

## **Republic of Turkey**

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### **Murat River Watershed Rehabilitation Project**

#### **Supervision report**

Main report and appendices

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## Abbreviations and acronyms

ÇEM	General Directorate of Combating Desertification and Erosion
FOU	Field Operations Unit
LWF	livestock water facilities
MCPs	micro-catchment plans
MFWA	Ministry of Forestry and Water Affairs
OGM	General Directorate of Forestry
PPTs	Regional and Provincial Forestry Directorates, Provincial Project Teams

## Supervision Mission 16-26 June 2015

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

1. An IFAD mission conducted a mission in Turkey from 16 to 26 June, 2015 to supervise the Murat River Watershed Rehabilitation Project (MRWRP- IFAD Loan No. 889-TR) financed by the Government of Turkey and IFAD. Along with Project counterparts from General Directorate of Forestry (OGM) and General Directorate of Combating Desertification and Erosion (ÇEM) of Ministry of Forestry and Water Affairs (MFWA), Central (COU) and Field Operations Unit (FOU), and Regional and Provincial Forestry Directorates, Provincial Project Teams (PPTs), the mission reviewed implementation progresses and discussed opportunities and activities to further enhance Project implementation for the remaining part of 2015. In Ankara, the mission met with key officials of the MFWA.
2. The mission visited Büyükçay (Elazığ), Kuşhane (Elazığ), Lediz (Bingöl) and Karakütük (Muş) s (MCs), met with beneficiaries (farmers, livestock producers, rural inhabitants and village headmen) and had the opportunity to see various investments on the ground.
3. The MRWDP constitutes an investment of USD 38,64 million of which USD 27,8 is covered by IFAD. The Project became effective in 15 February 2013 and is scheduled for completion in February 2020. As of June 2015, 24% of the implementation period (or a total of 28 out of the 84-month total implementation period) had elapsed. The disbursement rate was 20.8% (3.74 million SDR) on the IFAD Loan as of the end of May 2015. It is projected that until the end of 2015, the disbursement rate would reach to 40%.
4. This report reflects the mission's main findings and recommendations, and records the agreements reached with MFWA. The key issues and recommendations were discussed and agreed at a Wrap-up Meeting on 24 June chaired by Mr. İbrahim Yüzer, Head of Afforestation Department/General Directorate of Forestry (OGM), MFWA. The mission expresses its appreciation for the excellent cooperation, well-designed and conducted field visits and hospitality extended by the OGM at the central and provincial level.

### B. Overall assessment of Project implementation

5. It is mission's assessment that overall Project performance is **moderately satisfactory**. The total amount of the actual expenditures, including all of the Government and beneficiaries contributions (for the 2014 AWPB period and as of December 31, 2014 was USD3.8 million and represents 87% of the total planned amount). The much of gap between the planned expenditure and actual is due to the high reductions given by the contactors in the tenders for the forestry works.
6. The Project has made little progress since the Implementation Support Mission in November 2014. The total amount of the actual expenditures related to the AWPB 2015 as of 31 May 2015 are low (USD 0.7 million) and represent only 9% of the total planned amount. However, the mission reconfirmed that the works for Component 2 and 3 are underway, where the climate for the Project area allows field work to start in late spring, or about 1.5 months ago. Some of the investments under C.2 Investments in Natural Resources and Environmental Assets, such as for irrigation infrastructure and rangelands rehabilitation and most of those under C.3. Investments in Improved Livelihoods such

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<sup>1</sup> Mission composition: The mission consisted of Nedret Durutan (Team Leader and Agronomist), Michele Pirazzoli, (Rural Infrastructure Specialist), Samir Bejaoui (M&E and Procurement Specialist), Stefania Gnoato (Targeting and Gender Specialist), Moez Makhoul (Financial Management Specialist), Cüneyt Okan (Natural Resource Management Specialist). Mr. Abdelhamid Abdouli, CPM for Turkey participated in the wrap-up meeting. During the field visit the mission was accompanied by Mr. İbrahim Yüzer (Head, Department of Afforestation, OGM), Mr. Ahmet Başkan (Head, Department of ORKÖY) and Halil Ergin (Section Head, ORKÖY), Mr. Metin Avaroğlu, Bekir Karpuz, Berna Balkız., Ali Rıza Uğurelli, Mustafa Ay, and Bilal Öztaltın from COU, Ms. Serpil Erkmen (Specialist, ÇEM). The mission spent 8 days in the field and the rest in Ankara.

as all the livestock and horticultural production investments will be conducted over the summer months.

## C. Outputs and outcomes

### Component 1. Natural Resource and Environmental Management

7. The component promotes participatory co-management modalities under which the private economic interests of the village communities are aligned with the sustainable use and improvement of public/shared natural resources. In fact, the centrepiece of the Project is the generation, negotiation, preparation, and implementation of around 25 viable and replicable micro-catchment plans (MCPs). The plans form the skeleton of all expenditure and activity planning for a given MCP. The mission found the Component's performance to be moderately satisfactory, mainly due to quality control issues related to the MCPs.

8. At the beginning of the Project, a total of 14 MCs were identified in 3 Project provinces (Table 1). Out of this, investments have been completed in four MCs, namely Lediz in Bingöl, Kuşhane and Büyükçay in Elazığ, and Karakütük in Muş. In these four MC, all initial works have been completed and only the maintenance activities remain. The status of MCs is given in Figure 1.

9. While at Appraisal it was foreseen that, particularly for forestry-related activities, initial works implementation would be planned for 3 years, followed by 2 years of maintenance, the approach has been accelerated where all initial investments are now planned to be completed in 2 years followed by a 3 year maintenance period.

**Table 1. MCs by Province**

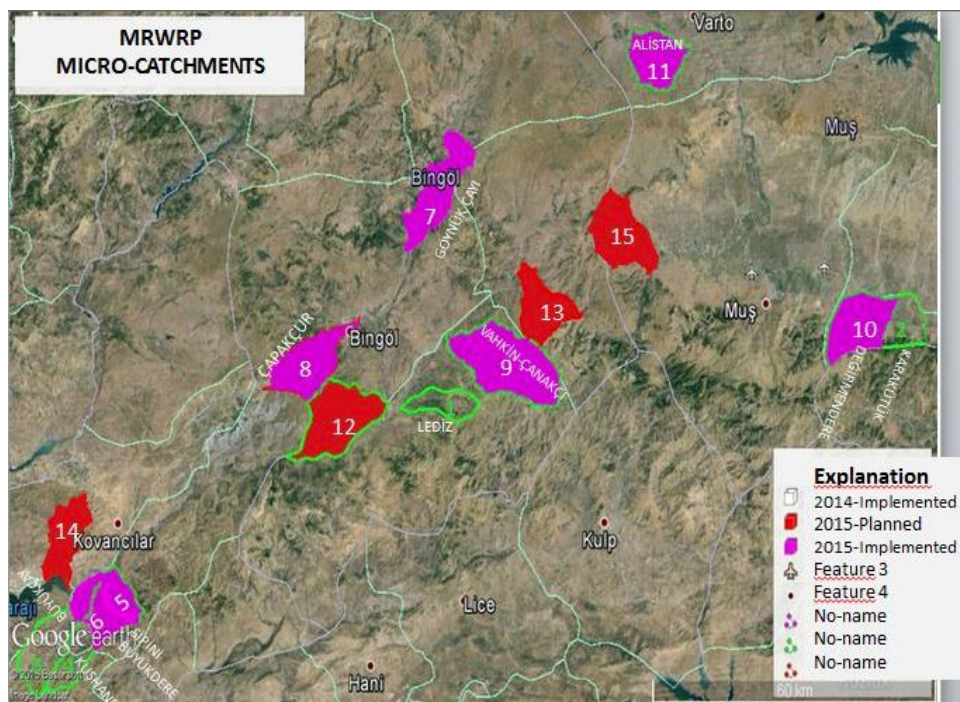
Bingöl MCs	Elazığ MCs	Muş MCs
Lediz (Genç)	Kuşhane (Palu-Maden)	Karakütük (Hasköy)
Çapakçur (Merkez)	Büyükçay (Merkez –Palu)	Değirmendere (Hasköy)
Vahkin (Genç)	Büyükdere (Palu)	Alistan (Varto)
Göynük (Ilıcalar)	Sipini (Palu)	327/1 (Yaygın)
165/1 (Solhan)	Kovancılar	

10. The mission reviewed one MC Plan (MCP) that was selected randomly. While the objectives of the Project are well understood by the OGM and project staff and monitoring is broadly along these objectives, the MC planning aspect and the links between the plans and the objectives and outcomes as targeted under each component remain weak. The review revealed the following shortcomings that the project management is recommended to overcome by in-house revisions to the MCPs for those that have been accepted and paid. Among critical area that need to be addressed in requests for revisions in on-going/unpaid and future MCPs are:

- Consistency across data and text particularly in documenting the needs of the beneficiaries is lacking, where often the numbers and the text do not match;
- While the demographic structure of the MC villages is shown in tables, the assessment of the data as text and the tables sometimes do not match;
- Presentation of data is not well structured and sometimes inconsistent across sections of the MCP, indicating lack of control over the whole document and poor editing;
- Inconsistencies in use of units, marking, numbering, abbreviations prevail throughout the document;

11. There remain approximately 10 more MCPs that will be tendered in the next years. It is recommended that the COU ensure improving the quality of the MCPs through better defining the required output, tightening the Terms of Reference and early feedback to the service providers from CEM and OGM.

### Figure 1. Status of Project MCs



12. The sampled MC plan does not allow cross referencing of the activities in an MC plan with the Project's objectives and components, and activity that is carried out by the project management. Furthermore the examination of the MCPs also shows that the MCP teams would have benefitted from more training on the objectives of the Project, particularly the targeting aspects. This has put undue pressure on the Project management in reconciling the objectives of the project with the approach in the MCPs when trying to identify outcome level results of implementation.

13. To date 15 MC plans have been contracted, at a total value of 2,451,236TL, or about USD907,000 at current exchange rates. This averages about USD60,000 per plan which is lower than the estimated USD75,000 at appraisal.

14. None of the technical assistance planned for the first two years of the projects has yet been secured. The project and the staff have matured in the underlying concepts of NRM and MCP approaches. The mission recommends that the need for envisaged studies, and study tours, for capacity building on: i) the economics of NRM, ii) opportunities carbon sequestration, and iii) assessment of non-wood products be reviewed and provisions made. It is well established that the project management and OGM and CEM cadres are technically highly capable. These cadres would benefit greatly capacity to also identify and assess the economic opportunities and pitfalls associated with NRM, where provisions for such have been made under the project.

Agreed action	Responsibility	Agreed date
Improve the quality of the MCPs through better defining the required output, tightening the TORs terms and early feedback to the service providers	COU, FOU	Before any further MCP approvals
Ensure by modifying the TORs for MCP service providers that the MCPs' activities align with the Project's components, as per the design	COU, FOU	By next tender for MCPs
Review need for studies and make decisions regarding study tours, for capacity building on: i) the economics of NRM, ii) opportunities carbon sequestration, and iii) assessment of non-wood products	COU, FOU	July 31 2015

15. **Targets and Progress:** Targets and Progress by years and activities under Components 2 and 3 activities are given in Table 2.

## Component 2. Investments in Natural Resources and Environmental Assets

16. The Component makes investments through activities as identified in the MCPs for rehabilitation and protection of degraded areas in public land (gazetted forest land including rangelands). The investments for the management of land, vegetation and water will include: i) soil conservation investments; ii) rehabilitation of degraded forests; iii) development of public nurseries; iv) rehabilitation and sustainable management of degraded grazing land/rangelands; and v) livestock watering structures.

17. **Soil conservation and rehabilitation of degraded forests:** Progress regarding soil conservation investments, rehabilitation of degraded forests is given in Table 2. The field visits to areas under rehabilitation revealed high quality work by OGM where the survival rate of the seedlings was shown to be 85-95%, is above the Turkey average that is 65%.

Table 2. Targets and progress.

MURAT RIVER WATERSHED REHABILITATION PROJECT TARGETS AND PROGRESS														
		As of May 2015												
	Activities	Units	2013			2014			2015			Cumulative		
			Target	Actual	%	Target	Actual	%	Target	Actual	%	Target	Actual	%
Component 2		Ha												
2	Investments in natural resources and environment	Ha												
2.1	Civil works/degraded areas soil and flora investments	Ha												
2.1.1	Erosion control/in degraded areas	Ha	1080	360	33%							1080	360	0.33
2.1.1.1	soil preparation (erosion control)	Ha	1080	360	33%	2160	1510	70%	2880	3159	110%	6120	5029	0.82
2.1.1.2	Multi year maintenance works (erosion control)	Ha				360	250	69%	1578	1578	100%	1938	1828	0.94
2.1.2	Afforestation activities	Ha	870	345								870	345	0.40
2.1.2.1	Afforestation of degraded forests	Ha	360	200	56%	720	282	39%	960	749	78%	2040	1231	0.60
2.1.2.2	Afforestation /follow up works (Multi year)	ha				200	78	39%	482	482	100%	682	560	0.82
2.1.2.3	Coppice rehabilitation	Ha	360	107	30%	720	134	19%	960	180	19%	2040	421	0.21
2.1.2.4	Coppice rehabilitation follow up works (multi year)	Ha				107	0	0%	241	241	100%	348	241	0.69
2.1.2.5	Clousure of degraded areas	Ha	150	38	25%	250	0	0%	400	392	98%	800	430	0.54
2.1.3	Rehabilitation of pasture/grazing areas	Ha												
2.1.3.1	Clousure	Ha				250	22	9%	400	220	55%	650	242	0.37
2.1.3.2	Livestock drinking ponds	each				3	0	0%	3	0	0%	6		0.00
2.1.3.3	Livestock water troughs	each				15	5	33%	20	0	0%	35	5	0.14
2.1.3.4	Simple livestock shelters for communal use	each				8	5	63%	16	0	0%	24	5	0.21
2.2	Erosion measuring equipment	each				8	0	0%	2	2	100%	10	2	0.20
2.3	Forest guard	Person/year				1	2	200%	5	5	100%	6	7	1.17
Component 3														
3.1	Developing small-scale irrigation													
3.1.1	Water storage pools	each				60	25	42%	60	21	35%	120	46	0.38
3.1.2	Rehabilitation of soil canals	m				6	0	0%	6	0	0%	12	0	0.00
3.1.3	On-farm drip irrigation	Ha				20	8	40%	60			80	8	0.10
3.2	Tecnical Assistance and workshops	each											0	
3.2.1	Demonstration programs	each				50	0	0%	50		0%	100	0	
3.2.2	Farmer training programs	each				50	50	100%	50	137	274%	100	187	1.87
3.2.3	Visits for farmer information exchanges	each				10	0	0%	350	0	0%	360	0	0.00
3.3	On-farm and off-farm investments													
3.3.1	Improving wheat and barley yield	Ha				261	153	59%	350	0	0%	611	153	0.25
3.3.2	Improving livestock production	each				0	0	0	0	0	0	0	0	
3.3.2.1	increase the production of dry fodder crops	Ha				135	8	6%	300	0	0%	435	8	0.02
3.3.2.2	increase the production of watery fodder crops	Ha				135	37	27%	300	140	47%	435	177	0.41
3.3.2.3	improve animal barns in the villages	each				750	108	14%	750	0	0%	1500	108	0.07
3.3.3	improving horticultural production													
3.3.3.1	installation of orchards	Ha				24	22	92%	72	66	92%	96	88	0.92
3.3.3.2	inputs for vegetables production under plastic tunnels	Ha				3	1	33%	9	0.5	6%	12	1.5	0.13
3.3.3.3	improve the production of field vegetables	Ha				9	3	33%	27	2.8	10%	36	5.8	0.16
3.3.4	Contracted seedling production	each				4	0	0%	10	0	0%	14	0	0.00
3.3.5	Promoting energy saving technologies													
3.3.5.1	Solar panels for hot water	each				300	444	148%	500		0%	800	444	0.56
3.3.5.2	Insulation of the village houses	each				150	231	154%	450	37	8%	600	268	0.45
3.3.5.3	Energy-efficient multi-purpose stove	each				300	242	81%	600	0	0%	900	242	0.27

18. Most of the seedlings used in the project MCs are produced in the nurseries of OGM in Elazığ. The COU proposed to support these nurseries' small investment needs that would improve the productivity and seedling quality of the nurseries. Such request will be developed as a detailed proposal by OGM and presented by the COU to IFAD for review. The funds for this could be used from those available for the 'Contracted seedling production' activity, where to date, there has not been any progress.

