



Enabling poor rural people
to overcome poverty

Nepal

Improved Seeds for Farmers Programme (ISFP)

Supervision report

Main report and appendices

Mission Dates: 02-16 June 2013
Document Date: August 2013
Project No. 1602
Report No: 3125-NP
APR
Programme Management Department

Contents

A.	Introduction	1
B.	Overall assessment of ISFP implementation	2
C.	Outputs and outcomes	2
D.	ISFP implementation progress	6
E.	Fiduciary aspects	9
F.	Sustainability	11
G.	Other	11
H.	Conclusion	12

Appendices

Appendix 1:	Summary of project status and ratings	13
Appendix 2:	Updated logical framework: updated in December 2012	15
Appendix 3:	Summary of key actions to be taken within agreed timeframes	16
Appendix 4:	Physical progress measured against AWP&B, including RIMS indicators	18
Appendix 5:	Financial: Actual financial performance by financier; by component and disbursements by category	27
Appendix 6:	Compliance with legal covenants: Status of implementation	30
Appendix 7:	Knowledge management: Learning and Innovation	31
Appendix 8:	Progress against Previous Mission Recommendations.	32
Appendix 9:	Supervision Mission Schedule and Persons Met	33
Appendix 10:	Audit Log	36
Appendix 11:	Summary of implementation support provided by IFAD	37

Abbreviations and acronyms

AEC	FEDERATION OF NEPALESE CHAMBERS OF COMMERCE AND INDUSTRY/AGRO ENTERPRISE CENTER
AWPB	ANNUAL WORKPLAN AND BUDGET
DAO	DISTRICT ADMINISTRATION OFFICE
DADO	DEPARMENT OF AGRICULTURE DEVELOPMENT OFFICE
DDC	DISTRICT DEVELOPMENT COMMITTEE
DCCI	DISTRICT CHAMBER OF COMMERCE AND INDUSTRY
DLSO	DEPARTMENT OF LIVESTOCK SERVICE OFFICE
FFS	FARMERS' FIELD SCHOOL
FNCCI	NEPAL FEDERATION OF CHAMBER OF COMMERCE AND INDUSTRY
ISFP	IMPROVEMENT SEEDS FOR FARMERS PROGRAMME
M&E	MONITORING AND EVALUATION
MIS	MANAGEMENT INFORMATION SYSTEM
MOAD	MINISTRY OF AGRICULTURE AND DEVELOPMENT
MOU	MEMORANDUM OF UNDERSTANDING
NACCFL	NATIONAL AGRICULTURAL COOPERATIVE CENTRAL FEDERATION
NAB	NATIONAL SEEDS BOARD
NARC	NEPAL AGRICULTURAL RESEARCH COUNCIL
PDO	PROGRAMMEDEVELOPMENT OBJECTIVE
PIM	PROGRAMME IMPLEMENTATION MANUAL
PIU	PROGRAMME IMPLEMENTATION UNIT
PMO	PROGRAMME MANAGEMENT OFFICE
PSC	PROGRAMME STEERING COMMITTEE
PY	PROGRAMME YEAR
RIMS	RESULT AND IMPACT MANAGEMENT SYSTEM
RSTL	REGIONAL SEED TESTING LABORATORY
SFACL	SMALL FARMER AGRO COOPERATIVE LIMITED
SFDB	SMALL FARMER DEVELOPMENT BANK
SIMES	STANDARD IFAD MONITORING AND EVALUATION SYSTEM
SWOT	STRENGTH, WEAKNESS, OPPORTUNITY AND THREAT ANALYSIS
VDC	VILLAGE DEVELOPMENT COMMITTEE

