sensitized, informed and educated on RTIMP activities</p>	<ul style="list-style-type: none"> <li>50% of population of target districts aware of RTIMP activities by 2014(Not an Appraisal target)</li> </ul>	<ul style="list-style-type: none"> <li>Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Information reaches total population in target districts</li> <li>Actors are willing to use the information</li> </ul>
<p><b>Outputs:</b></p> <p>1.1.1 RTIMP activities promoted in beneficiary districts</p> <p>1.1.2 RTIMP web-site operational</p> <p>1.1.3 Market information system operational.</p> <p>1.1.4 Commodity Chain Partnership Platform established</p>	<ul style="list-style-type: none"> <li>30,000 copies of promotional materials developed and distributed by 2014 (leaflets, fact sheets, brochures, poster etc.) (RIMS L. 1)</li> <li>160 radio discussion organised by 2014, 10 TV documentaries etc.) organised by 2014 (RIMS L. 1)</li> <li>People accessing the RTIMP web-site by 2014 (To be monitored.)</li> <li>RTIMP website is updated 4 times annually (RIMS L. 1)</li> <li>10,500 R&amp;T actors accessing market information through the Market</li> </ul>	<ul style="list-style-type: none"> <li>Copies of promotional materials, DVDs of documentaries, write-ups,</li> <li>Radio recordings</li> <li>RTIMP Progress Reports</li> <li>Progress report M&amp;E unit website address /uniform resource locator (URL)</li> <li>RTIMP Progress reports</li> <li>ESOKO platform</li> <li>Progress report by ZOCs</li> <li>Progress report by Component A</li> </ul>	<ul style="list-style-type: none"> <li>Interest in R&amp;T activities sustained.</li> <li>Internet host remain operational</li> <li>Interest in R&amp;T activities sustained</li> <li>Esoko platform still in place</li> <li>Interest of Actors sustained</li> </ul>

Narrative Summary	Key Performance Indicators	Means of Verification	Assumptions (A) / Risks (R)
	Information system by 2014 (RIMS L.1) <ul style="list-style-type: none"> <li>417 District Stakeholder Fora (DSF) organized by 2014 ((RIMS L.1)</li> </ul>		
<b>Outcome 2</b> Yields of R&T-based cropping systems increased	<ul style="list-style-type: none"> <li>Yield of FFF Cassava farmers increased by 30% by 2014 (RIMS L.2)</li> <li>Yield of FFF yam, cocoyam and sweet potato farmers increased by 25% each by 2014 (RIMS L.2)</li> <li>Yield of FFF Frafra potato farmers increased by 30% by 2014 (RIMS L.2)</li> </ul>	<ul style="list-style-type: none"> <li>M&amp;E Surveys reports</li> <li>MoFA Statistics</li> <li>Research / Impact Study report</li> </ul>	<ul style="list-style-type: none"> <li>There would be no adverse weather conditions and disease outbreaks</li> <li>Farmers are willing to use the new technologies</li> </ul>
<b>Outcome 2.1:</b> Availability and access to planting material for R&T crops improved	<ul style="list-style-type: none"> <li>174,400 R&amp;T farmers receive healthy planting material by 2014 (by crop / gender)</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports by GLDB</li> <li>Progress reports by DDA</li> <li>Progress reports by Component B</li> <li>Progress reports by ZOCs</li> </ul>	<ul style="list-style-type: none"> <li>Farmers' interest sustained.</li> <li>Favourable weather conditions</li> </ul>
<b>Outputs:</b> 2.1.1 Fields of improved planting materials established	<ul style="list-style-type: none"> <li>608 hectares of R&amp;T primary fields established by 2014 (RIMS L.1)</li> <li>2,514 hectares of R&amp;T secondary fields established by 2014 (RIMS L.1)</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports by GLDB</li> <li>Progress reports by DDA</li> <li>Progress reports by Component B</li> <li>Progress reports by ZOCs</li> </ul>	<ul style="list-style-type: none"> <li>Favourable weather conditions</li> <li>Farmers' interest sustained.</li> </ul>
<b>Outcome 2.2:</b> Improved technologies adopted by FFF farmers (improved integrated pest management practices, improved varieties, crop husbandry practices, soil fertility management practices)	<ul style="list-style-type: none"> <li>85% adoption rate among FFF farmers by 2014 (Disaggregated by gender) (RIMS L.2)</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports by DDA</li> <li>Progress reports by research institutes</li> <li>Progress report by ZOCs</li> <li>Progress report by Component B</li> </ul>	<ul style="list-style-type: none"> <li>Farmers are willing to use the new technologies</li> </ul>
<b>Outputs:</b> 2.2.2 R&T farmers trained (by gender)	<ul style="list-style-type: none"> <li>17,639 FFF farmers to be reached by 2014 (by gender) (RIMS L.1)</li> <li>500 FFF to be established by 2014 (RIMS L.1)</li> <li>365 FFF facilitators trained by 2014 (RIMS L.1)</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports by DDA</li> <li>Progress reports by research institutes</li> <li>Progress report by ZOCs</li> <li>Progress report by Component B</li> </ul>	<ul style="list-style-type: none"> <li>Farmers' interest sustained.</li> </ul>