19. The mission visited the forestland in Büyükçay, Kuşhane and Değirmendere MCs and impressed by the work done. These activities create employment for villagers who work in terracing, tree planting, gully rehabilitation and fencing. The data compiled by FUO for labor use in 21 months



indicates that 54% of the total number of workers (1067) was from the MC villages and the remaining 46% were those who were brought to the area by the contractors. About 40% of the workers were female. In forestry work they are preferred particularly for tree planting.

20. PPTs reported that the Project has already changed the attitude of locals to the forestry activities. In one of the MC villages, some farmers warned the foresters that the fences work for small ruminants but not high enough to prevent the cattle from encroaching to the planted area. In another village, the village headman complained to the mission that there is more land that needs to be afforested. These are small but important signs of ownership of forestry work. The activities are rated as **highly satisfactory**.

21. **Rehabilitation of grazing land.** The activity is designed to achieve rehabilitation of grazing land by: i) closure of the area to grazing temporarily; ii) rotational grazing; iii) investments in livestock water facilities and iv) other communal livestock infrastructure.

- **Closure of the area:** As of end of 2014; 250 ha of grazing land is closed temporarily to rehabilitate vegetation out of which 20 ha in Muş and 2 ha in Bingöl. In 2015, about 55% of the target has been reached. The rangelands in Muş and Bingöl are the prime source of feed for livestock of the forest village hhs and reluctance to allow closure prevails. The PPTs and OIM staff remain engaged with the local herders to get their consent to close some of the areas. The performance of this activity is rated **moderately satisfactory**.
- **Rotational grazing.** No activity yet. See above.
- **Investments in livestock water facilities (LWF):** Investments have been already contracted before end 2014 across the first 4 MCs for which the Micro Catchment Plans (MCPs) have been developed by the Project. Out of 16 sites under implementation, the works have been completed at 5 sites. The 2015 AWPB includes the replication of similar investments identified within the 7 MCPs completed at the beginning of 2015. These include the provision of mobile galvanized or concrete troughs whereby the supply pipes are to be installed by the villagers, but also small hydraulic structures and pipe works in a total of 129 sites. The design of the facilities scheduled for implementation in 2015 have been upgraded by the Project to include a storage tank which is particularly important in case of springs with limited capacity; this option is foreseen for 37 sites in the 2015 implementation pipeline in the Alistan MC in Muş. The mission concurs with this approach and recommends that further technical options are considered in future planning of LWFs in the pastures. These include: i) the development of multiple distribution lines to maximize the distance between the trough sets and prevent high concentrations of animals; ii) spring protection works to prevent direct access to the sources; and iii) the application of solar pumping in case of availability of water from either natural ponds or shallow wells. Technical details about these options will be provided in a Working Paper annexed to the Supervision Mission Report. The performance of this activity is rated **moderately satisfactory**.
- **Investments in other communal livestock infrastructure** (shades, itch poles and salt licks). The 16 sites identified in 2014 for the provision of LWFs are to be equipped also with shades, itch poles and salt lick; installation has been completed in 5 sites and is on-going in the remainder 11. The demand assessed across 7 additional MCs is for 61 shades among which the Project needs to prioritize those for implementation in 2015. The mission field visit carried out at Karakütük MC in Muş revealed that the design and construction of the shades need to be thoroughly reviewed in light of the envisaged risk of structural collapse. The timely recruitment of a Civil Engineer to oversee the construction activities carried out under the Project is to this effect, instrumental to the replication of this activity.
- The mission was informed about the demand originated by some communities in the MCs for the provision of basic solar kits to provide electricity for communal use in the pastures, particularly in villages where many families move to the uplands for the whole summer grazing season. The mission notes that these investments are, in principle, in

line with the Component objective, provided the installation is carried out in a shared facility. Moreover, the mission discussed with the PPTs the option of broadening the scope of project supported infrastructure investments under the Component 2 to communal livestock handling facilities to support a more efficient delivery of veterinary services to the livestock keepers (for artificial insemination, vaccinations, etc.) as well as to conduct basic animal caring works and animal loading. These investments are being piloted under the IFAD financed AKADP and may be relevant for the project area, particularly from Muş, where the concentration of livestock is highest across the MWRSP Provinces. References and details will be provided in a WP annexed to the Supervision Mission Report. This activity is currently rated **moderately unsatisfactory**.

Agreed action	Responsibility	Agreed date
Design review and repair of livestock shades	FOU	Immediately
Consider broadening the menu of eligible investments under the Communal livestock infrastructure activities	CIU, FOU	Immediately
Consider technical upgrade options for the development of new LWFs	COU, FOU	Immediately

### Component 3: Investments in Improved Livelihood

22. This component's outcome is improved living conditions through supporting small-scale crop and livestock production on private land. The Project provides opportunities on a cost-sharing basis to raise the income of MC communities reinforcing the adoption of rehabilitation activities.

23. The delivery of investments under this Component is through **matching grants (cost sharing)**. At the request of the Project, IFAD has provided "no objection" to changing the matching grant ratios foreseen in the PIM. To this effect, the beneficiary contribution will be in cash only and Project resources would cover 80% of the total investment cost, except for investments in irrigation where the Project covers 95% of the total cost.

24. The investment menu for private land will include the following activities: i) improvement of the productivity of wheat and barley; ii) forage crop production; iii) improvement of livestock stables; iv) orchard establishment; v) improving vegetable production; vi) small-scale irrigation; vii) contracted seedling production; and viii) promoting energy saving technologies.

25. **Improvement of the productivity of wheat and barley.** In 2014, 59% of the target was reached by providing certified seeds of high yielding winter varieties. The 2015 implementation will start in fall with a target of 350 ha. The mission visited some of the fields and pointed out that there is room for improvement for agronomic practices such as soil tillage, seedbed preparation, seeding and appropriate crop rotations. The PPT's need improve their knowledge on agronomic practices that increase crop productivity more than the varieties used. Such yield improvements will reduce the need for additional land and/or number of plots to be dedicated to wheat and barley enabling farmers to allocate more land for forage crops. The efforts of the PPTs for introducing and/or expanding the use of seed drill are commendable. The activity is rated as **moderately satisfactory**.

26. **Forage crop production.** In 2014, only 6% and 27% of targets were achieved for rainfed and irrigated forage crop production. In 2015, 47% of the target was achieved under irrigated conditions but there has been no progress under rainfed conditions. More efforts are needed to create awareness and training for farmers. It is particularly important to emphasize the leguminous forage crops under rainfed conditions in rotation with wheat and barley. This would reduce the farmers focusing on only irrigation to produce forage crops. This activity is rated as **moderately unsatisfactory**.

27. **Improvement of livestock stables (barns).** Barn rehabilitation works were contracted in 2014 for 128 barns, of which 108 are now completed. These consist of either raising and rebuilding the roof structure for the case of cattle barns (320-48m<sup>2</sup> for 30 to 5 cattle), or replacing wooden frames with permanent welded steel structures for the case of ruminant sheds. The 2015 barn rehabilitation

programme is to be started shortly with a total of 524 barns identified for rehabilitation over 2 years across 7 MCs. The mission visited some of the barns and noted that overall quality of the works is acceptable. In light of the scale of the works envisaged, the structural aspect of construction (e.g. on the welding and section details of the steel profiles) would be assessed on a systematic way by a Civil Engineer to be recruited by the Project. The mission notes and commends the proactive approach of the PPTs staff in tailoring these types of investments to the beneficiaries' needs and to introduce relevant improvements in animal welfare. This is particularly important for the case of the cattle barns, where improved ventilation is expected to result in considerable benefits in terms of milk yields and animal health. While it is still early to quantify such types of benefits, these aspects are to be captured in the project M&E system through the Beneficiary Identification Forms developed by the Project. The performance of this activity is rated as **satisfactory**.

28. **Orchard establishment.** Orchard establishment with appropriate geometry and technique and modern fruit (cherry, pear, plum and apple) varieties is a popular activity where the achievement of targets is significant, 92% in both 2014 and 2015. The cooperation between the Provincial Directorates of MFAL and the PPTs are commendable in training of the farmers and providing timely advice (particularly on plant protection) when needed. In addition to orchards rehabilitation of old and traditional vineyards and new establishments with high wired training systems in Elazığ. The mission recommends that in all orchards and vineyards on-farm drip irrigation need to be adopted by the farmers. The performance of the activity is rated as **satisfactory**.

29. **Improving vegetable production.** The targets are very modest for both greenhouse and open field vegetable production where particularly production under cover is new to the project area. However, both the villagers and the PPTs reported that the interest is increasing and a total of 12 have been supplied. The greenhouses visited by the mission were in very good condition and the vegetable production was satisfactory despite the inexperienced farmers. As it is the case for orchards, the farmers are benefiting from the strong collaboration between the Project and the Provincial Directorates of MFAL.

Agreed action	Responsibility	Agreed date
Train the agriculturists of the PPTs on horticultural production in Yalova Research Institute, and on crop agronomy in Central Field Crops Institute	CIU	Fall 2015
Organize study tours for PPTs to companies active in livestock and horticultural crop production	CIU,	Fall 2015

30. **Small-scale irrigation.** This covers irrigation pools and distribution lines and on-farm drip irrigation.

- **Irrigation pools and distribution lines.** During 2014 a total of 48 pools with a capacity of 50-108 m<sup>3</sup> each have been constructed by the Project across 3 MCs. The mission visited some of the pools constructed and noted that overall quality of the works is acceptable; details regarding relevant upgrades (in respect of pipe materials, concrete insulation and drainage) were discussed with the FOU staff on site and will be reported in a WP annexed to the Supervision Report. According to the MCPs the intended target area for these investments is 296 ha, belonging to some 803 farming HHs. The mission emphasises the importance of assessing the extension of irrigated areas based on each pool's recharge regime (taking into due account seasonal flow variations at the source) and on Crop Water Requirements. Such aspects need careful consideration when drawing future MCPs, as the upfront identification of the direct beneficiaries is a key condition for the success of all co-financed activities. It is noted that under the prevailing conditions, typically the volume stored in the pools caters for the daily water requirement of up to 2ha of e.g. vegetables; the area can be correspondingly increased in case of lower density and less water intensive crops (e.g. perennial crops).
- Besides investing in small irrigation pools construction, the Project has successfully mobilized financing from DAP for the implementation of distribution lines from Project

financed pools in Elazig (Büyükçay and Kuşhane MCs) and for the construction of 3 village-based and relatively larger schemes in Mus (Karakütük MC). These works were carried out by the SPA and are nearly completed in all sites. Moreover, the mission was informed that in light of the compelling demand for irrigation infrastructure in the 7 MCPs that entered the implementation pipeline in 2015, the OGM has taken prompt action to mobilize the DSI both to assess the option of developing irrigation systems with village-wide coverage and to secure additional financing for implementation (physical works are likely to take place in 2016). The successful leveraging of additional funds for irrigation works in the Project MCs (valued at about USD 10 million in total) and the effective coordination of governmental agencies is seen as a major achievement of the Project management, that is likely to result in considerable savings under this activity, that would be made available for other investments, ultimately allowing for an expansion of the overall Project outreach (either in terms of MCs or as activities within a MC).

- While DSI is reportedly carrying out the investigations on 6 MCs, the Project has identified a number of pools for implementation in 2015. These consist of 69 units, located in the Alistan MC in Muş, where the traditional irrigation methods are based on the exploitation of individual sources serving groups of 3-4 Households (known as "Koms"). Given the small scale and low complexity of these works, the objective of successfully completing construction, including the required pipe works for improved water supply and distribution, in 2015 is deemed feasible. The alternative option of using plastic storage tanks may also be considered for such small-scale applications. Under specific site conditions, stand-alone irrigation systems based on solar pumping from shallow wells should be also considered eligible during the identification of future Project investments in small scale irrigation. It shall be emphasised that Polyethylene pipes (rather than PVC) are recommended for all Project financed irrigation pipelines; the FOU should also advice the project implementation partners (in particular the SPAs) on the use of more durable pipe materials in place of PVC.
- The performance of this activity is **satisfactory**, with potential further improvements in rating, pending completion of the leveraged investments in communal irrigation water systems under DSI. It shall also be noted that in case leveraging of additional resources for irrigation will continue on this scale in the newly selected MCPs, the PDR allocation for investments in irrigation pools and channels may not be required in full, thus making additional budget available for up scaling other activities under the Component to fully meet the demand (e.g. energy saving technologies).
- **Drip Irrigation.** During 2014 a total of 32 Households across 2 MCs benefitted for investments in drip irrigation, covering an area of 8.5 ha in total, i.e. about 0.26 ha/household plot. The investments identified for implementation in 2015 cover 26 ha or approximately 100HH and there are no major risks envisaged for their successful completion by year end. A review of a sample of available Beneficiary Identification Forms compiled by the Project for this activity shows that the baseline values for the calculation of incremental incomes are being collected by the Project. For the case of cultivation of annual crops this will allow evaluating the impact of this activity in terms of incremental incomes generated already in the course of 2015 for the first lot of investments. The performance of this activity is satisfactory.