A. Introduction¹

1. The Improved Seeds for Farmers Programme (ISFP) was approved by the IFAD Executive Board on 15 September 2012 for a Loan and a Grant of USD 19.5 million equivalent both. The total programme cost is 59.7 million, with Heifer International's financing of USD2.5 million, counterpart funding of government matching funds of USD 7.3 million, and beneficiary contributions equivalent to USD 10.9 million. The Financing Agreement was signed and became effective on 02 Dec. 2012. An official start-up was held in Kathmandu on 20 March 2013. The Programme's completion date is 31 Dec. 2019, and the financing closing date 30 June 2020.
2. The goal of the ISFP is to promote inclusive, competitive and sustainable agricultural growth within the target area such as to contribute to overall economic growth. The development objective of the Programme (PDO) is to improve household incomes through sustainable, market-drive productivity improvements, with the aim of scaling-up an agriculture-led growth model. The Programme is designed to support two key constraints of agriculture sector hampering productivity: the improvement of formal seed (cereals and vegetables) and improvement of smallholder livestock (goats and dairy) in order to increase income of the poor rural households. This will be achieved by developing the partnership between farmer organisations and the private sector. The Programme will be implemented for a period of seven years in two phases. During phase one, a total of 150,000 households from six districts including indirect beneficiaries from vulnerable groups are expected to be moved out of poverty. As a result of the investment in the seed and livestock industry, the potential impact on the wider farming community of the hills region is considered to comprise an additional 200,000 households from the programme and non-programme districts.
3. A first supervision cum implementation support mission was conducted in Nepal during the period of 02 – 16 June 2013. This mission focuses on: (i) reviewing the essential prerequisites for the programme implementation; (ii) assessing progress made in the implementation of the Programme since the start up on 20 March 2013 and the achievements against the Annual Work Programme and Budget (AWPB) for 2012-13, (iii) reviewing the status of implementation progress of each component, consulting the programme implementation partners regarding the current and potential challenges in search of effective measures for further enhanced implementation; and (iv) providing support and guidance to the PMO and implementing agencies to manage activities towards achieving objectives, sustainability and impact as part of their normal management responsibilities, and proposing mechanisms to increase impact. The mission spent six of its 15 effective days in the field, travelled to Butwal where the PMO is located to Phyuthan district to work closely with the PMO, Phyutan District authorities (DDC, DAO), DADO, DLSO, DCCI and other local development stakeholders. Participatory discussions and consultations were held with local VDCs, farmers' cooperatives and groups in the visited villages. Pre-wrap-up exchanges were held during 12-13 June 2013 with the PMO and implementing partners to agree on the field findings. A wrap-up meeting was chaired by the Secretary Mr Jaya Mukunda Khanal of MOAD in Kathmandu on 16 June 2013 to highlight the mission's findings. An aide-mémoire was presented as joint agreement of the two parties on assessment of past performance, and related actions and follow-ups for further programme implementation. The mission would like to express its appreciation for the support, cooperation and hospitality extended to the mission by the Government, MOAD, all the implementing partners and related stakeholders, and beneficiaries met during its field visits.

¹ Mission composition: Mr Surya Singh, Livestock and Institutional Development Specialist, Mr Yolando Arban, Agriculture and Fiduciary Specialist, Ms Louise Duquesne, M&E and Knowledge Management Specialist, Mr Bashu Aryal, IFAD Country Programme Officer in Nepal, and Mr Peter Situ, Team Leader. Mr Lal Kumar Shrestha, Agricultural Economist, Planning Division of MOAD, Mr Budhi Nath Bhattarai, Agricultural Economist, M&E Division of MOAD, and Mr Krishna Prasad Paudel, Senior Resource Mobilization Manager of Heifer Int'l Nepal joined the field mission during 04 – 09 June 2013.