Narrative Summary	Key Performance Indicators	Means of Verification	Assumptions (A) / Risks (R)
<b>Outcome 2.3:</b> Incidence of diseases and pests on R&T crops minimised	<ul style="list-style-type: none"> <li>Reduction in the incidence of pests and diseases on R&amp;T crops in project districts by 2014 (To be monitored) (Not an Appraisal target)</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports PPRSD, SARI</li> <li>Progress reports IITA (backstopping)</li> </ul>	
<b>Output</b> 2.3.1 Bioagents for pest and disease management produced/released	<ul style="list-style-type: none"> <li>Produce/release: 2,500,000 of CGM predators (<i>Typhlodromalus manihoti</i>) released (RIMS L.1); 1,312,000 of LGB predators (<i>Teretrius nigresens</i>) released. (RIMS L.1); Bioagents released in 620 locations (RIMS L.1)</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports PPRSD, SARI</li> <li>Progress reports IITA (backstopping)</li> </ul>	<ul style="list-style-type: none"> <li>Farmers would cooperate and not apply insecticides in released areas</li> </ul>
<b>Outcome 2.4</b> Improved adoptable technologies released for farmers use	<ul style="list-style-type: none"> <li>New research technologies adopted by 2014 (To be monitored)</li> </ul>	<ul style="list-style-type: none"> <li>Research reports</li> <li>Interview of beneficiaries/Extension agents</li> </ul>	<ul style="list-style-type: none"> <li>Conducive environment for research</li> <li>Favourable policy towards research in sub-sector.</li> </ul>
<b>Output:</b> 2.4.1 Improved adoptable technologies developed	<ul style="list-style-type: none"> <li>840 farmers participate in the research project by 2014. (RIMS L.1)</li> <li>23 on-farm research projects on R&amp;T crops conducted by 2014 (RIMS L.1)</li> </ul>	<ul style="list-style-type: none"> <li>Research reports</li> <li>Interview of beneficiaries/Extension agents</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<b>Outcome 3:</b> R&T processing and marketing upgraded	<ul style="list-style-type: none"> <li>% increase in volumes through GPCs (To be monitored)</li> </ul>	ERB Reports of the SCFs	
<b>Outcome 3.1</b> Improved processing technologies adopted by Processors	<ul style="list-style-type: none"> <li>500 processors adopt good technologies by 2014 (disaggregated by gender) (RIMS L.2)</li> <li>80% of processors trained adopt QMS and GMP by 2014 (RIMS L.2)</li> <li>4 R&amp;T commodity chains functional by 2014</li> <li>xx% increase of R&amp;T products from GPCs annually</li> <li>xx% increase in profit levels of R&amp;T GPCs annually</li> </ul>	<ul style="list-style-type: none"> <li>Progress reports GRATIS, SIS Eng., RTFs, RTSC</li> <li>Progress reports by research institutes</li> <li>Zonal reports</li> <li>progress report by Component C</li> </ul>	<ul style="list-style-type: none"> <li>Processors can afford stainless steel equipment</li> <li>Improved technologies are user-friendly</li> </ul>



Narrative Summary	Key Performance Indicators	Means of Verification	Assumptions (A) / Risks (R)
<b>Output:</b> 3.1.1 Processing technologies/innovations identified, tested and transferred 3.1.2 Good Practices Centres (GPC) established 3.1.3 Good Practices Centres (GPC) used for demonstration	<ul style="list-style-type: none"> <li>• 30 prototypes tested by 2014 (RIMS L.1)</li> <li>• 30 prototypes adopted and mainstreamed by 2014 (RIMS L.2)</li> <li>• 200 local artisans trained in manufacturing of equipment and construction of processing units by 2014 (RIMS L.1)</li> <li>• 40 GPC-1 for gari processing established by 2014 (RIMS L.1)</li> <li>• 5 GPC for agbelima processing established by 2014(RIMS L.1)</li> <li>• 30 GPC-2 (only frying + fermentation) established by 2014 (RIMS L.1)</li> <li>• 75 Financial Analysis conducted for GPCs annually (RIMS L.1)</li> <li>• 5,449 processors exposed to good technologies by 2014. (RIMS L.1)</li> <li>• 200 processors trained in quality management systems(QMSs) and good manufacturing practices (GMPs) by 2014</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>• Progress reports GRATIS, SIS Eng., RTFs, RTSC</li> <li>• Progress reports by research institutes</li> <li>• Progress reports by IITA</li> <li>• Zonal reports</li> <li>• progress report by Component C</li> <li>• Physical observation</li> <li>• Progress reports GRATIS</li> <li>• Progress reports research institutes</li> <li>• Field observation</li> <li>• Physical observation</li> <li>• Progress reports GRATIS</li> <li>• Progress reports research institutes</li> <li>• Field observation</li> </ul>	<ul style="list-style-type: none"> <li>• Improved and appropriate technologies available and accessible.</li> <li>• Processing facilities are financially viable</li> </ul>
<b>Outcome 3.2:</b> Access of R&T chain actors to financial services and recovery of credit improved	<ul style="list-style-type: none"> <li>• 100% repayment rate of Loan (RIMS L.1) by 2014</li> <li>• 100% Disbursement rate of MEF (RIMS L.1) by 2014</li> <li>• 2000 clients acquiring improved equipment (RIMS L.1) by 2014</li> </ul>	<ul style="list-style-type: none"> <li>• Reports : Component C,</li> <li>• BACs, DADU, ZOCs, Consultants, PFIs.</li> </ul>	<ul style="list-style-type: none"> <li>• Clients able to meet requirements of PFIs</li> </ul>
<b>Output</b> 3.2.1 Adoption of business and marketing skills by R&T actors improved. 3.2.2 Clients equipped with technical, business and marketing skills 3.2.3 Micro Enterprise Fund Disbursed	<ul style="list-style-type: none"> <li>• 3000 entrepreneurs adopt business and marketing skills (operating business accounts etc) by 2014.</li> <li>• 190 business plans developed (RIMS L.1)</li> <li>• 6,000 clients trained by type (Business development and Marketing Skills, Records Keeping and Basic Financial Management, Banking Culture, Business Plan Preparation and Implementation) and gender by 2014. ((RIMS L.1)</li> </ul>	<ul style="list-style-type: none"> <li>• Reports : Component C,</li> <li>• BACs, DADU, ZOCs, Consultants, PFIs.</li> <li>• Reports : Component C,</li> <li>• BACs, DADU, ZOCs, Consultants.</li> <li>• Reports : Component C,</li> <li>• BACs, DADU, ZOCs, Consultants, PFIs</li> </ul>	<ul style="list-style-type: none"> <li>• PFIs are willing to disburse funds</li> </ul>