Agreed action	Responsibility	Agreed date
Crop Water Requirements and minimum flows are considered when the command area of the irrigation pools is determined.	MCP service providers	Immediately

31. **Contracted seedling production.** There has been no interest by the villagers to date. If this continues in the new MCs, this activity would be cancelled.

32. **Promoting energy saving technologies.** The activity is designed to reduce the overall demand for fuel and excessive reliance on fuel wood and to promote the use of affordable renewable energy sources in the upland villages. The interventions comprise: i) hot water panels, ii) insulation of village houses, and iii) energy efficient stoves for cooking/heating.

- **Hot Water Panels.** A total of 526 HH have been identified during 2014 to receive solar water heaters from the Project. Of these, installation has been completed, to date, in 444 HH across 2 MCs, while the works in other 2 MCs are still on-going. The applications for solar heaters included in the 7 MCPs in which implementation works have started in 2015 have been submitted by 1034 HH in aggregate, for a total estimated value of TL 1,7 million. Even assuming a dropout rate at implementation of 20% (as experienced in 2014), this activity is well positioned to exceed its physical cumulative target of serving 1250HH already by end 2015. To this effect, implementation is currently rated satisfactory and likely to become highly satisfactory pending completion of the planned works in 2015. A review of a sample of available Beneficiary Identification Forms compiled by the Project for this activity shows that measurable impacts of the installation of solar panels include the reduction of the cost of water heating to 25-30% corresponding to about TL 200 / HH annually.
- **Insulation of Village Houses.** During 2014 a total of 231 HH across 4 MCs have received Project support for thermal insulation through the installation of 5 cm thick extruded polystyrene boards on the outer walls covered with cement based plaster. During the field visits the mission observed several investments in insulation and no issues were noted or reported about the quality of the works. This provides an indication that good adherence to the old surface has been achieved and that the plastering on glass fibre mesh have been carried out in line with the manufacturers' specifications. The applications for insulation works included in the 7 MCPs in which implementation works have started in 2015 have been submitted by 900 HH in aggregate, for a total estimated value of TL 3,8 million. Even assuming a dropout rate at implementation of 20% (as experienced in 2014), this activity is well positioned to exceed its physical cumulative target of serving 625 HH set in the PDR already by end 2015. To this effect, the relevance of this activity is indeed beyond what anticipated in the PDR and an additional allocation of funding from other less performing activities may be considered. It the mission assessment that the current satisfactory rating may also improve further pending completion of the planned works in 2015. The implementation track record in 2014 whereby all investments have been implemented over a 3 months period through the simultaneous mobilization of small-scale contractors shows that the target of completing the planned investments for 2015 is technically feasible.
- Discussions with beneficiaries confirmed the high appreciation for these types of investments for their contribution to improving livelihoods and the positive impacts in terms of reduced fuel usage (about 40-50% of previous), hence monetary savings (up to 550 TL/HH annually) reported in the Beneficiary Identification Forms compiled by the Project.
- **Energy efficient stoves for cooking/heating.** In 2014 the Project has supported 247 HH across 4 MCs with co-financing of energy efficient stoves, which combine cooking and heating. A total of 690 additional HHs across the 7 MCs in which implementation works have started in 2015 have already requested Project support for these household appliances, for a total estimated value of TL 345,000. Due to the widespread demand and its lower than anticipated unit cost (about TL 550 per unit), this activity is likely to exceed the PDR outreach target of serving 1250 HH while absorbing a fraction of the funds allocated. A review of a sample of available Beneficiary Identification Forms compiled by the Project shows that measurable impacts include a 50% reduction in the cost of heating corresponding to about TL 200 /HH annually. To this effect, among the items cofinanced by the Project for the promotion of energy saving technologies, investments in energy efficient stoves appear to be those showing the highest efficiency in terms of USD saved/ USD invested (0,5 against 0,1 for solar heating and insulation). Overall, the implementation of this activity can be already rated as highly satisfactory.

33. The mission notes that relevant knowledge management products both for IFAD and for the Government of Turkey may be developed regarding the promotion of energy saving technologies, carried out under the Project validating the comparison between the different investment options both in monetary terms and in terms of livelihood improvements.

Agreed action	Responsibility	Agreed date
Carry out a systemic analysis of the benefits of the investments in energy saving technologies to be further developed into relevant knowledge management products	FOU, Monitoring Consultants	Mid 2016

## D. Project implementation progress

**Project Management Performance** is considered **moderately satisfactory**.

34. Since start-up, the Project Manager, in the person of the Deputy Director of OGM, and the RMPU Director, in the person of the Deputy Regional Director, have changed once. Otherwise, despite 'frequent staff turnover' having been identified as a risk at Appraisal, the COU and FOU staff have remained constant, an important attribute of the overall success in field implementation. The Steering Committee remains operational and has met twice yearly since the beginning of the Project.

35. In the field, the mission confirmed the enthusiasm and competence of all Project staff, ranging from the RCOU head through the seconded Deputy Project Manager with staffing required to fulfil the technical requirements of implementation are in place. In addition to the staff of the three Provincial General Directorate of Forestry (OIM) of Elazig, Bingol and Mus, the COU includes 13 full time staff, paid on the loan and contracted as consultants by OGM.

36. The mission would like to bring to the attention of upper management in OGM and CEM that the workloads of the COU and FOU will increase as the number of MCs under implementation increases. After the first year of planning, starting from the second year, the work load increases until the 3<sup>rd</sup> year. Each year, the project staff have to deal with both with the implementation (3 years of implementation) of the MCs planned a year before and planning of the MCs that would be implemented in the next 3 years. In the middle of the project life, the workload reaches a peak in the 3<sup>rd</sup> year and stays also in the 4<sup>th</sup>. Then, the curve starts going down since the number of MCs that would be planned is getting less while the 3 year-implementation period is coming to an end for those MCs that are planned in the earlier years. The mission underlines the anticipated workload and the need for adjusting the sources (i.e. number of PPTs or number of experts in the PPTs, vehicles) to be able to keep the implementation momentum.

37. The day-to-day management of the fieldwork, procurement at both central and field level, the monitoring of contracts, disbursements, overall progress etc. will all put increased pressure on the existing staff. Those dealing with M&E and fiduciary matters will be under even more pressure due to the complexity of the record keeping and reporting requirements. Therefore, the mission strongly underlines the need to fortify the project's management, through additional staff and intensive training.

38. Both the central and field project management units remain weak on M&E and general fiduciary aspects. These duties have been undertaken by seconded staff in the field where the workload is on the increase and problems to be solved being compounded with each additional MC. Maintaining the satisfactory rate of progress and the quality outputs are key to achieving measureable outcomes. This can only be undertaken by the both assignment and/or hiring of additional staff and improving the skills of the existing staff.

39. In this context, PPTs' workload and the absence of technical qualification - that could be offset by training - to undertake efficient M&E activities is a fundamental issue to be addressed especially bearing in mind the expected increased amount of work as a result of the increasing number of MC plans under implementation. The recruited and assigned Project staff have not yet received appropriate training on M&E and, combined with their daily workload, the effectiveness of monitoring is hindered. In neither the central nor field levels has any training been systematically provided the basic notions on the links between outputs and outcomes. In light of the above, the mission strongly recommends hiring a fulltime M&E Officer (under ÇEM's responsibility) as institutionally acceptable and directly reporting to the deputy project director) to assume the responsibility for the entire Project

at field level<sup>2</sup>. S/he will be responsible for the M&E system as a whole (from data collection to consolidation, analysis and dissemination) at FOU level and will liaise with ÇEM thus providing the required material for efficient planning and decision-making. With this expertise on-board, COU and FOU will be able to report in an effective and timely manner against 2 dimensions: i) at MC level and ii) at the consolidated Project level by provinces. Moreover, it is recommended for the OGM and ÇEM staff from Ankara to visit more regularly the Project area thus allowing them to interact with villagers and assess progress.

40. **Financial and accounting staffing.** There is no a dedicated accountant/finance officer at FOU level. The deputy project director and a forest engineer are part time staff in charge of the finance monitoring at regional level. The fiduciary team at central level (OGM) includes one full time staff who prepares the payment orders, the SOE and two part time staff. The mission recommends to hire an accountant or to second one staff from Elazığ OBM to the project accounting and finance tasks.

41. **Operational tools:** The staff in the field and in Ankara has been equipped with the information technology and office equipment in accordance with the design. Increasing workloads and changing technologies may require periodic review of the equipment and materials needs of those staff working in the field. The increased number of MCs will mandate that the PPTs operate individually where each will need a laptop. The mission recommends that one additional laptop be supplied to each PPT.

42. In the field the mission observed that the working premises for the PPT in Elazığ was rather cramped for three persons and lacking appropriate work stations for each team member. The mission recommends that the working conditions of all teams as well as the FCOU staff be re-examined by OGM as soon as practicable in order to improve efficiency in view of the increasing workload and maintain the currently excellent morale and enthusiasm among field staff.

43. **FOU staff.** The growing need for engineering inputs in project activities, particularly relating to assuring soundness of superstructure design and execution, clearly cannot be met by using the civil engineers in the Regional Forestry Directorate, as their services are demanded for the routine work of the agency. The mission confirms that the recommendation of the November 2014 Implementation Support mission to recruit a Civil Engineer allocated full time to the FOU has been taken into consideration and the process started. The Central Operations Unit has already twice asked for expressions of interest but none of the applicants met the requirements. The mission concurs with the Project Management to lower such requirements and proceed with a vacancy re-announcement in due course.

44. **The Provincial Project Teams (PPTs)** use rented pickup trucks that are new and in good working order. Maintenance and fuel are supplied without problems. The PPTs have received training on the objectives of the Project. The mission was impressed with their commitment and enthusiasm. In view of the above identified need to strengthen the PPTs, the mission recommends that at least one more pick-up truck be rented.

45. **18-Month Review.** A formal review using recruited TA was planned for the middle of the second year of the Project to measure the efficacy of the MCP process and the quality and field-truthing of the MCPs. This review has yet not been done. Before embarking on the tenders for the remaining batch of MCPs, the mission recommends that such a review be conducted before the end of the working season. Lessons learned from the study should be rigorously applied in the tendering and evaluation of the MCPs in the future. IFAD will ensure that such a review has been done before providing the requisite 'no objection' for the next batch of MCPs.

46. **Additional PPT.** The mission discussed the probable need for a fourth PPT, to be located in Elazığ, particularly in view of most NRM work is being carried out there. This additional team would be flexible and provide backup to the other three teams as needed. It must also be noted that particularly the income generating activities (and their beneficiaries) will increase over the next 2 years.

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<sup>2</sup> . TOR could be provided by IFAD upon request

47. **Study tours:** The mission recommends that much capacity building can be achieved through study tours for project staff to experience NRM practices in other countries and ecologies. There remains approximately USD120,000 under the IFAD Grant facility allocated under "Various Studies". It is recommended that after the summer work season the COU develop options for topics and, as relevant, countries that may meet their expectations for experience sharing, and submit these to IFAD for review and guidance.

Agreed action	Responsibility	Agreed date
Contract or second Accountant for FOU	COU/FOU	31 August 2015
Contract M&E specialist for COU	COU	31 August 2015
Review and address equipment needs of FOU and PPT	COU	31 July 2015
Complete recruitment process for Civil Engineer for the FOU	FOU and COU	July-August 2015
Conduct 18 <sup>th</sup> month review of MC Planning process	COU/FOU	31 July 2015
Review need and make provisions for 4 <sup>th</sup> PPT	COU/FOU	Immediate
Develop proposals for study tours	COU	Sept 2015

## Monitoring and Evaluation

48. On the occasion of the first Project supervision, the mission appreciated the efforts deployed by the Field Operations Unit (FOU) to monitor activities in the field. Detailed "Beneficiary Identification Forms" (BIF) provide baseline information on beneficiary's livelihood as well as describe on-farm and off-farm investments they will benefit from. Nevertheless, this information gathering system presents some shortcomings and does not allow a comprehensive monitoring on physical achievements at Project and micro-catchment (MC) levels. Encompassed within the MC plans, key data requires consolidation and adjustment to respond to IFAD's reporting standards. While the Project team makes use of the above-mentioned forms and MC plans for reporting purpose, there is no evidence to state that the monitoring system as of today is instrumental for planning or decision-making.

49. A major gap has been identified between M&E and the preparation of the Annual Work Plan and Budget (AWPB), which, so far, exclusively subscribes to financial consideration. This shortcoming results in the inability of the project to be monitored on the basis of the MCPs because, to date, budget allocations for any activity have been based on the Project's appraisal cost tables. The rate of realization does not reflect project performance but only that the financial resources allocated for an activity has been disbursed/spent. Accordingly, the performance of the M&E system is rated as Moderately Unsatisfactory (3).

50. **Baseline survey (BS).** BS for the three Project provinces is currently under progress. Despite the existence of: i) the baseline study on erosion and vegetation, and ii) the socio-economic and physical baseline study already carried out during the MC plans' preparation (including agriculture and livestock situation as well as natural resources status), this survey will compare socio-economic situation of beneficiaries and non-beneficiaries following IFAD's methodology. The survey is foreseen to be completed by the end of June with the final report ready before the end of August 2015. As for the 2015 RIMS report, few comments provided by IFAD are still to be addressed by the designated M&E officers at Central Operations Unit (COU) level. With the mid-term review (MTR) likely to be scheduled in 2016, the mission recommends the COU and the FOU to already identify the supporting indicators for the second level indicators (results) that will need to be measured immediately after the MTR mission.