B. Overall assessment of ISFP implementation

4. The Programme's overall assessment of implementation is moderately satisfactory. After its effectiveness in December 2012, the ISFP proceeded to form its management structure and partnership framework for implementation. Start-up activities were completed during mid-April – early June 2013 in all six programme districts, namely Rukum, Salyan, Rolpa and Pyuthan in the Mid-Western Development Region, and Gulmi and Arghakhachi in the Western Development Region. Modest realisations have been reported in both financial and physical terms, mainly related to the programme management; technical implementation of the technical components still remain in the phase of preparatory consultations. By 31 May 2013, total programme implementation recorded a financial realization of NRs 13.7 million, or less than 1% of the total programme financial target.
5. **Annual Implementation Progress.** Weighed against targets of AWPB 2012-2013, overall financial achievement reached 65% or a total USD 171,000, with 14% attributed to government financing, and 86% to IFAD Loan and Grant financing. Implementation of technical components is yet at its preparatory stage, with MOUs on implementation partnership between the MOAD and Heifer International Nepal, FNCCI/AEC, and NACCFL/SKBBL under the process of final review before their signing. IFAD no objection was already provided for these three MOUs and signature is now becoming urgent. Physical progress appears to be moderate, mainly related to procurement of operational equipment, training and programme start-up activities. The achievement of 65% of the annual financial target is mainly due to a very conservative budgeting of the PY 1, which totalled USD 262,500 only, or less than 0.5% of the total programme financial target. The low progress rates in both financial and physical terms tend to be caused mainly by a combination of factors, such as funding application after the government's annual planning date, late release of government budget in April 2013 due to national political crises, time required for the legal review of the partnership MOUs, late opening of the Special Account to received IFAD funding, and necessary preparatory work for programme management office opening in Butwal.
6. In view of the moderate progress rate currently achieved and the coming end of the fiscal year, the mission estimates that by mid July 2013, the ISFP would achieve its first AWPB's financial target at 85%.
7. **Likelihood of achieving development objectives.** In these early months of programme activity, it is still too early to assess the likelihood of achieving the development objectives. The mission noted that start-up operations appear to be in line with the programme expected objectives; there is no evidence of conflictive actions taken by the programme management.

Agreed action	Responsibility	Agreed date
Speed up implementation and activate all the components	PMO, PIUs and partner organizations	Starting from mid July 2013

C. Outputs and outcomes

8. It is still too early to assess the programme performance in achieving the outputs and outcomes. Implementation of the technical components related mostly to the district-level start-up events procurement of equipment related to field operational set-up, with sparse activities reported in awareness building and mobilisation of the beneficiary groups. The programme input realization should still be very moderate in real term, given the effective start of field work since April 2013 only. It is yet too early to assess the expected outcomes related to different components. The following paragraphs constitute an overview of the mission's assessment on the preparedness of the component implementation.
9. **Component 1 - Support to the Extension of the Formal Seed Sector.** This component aims at the increased production of Truthful Labelled (TL) improved seeds within the target area and the successful marketing locally, nationally and internationally. It addresses the very low seed replacement rates and often poor quality of seed found in the hills zone for both cereals and vegetables. Field implementation has just started with few activities. It is expected the

component will be fully operationally activated starting from the start of the fiscal year of 2013 – 2014.