Narrative Summary	Key Performance Indicators	Means of Verification	Assumptions (A) / Risks (R)
	<ul style="list-style-type: none"> <li>• 1,800 clients access MEF (by gender) by 2014 (RIMS L.1)</li> <li>• 30 PFIs financing R&amp;T Value Chains by 2014. (RIMS L.1)</li> <li>• US\$610,368 MEF disbursed by 2014</li> <li>•</li> </ul>		
<b>Outcome 4:</b> Programme effectively managed, monitored and evaluated.	<ul style="list-style-type: none"> <li>• Programme objectives attained.</li> </ul>	<ul style="list-style-type: none"> <li>• AWPB document</li> <li>• Reports.</li> </ul>	Conducive environment in the country maintained
<b>Outputs:</b> 4.1 Programme activities effectively implemented. 4.2 Financial Management and procurement monitored and evaluated. 4.3 Effective M&E systems in place	<ul style="list-style-type: none"> <li>• 2 PDIP meetings held annually.</li> <li>• 2 NPSC meetings held annually.</li> <li>• 6 technical working group meetings held annually.</li> <li>• 12 PCO/ZOCs meetings held annually.</li> <li>• AWPB developed and reviewed.</li> <li>• 2 ISMs held annually.</li> <li>• Satisfactory disbursement rate</li> <li>• External audit</li> <li>• Sound financial system</li> <li>• Sound procurement plan</li> <li>• Operational plan</li> <li>• Quarterly monitoring</li> <li>• Quarterly meetings</li> <li>• Baseline/Midline surveys</li> <li>• Mid-year and annual review</li> </ul>	<ul style="list-style-type: none"> <li>• Minutes of Meetings.</li> <li>• AWPB Document</li> <li>• Aide memoires</li> <li>• Withdrawal applications</li> <li>• Financial Reports</li> <li>• Audit Reports</li> <li>• Procurement plan</li> <li>• Minutes of meetings Reports</li> </ul>	

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

Action Area	Action Agreed	Date	Whom	Progress
Project Implementation ProVACCA	(i)Recruiting GEF-ProVACCA accountant and submit the withdrawal application on OFID grant. (ii)Sensitization of the different groups on their roles and responsibilities and also the potential benefits that they may gain from the plants (iii)Conduct the baseline and environmental assessment	Immediately		
Commodity Development	(i)Conduct an assessment of the impact of distributed IEC materials to ascertain impact (ii)Closer supervision of SCFs by PCO specialists (iii)Interaction with SCFs to ensure consistency of knowledge and technical approach (iv) Test and pilot a localised Esoko services for specific VC (v)Conduct Financial and technical assessment of new technologies (dryer)	December 2013	ProVACCA & PCO	
Commodity Development to Finance	Seek support from RAFiP in facilitating access to commercial banks and RCBs	Immediately/Continuous	PCO Specialists & SCFs	
Commodity Development	The facilitators required to keep cumulative data on the volumes and values produced and exported	Immediately/Continuous	PCO Specialists & RAFiP	
Commodity Development	Closer supervision of SCFs by PCO specialists, greater direction & inter-action	Immediately/Continuous	PCO Specialists &SCFs	
Enterprise Record book	Finalization and printing	31 August	PCO Specialists	
Value Chain Groups/ GPCs	The Value Chain Groups process should be further strengthened and replicated at the other GPCs.	Immediately/ Continuous	PCO Specialists	
GPCs	Establishment of two more GPCs during 2013	December 2013	PCO Specialists	
Entrepreneur training	Increase entrepreneurs trained in business development and marketing skills to 3,000	December 2013	PCO Specialists	
Value Chain Groups/ GPCs	Investigate the development and provision of localised Esoko services for value chain groups for development testing	Immediately	PCO Specialists	
Planting material commercialization	(i)Update and Disseminate the register of commercial growers (ii)Circulate the inspection and the certification guideline	Immediately	PCO Specialists	
Planting material commercialization	Draft final form of guidelines for commercialization of R&T crops	September 2013	PCO Specialists	
Planting material commercialization	Intensive awareness and publicity on the planting materials commercialisation initiative	September 2013 onwards	PCO Specialists	

FFF	(i)Develop a guideline or manual on the upgrading of FFF to into viable farmers groups (ii)Categorize all post-FFF groups based on their level of professional development and tailor training needs	December 2013	PCO Specialists
Rural Finance/MEF	IFAD/RTIMP negotiate for return of USD 100,000.00 to Programme from Ecobank	Immediately	PCO & IFAD
Fiduciary Aspects			
Initiative Fund	AWPB be reviewed to allow the Initiative Fund to accommodate the cassava harvesters.	June 2013	PCO
	SCALA engineers to finish settings of SCALA to allow the optimization of benefits from SCALA by the project, Strictly adherence to the monthly reconciliation of all projects bank accounts to avoid erroneous transactions, submit audit report before the 30th June deadline and follow up on the payment of counterpart funds for 2013.	Immediately	
Programme Accounts			Financial Specialist/Scala Eng.
Programme Management	(i) Review the 2013 AWPB and PP.	June 2013	
	(ii) Identify and train a focal person for gender related issues in the PCO.		
	(iii) Prepare a "No Objection" tracking sheet.		
	(iv) Initiate and conclude outstanding large tenders.		Coordinator/Financial Specialist
Programme Management/Fiduciary	Reallocate funds among categories including the unallocated amount of USD 1.2 million		M&E Spec
M&E	Improve and implement the operational plan	Immediately	
	Improve communication between component specialists and the M&E unit		M&E Spec and PCO Spec
M&E	(i)Enhanced database and better assessment of Programme impact (ii)Coordinate Programme reporting (iii)Identify intermediate indicators and indicators to track employment creation in processing and the profit margins at each step of the value chain (farmer, farmer processor, processor, service provider).	Immediately	
M&E	RTIMP will conduct a POA in 2013. Draft TOR including methodology and questionnaire will be shared with IFAD.	1st August	M&E Spec and PCO Spec
M&E/Client ID	RTIMP and NRGP, as well as REP, will work with MOFA to develop a uniform client ID No.	Immediately	M&E Spec and PCO Spec M&E Spec and PCO Spec & NRGP/REP SPEC

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

Component/ Sub-component or Output			PERIOD: JAN.—DEC. 2013						CUMMULATIVE: NOV. 2006— <u>May</u> 2013					
	Indicator	Unit	Target for 2013	Total achieved of 2013 target by gender (Jan-May, 2013)			%	Remarks	Cumulative Achieved as at <u>May, 2013</u>			MTR revised Program me targets	% achieve d of MTR target	Remarks
				Male	Female	Total			Male	Femal e	Total			
COMPONENT A														
Sub-Comp. A1														
Information, Communication and Knowledge Management	Promotion materials developed and distributed	Number	4,000	-	-	2500	62.5	Distribution of printed materials is in progress at district levels.	-	-	73373	74,755	98.1	
	RTIMP website set up as knowledge center	Number	1	-	-	1Website in place and operational	100							
<u>Sub-Comp.A 2</u> R&T chains developed														
Commodity Chains development through IF	Disbursement rate of IF	Rate	USD 539,000	-	-	USD 55,023	10.21	Payment of final instalment on SCF consultancies	-	-	USD 380,720	USD 944,617	40.30	Supply Chain Facilitators (SFCs) recruited have enhanced commodity chain development
<u>Sub-Comp.A 3</u> Commodity Chain Partnership	<i>District Stakeholder Fora (DSF) organised</i>	Number	60	-	-	12	20		-	-	307	417	73.6	Good collaboration with DADU's