51. While the M&E system is gradually being shaped, some gaps were identified in **the reporting mechanism**. With the final M&E responsibility at Project level (not only on soil erosion and vegetation) laying with the ÇEM (General Directorate for Combating Desertification and Erosion), the PPTs are actually monitoring implemented activities and collecting data related to investments on improved livelihoods (i.e. change in use of firewood, livestock health, vegetable productivity). For each MC plan, the BIF structures the information into 2 categories such as:

- On-farm investment with: i) crops (forage, horticultural crops and cereals) and ii) irrigation



- Off-farm investment with: i) energy, ii) forest, iii) rangeland and iv) livestock shelter

52. Quantitative and qualitative information are collected for each beneficiary and surveyed at a different pace depending on the nature of the investment (for instance before the production and after the harvest for crops production). Successively, the information is shared at the district and provincial directorate levels but to date, there is no reporting line with the CEM in Ankara. This situation calls for a more systematic management information system (MIS) focusing on strategic analysis, rather than on data compilation with limited transformation into information. Once this hurdle is overcome, the M&E system would be expected to go from outputs, up the monitoring scale, to the level of outcomes by evaluating the information into knowledge about the Projects impacts.

53. With an overall focus on financial execution, the mission could not accurately assess the global Project's physical progress towards the realization of the LogFrame's indicators that are planned to be revived and updated at the MTR in 2016. As a consequence, strong efforts should be deployed to define a comprehensive M&E framework and match it with the Project goals and objectives. Hence, the mission recommends that, as soon as the M&E Officer at the field level is recruited, the COU and FOU would organize a workshop with OGM, ÇEM and the Regional Directorate of Forestry (RDF) staff members to: i) revise the Project's logical framework in line with MC plans, ii) consolidate the list of physical targets for each activity under each component with clear objectives based on actual costs and beneficiaries' needs (to reconcile the financial with the physical targets between the MC plans and the AWPB), iii) share the M&E tools and ensure ownerships, iv) agree on a distribution of duties between OGM, ÇEM and FOU and (v) collate the above in a concise operational M&E Manual to ensure a sound and reliable M&E system. Recruitment of a consultant familiar with IFAD's M&E requirements is encouraged for the preparation and the facilitation of this workshop. Project resources to hire external TA for this training are available and support from IFAD may also be sought.

54. The mission found very strategic the systematic use of **Geographic Information System (GIS)** for the planning, monitoring and supervision of micro-catchment plans. Accordingly, soil erosion, turbidity and surface flow will be monitored through the establishment of 2 fully automatic **erosion measurement master stations** for 2 MCs, Lediz in Bingöl and Büyükçay in Elazığ. The locations have been selected in those MCs that provide best sampling from these two MCs where all activities foreseen in the MC-level NRM are carried out and the physical characteristics (steady water flow, shape, slope, vegetation) of the MCs allow best practice to measure change in rates of erosion. The physical placement of the master stations also gives due consideration for access to maintenance when needed. Each station will receive data from 3 sediment dams and 9 surface flow captors while erosion and environmental degradation measurement will follow internationally recognized methods. GPS marked photos in the monitored MCs will also support the systems. The objective of these measurements are to: a) obtain data to document impact of a combination of natural resource-rehabilitating activities in the MCs and b) create awareness by involving communities during the installation of the data collection points and sharing data collection related to erosion. The stations are currently being procured and their operationalization is expected in Fall 2015, before the onset of winter. Moreover, **remote sensing (RS)** technology for vegetation/afforestation-related activities will also be applied through collaboration with Istanbul<sup>3</sup> and Bartin Universities (the former offering satellite images free of charge and the latter undertaking the analysis).

55. On this matter, the mission deplores the limitation to 2 measurement stations thus preventing the monitoring of results and impacts in the 3 provinces the Project currently operates into. To ensure statistical representability, the mission recommends to identify an appropriate MC in Muş province and install a third station to measure soil erosion and set-up a system allowing comprehensive Project assessment in terms of positive impact on natural resources.

56. GIS and RS are considered powerful tools for performing M&E while building on national expertise. Along these lines, the mission recommends extending the use of GIS technology (already available in ÇEM) for the monitoring of all Project activities and suggests developing an M&E platform

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<sup>3</sup> The University of Istanbul's Forestry Faculty is the oldest forest faculty in Turkey, established in 1857, considered as the pillar of the sector.

capable to integrate geo-referenced information to illustrate Project's achievements. The delivery of GIS products for Project monitoring would be added into the Data Management Specialist's TOR to be soon recruited.

57. In terms of complementary financing (by DSI and DAP), the mission praised the leverage role the Project is having with additional sources of financing and encourages the Project team to keep monitoring the financial and physical execution by the development partners as this represents a strong side-effect of the Project. It is advised to continue tracking these achievements outside the Project's work plan and budget as no direct attribution could be given to the Project itself. Nonetheless, these complementary investments will have to be factored into the impact assessment that will be conducted at the Project's completion.

58. In terms of **knowledge management**, the mission appreciated the existence of a bilingual website<sup>4</sup> in Turkish, with weekly and monthly updates, including information on the Project's tool and benefits and an English version is available only for general information and annual reports. The site aims to share reports and information on activities pertaining to the Project. The mission considers it a very promising communication tool and believes that it could be further developed as a platform for knowledge sharing with partners and beneficiaries. The households in the Project are adept to Internet and use it in daily life. The mission therefore recommends to further improving the website by developing a section on lessons learnt with documented good practices from the field (from and to the beneficiaries). The section could also be instrumental in the awareness campaign about the importance of afforestation and soil erosion prevention and fed with the outcomes of regular regional meeting on knowledge and experience sharing among PPTs.

59. On the website, MC plans, AWPB and Procurement Plan (PP) are also publically shared. While transparency is encouraged, the mission deems **inappropriate to share budget-related information** on activities to be implemented by the Project. Consequently, the public dissemination of estimated costs is jeopardizing the competitiveness principle of procurement for activities to be tendered. Therefore, the mission urgently recommends **removing any reference on budget** for activities to be implemented. However, information regarding the training, awareness building, study tours, locations and topics of demonstrations or examples of identified best practice should be made available to the widest extent.

Agreed Action	Responsibility	Agreed Date
Identify supporting indicators for the RIMS' second level reporting (to be measured after MTR)	M&E Officers at FOU & COU levels	30 September 2015
Recruit an M&E officer at field level under CEM responsibility	OGM/CEM	31 July 2015
Recruit an international M&E consultant to prepare and organize a workshop with OGM, CEM, COU, FOU, RDF on the overall M&E system	COU/FOU	September 2015
Add URL of the Project's website on IFAD's website (Project section)	IFAD	31 July 2015
Identify a suitable micro-catchment in Muş province and install a third soil erosion measurement station	OGM/CEM/FOU	31 July 2015
Make systematic use of geo-referenced information in the monitoring system for all the activities implemented by the Project (to be included in the Data Management Specialist's TOR)	CEM/COU	31 October 2015
Update the Project's website, finalize the translation in English of dedicated sections, develop a section on knowledge sharing and remove any budget-related information (especially for the 2015 and upcoming AWPB and PP)	COU/FOU	31 July 2015

60. **Gender focus.** Gender focus at implementation is rated **satisfactory**. The mission observed that at all levels there is gender sensitivity. Project appraisal highlighted the importance of women as a segment of the target group in view of the significant role they play in the regional agriculture (livestock production including dairy, vegetable production, and processing and labour-intensive farm fieldwork). Most activities in the Project are gender neutral as they intend to deliver benefits to the

<sup>4</sup> <http://muratnehrihavzasi.ogm.gov.tr/>

whole households; however, due to the traditional gender roles on the villages, some activities such as energy saving and horticulture are intended to target mainly women.

61. Gender targeting is in line with appraisal. The mission assessed project outreach to women beneficiaries and rated it satisfactory. There is high support and commitment to 'gender' by implementing actors across all levels, from the higher-ranking official in Ankara to the field operations staff. At operational level, as foreseen at appraisal, a number of measures and mechanisms supporting women's involvement and inclusion in planning and decision-making are being utilised. These include the selection of competent female service providers (MCPTs and PPTs), targeted announcements through standard announcement means (loudspeaker in village headman's office or in mosque), holding separate sessions with women to ascertain their views and needs, and giving preferential access for women to project activities on a demand-driven basis. The mission commends in particular the female PPT members of the 3 provinces for their hard work and dedication shown in reaching out to women.

62. Project cumulative data and field visits show high participation and enthusiasm of women in project activities, especially for the benefit they find through house insulation and the opportunities offered through exposure visits which they attend together with their husbands (or other male family members). In line with the 2014 and 2015 AWPBs, to date, the project has extended its support to 190 women through: training and exposure visits, increased irrigated crop production, orchard establishment, plastic tunnels vegetable production, on-farm drip irrigation, house insulation and improved production in open fields. Table 4 indicates the number of beneficiaries by activities and Project provinces.

63. The focus on gender is expected to further improve in the remaining of 2015, with more activities (some incremental) to be extended to approximately 4000 additional women. Activities will include: 45 women participating in training and exposure visits; 1100 in natural resource investments (e.g. afforestation); 590 benefitting from irrigation pools; 700 from hot water solar panels; 1210 from house insulation; and 360 from energy saving stoves.

**Table 3. Project activities extended to women (as of 15 June 2015)**

Type of activity	No. of women			
	Elazığ	Muş	Bingöl	Total
Training, exposure visits	2	5	2	9
Irrigated forage crop production	0	14	7	21
Orchard establishment	8	18	15	41
Plastic tunnels vegetable production	15	8	0	23
Open field improved vegetable production	0	6	8	14
On-farm drip irrigation	8	0	0	8
House insulation	74	0	0	74
<b>Total</b>	<b>107</b>	<b>51</b>	<b>32</b>	<b>190</b>

*Source project FOU*

64. At the level of MC planning, and based on the findings of a review of several MC plans undertaken during supervision, the mission recommends gender participation to be more consistently reflected in the process of MC plans development through more detailed information on e.g. meetings held, women priority menu list of activities, the inclusion of one or two women in the village contact persons list. At implementation level, the mission urges the FOU to improve gender disaggregation in all project activities.

65. **Youth targeting.** The project appraisal did not define a specific targeting strategy for the rural youth in the project area. However, the beneficiary selecting criteria adopted by the project gives a higher score to younger farmers (see Annex 1). Some of the field visits undertaken during the mission

indicated a predominant interest of the younger farmers in greenhouse production. Further insights are expected to emerge in the course of future implementation.

66. **Effectiveness of targeting approach.** It is the mission's assessment that the project targeting approach is **satisfactory**.

67. The selected project area, the Murat River Watershed, is characterized by a high degree of natural resources deterioration and widespread poverty in the upland villages. In particular, the situation is locked in a vicious circle where unsustainable crop and livestock production practices have deteriorating effect on soil structure and fertility, on the natural vegetation, and on the water flow and quality, aggravating further poverty in the local upland villages. The Project overall goal is reduced poverty among these upland communities of the Murat River Watershed.

68. The operational unit of the Project is the microcatchment (MC). As identified at appraisal, through geographic targeting to poor regions and districts in the 3 mentioned provinces, and self-targeting, some 25 MCs within the Murat Watershed out of about 100 MCs, are to be selected during the 7-year implementation period on the basis of a set of criteria. The criteria are: i) severity of soil erosion and associated risk of natural disasters; ii) reversibility level of soil erosion; iii) potential to improve livelihood through the restoring of natural resource base; iv) level of accessibility to the MC; v) level of interest from local inhabitants; vi) social cohesion within village and between neighbouring villages. Within this framework, investments are demand-driven and self-targeting.

69. The primary target group of the MRWRP are these poor women and men living in upland villages in the selected MCs. A secondary target group are other non-farming residents who also benefit from improvements to their physical environment and living standards. Together, these groups total an estimated 80 000 very poor potential direct beneficiaries (12 500 households). A third group of indirect beneficiaries are the general population living downstream.

70. Once a MC has been selected, the Project, through its Provincial Project Teams (PPTs), first conducts awareness raising in all villages of the MC to inform communities about the activities extended by the Project; secondly, through a contracted MC Planning Team (MCPT), village plans are prepared in each village of the MC through collaboration and agreements with the resident communities. As identified at appraisal, the peculiarity of the local communities' attitude towards previous government interventions mainly on restricting farmers' traditional grazing in the forest, recommended the adoption of effective participatory tools by the project to ensure farmers' active participation in decision making. In light of this, the project applies the "Beneficiary Centred-Problem Census-Problem Solving" (BCPCPS) process that is non-threatening and based on focussed discussion in small groups to define, rank and find solutions to the degradation of natural resources in the village. From the long list of problems requested by each village, the FOU prepares a short list of activities that can be addressed by the Project and prepares a MC plan for the scope, location and cost for each of these activities. The plan is displayed in each MC village for final agreement. Once the MC plan is considered final and sent to the Regional Forestry Directorate (OBM) and the OGM in Ankara for review and final endorsement. This final MC plan is the basis for all project investments in the given MC and determines the AWPB.

71. To date, 14 MCs were selected and the first set of 4 MC plans implementation is about to be completed in Elazig, Bingol and Mus, reaching out to 25 villages, and benefiting 500 households. With the additional 7 MC plans approved in 2015, project activities will be extended to another 48 villages in the same districts plus an additional one, serving a total of 800 households.

72. The mission verified to what extent the above-mentioned targeting criteria, the participatory approach and selection process, envisaged at appraisal, are being applied in the selection of MCs and in the preparation of their plans, and concluded that it is being largely observed. Beneficiary selection criteria, on the contrary, were not identified at appraisal, nor was their application specified. Remarkably, the Field Operations Unit (FOU) has recently taken the initiative, on the basis of lessons drawn from the first 4 MC plans, to adopt beneficiaries' selection criteria for each type of investment implemented by the project. These include: cereals, forage and horticultural crop production, barn

rehabilitation, greenhouse establishment, drip irrigation system, and energy saving investments (solar panels, heating stove, house insulation). The criteria have been enclosed in a brochure<sup>5</sup> that is being used by implementing staff and is included in the MCPTs contracts, and is intended to be further adjusted on the basis of lessons learnt. The mission commends such initiative of the FOU.

73. In terms of MC plans structure and presentation, the mission noticed that while they contain a wealth of information and detail, all plans do not reflect consistently the comprehensive participatory work conducted in their preparation (e.g. by reporting all village meetings held, number of women attended etc.). It is therefore recommended that the FOU, also through the contracted MCPTs, ensures overall increased consistency and quality amongst the different plans. It is also recommended that the list of priority problems articulated by women should be included in the MC plans separately.