10. *Support in Improving Policy and Regulations.* The Programme was designed in consultation with and in support of the preparation of the national Agriculture Development Strategy (ADS) and it intends to assist the National Seed Board (NSB) and all stakeholders to finalize and implement amendments to the Seed Act and its Regulations. In view of the recent development in the set-up of the implementing unit under the MOAD and supported by the donor community in the country, the Programme will provide funding support to the new ADS implementing unit, and to the formation of the national dialogue platforms in both the seed and livestock sectors, which are likely under the SQCC and the NARC respectively. This support will match with the national agenda and the on-going process of sector policy consultations, and subject to the action plan approved by the Cabinet.
11. *Field transport means and efficiency.* Under the component, two vehicles and 36 motorbikes were projected in the design to increase the operational capacity of the district-level cooperating agencies such as DADOs and RSTL. Further discussions on field travel conditions and efficiency indicate that motorbikes may have limited mobility in some areas and during certain seasons. The mission recommends therefore the PMO considers the procurement of three vehicles instead of two, and 15-16 motorbikes instead of 36 under this component. Such changes should be reflected in the AWPB to obtain the non-objection from IFAD.
12. *Seed value chain analysis.* During the final design, the IFAD Quality Assessment committee in August 2012 recommended a value chain analysis on seed production to be undertaken by international consultants prior to the implementation of activities related to seed production. The mission took note that in March 2013, IFAD Headquarters completed a knowledge management document in seed sector assessment; Nepal was included and the system of seed sector was well analysed and referred as example of sector system, with main crops identified in the analysis². Field discussions with the DDC found that district economic development office has undertaken a SWOT analysis for the local development, and seed varieties and livestock species were well identified in accordance with local market conditions and the development potential in value chain integration. The process involved different players along the related value chains and the results are useful for the ISFP. The mission is of the view that those studies provide sufficient information to start the implementation of activities related to the seed production in the programme area; selection of specific seed value-chains should be guided by the local development plan, and determined by both the involved private sector and the seed producer groups in accordance with the market dynamics.
13. *Technical implementers.* The mission and the PMO revisited the component design and reviewed the implementation scale and context during the field visits. Given the technical implication, implementation of the Farmers Field School (FFS) should be assigned to the DADOs to take advantage of their operational network of technicians who would be able to guide the field demonstrations; and implementation of the participatory variety selection to the NARC and government farmer centres to better link the research results to the improved production. Similarly, assignment of other technical tasks should take into account the recipients' technical expertise and operational capacity, by actively involving the private sector where possible.
14. *Involvement of SEAN and its member producers.* Discussions with seed producer groups indicated that SEAN plays a leading role in certified seed production and it purchases and distributes the quality seeds produced by its members. The Programme should work closely with SEAN and invest in mapping the SEAN members in the programme districts as indicated in the programme design document. The mapping results could be used for the purpose of

² Seed Sector Assessment, by Centre for Development Innovation (CDI), Wageningen (UR) University and Research centre, Wageningen and Royal Tropical Institute, Amsterdam

further value chain integration, and as one of the criteria to screen the matured and prosperous seed producer groups or cooperatives without applying rigid conditions of legal registration, which most of the producer groups or cooperative may not adopt due to some unfavourable implications.

15. IFAD is funding a grant to Bioversity (Rome) implemented in Nepal by Li-Bird to save seeds of neglected crops. It is important for ISFP to benefit the results of this grant and to link as soon as possible to Li-Bird management for that purpose and to develop further cooperation. The production of those seeds and their genetic potential would be an opportunity for the future of agriculture in Nepal and for niche market development, as success stories in the other countries have proven.
16. **Component 2 – Smallholder livestock development.** The objective of this component is to build upon previous positive experience for development of sustainable dairy and goat production systems and enhance household income through improved farm productivity.
17. As a result of start-up stage in implementation, both physical and financial progress remains insignificant. Of the six programme districts, only Pyuthan, Aghakhanchi and Gulmi DLSOs formed 5 groups in total, and implemented one training and some forage and veterinary support activities. Results of those activities do not appear to be quantitatively precise to allow the mission for further assessment. Future implementation should be recorded and measured quantitatively in accordance with the set targets, and in conformity with the programme M&E requirements. During its field visits, the mission observed a growing interest in improved goat and dairy farming among beneficiaries, and the group approach by the beneficiaries to access to the emerging commercial goat market. While the commercial farms usually run by one or a couple of elites may participate in the programme activities, some support packages allocated for groups should not be directed to them, as those small funds are intended to be in support of the disadvantaged groups, such as the poor households.
18. The mission went through the lump sum budget and related activities under component 2 with the PMO and the Heifer International Nepal. Following activities were added in the PMO proposed AWPB 13-14: (i) PMO level implementation planning workshop to break down the lump sum programme and budget and assign them to each programme district; (ii) District-level workshop to make good understanding of the sub-components implementation modalities (all DLSO staff, NGOs and other stakeholders); (iii) District-level workshop to identify dairy and goat pockets for programme intervention. This workshop will also map the existing goat groups that the programme will support; (iv) Interactions with the dairy industries/enterprises, dairy farmers and other stakeholders (VDC, DDC) to develop and expand liquid milk marketing network; and (v) Cluster-level planning and budgeting and fitting at district-level plan and budget for the fiscal year of 2014-2015. Other activities added were: import of 20 non-related Boer Bucks (farm use) and five lines of Boer semen by Heifer International Nepal from reliable resources such as Australia; TOT to TA staff and DLSO staff on-site farmer training, and import of forage seeds from Thailand. Provision has also made for one each of laptop and Desktop computers and travel expenses for NARC/Animal Breeding Division for breed development and multiplication purpose.
19. Following the consultations with NARC, DLS, and Heifer International Nepal, a number of coordination and implementation issues were clarified and defined, summarized as follows:
 - (a) Heifer International Nepal will have the overall responsibility of promoting selective breeding principle in any breed cases, and stall feeding. It will work for social and technical preparation of Boer goat breeder farmers. NARC/Animal Breeding Division will be responsible for retrieving, analysing, interpreting field data and feedback and follow-ups with beneficiaries and implementers. It will also provide technical backstopping to the breeder farmers and field staff as needed;
 - (b) Heifer International Nepal, NARC/Animal Breeding Division and DLSOs will be responsible for identifying Boer goat breeder communities and farmers and Boer goat