Component/ Sub- component or Output			PERIOD: JAN.—DEC. 2013						CUMMULATIVE: NOV. 2006— <u>May</u> 2013					
	Indicator	Unit	Target for 2013	Total achieved of 2013 target by gender (Jan-May, 2013)			%	Remarks	Cumulative Achieved as at <u>May, 2013</u>			MTR revised Program me targets	% achieve d of MTR target	Remarks
				Male	Female	Total			Male	Femal e	Total			
<b><u>COMPONENT B</u></b> <b><u>Support to R&amp;T Crop Production</u></b>														
<b><u>Sub-Comp. B 1:</u></b> Availability and access to planting materials	<b><u>Number of farmers who receive healthy tertiary planting material</u></b>	Number	15,000	108	58	166		Distribution in progress by the operating districts	119,191	54,423	173,614	174,400	99.55%	Farmers are enthusiastic about the improved materials.
<b><u>Sub-Comp.B 2</u></b> Dissemination of improved crop husbandry technologies enhanced	<b><u>Number of farmers reached (by gender)in FFF (R.1)</u></b>	Number	-	-	-	-	-	Most of the farmers are enthused about the fora.	6,783	7,168	13,951	17,639	79.09%	Willingness to participate is very high
<b><u>Sub-component B 3 : Dissemination of improved pest and disease management (IPM) practices improved</u></b>														
	<b><u>Number of CGM predators released</u></b>	Number	-	-	-	-	-	Releases peak in the 2 <sup>nd</sup> and 3 <sup>rd</sup> quarters with the rains.	-	-	2,220,511	2,500,000	88.82%	
	<b><u>Number of LGB predators released</u></b>	Number	-	-	-	-	-	Releases peak in the 2 <sup>nd</sup> and 3 <sup>rd</sup> quarters with the rains.	-	-	1,504,555	1,312,000	114,68%	

Component/ Sub- component or Output			PERIOD: JAN.—DEC. 2013						CUMMULATIVE: NOV. 2006— <u>May</u> 2013					
	Indicator	Unit	Target for 2013	Total achieved of 2013 target by gender (Jan-May, 2013)			%	Remarks	Cumulative Achieved as at <u>May, 2013</u>			MTR revised Program me targets	% achieve d of MTR target	Remarks
				Male	Female	Total			Male	Femal e	Total			
<u>Sub-Comp. B 4</u> : Participatory research to develop new improved adoptable technologies conducted														
	<i>Number of Research Topics conducted</i>	Number	-	-	-	-	-	No new proposal was funded. Research proposals are based on problems emanating from the field.	-	-	16	23	69.5	Three (3) New Varieties of Cocoyam have been released. A boom Sprayer ideal for the spraying of cassava fields have been released.
<u>COMPONENT C</u> : Upgrading of Root and Tuber Processing and Marketing														
<u>Sub-component C1</u> Processing technologies identified and transferred	<i>Number of prototypes and technologies tested</i>	Number	4 (2 Equip ment, 2 Protot ypes)	-	-	-	-	Dryer under construction; Hydraulic Press identified but not acquired	-	-	24	30	80	-Good collaboration with Lead fabricators

Component/ Sub-component or Output			PERIOD: JAN.—DEC. 2013						CUMMULATIVE: NOV. 2006— <u>May</u> 2013					
	Indicator	Unit	Target for 2013	Total achieved of 2013 target by gender (Jan-May, 2013)			%	Remarks	Cumulative Achieved as at <u>May, 2013</u>			MTR revised Program me targets	% achieve d of MTR target	Remarks
				Male	Female	Total			Male	Femal e	Total			
	<i>Number of artisans trained in manufacturing of equipment and construction of processing units</i>	Number	8	-	-	0	0		194	3	197	200	98.5	Good collaboration with Implementin g. Partners. Lot more have shown interest
	<i>Number of beneficiaries of exposure visits</i>	Number	0	0	0	0	0		1000	2,77 7	3,777	5,449	69.3	Interest shown by participants
<i><u>Sub-Comp C2</u> GPC's established and used for demonstration</i>	<i>Number of GPCs established</i>	Number	2	-	-	0	0	Preparations underway to engage IPs to commence upgrading	-	-	24	75	32	*Upgrading work is on- going for five (5) as follows: -3 GPC 1 -1 GPC II -1 Agbelima GPC.
<i><u>Sub-Comp C3</u> Clients equipped with technical business and marketing skills</i>	<i>Entrepreneurs trained in business development and marketing skills by gender</i>		835	0	0	0	0		1438	2179	3617	6,000	60.3	Effectiveness of RTIMP's training Programme.
<b>R&amp;T based Business</b>	<b>Disbursement rate of MEF</b>	Rate	USD 60.00	-	-	0	0	Change in procedure is	-	-	USD 542554	USD 610,368	88.89	Achievement includes



Component/ Sub- component or Output			PERIOD: JAN.—DEC. 2013						CUMMULATIVE: NOV. 2006— <u>May</u> 2013					
	Indicator	Unit	Target for 2013	Total achieved of 2013 target by gender (Jan-May, 2013)			%	Remarks	Cumulative Achieved as at <u>May, 2013</u>			MTR revised Program me targets	% achieve d of MTR target	Remarks
				Male	Female	Total			Male	Femal e	Total			
developed and financed			0					slowing down disbursement						USD200, 000 direct Transfers to Ecobank from IFAD out of which USD 20,000 has been disbursed.
	Entrepreneurs accessing financial services facilitated by the project (R1)	Number	10	0	0	0	0	Involvement of BACs and addition of active PFIs have enhanced service delivery	468	702	1,170	1,800	65	–Refresher training for PFIs with Apex Bank - Forum for PFIs on sharing of successful experiences