74. Feedback received from beneficiaries and implementing field staff and officials revealed a high level of project ownership at all levels, highlighting an important attitude change in the traditionally contentious use of the forest for grazing. At the village level, communities have started to accept and understand the importance of protecting the forest and other natural resources by adhering to the rules and principles the Project is promoting while showing interest in the opportunities offered by the Project, i.e. engaging in a more profitable and sustainable agricultural production. In turn, forest official and staff are showing a commendable level of understanding and consideration for farmers' requests and priorities. This confirms the relevance of project design and the effectiveness of its participatory approach.

#### **Coherence between AWPB and implementation.**

75. During the revision of the 2015 AWPB, the mission realized that for audit considerations, the annual budget as well as the unit cost per activity are retrieved directly from the Project Design Report (PDR)'s COSTAB instead of reproducing the actual activities foreseen for the given year. Consequently, the AWPB does not exactly reflect the activities as per the micro-catchment plans but rather matches a list of actions per component with the predefined amount for the year (in 2015, USD 7,773,000). This situation completely defies the purpose of the AWPB (which has not received yet IFAD's no-objection) as a planning tool and does not provide a realistic projection of what will be implemented in the coming year. This results in a distorted proposal with activities sometimes deprived from budget allocation as it would tend to exceed the defined annual budget's theoretical ceiling as per appraisal.

76. In this context, the mission strongly commends the COU to only consider the PDR as a reference document and work closely with the FOU to prepare a realistic AWPB which would list the planned activities for 2015 based on the demand-driven mechanism set-up by the project with the MCPs as reference. This provision will most likely allow the project to speed-up the implementation of the MCPs' activities. The same will apply to all the upcoming AWPB in the future and shall not have any negative impact on the annual audit carried out by the Under-secretariat of Treasury. The monthly updated unit price table as prepared by the MoFWA will be regularly shared at the field level and consulted to ensure consistency with the proposed estimate costs in the AWPB and related PP.

77. In terms of progress reporting, the mission recognized the quality of the financial reporting. The use of Planner reveals very helpful to maintain coherence between financial planning and reporting nonetheless, the mission acknowledged that too much emphasis was put on the financial aspect of the project implementation whereas physical execution could somehow be put forward. The same observations apply to qualitative achievements, which would call for a section on lessons learnt, and 'best practices' identified. Key information on the number of beneficiaries (disaggregated) is also sought in order to avoid producing an activity-oriented report with little consideration for the impacts on the target population. Also, the updated RIMS report will be included into the next progress reports.

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<sup>5</sup> See excerpts of the original document (in Turkish) in Annex 1, source FOU.

Agreed action	Responsibility	Agreed date
Carry out a thorough revision of the 2015 AWPB and related PP based on projected activities as per MC plans to be submitted to IFAD's no-objection	COU/FOU	31 July 2015
Put some emphasis on physical execution, number of beneficiaries (RIMS) and qualitative assessment on the future progress reports with a section on lessons learnt and best practices for replication	COU/FOU	Immediate

78. **Innovation and learning.** : As a first for an IFAD project in Turkey, it is estimated that the Project's management will leverage over USD10 million from other local investing institutions including the DSI, SPA, DAP, and as needed from the OGM for NRM. The Provincial Project Teams were proactive in developing cost effective solutions to issues beneficiaries encountered in implanting project-finances activates, e.g. the barn rehabilitation with improvements for the roofs.

79. **Climate and Environmental Focus.** All investments maximize on activities that are well adapted to the current climate. They are designed to climate resilient with water use efficiency being carefully integrated into the designs of irrigation infrastructure: drip irrigation is supported. All NRM related investments will improve the environment. Energy saving alternatives for heating and cooking are being promoted to reduce impact on the natural resources.

80. **Partnerships.** The Project management has attracted DSI to participate assigned staff in the BC-BC-PS process for the MCPs. Complementary financial and technical resources have been drawn from DSI for irrigation infrastructure such as water storage pools and tertiary distribution networks. OGM has used its own resources to expand areas for rehabilitation investments. The SPAs also used DAP funds for small-scale irrigation. The ability of the project's design to attract or leverage complementary financing is an indicator of IFAD's technical potential in Upper MICs.

## E. Fiduciary aspects

81. **Financial management.** A Financial Management (FM) assessment was conducted to review the adequacy of the arrangements in place for the Project. The assessment also included an SOE review. The OU at OGM administrates the funds and is in charge of the project accounting and financial monitoring. The mission rated the FM for this project as Moderately Satisfactory. Only the salient aspects of mission's fiduciary assessment are reported below. The full fiduciary assessment with all tables compiled will be included in the final Supervision Report.

82. **Organization;** financial and accounting staffing. The OU/FOU includes 13 full time staff, paid on the loan. However, there is no a dedicated accountant/finance officer at FOU level. The mission recommends hiring an accountant or to assign one staff from Elazig OBM to the project accounting and finance tasks.

83. **Budgeting.** The mission notes that the AWPB for the fiscal years 2013, 2014 and 2015 were not prepared on the basis of the Micro-catchment, but they were prepared on the basis of the cost table. The mission reminds that the yearly forecasts of the cost table are given as estimation and could not be considered by the project as the AWPB. The AWPB should be prepared on the basis of the Micro-catchment and the execution capacity of the three OIM.

84. **Funds flow and disbursement arrangements.** Disbursements from the project bank accounts are subject to a sufficient level of review and processing to ensure an acceptable level of control. The Project has two designated accounts (DA) in USD opened at the Central Bank of Turkey (CBT), one for the funds of IFAD loan and one for funds of IFAD grant. The project has also two sub-accounts in USD opened at CBT.

85. **Commitments and actual expenditures.** The total amount of commitments (signed contracts) as of May 31, 2015 is USD10.2 million, financed by IFAD loan (USD7.9 million), MFWA (USD1.7 million) and the beneficiaries (USD0.6 million) and represents 26% of the total project cost (FM Appendix. Table 1).

86. The total amount of actual expenditures as of May 31, 2015 is USD4.7 million, financed by IFAD loan (USD 3.6 million), MFWA (USD 0.7 million) and the beneficiaries (USD 0.4 million). It represents 12% of the total funds allocated for the project and 47% of the total commitments (FM Appendix. Table 1). The actual expenditures on IFAD loan and grant are low. From IFAD loan that totals about USD27.8 million, the actual expenditures are USD3.6 million (13%). The commitments and the actual expenditures on the grant are too low and represent 1% of the grant (FM Appendix. Table 7).

87. **Actual expenditures on AWPB 2014.** The total amount of the actual expenditures, including the contributions of the Government and the beneficiaries, related for the AWPB 2014 as of December 31, 2014 is USD3.8 million (Loan \$2.9; Government \$0.5; beneficiaries \$0.4) and represents 87% of the total planned amount.

88. **Actual expenditures on AWPB 2015.** The total amount of the actual expenditures related to the AWPB 2015 as of May 31, 2015 are too low (USD0.7 million) and represent 9% of the total planned amount.

89. **Internal Control.** The internal control system in place within the OGM conforms to the Government system and has been deemed satisfactory by the IFAD. Indeed, the OGM guarantees the separation of the duties through several controls mechanisms.

90. **Project Implementation Manual (PIM).** The MFWA prepared on March 2013 a PIM and submitted it to IFAD for approval.

91. **Fixed assets register.** The OU is following all the fixed assets of the project on the software of the MFWA, which allows producing a fixed assets register.

92. **Accounting.** The project accounting is held on the accounting software, bought for the project and used by the OGM. In addition, the OGM recorded the financial information on Excel sheet and in the planer recording system, developed by IFAD. The FOU in Elazig records also the information in this system, which is used as monitoring system of the AWPB and the procurement plan and to prepare the annual progress report. The data is systematically crossed referenced between the three systems.

93. **Financial Reporting and Monitoring.** The financial statements are prepared by the OU/OGM and produced automatically by the accounting system. They include a statement of payments by category, by component and by funding sources and a statement of sources and uses of funds, a statement of the designated account reconciliation. The mission recommends to prepare a statement of commitments (signed contract) by component, category and by financier.

94. **Internal Audit.** The MFWA has an internal audit Department at central level, and the financed project-related transactions are subject to its regular reviews. The mission reviewed the internal audit report related to the fiscal year 2014 and no significant findings were noted. The project is also submitted to the control of the Turkish Court of Accounts, under the Prime Ministry.

95. **Designated accounts.** As of May 31, 2015, two WAs had been processed in 2015 (WA 4 and WA 5) from the IFAD loan for a total amount of USD2 million, for the replenishment of the designated account. However, no WA has been submitted on 2015 for the replenishment of the grant designated account.

96. Disbursements on loan to DA (moderately satisfactory). As of May 31, 2015 only 21% (SDR3.7 million), equivalent to USD5.5 million of the total funds allocated for the project have been spent. Disbursements on grant to DA (moderately unsatisfactory). As of May 31, 2015 only 12% (SDR32,532), equivalent to USD50,000 of the total funds allocated for the project have been spent.

97. **Counterpart Funds (satisfactory).** The Government of Turkey contributes in cash to finance partially some activities and to pay taxes and duties and in kind financing to cover the MFWA staff cost. As of May 31, 2015, USD0.6 million represent 9% of the total allocated amount has been disbursed on the MFWA budget to pay its contribution. (FM Appendix. Table 5A).

98. **Compliance with loan covenants.** The Project's compliance with loan covenants is moderately satisfactory (see appendix 6). The Mission notes partial compliance for some covenants.

99. **Procurement.** The procurement is mainly taking place at the field level (Elaziğ) with clearance and payment done by OGM in Ankara. Neither COU nor FOU has a dedicated and certified procurement officer and seconded staff to the project carries out the procurement activities on top of other responsibilities. This human resource situation explains the gaps identified during the supervision.

100. **Letter to the Borrower (LtB)** explicitly and unequivocally defines the thresholds and methodologies for any kind of procurement scenario to be faced. Despite this referential, the mission noticed the absence of prior-review by IFAD when required. Therefore, it is deemed necessary to recall that any contract for an estimate amount higher or equivalent to (i) USD 150,000 for civil works, (ii) USD 100,000 for goods, (iii) USD 75,000 for company services and (iv) USD 30,000 for individual consultant call for IFAD's prior-review. Moreover, Direct Contracting, Single-Source Selection as well as Prequalified Lists are equally subject to prior-review before contract awarding. In order to avoid any ineligible expenditures at the withdraw application submission, the COU and FOU are invited to prepare a list of contracts (already awarded and signed) which required IFAD's prior-review to be submitted to IFAD for retroactive no-objection.

101. **Procurement Plan.** Automatically generated by Planner from the AWPB, the procurement plan appears coherent with the AWPB; nonetheless, the drawbacks identified above on the reliability of the annual work plan calls into question the legitimacy of the PP. Furthermore, erroneous procurement methods are associated to estimate costs for several activities. On top of activities listed with no budget, the dates related to the advertisement, the bid opening and evaluation, the contract signing as well as the contract completion often appeared unrealistic.

102. **Contract Register.** The mission deplores the absence of a proper Contract Registry as specified in the LtB para 21 under "Procurement, Procurement Plan and Applicability". The registry template (form C-01) and contract payment monitoring (form C-11) have been shared by IFAD with the COU which is expected to prepare, together with the FOU, the up-to-date registry of contract by mid-July. In the meantime, the mission went through the Status of Expenditure (SoE) and revised a sample of contracts. This review was further hampered by a very scattered, incomplete and random filing system in Elaziğ and led to the following observations:

- In general, the bidding documents suffer from weak specifications or bill of quantities due to the absence of consultation with skilful technical experts in the preparation phase. Based on the level of risk and complexity, some technical expertise could be recruited (punctually and based on the needs) in preparation of the bid documents and bid evaluation for technical proposals submitted by suppliers or service providers.
- As a good practice, the mission recommends the COU to systematically send a feedback to the bidders on the reasons why they were not awarded the contract in order to improve their tendering capacities and to keep a constructive relationship with the suppliers for any future bidding;
- Light no-objection request are sent to IFAD. In the future, the mission recommends the COU to provide the CPM with scanned copy of the supporting no-objection documentation and mention in the request (i) the contract winner, (ii) the total cost of the contract, (iii) the duration, (iv) the procurement category (Goods, Services or Civil Works) and (v) the category of expenditure the awarded contract will be budgeted on.

103. In consideration of the above, the project's Compliance with Procurement is rated as Moderately Unsatisfactory due to major shortcomings about (i) the transparency of the procurement process (see above regarding the publication of the AWPB and PP with estimated costs), (ii) the value of a PP based on an unrealistic AWP, (iii) the lack of prior-review by IFAD when required by the defined thresholds as well as (iv) the very poor filing system of contract and supporting documentation in Elaziğ.



Agreed action	Responsibility	Agreed date
Keep a complete hard copy of the contract registry in Elazığ	COU/FOU	15 July 2015
Submit to CPM the list of contracts requiring IFAD's prior-review for retroactive no-objection	COU/FOU	15 July 2015
Together with the thorough review of the 2015 AWPB, prepare the related PP taking into consideration thresholds for methods and prior-review as per the LtB	COU/FOU	31 July 2015
Prepare the Contract Register according to the C-01 and C-11 forms and systematically attach it to the withdraw applications and progress reports	COU/FOU	15 July 2015
If needed, punctually recruit consultants with an expertise in the procured good, work or service to prepare specification, bill of quantities and TOR as well as for the bid evaluation	COU/FOU	Immediate
For any tender, systematically send feedback to bidders explaining why they were not awarded the contract	COU	Immediate
No-objection sent to IFAD are comprehensive and documented	COU	Immediate

104. **Audit (moderately satisfactory).** The auditor did not submit the report to IFAD. The mission reminds that the MFWA must submit the audit report for 2014 not later than June 30, 2015. The mission reviewed the audit report for the fiscal year 2013 and notes that the audit resulted with an unqualified opinion. However, the auditor did not give an explicit opinion on the SOE, it was embedded with a global opinion.

105. **SOE review (moderately unsatisfactory).** The mission selected and reviewed 30 payments orders on loan from WA 2, 3, 4 and 5, for a total amount of USD1.1 million. This sample represents 31% of the cumulative actual expenditures until May 31, 2015. The mission found these moderately unsatisfactory (FM Appendix. Table 8) and that the supporting documents of the procurements are in place and in a good order at central level. The main findings are as follows:

- Single-source selection for some contracts with no prior IFAD No Objection.
- Civil work contracts signed for amounts more than the threshold with no prior IFAD No Objection.
- The OU/FOU are not able to provide IFAD No-objection for the 13 consultants' contracts.

106. **Action plan.** The mission and the COU have agreed the following action plan.