- multiplication communities based on the agreed criteria. Appropriate Boer blood level will be selected with criteria agreed jointly with the farmers;
- (c) Upon request from the PMO, DLS technical committee will certify the programme to go with Boer breed. The same committee will also work closely with Heifer International Nepal to prepare technical specifications for semen and Boer bucks, and facilitate the import of related genetic materials. It was also agreed that the Programme will also import the proven-bull semen for both cattle and buffalo;
 - (d) Upon request from the PMO, the National Livestock Breeding Centre in Pokhara will preserve the semen imported by the Programme. It can also provide needed semen and liquid nitrogen as per programme need;
 - (e) With regard to PPR vaccines for the use of programme beneficiary goats, the PMO will have to make timely request to the Animal Health Directorate for supply of required PPR vaccines. There may be a need of small operational cost to expand the operation, if the demand is large. The Programme will have to provide such funds if needed; and
 - (f) To maintain good working relationship, PMO will invite the NARC/Animal Breeding Division and DLS (Animal Production Directorate, Animal Health Directorate, Livestock training and Extension Directorate, Livestock Marketing Promotion Directorate, National Forage and Animal Nutrition Centre, National Livestock Breeding Centre, Central Sheep and Goat Promotion Office, and Cattle and Buffalo Promotion Office) during its periodic meetings (e.g., annual work planning and budgeting workshop) and for joint field monitoring and supervision.
20. The mission also recorded that Heifer International Nepal will manage its contributions in line with the implementation needs. It will recruit all the technical staffs as provisioned in the Programme, and this in accordance with technical specialities required on the field. A full time Senior Officer in Administration and Finance and an Account Officer will be located at PMO for financial and administrative management support related to Heifer-managed programmes. In order to ensure free staff mobility in normal time and under uneven travel circumstances, the Programme will assign two vehicles to be operated with Heifer Nepal's name plates. These vehicles however will be transferred to the programme districts at the time of the programme closing as per IFAD procedures.
21. **Component 3 – Local Entrepreneurship and Institutional Development.** The objective of the component is to promote a favourable and conducive environment for sustainable private sector enterprise development. The field implementation has not yet started and it is expected that the component will be operational starting from the next fiscal year of 2013 – 2014.
22. *Partnership for implementation.* A MOU was drafted to define NACCFL and SKBBL's roles and functions as implementing partners for the component. Their involvement is anticipated to contribute significantly to achieve the programme outcomes specific to component 3 as specified in the programme logical framework. Expected results are proposed in the programme districts, as enhanced access to financial services for 18,000 beneficiary households through support of SFACLs and institutional development of federations of cooperatives.
23. *SFACL inclusiveness and risk management.* Field exchange with a sample SFACL indicated that women inclusiveness was generally ensured, as men migrate more and the rural labour is increasingly feminized in the programme districts. However, SFACLs are mostly formed for the purpose of access to credit; there is a risk of marginalizing the poor, especially the poor women. Furthermore, peer functions of the credit-driven groups and cooperatives need to be built and strengthened through solidarity and mutual assistance, which are the core foundations of mutual guarantee that substitutes the collateral. The Programme should consider introducing the social capitalization approach of Heifer in order to enhance the inclusiveness of the existing SFACLs and consolidate the collective solidarity through socio-economic activities. As conditions of benefiting SKBBL's financial services under the programme framework, the SFACLs should review their by-law and commit themselves to