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

**Table 5A: Actual Financial Performance by financier as at 31 May 2013 in (USD'000)**

Financiers	Appraisal (USD '000)	Disbursements (USD ('000))	Per disbursed cent	Observation
IFAD loan	18,965	15,378	81%	
EC Grant	1,340	1,172	87%	Closed
GEF- OFID	3,000	600	20%	Starting
PFI	3,998	2,105	53%	
Beneficiaries	832	524.1	63%	
Government	3,894	2,427.1	62%	
<b>Total</b>	<b>32 029</b>	<b>22,206.2</b>	<b>69%</b>	

For IFAD Loan in USD the total disbursement rate is 81% while it is 76% in SDR. The difference is due to exchange rate fluctuation between USD and SDR

**Table 5B: Total expenditure from inception by financier by component as at 31 May 2013 in (USD'000)**

	Components	IFAD Loan		GEF- OFID		EU GRANT		GOG		PFIs		Beneficiaries		Total		%
A	Support to Increased Commodity Chain Linkages	5 840	3 830.0					287	201.6					6 127	4 031.6	65.8
B	Support to Root and Tuber Crop Production	6 194	4 758.3			1 340	1 172	1 456	948.2			692	405	9 682	7 283.5	75.2
C	Upgrading of small-scale Processing, Business and Marketing Skills	4 028	3 483.1					368	290.3	3 998	2 105	140	119.1	8 534	5 997.4	70.3
D	Promoting a value Chain Approach To climate Change Adaptation in Agriculture in Ghana.			3 000	68.2									3 000	68.2	2.3
E	Programme Coordination and M&E	2 903	2 770.1					1 783	987.1					4 686	3 757.2	80.2
	<b>Total</b>	<b>18 965</b>	<b>14 841.5</b>	<b>3 000</b>	<b>68.2</b>	<b>1 340</b>	<b>1 172</b>	<b>3 894</b>	<b>2 427.2</b>	<b>3 998</b>	<b>2 105</b>	<b>832</b>	<b>524.1</b>	<b>32 029</b>	<b>21 138</b>	<b>66</b>
	<b>Percentage</b>	<b>78.26%</b>		<b>2.27%</b>		<b>87.46%</b>		<b>62.33%</b>		<b>52.65%</b>		<b>62.99%</b>		<b>66%</b>		

**NB:** The overall disbursement has gone down due to GEF-ProVACCA project that is starting now.

**Table 5C: IFAD loan disbursements (SDR, as at 31 May 2013)**

	Description of Categories	Original allocation	Revised allocation	Disbursement	Balance	Percentage disbursed
I	Vehicles and Office Equipment	970,000	2,160,000	1,446,834	713,166.5	67%
II	Materials and Supplies	630,000	1,350,000	1,104,894	245,105.6	82%
III(A)	Technical Assistance, Professional Services and Studies	1,150,000	1,250,000	1,140,673	109,327.1	91%
III(B)	Subject-Matter Specialist	180,000	410,000	259,909	150,090.9	63%
IV	Training Workshops, Farmers and Entrepreneurs' Fora	4,740,000	3,940,000	3,127,443	812,557.4	79%
V(A)	Initiative Fund	1,790,000	650,000	227,420	422,579.7	35%
V(B)	Micro-Enterprise Fund	1,380,000	420,000	347,355	72,645.0	83%
VI	Salaries and Allowances	640,000	1,470,000	1,253,539	216,461.4	85%
VII	Operating Costs	570,000	570,000	375,154	194,846.0	66%
	Unallocated	1,000,000	830,000		830,000.0	0%
	Authorized Allocation			664,615	664,615.0	
	<b>Total</b>	<b>13,050,000</b>	<b>13,050,000</b>	<b>9,947,836</b>	<b>3,102,164.5</b>	<b>76%</b>



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

**TABLE 5: STATUS OF LOAN COVENANTS**

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section 2.03</b>	Opening of 2 Special Accounts in USD	Signature of agreement	Done	
<b>Section 2.03</b>	Deposit of Authorized Allocation of USD 1,500,000 for the Loan Special Account.	Start of project	Done	
<b>Section 2.03</b>	Deposit US\$100,000 in the Grant Special Account		Done	
<b>Section 3.02</b>	Submission of AWPB each year to IFAD for approval	Annual	On-going	Delay in submitting AWPB to IFAD. Negative impact on project activities
<b>Section 3.02</b>	Opening of Project Account, Accounts in cedis	Start of project and	Done	
<b>Section 3.05</b>	Transfer of annual GoG counterpart funds in accordance with AWPB	Quarterly transfers	On-going	The Government did not provide enough money for 2012 only 23% of the requested amount.
<b>Section 3</b>	Programme Development and Implementation Partnership		Done	
<b>Section 4.02</b>	Submission of semi-annual and annual progress reports to IFAD	Twice a year	On-going	
<b>Section 4.03</b>	Mid-Term Review (MTR) carried out jointly by Borrower, IFAD and UNOPS	4 <sup>th</sup> project year	Done	But the final report is not yet released
<b>Section 4.04</b>	Submission of completion report	2017	2017	Not due
<b>Section 5.01</b>	Submission of consolidated annual financial statements to IFAD	3 months after year end	On-going	2012 Financial Statements were submitted on time.
<b>Section 5.02</b>	Appointment of auditors by Borrower for each fiscal year	Not specified	Done	Auditor selected for 2011 and 2012 FY.

**TABLE 5: STATUS OF LOAN COVENANTS**

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section 5.02</b>	Submission of audit report to IFAD each year	30 <sup>th</sup> June	2010	
<b>Schedule 2</b>	Signature of subsidiary agreement between Borrower and BoG	Not Specified	First quarter of 2010	
<b>Schedule 3</b>	Establishment of Project Steering Committee	Project effectiveness	Done	
<b>Schedule 3</b>	Establishment of PCMU and recruitment of key staff	Not specified	Done	
<b>Schedule 3</b>	Submission of Project Implementation Manual to IFAD's approval	Project effectiveness	Done	PIM is under review. The project is waiting for the final document.
<b>Schedule 4</b>	Procurement of goods, works and services in accordance with the procedures laid down in Schedule 4		On-going	



## Appendix 7: Knowledge management: Learning and Innovation

RTIMP will come to an end in less than two years, in that regard the capitalization on key learning in the development of R&T commodity chains has started this year as a legacy to the country and as part of the project contribution to the Ghana Rural Growth Program (GRGP). Future interventions in the R&T sector at national level must build on the successes and failures of RTIMP. Since the last implementation support mission, 2 socio economic studies (MEF and Commercialisation of planting material) out of the 10 identified are on-going; in addition 5 RTIMP experts are currently on a training course on capitalisation and KM abroad. It is agreed by end of July 2013 a KM framework with will defined with key documents and milestones. The next step will be to gets an external support to design a very simple KM framework for the remaining time period. KM is not a stand-alone process it has to be linked to sound M&E system which is not fully in place for the time being.