Agreed action	Responsibility	Agreed date
Hire an accountant or to assign one staff from Elazığ OBM to the project accounting and finance tasks.	FOU/OBM	September 30, 2015
Prepare the AWPB on the basis of the Micro-catchment and the execution capacity of the three OIM.	FOU/OU	Continuously
Prepare a statement of commitments by component, category and by financier.	OU	Continuously
Give an opinion on SOE in the audit reports.	External auditor	Continuously
Submit the audit report for the FY 2014.	External auditor	June 30, 2015
Ask for an exceptional retroactive IFAD no objection for all contracts subject to IFAD prior review;	OU	Immediate
Improve the filing of the supporting documents in Elazığ.	FOU	Continuously
Affect each contract into the right category.	OU	Continuously
Insure all goods and equipment imported for the project.	OU	Continuously

## F. Sustainability.

107. Overall, the approach of the project and the sustainability of its implementation are judged to be satisfactory.

108. **Institutional sustainability.** A general buy-in has been witnessed from all the involved (public) entities with transparent governance and services likely to be pursued after the end of the project. Project management elements are part of the normal institutional structures of OGM/MFWA. All implementation (DSI, SPAs, DAP) are fully mainstreamed into the project as existing government agencies and programs.

109. The project's MCP approach is complementing the OGM's and CEM's efforts to mainstream it in other regions of Turkey, namely the GTWDP area. Dispositions are being taken to ensure the continuity/replication of activities after project's completion (restoration of degraded forest and reduction of erosion, livelihood improvement, erosion monitoring, energy conserving investments such as insulation and solar energy use) especially illustrated by the growing interest from public entities and financing partners (DAP, DSI, SPAs) to own and contribute to the project's endeavours. The PPTs have secured technical assistance from the MFAL provincial directorates despite MFAL not being a formal partner in the MRWRP.

110. **Social sustainability (Empowerment).** The beneficiaries residing in the completed and on-going MCs were met during the field visits. They showed and shared views regarding the obvious livelihood improvements and confirmed their participation in the planning of investments and control over economic relations and institutions. The BC-BC-PS process used in the MCPs empowers the communities in articulating and making informed decisions on jointly used natural resources and their rehabilitation. The Project is enhancing the OGM's relations with the forest dwellers in developing jointly acceptable solutions to NRM while introducing income-generating modalities that maximize use of their often quite limited financial and physical resources.

111. **Economic and financial sustainability.** All of the activities and investments are: i) part of a standard package of best practices for restoration of degraded lands by the foresters; ii) designed to promote the uptake of new solutions to NRM such as the solar hot water heaters and hh insulation; iii) under demand due to their high income generating potential as in the greenhouses where the returns on investments are very good, iv) expense reducing as in the case of insulation where fuel use over winter is halved.

112. **Technical sustainability.** The vegetable production under plastic cover (greenhouse) is fairly new to the area and as a result of the high income generating potential is in high demand where climate allows. The forestry activates are intrinsically meant to be sustainable in that they are very long-term (50 year lifespan) investments. The FOU and the PPTs work closely with the MFAL Provincial and District directorates where technical support on best practices for agricultural income generating activities is actively provided.

113. **Environmental sustainability.** The nature of the project is, by default, environmentally sustainable. With a thorough focus on NRM, the project is not only addressing soil erosion and deforestation but also enhances the nexus between agriculture, livestock and forestry to improve livelihood and mitigate any potential negative impact on environment.

114. **Exit strategy.** All of the activities of the Project as well as the MCP approach are becoming mainstreamed. The project management has leveraged substantial resources outside of those of the project to ensure plans are implemented to the maximum extent without being bound the limitations of the MRWSP's IFAD and other funds. The MCP approach has expanded to other regions of Turkey. The services provided under the memorandums of understanding with DSI and OGM likely to be pursued after both the end of the project and in other areas where MFAL carries out participatory NRM.

## **G. Impact**

115. **Physical and financial assets.** A total of 2600ha of degraded forest land, including oak coppice rehabilitation and erosion control works, has been restored in 4 MC. The restoration works have been complemented with best-practice implementation for gully rehabilitation. The availability of the cost sharing facility under the project has been used by about 1000 hhs for solar heating, insulation and energy saving stoves. The 12 greenhouses are proving to be highly profitable.

116. **Food security.** There are no food security issues in Turkey. The project would enhance the local diet with the vegetables grown in the greenhouses.

117. **Increase in incomes.** The impact of the income generating activities has not yet been measured since they are very new. The M&E system is not yet capable of measuring outcomes & impact.

118. **Policy impact.** The participatory MC planning approach of the Project is new to the area and is assisting OGM in the mainstreaming and rolling out of the approach at the national level.

119. **Other impacts.** While MCP modality was first introduced in Turkey 20 years ago, it is new for IFAD and may be used as a tool for NRM elsewhere. The use of the contracted PPTs to support OGM in implementation monitoring and interface & contact with the beneficiaries is proving to be an efficient project management tool.

## H. Conclusion

120. Overall, the project is **moderately satisfactory**. While the participatory MC planning is progressing well and technical investments are satisfactory, there were substantial delays at start up and the identified issues in M&E and fiduciary aspects need rapid improvement at OGM and CEM. These identified shortcomings will be addressed before the end of the 2015 working season, with the hiring and secondment of new staff complemented by a comprehensive training program. As the rate of implementation increases, the COU and FOU will review and rapidly compensate for envisaged bottlenecks with augmentations to field capacity by hiring extra staff and vehicles for the PPTs. It was agreed with the Project management that the AWPBs for 2016 onward would be based on the MCPs.

121. In order to ensure smooth Project implementation and improve sustainability, several actions would require attention in the upcoming period:

- (a) The monitoring and evaluation (M&E) aspects of the project need to be reinforced through recruitment and/or deployment of one full-time additional staff and extensive training should be delivered at the Central and Field Operations Units– Timeline: end of August 2015;;
- (b) Due diligence needs to be improved for procurement and fiduciary issues. One additional accountant has to be recruited at FOU level and one additional staff is also needed in the field of procurement. Training will be also required; Timeline: End of August 2015;
- (c) The quality of the micro-catchment plans (MCPs) needs to be reviewed and better monitored to ensure appropriate inclusion and overlay of the Project's objectives and expected outcomes. As the number of Micro-catchment Plans prepared and executed will increase, the workload of the FOU and the Provincial OGM Directorates will be taxed and additional staff and vehicles will be required; it has been therefore agreed to re-advertise the position for a Civil Engineer allocated full time at FOU. Timeline: September 2015;
- (d) In the preparation of the Annual Work Plan and Budgets (AWPBs), the MCP need to be reflected as the main driver as opposed to the Project's design cost tables that no longer have any relevance. The overall monitoring of activities by MFWA/OGM and Treasury should be guided by the MCPs as opposed to the cost tables and related plans that are only approximations of that are four years old.

122. It is the mission assessment that the Project is on a sound path to achieve its objectives and it is well positioned to further improve performance by making use of the experience gained during implementation. It is expected that by the MTR in 2016, implementation will have progressed to offset the early delays. The mission concluded that the Project's Log Frame will be also be updated at MTR.

123. Furthermore, the mission has observed that the Project is ready to adopt a more flexible approach to the identification of activities, so to allow the introduction of relevant innovations and respond to the needs identified in the MCPs development process, particularly through the PPTs who are in daily contact with the beneficiaries, The additional financing leveraged for the Project is expected to rise as the number of MC under implementation increase over the coming years.



## Appendix 1: Summary of project status and ratings

### Basic Facts

Country	Turkey	Project ID	1623 [1100001623]	Loan/DSF/Grant/ASAP FI No.	1000004414, 1000004415
Project	Murat River Watershed Development Project			Top-up Loan/DSF/Grant/ASAP FI No.	
Date of Update	06-Jul-2015				
Supervising Inst.	IFAD				
No. of Supervisions	0	No. of Implementation Support/Follow-up missions	1		
Last Supervision		Last Implementation Support/Follow-up mission	23-Nov-2014		

USD million Disb. rate %					
Approval	13-Dec-2012			Total financing	38.48
Agreement	15-Feb-2013	Effectiveness lag	2.1	IFAD Total	28.09
Entry into force	15-Feb-2013	PAR value	-----	IFAD loan	27.66
First disbursement	27-Aug-2013			DSF grant	
MTR		Last amendment		IFAD grant	0.43
Original completion	31-Mar-2020	Last audit	07-Jul-2014	ASAP grant	0.00
Current completion	31-Mar-2020			Domestic Total	10.39
Current closing	30-Sep-2020			Beneficiaries	2.97
No. of extensions	30-Sep-2020			National Govern	7.42
	0			External Cofinancing Total	

### Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	4	4	1. Quality of project management	4	4
2. Acceptable disbursement rate	4	3	2. Performance of M&E	4	3
3. Counterpart funds	4	5	3. Coherence between AWPB & implementation	4	4
4. Compliance with financing covenants	4	4	4. Gender focus	4	5
5. Compliance with procurement	4	3	5. Poverty focus	4	5
6. Quality and timeliness of audits	4	4	6. Effectiveness of targeting approach	4	5
			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. Natural Resources & Environment. Management	4	4	1. Institution building (organizations, etc.)	4	4

2. Investments in NR and Environmental Assets	4	4	2. Empowerment	4	4
3. Investments in Improved Livelihoods	4	4	3. Quality of beneficiary participation	4	5
			4. Responsiveness of service providers	4	5
			5. Exit strategy (readiness and quality)	4	4
			6. Potential for scaling up and replication	4	5

#### B.5 Justification of ratings

**Counterpart funds** have been made available at the beginning of the project and will not be an issue. **AWPB:** quality of AWPB is satisfactory. Most key activities had been initiated timely. Accordingly, coherence between AWPB and implementation is moderately satisfactory. **M&E:** efforts have been deployed by the FOU to monitor activities in the field. Nevertheless, the information gathered by the system presents some shortcomings and does not allow a comprehensive monitoring on physical achievements at Project and micro-catchment (MC) levels. Encompassed within the MC plans, key data requires consolidation and adjustment to respond to IFAD's reporting standards. **Compliance with Procurement** is rated as Moderately Unsatisfactory due to major shortcomings about (i) transparency of the procurement process, (ii) the value of a PP based on an unrealistic AWP, (iii) lack of prior-review by IFAD when required by the defined thresholds; and (iv) the very poor filing system of contract and supporting documentation in Elazığ. **Gender** is rated satisfactory: Gender sensitivity is applied at all level of the project. In particular, efforts of the PPTs with one female member have positively impacted the outreach and inclusion of women. The energy saving investments have improved the quality of life of the target HHs and reduced workload for women. **Climate and environment:** with a thorough focus on natural resource management, the project is not only addressing soil erosion and deforestation but also enhance the nexus between agriculture, livestock and forestry to improve livelihood and mitigate any potential negative impact on environment. **Institution building:** a general buy-in has been witnessed from all the involved (public) entities with transparent governance and services likely to be pursued after the end of the project. **Empowerment:** the beneficiaries met during the field visits showed obvious livelihood improvement and obvious control over economic relations and institutions. The rating is satisfactory.

### Overall Assessment and Risk Profile

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

#### Rationale for implementation progress rating

The absence of a consolidated M&E system made difficult the assessment of the above indicators; however the physical interventions and investments for improved NRM are well executed. The next supervision/implementation support mission will most likely deliver the rationale for a change in these ratings.

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

While the project is about one year behind and little progress has been made since the Implementation Support Mission in November 2014 due to the long winters in the Project area, the activities have accelerated in 2014. All 3 provincial directorates and their PPTs are on track with the work plans and no major obstacles are foreseen to jeopardize the likelihood to achieve development objectives. The adequacy of the management's response to the mission's recommendations will reveal opportunities for improvements in delivery model.

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

Fiduciary aspects	A dedicated accountant should be assigned to FOU and further assiduity is expected on procurement (prior-reviews and contract register).
Project implementation progress	Weak M&E and poor correlation between MC planning aspect the AWPBs and targeted objectives will reduce means of verification of implementation progress. Poor coordination between CEM and OGM has impacted as one of the reasons for M&E quality shortcomings. Field implementation capacities will come under stress due to the significant increase in field workload with additional MCPs to be soon under implementation.
Outputs and outcomes	Some activities such as the construction of livestock shelters, under Component 2 needs critical input from a civil engineer that is recommended to be immediately contracted. There are civil engineers in the Regional Forestry Directorate in Elazığ but the high demand for their services for the routine work of the agency has not allowed sufficient time for the Project. The hiring of an M&E officer at FOU level is key for monitoring, analysis and feed decision making as anticipated at the design and required by IFAD.
Sustainability	The project's MCP approach is complementing the OGM and CEM's efforts to mainstream becoming mainstreamed in other regions of Turkey, namely the GTWDP area. Dispositions are being taken to ensure the continuity/replication of activities after project's completion (afforestation, livelihood improvement, erosion measurements,, energy conserving investments such as insulation and solar energy use) especially illustrated by the growing interest from public entities and financing partners (DAP, DSI, ...) to own and contribute to the project's endeavours. The vegetable production under plastic cover (greenhouse) is new to the area and as a result of the high income generating potential is in high demand where climate allows.

## Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
M&E and BL survey	Weak M&E due to lack of training, lack of coordination between OGM and CEM in Ankara and the field, and lack of dedicated staff. The baseline survey needs to be completed and harmonized existing MCPs A full-time M&E Officer has to be recruited/deployed at FOU level	July-August 2015  End Aug. 2015	
Procurement	Due diligence needs to be improved for procurement and fiduciary issues. Additional staff is needed in the field for procurement. Training will be needed. Additional staff will be appointed/seconded and trained to work only on Project related activities	End August 2015	
AWPB	The AWPB are required to be prepared on the basis of the MCPs Training will be conducted at COU and FOU on AWPB process	December 2015	
MCP	The FOU & COU's monitoring and reviewing of the MCPs stands to be improved. Review and revise ToR of MCP contactors and re-examine review process. In time for tender for MCP of additional MCs (about 10)		
Execution capacity OIM	The execution capacity of the three OIM and related PPTs will be challenged in view of the increasing workload on the number of MCs under implementation increases. The COU will review needs and options to hire more vehicles and additional PPT members.	August 2015	

## Additional observations





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

### LOGICAL FRAMEWORK<sup>6</sup>

Results Hierarchy		Verifiable Indicators	Means of Verification	Assumptions
<b>Goal</b>				
Reduced poverty among the upland communities of the Murat river watershed.		Number of village HHs living below the poverty line reduced (10%).	Official statistics, Baseline (MCP) and impact assessment studies.	Government maintains and pursues pro-poor policies. No extreme economic, seismic, or climatic shocks.
<b>Development Objective</b>				
Improved livelihood and natural resources management in the upper catchment areas in the Murat watershed.		<ul style="list-style-type: none"> <li>30% increase in vegetative cover in treated micro-catchments, three years after project completion (include tree survival rate).</li> <li>80% of participating families have improved livelihood (nutrition, income, reduced workload).</li> <li>10% reduction in government expenditures on rehabilitation of public works damaged due to floods and</li> </ul>	GIS –based data collection including photos. Vegetation plot/afforestation data Social survey. Improved livelihood measured by nutritional diet, income and women workload. Provincial	Existing forestry and natural resource policies are improved & enforced.  Infrequent staff turnover.
<b>Components/Outcomes</b>				
<b>1. Natural resources and environmental management</b>				
1.1	Environmental awareness enhanced in MC communities.	50% of villagers in targeted micro catchment areas have agreed to MC management plans.	OGM records.	Awareness raising effective.
1.2	Modalities for participatory & Sustainable natural resource management operational.	Consensus in planning and management decision-making is reached through participatory processes with equal gender representation and inclusion of vulnerable groups.	Baseline survey.  Impact assessment. Meeting attendance and	Existing village and OIM structures for decision making allows for the establishing effective modalities for NRM co- management.
<b>2 Investments in natural resources and environmental assets</b>				
2.1	Rehabilitation of soil and vegetation.			
2.1.1.	Soil erosion reduced.	10% reduction in sediment load from selected micro catchments.	Sediment traps. Erosion field plots. Vegetation field plots. OGM records.	Physical conditions (soil, rainfall) and Management practices (fire wood collection, livestock rearing) adequate for soil and vegetation rehabilitation.
2.1.2.	Vegetative/forest cover increased.	20% reduction in erosion from treated areas.		
2.1.3.	Improvements in grazing/rangeland.	30% increase in vegetation cover in rangelands.		
2.2.	Improved livestock productivity due to improved access to clean water.	75% of livestock in rangeland benefit from water points (possible proxy: livestock mortality).	OGM/PPT records Social surveys	Improved water access translates into better livestock management.

<sup>6</sup>The Log Frame will be reviewed and updated during the MTR, planned for mid-2016



### LOGICAL FRAMEWORK (CONT'D)

3	Investments in improved livelihood			
3.1.	Diversified and more efficient use of energy.			
3.1.1.	Fuel wood consumption reduced.	30% reduction in annual HH fuel wood use.	OGM/PPT records.	Improved energy efficiency leads to reduced use of fuel wood.
3.1.2.	Energy saving technologies adopted.	25% increase in number of HH using renewable technologies.		
3.2.	Improved agricultural productivity.			
3.2.1.	Improved stables and livestock management.	20% productivity increase per livestock head	HH and focus group interviews. PPT records. HH and focus group interviews.	Villagers demonstrate an interest and are willing to invest in new management practices Sufficient water availability. Possible to provide sufficient no. of villagers without irrigation access to irrigation.
3.2.2.	Output from horticulture, orchards, forage and field crops increased.	10% increase in rain fed crop production and yields/ha. 30% increase in overall value for irrigated crop.		
3.2.3	Increased access to irrigation for horticulture/agriculture, forage and orchards).	20 % increase of number of households with access to irrigation.		
Outputs				
1. Natural Resources and Environmental Management				
	<ul style="list-style-type: none"><li>NRM awareness raised in MC communities.</li><li>25 MC plans produced with operational modalities for participation.</li><li>Staff trained in NR and environmental management including: Multifunctional participatory planning; participatory monitoring &amp; data management; poverty and gender sensitization</li><li>Studies and workshops in: NR economics; carbon</li></ul>	<ul style="list-style-type: none"><li>Percentage of villagers in MC area taking part in preparing MC plans.</li><li>Selected elements in the MC plans are NRM oriented.</li><li>Numbers of plans produced (pro-poor/gender sensitive/participatory).</li><li>Number of TA contracts, workshops and training.</li><li>OGM, OBM, OIM staff and PPT attendance and results.</li></ul>	<ul style="list-style-type: none"><li>Supervision reports.</li><li>OGM records.</li><li>Audits.</li><li>OGM records.</li><li>Post training test/evaluation charts.</li></ul>	<ul style="list-style-type: none"><li>Procurement systems in place and functioning.</li><li>Sufficient Government counterpart funds available in a timely manner.</li><li>No community segment excluded from participating.</li><li>Beneficiaries accept terms of cost sharing.</li></ul>
2	Investments in Natural Resources			

	<ul style="list-style-type: none"> <li>• Soil conservation works (9 000 ha).</li> <li>• Forest and rangeland rehabilitation and afforestation (22 160 ha).</li> <li>• Two public nurseries completed in Elazığ and Muş.</li> <li>• Erosion measurement field trials installed (25).</li> <li>• Sediment measurement stations installed (25).</li> </ul>	<ul style="list-style-type: none"> <li>• Soil conservation investments effective.</li> <li>• Forests rehabilitated (% increase vegetation cover), afforestation (number of trees/survival rate).</li> <li>• Rangelands rehabilitated (ha. and % increase in vegetation cover): <ul style="list-style-type: none"> <li>◦ No. of livestock drinking facilities operational; and</li> <li>◦ No. of shelters for communal use operational.</li> </ul> </li> <li>• Public nursery that includes cold storage for seedlings developed (production increase).</li> <li>• Erosion field plots and gully erosion (stick measurement)</li> </ul>	<ul style="list-style-type: none"> <li>• Erosion/sediment measurement.</li> <li>• MFWR records/photo (time and GPS marked).</li> <li>• Audits.</li> <li>• Data collected for erosion/water run-off/sediment yield.</li> </ul>	<ul style="list-style-type: none"> <li>• OGM pursue best practices for NRM and erosion control</li> <li>• OGM and village collaboration in operation and data handling</li> <li>• OGM and village collaboration in operation and data handling</li> </ul>
3	<b>Investments in Improved Livelihood</b>			
	<ul style="list-style-type: none"> <li>• Demonstrations and farmer training events (308).</li> <li>• Farmer exposure visits (292).</li> <li>• Improved wheat and barley production (1 381 ha).</li> <li>• Improved forage crops (1 230 ha).</li> <li>• Improved horticultural production (247 ha) including 180 ha of new orchards.</li> <li>• Water storage ponds built and connecting earth canals rehabilitated (250).</li> <li>• Drip irrigation installed (127 ha).</li> <li>• New contracted seedlings producers operational and selling (4).</li> <li>• New solar panels installed and in use (1 250 hh's).</li> <li>• Insulation (625hh's).</li> <li>• Energy saving stoves installed (1 250 hh's).</li> <li>• Improved stables (100).</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstration and farmer training program conducted (number of participants).</li> <li>• Farmer exposure visits carried out (number of participants).</li> <li>• Sustained increase in grain yields (%).</li> <li>• Sustained increase in forage crop production (%).</li> <li>• Sustained increase in horticultural production (%).</li> <li>• Small scale irrigation developed: <ul style="list-style-type: none"> <li>◦ Water storage ponds functioning (increase in water collection); and</li> <li>◦ Increase in water supply from rehabilitated earth canals (%).</li> </ul> </li> <li>• Increase in crop yield and value from irrigated land (%).</li> <li>• Contracted seedling production introduced as a profitable business model.</li> <li>• Energy saving technologies (solar, insulation and stoves) have led to reduced fuel consumption.</li> <li>• Increases revenues from increased yield of meat and milk and savings from less disease.</li> </ul>	<p>Supervision reports.  OGM records. PPT records.  Audits.  Number of trees in orchards and survival rate (OGM records).</p> <p>PPT records.</p> <p>Number of seedlings produced/revenues.  (Sale Record.)  Fuel consumption (PPT record/survey).  PPT records.</p>	<ul style="list-style-type: none"> <li>• Village communities interested in participating in training/exposure.</li> <li>• Sufficient land available and farmers interested in applying new technologies.</li> <li>• (Improved crop production, crop rotations and soil conservation measures.)</li> <li>• Interest to engage in seedling production.</li> <li>• Possible to produce seedlings at competitive prices sufficient demand for seedlings.</li> <li>• Improved efficiency translates into less use of fuel.</li> <li>• Existing stables have negative impact on livestock production and health.</li> </ul>

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

Agreed action	Responsibility	Agreed date
<b>Component 1. Natural Resource and Environmental Management</b>		
Improve the quality of the MCPs through better defining the required output, tightening the TORs terms and early feedback to the service providers	COU, FOU	Before any further MCP approvals
Ensure by modifying the TORs for MCP service providers that the MCPs' activities align with the Project's components, as per the design	COU, FOU	July 31, 2015
Review need for studies and make decisions regarding study tours, for capacity building on: i) the economics of NRM, ii) opportunities carbon sequestration, and iii) assessment of non-wood products	COU, FOU	July 31, 2015
<b>Component 2. Investments in Natural Resources and Environmental Assets</b>		
Design review and repair of livestock shades	FOU	Immediately
Consider broadening the menu of eligible investments under the Communal livestock infrastructure activities	CIU, FOU	Immediately
Consider technical upgrade options for the development of new LWFs	COU, FOU	Immediately
<b>Component 3: Investments in Improved Livelihood</b>		
Train the agriculturists of the PPTs on horticultural production in Yalova Research Institute, and on crop agronomy in Central Field Crops Institute	CIU	Fall 2015
Organize study tours for PPTs to companies active in livestock and horticultural crop production	CIU,	Fall 2015
Crop Water Requirements and minimum flows are considered when the command area of the irrigation pools is determined.	MCP consultants	immediately
Carry out a systemic analysis of the benefits of the investments in energy saving technologies to be further developed into relevant knowledge management products	FOU, Monitoring Consultants	Mid 2016
<b>Project implementation progress</b>		
Contract or second Accountant for FOU	COU/FOU	31 July 2015
Contract M&E specialist for COU	COU	31 July 2015
Review and address equipment needs of FOU and PPT	COU	31 July 2015
Conduct 18 <sup>th</sup> month review of MC Planning process	COU/FOU	31 July 2015
Review need and make provisions for 4 <sup>th</sup> PPT	COU/FOU	Immediate
Develop proposals for study tours	COU	Sept 2015

<b>Monitoring and Evaluation</b>		
Identify supporting indicators for the RIMS' second level reporting (to be measured after MTR)	M&E Officers at FOU & COU levels	30 September 2015
Recruit an M&E officer at field level under CEM responsibility	OGM/CEM	31 July 2015
Recruit an international M&E consultant to prepare and organize a workshop with OGM, CEM, COU, FOU, RDF on the overall M&E system	COU/FOU	31 August 2015
Add URL of the Project's website on IFAD's website (Project section)	IFAD	31 July 2015
Identify a suitable micro-catchment in Muş province and install a third soil erosion measurement station	OGM/CEM/FOU	31 July 2015
Make systematic use of reo-referenced information in the monitoring system for all the activities implemented by the Project (to be included in the Data Management Specialist's TOR)	CEM/COU	31 October 2015
Update the Project's website, finalize the translation in English of dedicated sections, develop a section on knowledge sharing and remove any budget-related information (especially for the 2015 and upcoming AWPB and PP)	COU/FOU	31 July 2015
<b>Coherence between AWPB and implementation</b>		
Carry out a thorough revision of the 2015 AWPB and related PP based on projected activities as per MC plans to be submitted to IFAD's no-objection	COU/FOU	31 July 2015
Put some emphasis on physical execution, number of beneficiaries (RIMS) and qualitative assessment on the future progress reports with a section on lessons learnt and best practices for replication	COU/FOU	Immediate
<b>Procurement</b>		
Keep a complete hard copy of the contract registry in Elazığ	COU/FOU	15 July 2015
Submit to CPM the list of contracts requiring IFAD's prior-review for retroactive no-objection	COU/FOU	15 July 2015
Together with the thorough review of the 2015 AWPB, prepare the related PP taking into consideration thresholds for methods and prior-review as per the LtB	COU/FOU	31 July 2015
Prepare the Contract Register according to the C-01 and C-11 forms and systematically attach it to the withdraw applications and progress reports	COU/FOU	15 July 2015
If needed, punctually recruit consultants with an expertise in the procured good, work or service to prepare specification, bill of quantities and TOR as well as for the bid evaluation	COU/FOU	Immediate
For any tender, systematically send feedback to bidders explaining why they were not awarded the contract	COU	Immediate
No-objection sent to IFAD are comprehensive and documented	COU	Immediate

<b><i>Fiduciary aspects</i></b>		
Hire an accountant or to assign one staff from Elazig OBM to the project accounting and finance tasks.	FOU/OBM	September 30, 2015
Prepare the AWPB on the basis of the Micro-catchment and the execution capacity of the three OIM.	FOU/OU	Continuously
Prepare a statement of commitments by component, category and by financier.	OU	Continuously
Give an opinion on SOE in the audit reports.	External auditor	Continuously
Submit the audit report for the FY 2014.	External auditor	June 30, 2015
Ask for an exceptional retroactive IFAD no objection for all contracts subject to IFAD prior review;	OU	Immediate
Improve the filing of the supporting documents in Elazig.	FOU	Continuously
Affect each contract into the right category.	OU	Continuously
Ensure that all goods and buildings insured (Financing Agreement; Section 8)	OU	Continuously
<b><i>Sustainability</i></b>		
M&E system will be improved through training and additional staff	COU &FOU	As soon as possible