inclusiveness of the poor and especially the poor women; their recruitment of new members should reach 50% of women and more than 60% belonging to the poor households. Action plan should be made to provide coaching from the other members to the newly recruited and disadvantaged members who are female and poor. Meanwhile, the SKBBL should revise its group/cooperative loan product to reflect more risk management aspects.

Agreed action	Responsibility	Agreed date In conjunction with the national agenda in this regard
Support the ADS implementing unit and the forming of national platforms of policy dialogue in both seeds and livestock sectors	PMO	
Start implementing the component 1 without any additional value chain analysis; selection of the supported seed value chains should be guided by the district development plan and determined by the private sector and the seed producers	PMO, PIUs, private sector and seed producer groups	Starting from July 2013
Assignment of technical tasks should take into account of the recipients' relevant expertise and operational capacity; FFS should be assigned to DADOs and participatory variety selection to NARC	PMO and PIUs	Starting from July 2013
Work with SEAN and map its member producers in the programme districts	PMO and SEAN	By Sept. 2013
Work with IFAD grant managed by Bioversity and LiBird on neglected seeds	PMO	By Sept 2013
Implementation action plan and progress report with disaggregated and quantitative realizations weighed against expected targets need to be introduced	PMO, DLSOs	and continuously 31 July 2013 and continuously
Programme support tailored to the disadvantaged groups should not benefit the better-off, such as the elite individuals who run the commercial farms	PMO	31 July 2013
Boer buck and semen procurement specifications prepared	PMO/DLS	15 Sep 2013
International/national bidding opened for buck import	PMO	30 Nov 2013
Goat breeding pockets selected based on set of criteria	TA, NARC, DLS, DLSOs	30 Sep 2013
Goat selection criteria for both breeder and multiplication herds defined	TA, NARC, DLS, DLSOs	30 Sep 2013
Goat groups mapping for project intervention completed	TA, DLSOs	31 Dec 2013
New goat program implementation sites identified	TA/goat, DLSOs	31 Dec 2013
Define dairy pockets for Program Intervention	DLSOs, TA	30 Nov 2013
Introduce the method of social capitalization of Heifer to strengthen SFACLS	PMO, Heifer, NACCFL and SKBBL	By Dec. 2013
Revise group and cooperative lending product to reflect risk management	SKBBL	By Sept. 2013

D. ISFP implementation progress

24. **Project management performance.** Programme performance in management is rated moderately satisfactory. The programme management structure was set up, with office established in Butwal and government-seconded staffs all in place, namely Programme Manager, Deputy Programme Manager, Accounts Officer, Planning Officer, Crops Seed Development Officer and Livestock/Veterinary Officer. As effort of joint support to the programme implementation, the PSC approved the establishment of a Liaison Office in Kathmandu, with a liaison officer and two support staffs appointed. Since its establishment, the PMO successfully fulfilled a number of tasks, such as the preparation of the first AWPB, start-up events at central and district levels, opening of the Special Account, procurement of necessary office equipment, establishment of physical office in Butwal, preparation of TORs for the technical team, and some advocacy training at village level. The Programme Steering Committee (PSC) was established and it held its first meeting on 13 May. 2013. The first steps of inter-agency coordination and collaboration were made, with MOUs between MOADs and Heifer International Nepal, FNCCI/AEC, and NACCFL/SKBBL drafted and submitted to the MOAD for review and approval.