### **Proposed Socio-economic studies in 2013-2014 in November 2013:**

- MEF: Evaluation of the model (including design, operations, disbursement and financial analysis, marginal profit, payback period etc.);
- Commercialisation of planting material: policy issues, process, learning from the piloting, and the pricing, promotion, sustainability and certification etc.);
- Certification of GPCs for the export market: experiences from Harri Farm, Josma, Mark and B'face exporters, standards used national versus international;
- High Quality Cassava Flour (HQCF);
- Plywood Cassava Flour (PCF);
- Export Yam;
- Gari Export commodity chain;
- Tracer studies on trainees of QMS, packaging and exposure visits;
- Impact assessment on the release bio agents (Tm, Tn);
- FFF impact (shift to farmer groups).

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### **Innovation:**

#### **Production:**

For years RTIMP approach was the multiplication and free distribution of R&T planting material to farmers. Since 2012 the Programme is testing commercial production and sale of improved cassava and yam planting materials. So far, some 388 growers (325 males and 63 females) have established 226.5 ha for multiplication in 2012. The Programme, in collaboration with the University of Cape Coast, Plant Protection and Regulatory Services Directorate, Crop Research Institute and SARI has produced a draft final form of guidelines for the commercialization of cassava, yam, sweet potato and cocoyam. Final editing and printing is now needed for wider circulation by September 2013. This is to be followed by intensive awareness and publicity on the commercialisation initiative.

The FFF is an innovative platform for mutual learning for smallholder farmers, extension agents and researchers, together with Programme staff. So far the Programme has established 411 FFF which have played an important role in providing training and information to farmers on improved R&T production techniques. Now, the Programme has embarked on an initiative to transform pre-qualified FFF into Sustainable Farmer Groups (FGs). The process of transformation would be demand driven, with the Programme responding to the articulated needs and vision of the candidate FFF. RTIMP will develop guidelines or a manual on the transformation process from FFF groups into viable Groups, along with a catalogue of the lessons learnt and good practices.

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## Appendix 8: Financial Management Report

1. **Financial Management.** Through the implementation of the agreed actions during last November 2012 mission; RTIMP registered massive improvements in financial management. Significant examples of improvement include: avoiding comingling by using two cheques to cater for category VII (operating costs) expenditure that IFAD is sharing with the Government, the deficit on the special account has been closed up by presenting Withdrawal Application No 80, updating of fixed assets register and filing.
2. The RTIMP financial management will look much better after optimisation of the benefits of SCALA accounting software which include the generation of customised report, reconciliation of bank accounts within the system, improvement on settings so that the programme can report by category and components and allowing to get the report either in dollars or Ghana Cedis. ***It is urgent for the SCALA engineer to finish these settings to enable the programme to derive maximum benefits from the SCALA system. Furthermore, the mission recommends strict adherence to monthly bank reconciliation prepared from the SCALA system.***
3. **Disbursement.** As 6<sup>th</sup> June, IFAD total disbursement to the programme is SDR 9.9 million which represents 76% of the total loan of SDR 13.05 million. The cumulative expenditure on IFAD loan which include the Withdrawal Application 82 in preparation amount to SDR 10.57 million representing 81% of the total loan. The overall expenditure of the programme for all financiers is estimated at USD 20.9 million representing 75.5 % of the total programme costs of USD 27.7 million.
4. The expenditure by components shows that component E of Programme coordination has been disbursed at 80.18%. The lowest disbursement is on component A of Support to Increased Commodity Chain where the overall disbursement on the component represents 65.9% of its allocated budget. ***The programme should put more emphasis on activities of this component to catch up with other components for which the disbursement is above 70%.***
5. **Budget execution.** As of 31 May 2013, the total disbursement for 2013 budget that amounts to USD 3.7 million is only USD 1.06 million representing 28.7 % of the budget. At this stage of the year, the total disbursement is supposed to be more than 28.7%. ***The programme needs to speed up in implementation of activities especially by initiating most of big tenders on the procurement plan.***
6. **Withdrawal Application.** So far 81 Withdrawal Applications have been submitted to IFAD and all have been paid. Withdrawal Application 82 is in preparation. The disbursement by category is high on III (A) of Technical Assistance Professional services and studies (99.23%), and category VI of salaries and allowances (96.27%). In contrast the disbursement rate for initiative fund category (V.A) is 42.1%. Given that the programme has only one and half years to go and considering the level of disbursement on categories, it is time to reallocate funds among categories including the unallocated amount of USD 1.2 million for smooth completion of the programme.
7. **Counterpart funds.** The Government of Ghana total contribution to RTIMP programme is estimated at USD 3.9 million. The proceeds from Government Loan are used to cater for category VII of operating costs and taxes. The Government has been responding to the funds requests except in 2010 where the RTIMP received 12.8% of the requested amounts. The mission is satisfied that the 2012 request of USD 0.38 million has been fully paid by the government. The request for 2013 that amounts to USD 0.202 million is being processed at

the Ministry of Finance and Economic Planning (MOFEP). In total, the government disbursed to the project USD 2.42 million that represents 62.3% of the total government contribution to the programme. However, the mission noticed that the contribution of government as taxes is not captured which underestimate the contribution of the Government to the programme. An attempt has been made in gathering data on government contribution to the programme in tax waiver and beneficiaries 'contribution. ***It has been agreed that all tax contribution to the programme as well as beneficiaries contributions should be recognised and captured into the accounting system.***