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

MURAT RIVER WATERSHED REHABILITATION PROJECT  
TARGET AND PROGRESS

As of May 2015

Component 1	Activities		2013			2014			2015		
			Target	Realizat ion	%	Target	Realizat ion	%	Target	Realizat ion	%
1.1.1	Four wheel drive vehicles	Number	4	0	0%	4	5	125%	6	6	100%
1.1.2	Mini van	Number	1	0	0%	1	1	100%	1	1	100%
1.2	Office equipment	Number	24	24	100%	0	0		0		
1.2.2	GIS software	Number	1	0	0%	1	0	0%	1		
1.2.3	GIS maps	Number	1	0	0%	1	0	0%	1		
1.3.1.1	GIS/Data Management Specialist 15 man days	Number	1	0	0%	1	1	100%	1		
1.3.1.2	Monitoring and Physical Intervention Specialist 15 man days	Number	1	0	0%	1	0	0%	1		
1.3.2	Micro catchment planning teams	Number	9	2	22%	12	6	50%	11	3	27%
1.3.3.2	Planning and technical subjects workshops/year	Number	1	1	100%	1	1	100%	0		
1.3.3.4	Awareness raising campaigns	Number	9	0	0%	8	1	13%	8		
1.3.3.5	Villagers exchange visits	Number	18	0	0%	10	1	10%	10		
1.3.3.6	Multifunctional forestry management plans	Number	0	0		3	0	0%	0		
1.3.3.7	PPT training	Number	2	0	0%	2	1	50%	2	1	50%
1.4.1	Natural Resource Economics. Man months.	Number				3	0	0%	3		
1.4.2	Assessment of opportunities for carbon sequestration. Man months.	Number				2	0	0%	0		
1.4.3	Assessment of opportunities for NWFP. Man months	Number				3	0	0%	1		
1.4.4	Assessment of alternative energy sources. Man months	Number				1	0	0%	0		
1.4.5	Private / public nursery feasibility study. Man months	Number				1	0	0%	1		
<b>Component 2</b>											
2	Investments in natural resources and environment	Ha									
2.1	Civil works/degraded areas soil and flora investments	Ha									
2.1.1	Erosion control/in degraded areas	Ha	1080	360	33%						
2.1.1.1	Pre investments (erosion control)	Ha	1080	360	33%	2160	1510	70%	2880	3159	110%
2.1.1.2	Multi year maintenance works (erosion control)	Ha				360	250	69%	1578	1578	100%
2.1.2	Afforestation activities	Ha	870	345							
2.1.2.1	Afforestation of degraded forests	Ha	360	200	56%	720	282	39%	960	749	78%
2.1.2.2	Afforestation /follow up works (Multi year)	ha				200	78	39%	482	482	100%
2.1.2.3	Coppice rehabilitation	Ha	360	107	30%	720	134	19%	960	180	19%
2.1.2.4	Coppice rehabilitation follow up works (multi year)	Ha				107	0	0%	241	241	100%
2.1.2.5	Closure of degraded areas	Ha	150	38	25%	250	0	0%	400	392	98%
2.1.3	Rehabilitation of pasture/grazing areas	Ha									
2.1.3.1	Closure	Ha				250	22	9%	400	220	55%
2.1.3.2	Livestock drinking ponds	Unit				3	0	0%	3	0	0%
2.1.3.3	Livestock water troughs	Unit				15	5	33%	20	0	0%
2.1.3.4	Simple livestock shelters for communal use	Unit				8	5	63%	16	0	0%
2.2	Erosion and sediment measuring equipment	Unit	9	0	0%	8	0	0%	2	2	100%
2.3	Land ranger year	Person				1	2	200%	5	5	100%
<b>Component 3</b>											
3.1	Developing small-scale irrigation	unit									
3.1.1	Water storage pools	unit				60	25	42%	60	21	35%
3.1.2	Rehabilitation of soil canals	meters				6	0	0%	6	0	0%
3.1.3	On-farm drip irrigation	Ha				20	8	40%	60		
3.2	Technical Assistance and workshops	beneficiary									
3.2	Contracted personnel FOU staff (annually)	person	9	7	78%	9	9	100%	9	9	100%
3.2.1	Demonstration programs	beneficiary				50	0	0%	50		
3.2.2	Farmer training programs	beneficiary				50	50	100%	50	137	274%
3.2.3	Visits for farmer information exchanges	beneficiary				10	0	0%	350	0	0%
3.3	On-farm and off-farm investments	unit									
3.3.1	Improving wheat and barley yield	Ha				261	153	59%	350	0	0%
3.3.2	Improving livestock production	unit									
3.3.2.1	increase the production of dry fodder crops	Ha				135	8	6%	300	0	0%
3.3.2.2	increase the production of watery fodder crops	Ha				135	37	27%	300	140	47%
3.3.2.3	improve animal barns in the villages	unit				750	108	14%	750	0	0%
3.3.3	improving horticultural production										
3.3.3.1	installation of orchards	Ha				24	22	92%	72	66	92%
3.3.3.2	inputs for vegetables production under plastic tunnels	Ha				3	1	33%	9	0.5	6%
3.3.3.3	improve the production of field vegetables	Ha				9	3	33%	27	2.8	10%
3.3.4	Contracted seedling production	beneficiary				4	0	0%	10	0	0%
3.3.5	promoting energy saving technologies	Unit									
3.3.5.1	hot water solar panels	unit				300	444	148%	500		
3.3.5.2	insulation of the village houses	unit				150	231	154%	450	37	8%
3.3.5.3	energy-efficient stoves to heat	unit				300	242	81%	600	0	0%
<b>Component 4</b>											
4.1	Baseline survey (reference search)					1	0	0%	1	0	0%
4.1.1	18 month assessment					1	0	0%	1	0	0%
4.1.2	Training needs assessment of CIU+FIU					1	0	0%			
4.1.3	Miscellaneous technical studies					1	0	0%	1	0	0%
4.1.4	Project training of CIU and FIU					5	1	20%	5	1	20%
4.1.5	Project Start-up Workshop (Ankara)					1	0	0%	1	0	0%
4.1.6	Project Start-up Workshop (Provinces)					1	0	0%	1	0	0%
4.1.7	Language courses	number				2	0	0%	2	0	0%
4.2	Office equipment (Computers, Printers and photocopier)	number									
4.3.1	Salaries (DPM /Translator-Secretary), 2 ppl/years (OU&FOU)	number				2	2	100%			
4.3.2.1	Travels, allowances and flight tickets										
4.3.2.2	Other operating expenses 3rd component										
4.3.2.3	Accounting package software					1	1	100%			
<b>Grand Total</b>											
		Beneficiaries	9	7		119	59	2	459	146	
		Unit	9	0	0	1594	1060		2401	60	
		Ha	2820	1050		4687	2180		6718	4909.3	

Republic of Turkey  
Murat River Watershed Rehabilitation Project  
Supervision report - Mission dates: 16-26 June 2015  
Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

FIRST LEVEL RESULTS		RIMS		2014			Cumulative			Sum of actuals of previous years	Explanation
Results			Unit	Period ending: AWP&B	31-Dec Actual	% of AWPB	Appraisal	Actual	% of Appraisal		
Total Outreach											
		People receiving project services	Number	53 430	6 713	13%	80 000	6 713	8%		
		People receiving project services	Male	26 725	4 586	17%	56 000	4 586	8%		
		People receiving project services	Female	26 705	2 127	8%	24 000	2 127	9%		
		Households receiving project services	Number	8 348	1 049	13%	12 500	1 504	12%		
Component	Sub Component										
Component Name	Sub Component										
Component 1.Natural Resource and Environmental Management											
		People trained in natural resources management	Number			#DIV/0!			#DIV/0!		
		Land under irrigation schemes constructed/rehabilitated	Number	60	25	42%	250	25			constructed water storage pond(355 household)
		Land under irrigation schemes constructed/rehabilitated	Ha	6	3	50%	25	3			constructed irrigation channel in 3 ha area(330 household)
		Land under irrigation schemes constructed/rehabilitated	Ha	20	6	5%	127	6	#REF!		constructed drip irrigation(21 household)
		Livestock water points constructed/rehabilitated	Number	3	0	0%	6	0	#REF!		pond
		Livestock water points constructed/rehabilitated	Number	15	5	13%	40	5			constructed trough
		Environmental management plans formulated	Number	12	6	24%	25	6	#REF!		
		Land under improved management practices	Ha	4610	2 069	45%		2 069			
		People trained in crop production and technologies	Male	200	50	15%	325	50			
		People trained in crop production and technologies	Female	200	50	50%	100	50			
		People trained in livestock production and technologies	Male	25	50	17%	300	50			
		People trained in livestock production and technologies	Female	25	50	50%	100	50			
		Households receiving animal health services				#DIV/0!		0	#REF!		
		Crop/ livestock production groups formed/ strengthened				#DIV/0!		0	#REF!		
						#DIV/0!			#REF!		
						#DIV/0!			#REF!		
		People trained in income generating activities	Male			#DIV/0!		0	#REF!		
			Female			#DIV/0!		0	#REF!		
						#DIV/0!		0	#REF!		
		Government officials and staff trained	Male	363	150	41%	400	150			
		Government officials and staff trained	Female	363	29	8%	60	29			
		People accessing advisory services facilitated by project	Female	9994	4 426	44%		4 426			
		People accessing advisory services facilitated by project	Male	9994	4 426	44%		4 426	#REF!		
		People receiving vocational training				#DIV/0!		0	#REF!		
											Households benefiting from energy saving technologies
		Other productive infrastructure constructed/rehabilitated	Number	750	1 007	134%		1 007			livestock shelter
		Other productive infrastructure constructed/rehabilitated	Number	758	113	15%		113			crop production
		Other productive infrastructure constructed/rehabilitated	Ha	567	223	39%		223			
		Number of people adopting technologies that reduce or sequester greenhouse gas emissions				#DIV/0!		0	#DIV/0!		
		Number of individuals (*) involved in climate risk management, natural resources management (NRM) or				#DIV/0!		0	#DIV/0!		





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

**Table 5A: Financial performance by financier at 31.05.2015 (IFAD Loan 889-TR and Grant 1418-TR)**

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Balance	Per cent disbursed
IFAD loan	27 791	3 644	24 147	13%
IFAD grant	430	5	425	1%
Government	7 453	663	6 790	9%
Beneficiaries	2 969	418	2 551	14%
<b>Total</b>	<b>38 643</b>	<b>4 730</b>	<b>33 913</b>	<b>12%</b>

**Table 5B: Financial performance by financier by component (USD '000) at 31.05.2015**

	IFAD Loan			IFAD Grant			Government			Beneficiaries			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Natural Resource and Environmental Management	2 395	675	28%	315	5	2%	466	120	26%	0	0		3 176	800	25%
2. Investments in natural resources and Env. assets	11 698	1 223	10%	0	0		3 875	260	7%	63	0	0%	15 636	1 483	9%
3. Investment in improved livelihood	12 617	1 586	13%	0	0		2 980	257	9%	2 906	418	14%	18 503	2 261	12%
4. Operations Unit	1 081	160	15%	115	0	0%	132	26	20%	0	0		1 328	186	14%
<b>Total</b>	<b>27 791</b>	<b>3 644</b>	<b>13%</b>	<b>430</b>	<b>5</b>	<b>1%</b>	<b>7 453</b>	<b>663</b>	<b>9%</b>	<b>2 969</b>	<b>418</b>	<b>14%</b>	<b>38 643</b>	<b>4 730</b>	<b>12%</b>

**Table 5C: IFAD loan disbursements (SDR'000, as at 31.05.2015)**

Category	Initial Allocation (1)	Disbursement (2)	Balance (1) - (2)	Percent disbursed (2)/(1)
Authorized Allocation Designated Account		1 316	-1 316	100%
1. Civil Works	10 194	926	9 268	9%
2. Vehicles, equipment & goods	4 261	795	3 466	19%
3. TA, training, studies & workshops	2 991	633	2 358	21%
4.a. Recurrent costs salaries	257	58	199	23%
4.b. Recurrent costs other operating expenditures	252	14	238	6%
Total	17 955	3 742	14 213	21%

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

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section B 2</b>	The Borrower shall pay to the Fund interest on the principal amount of the Loan outstanding.	Semi-annually, payable on each 1 June and 1 December. To be routinely monitored for compliance.	Complied with.	
<b>Schedule 1 §10</b>	The project agency shall prepare a draft Project implementation Manual (PIM), which will be forwarded to the IFAD for comments and NO before being formally adopted.	Submitted to IFAD on 03/2013	Complied with.	
<b>GC 4.02 (b)</b>	No withdrawal shall be made from the Loan Accounts until the first AWPB has been approved by the Fund and the Fund has determined that all other conditions specified in the Financing Agreement as additional general conditions precedent to withdrawal have been fulfilled.	To be routinely monitored for compliance.	Complied with.	
<b>GC Section 4.04 (d)</b>	If the Borrower requests a withdrawal from the Loan Accounts for amounts to be paid thereafter for Eligible Expenditures, the Fund may, before transferring such amount to the Borrower, require that the Borrower provide evidence satisfactory to the Fund showing that previous withdrawals have been properly spent for Eligible Expenditures. The Fund may place reasonable limits on the amount that the Borrower may withdraw in advance or the overall balance of such advance withdrawals, and may require that such amounts be held in a freely convertible currency and/or be held in an account designated for that purpose in a bank acceptable to the Fund.	N/A		

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>GC 4.08 (a)</b>	All expenditure under the Financing shall meet the reasonable cost of goods, works and services required for the Project and covered by the relevant AWPB and procured in conformity with the Fund's Procurement Guidelines.	Continuous.	Complied with.	
<b>GC 7.01 (b) (ii)</b>	MFWA shall submit draft AWPBs to the Fund for comments and approval.	Continuous.	Partially complied with.	The 2015 AWPB was submitted to IFAD on January 2015.
<b>GC 7.08</b>	The borrower shall insure all goods imported for the project.	Continuous.	Partially complied with.	The equipment is not insured.
<b>GC 8.01</b>	The project Parties maintain records and documents adequate to reflect to reflect their operations in implementing the project.	Continuous.	Partially complied with.	The filing in Elazig needs some improvement.
<b>GC 8.03</b>	MFWA, or other party so designated in the relevant Agreement, shall furnish to the Fund periodic progress reports on the Project, in such form and substance as the Fund shall reasonably request. At a minimum, such reports shall address (i) quantitative and qualitative progress made in implementing the Project and achieving its objectives, (ii) problems encountered during the reporting period, (iii) steps taken or proposed to be taken to remedy these problems, and (iv) the proposed programme of activities and the progress expected during the following reporting period.	To be monitored routinely for compliance.	Complied with.	
<b>GC 9.01</b>	The project Parties shall maintain separate accounts and records to reflect the operations, resources and expenditures related to the project until the financing closing date.	Continuous.	Complied with.	
<b>GC 9.02</b>	MFWA shall deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in accordance with standards and procedures acceptable to the Fund and deliver such financial statements to the Fund within four (4) months of the end of each Fiscal Year.	To be monitored routinely for compliance.	Partially complied with	MFAL delivers to the FUND some financial statements on disbursement, but not on commitments (signed contracts).



Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
GC 9.03	The annual accounts of the project should be audited in accordance with auditing standards acceptable to the Fund and the audit report submit to the Fund within 6 months of the end of each fiscal year.	To be routinely monitored for compliance.	Complied with.	