8. **Loan covenant.** The mission reviewed the compliance with the Loan agreement covenants and confirms that no contravention was noted.
9. **Procurement:** Most of the recommendations formulated by the November 2012 mission have been implemented: The RTIMP procurement plan and the register of contracts have been updated tender documents are centralised and chronologically filed in the procurement office. However, the mission noticed that big tenders that include the procurement of 32 cyanide Test Kits and upgrading facilities of selected enterprises to GPCs are not yet initiated. ***It has been agreed that the programme follows the procurement plan dates. Furthermore, the programme should set up a 'No Objection' tracking file that will help in following up the requests for 'No Objection***
10. The mission noticed that the programme acquired new vehicles. All of the new vehicles have been distributed to the project staff. However, 7 vehicles returned by former users who received new cars are parked at the PCO since January 2013. These vehicles can be damaged through the vagaries of the weather if no action is taken on them. The mission recommends that the PCO should take the appropriate and immediate steps to dispose of the vehicles as per the provisions in the Ghana Public Procurement Act, Act 663 (2003).
11. **Audit.** During the mission, the programme was also undergoing the audit for 2012. The quality of audit for 2011 was not very good. Some inconsistencies were observed such the failure to report an amount of GH¢ 120,000 advanced to the programme by EU grant that was also managed by RTIMP and inaccurate figures on bank balances. This year the programme changed the auditors. ***It has been agreed with new auditors that there must be exhaustive verification before confirming bank balance and issuing opinions.***
12. The auditors assured the mission that the programme will meet IFAD's deadline of 30<sup>th</sup> June for submission of the audit report.
13. **Ex-post review.** In general, the elements of the statement of expenditure checked were supported by proper documentation. All vouchers are stamped with paid. However, the programme must consistently use the monitoring form for contracts that are paid in instalments.
14. **VALUE CHAIN APPROACH TO CLIMATE CHANGE ADAPTATION IN AGRICULTURE IN GHANA' Grant No GEF-FSS-4-GH.** In November 2012 the Government of Ghana signed a financing agreement with IFAD for implementation of GEF-ProVACCA project. It is funded by Global Environmental Fund and OFID. Activities started in February 2013 with a pre-financing from RTIMP operation account of GH¢ 150,000. The first disbursement of USD 0.6 million hit the project account during the supervision mission. The stated amount of GH¢ 150,000 was reimbursed to RTIMP operation account.
15. The GEF-ProVACCA project officer has been recruited and started working in March 2013. ***It is urgent to recruit the GEF/ProVACCA accountant because with the additional project, the finance department can be overloaded.***

**16. EU Grant (COFIN EC-20-GH).** In 2010, the Government of Ghana received a grant from EU for sustainable up-scaling of seed yam and cassava stem production systems for small-scale growers amounting to EUR 1,087,000. An amount of EUR 950850 which represents 87.47 % of the total grant has been disbursed to the project. An amount EUR 136 150 was cancelled by IFAD. The grant bank account has been completely closed in December 2012.

**Table 1: RTIMP SPECIAL ACCOUNT RECONCILIATION AS AT 31<sup>ST</sup> MAY 2013**

N°	Description	Value (USD)
(a)	Authorized Allocation	<b>1 000 000</b>
(b)	Balance in the Special Account	401 451.86
(c)	Balance in the Programme Account (GH¢176,753.47 @ GH¢1.975/USD)	89 342.71
(d)	Sub-Accounts (Zonal) GH¢15,345.81 @ GH¢1.975/USD	7 770.03
(e)	Sub-total- Cash at Bank	<b>498 564.60</b>
(f)	Expenditures yet to be claimed (WA 82)	462 770.63
(g)	GEF-ProVACCA Expenditures (150,000/1.975)	75 949.37
(h)	<b>Sub-total -SOEs</b>	<b>538 720.00</b>
(i)	Total Cash and SOEs (e+h)	<b>1 037 284.6</b>
(j)	Difference (a-i)	(37 284.6)
(k)	Outstanding cheques to be cashed out	(37 284.6)

**Table 2 - Agreed actions:**

Agreed action	Responsibility	Agreed date
1. SCALA engineer to finish settings of SCALA to allow the optimisation of benefits from SCALA by the project.	SCALA engineers FC	June 2013
2. Monthly reconciliation of all projects bank accounts to avoid erroneous transactions	NPC FC, Accounts officer	Immediate
3. Evaluating and capturing Government tax waiver as well as beneficiaries' contribution	FC , Specialists	Immediate
4. Strict adherence to the procurement plan and initiate No Objection tracking file	NPC, Procurement Officer	Immediate
5. Recruitment of GEF –ProVACCA accounts officer	NPC, Admin and GEF officer.	July 2013.
6. Disposal of Unused Vehicle	NOC/FC	Immediate

**Table 2: IFAD Loan disbursement in SDR as at 31 May 2013 in SDR.**

	Description of Categories	Original allocation	Revised allocation	Disbursement	Balance	Percentage disbursed
I	Vehicles and Office Equipment	970 000	2 160 000	1 446 834	713 166.5	67%
II	Materials and Supplies	630 000	1 350 000	1 104 894	245 105.6	82%
III(A)	Technical Assistance, Professional Services and Studies	1 150 000	1 250 000	1 140 673	109 327.1	91%
III(B)	Subject-Matter Specialist	180 000	410 000	259 909	150 090.9	63%
IV	Training Workshops, Farmers and Entrepreneurs' Fora	4 740 000	3 940 000	3 127 443	812 557.4	79%
V(A)	Initiative Fund	1 790 000	650 000	227 420	422 579.7	35%
V(B)	Micro-Enterprise Fund	1 380 000	420 000	347 355	72 645.0	83%
VI	Salaries and Allowances	640 000	1 470 000	1 253 539	216 461.4	85%
VII	Operating Costs	570 000	570 000	375 154	194 846.0	66%
	Unallocated	1 000 000	830 000		830 000.0	0%
	Authorized Allocation			664 615	-664 615.0	
<b>Total</b>		<b>13 050 000</b>	<b>13 050 000</b>	<b>9 947 836</b>	<b>3 102 164.5</b>	<b>76%</b>

**Table 3A: Actual Financial Performance by financier as at 31 May 2013 in (USD'000)**

Financiers	Appraisal (USD '000)	Disbursements (USD ('000))	Per cent disbursed	Observation
IFAD loan	18,965	15,378	81%	
EC Grant	1,340	1,172	87%	Closed
GEF- OFID	3,000	600	20%	Starting
PFI	3,998	2,105	53%	
Beneficiaries	832	524.1	63%	
Government	3,894	2,427.1	62%	
<b>Total</b>	<b>32 029</b>	<b>22,206.2</b>	<b>69%</b>	

For IFAD Loan in USD the total disbursement rate is 81% while it is 76% in SDR. The difference is due to exchange rate fluctuation between USD and SDR

**Table 3B: Total expenditure from inception by financier by component as at 31 May 2013 in USD'000**

		IFAD Loan	GEF- OFID	EU GRANT	GOG	PFI	PFI	PFI	PFI	PFI	PFI	PFI	Beneficiaries	Total	Total	%
	Components															
A	Support to Increased Commodity Chain Linkages	5 840	3 830.0					287	201.6					6 127.0	4 031.6	65.8
B	Support to Root and Tuber Crop Production	6 194	4 758.3			1 340	1 172	1 456	948.2			692	405	9 682.0	7 283.5	75.2
C	Upgrading of small-scale Processing, Business and Marketing Skills	4 028	3 483.1					368	290.3	3 998	2 105	140	119.1	8 534.0	5 997.4	70.3
D	Promoting a value Chain Approach To climate Change Adaptation in Agriculture in Ghana.			3 000	68.2									3 000.0	68.2	2.3
E	Programme Coordination and M&E	2 903	2 770.1					1 783	987.1					4 686.0	3 757.2	80.2
	<b>Total</b>	<b>18 965</b>	<b>14 841.5</b>	<b>3 000</b>	<b>68.2</b>	<b>1 340</b>	<b>1 172</b>	<b>3 894</b>	<b>2 427.2</b>	<b>3 998</b>	<b>2 105</b>	<b>832</b>	<b>524.1</b>	<b>32 029.0</b>	<b>21 138.0</b>	<b>66</b>
	<b>Percentage</b>	<b>78.26%</b>	<b>2.27%</b>	<b>87.46%</b>	<b>62.33%</b>			<b>52.65%</b>		<b>62.99%</b>		<b>66%</b>				

**NB:** The overall disbursement has gone down due to GEF-ProVACCA project that is starting now.

**Table 4: Comments on Statement of Expenditures Checked**

WA	Item	Description	Total Amount in USD	Convenience with Loan Agreement	Comments
80	1	Payment of construction of good practices centres at GOMOA	2,122.02	√	All supporting documents are attached including the contract monitoring form
80	3	Procurement of two sets of furniture for Tamale Zonal	1,921.87	√	All documents are attached
80	11	Cost of fuel and per diem for field visit	1,544.76	√	supporting documents available but not attached to the vouchers
80	17	Generic training in business Development	3,654.78	√	The contract monitoring form is not attached.
80	25	NPSC meeting at Koforidua	3,234.78	√	
80	31	Travel allowances for Zonal coordinator	3,844.86	√	The supporting documents are attached
80	84	Consolidation of AWPB	652.17	√	The supporting documents are attached
81	12	Funds for the maintenance of 1ha Yam primary field	1,569.55	√	Supporting documents to be attached
81	23	Expenses for evaluation of audit firm	3247.68	√	Supporting documents are attached
81	24	Funds for evaluation of audit firm tender	4,533.72	√	Cost effectiveness. They used 6 paid days to evaluate the tender
81	40	Funds for PCO Specialists and Zonal coordinators	2,541.49	√	Supporting documents are attached
81	72	Funds for workshop on dryer	2,718.73	√	Supporting documents are attached
81	77	Funds for the design of GRGP	8,317.74	√	supporting documents available but not attached to the vouchers
81	81	Consultancy on cassava flour supply chain	37,602.02	√	Supporting documents are attached
81	95	Funds for field visit to Brong Ahafo	2,955	√	supporting documents available but not attached to the vouchers
81	113	PMO allowance for the month of January	427.50	√	Documents are attached
81	206	Funds for interview Capacity Building Officer	1,349.5	√	Supporting documents not attached.

**TABLE 5: STATUS OF LOAN COVENANTS**

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section 2.03</b>	Opening of 2 Special Accounts in USD	Signature of agreement	Done	
<b>Section 2.03</b>	Deposit of Authorized Allocation of USD 1,500,000 for the Loan Special Account.	Start of project	Done	
<b>Section 2.03</b>	Deposit US\$100,000 in the Grant Special Account		Done	
<b>Section 3.02</b>	Submission of AWPB each year to IFAD for approval	Annual	On-going	Delay in submitting AWPB to IFAD. Negative impact on project activities
<b>Section 3.02</b>	Opening of Project Account, Accounts in cedis	Start of project and	Done	
<b>Section 3.05</b>	Transfer of annual GoG counterpart funds in accordance with AWPB	Quarterly transfers	On-going	The Government did not provide enough money for 2012 only 23% of the requested amount.
<b>Section 3</b>	Programme Development and Implementation Partnership		Done	
<b>Section 4.02</b>	Submission of semi-annual and annual progress reports to IFAD	Twice a year	On-going	
<b>Section 4.03</b>	Mid-Term Review MTR carried out jointly by Borrower, IFAD and UNOPS	4 <sup>th</sup> project year	Done	But the final report is not yet released
<b>Section 4.04</b>	Submission of completion report	2017	2017	Not due
<b>Section 5.01</b>	Submission of consolidated annual financial statements to IFAD	3 months after year end	On-going	2012 Financial Statements were submitted on time.
<b>Section 5.02</b>	Appointment of auditors by Borrower for each fiscal year	Not specified	Done	Auditor selected for 2011 and 2012 FY.
<b>Section 5.02</b>	Submission of audit report to IFAD each year	30 <sup>th</sup> June	2010	
<b>Schedule 2</b>	Signature of subsidiary agreement between Borrower and BoG	Not Specified	First quarter of 2010	
<b>Schedule 3</b>	Establishment of Project Steering Committee	Project effectiveness	Done	
<b>Schedule 3</b>	Establishment of PCMU and recruitment of key staff	Not specified	Done	
<b>Schedule 3</b>	Submission of Project Implementation Manual to IFAD's approval	Project effectiveness	Done	PIM is under review. The project is waiting for the final document.
<b>Schedule 4</b>	Procurement of goods, works and services in accordance with the procedures laid down in Schedule 4		On-going	