25. **Staffing.** The TORs for hiring the PMO technical team were drafted and the recruitment will start once the AWPB 2013 – 2014 is approved by the Government and IFAD. The technical team includes the key positions for Senior Programme Advisor, Monitoring and Evaluation/Knowledge Management Officer, Contracts and Procurement Manager, Financial Management Specialist, and Gender and Social Inclusion. The hiring of the technical team, except those who will be recruited by the partner organizations, should be processed through a recruiting firm that will assist the Programme and the Ministry for the recruitment of national technical assistance, as per the previous successful experience of HVAP. Given the urgent need for the technical team in place to assist the upcoming implementation roll-out, the PMO should immediately agree with a recruiting firm to start the recruitment process by publishing the TORs, with mention of subject to approved budget. The recruiting firm will present the short list of qualified candidates and the final decision on persons recruited will be made by the PMO.
26. **PIU establishment.** The next AWPB will give more emphasis for field implementation. PIUs at district level will play key part in coordinating the related activities and overseeing the implementation with different involved parties and at village level. The PIU office should be established within DADO. In addition to one district coordinator, at least two technicians and one engineer assigned for component 1 should be needed per programme district; for component 2, technical staffs will be recruited in consideration of the workload in the three corridors; at least one dairy marketing specialist, one animal production and health specialist and three goat specialists should be in place to cover the six programme districts in the three corridors, assisted by 25 livestock assistants. Technical staffs in charge of component 3 will depend on the workload of planned activities in the future.
27. **Programme implementation manual (PIM).** A draft of PIM was proposed in the PDR and reflected the procedural outlines for the programme implementation. As one of the actions in compliance with the Financing Agreement, the PMO has started the review of the PIM by contracting the task to a consultant. Given its characteristic of continued improvement along the entire implementation period, the PIM should be revised periodically in the future. As the new fiscal year will start, the PMO should finalise the PIM without delay and submit it to the PSC for approval and to IFAD for no objection. The finalization should go through the key steps of revisiting the latest version of PDR main report, aligning the PIM draft with changes made in the main report, and including the MOUs with the partner organizations.
28. **MOUs.** The MOUs on programme partnership between MOADs and Heifer International Nepal, FNCCI/AEC, and NACCFL/SKBBL were submitted to the MOAD for review and approval. IFAD already provided its no-objection. It is expected that their signing will take place between the concerned parties by 15 July 2013. The mission would like to remind that without the signing of those MOUs, related partners would have difficulty in proceeding to detailed activity planning and budgeting. It is important to have those MOUs signed before the finalization of the AWPB 13-14 in order to ensure due coherence and operational synergy.
29. **Coherence between AWPB and implementation** is rated moderately satisfactory. Overall, implementation operations observed by the mission were in line with the AWPB 2012 – 2013 outlines. There is no evidence of fundamental deviation. The AWPB 2012-2013 prepared by the PMO was very conservative, mainly related to start-up activities and procurement of office equipment, totalling USD 262,500. The AWPB 2012 – 2013 represents less than 1% of the overall programme financial target and its realization is moderate, 65%% of its annual financial target, and insignificant percentage of the total programme financial target. Despite the late release of government budget in April 2013 and the just-announced initial deposit by IFAD in early June, the Programme still achieved in establishing the PMO with key staffs assigned from the Government and operating under the government funding, and proceeding to fulfil a number of managerial and operational tasks. In view of the above, the management performance for the fiscal year can still be considered as moderately satisfactory.
30. **AWPB 2013 – 2014.** The mission was informed that MOAD had confirmed its approved financial ceiling of NRs 430 million, or USD 4.8 million for the ISFP in the fiscal year of 2013-2014. The PMO is preparing an AWPB of NRs 412 million, or USD 4.8 million. While it is a good increase compared to the first year's USD 262,500, the mission would like to remind that the Programme had basically lost one year for disbursement. In the case that the fiscal year of 2013-2014 would enjoy a 100% disbursement of the USD 4.8 million, the remaining five years will have to disburse an annual average of USD 8.7 million excluding the beneficiary

contributions. The AWPB preparation for the onward three years should take place early enough to propose to the Government an annual budget of more than USD 10 million in order to avoid pressure of implementation and disbursement in the last two years.

31. **Monitoring and Evaluation (M&E).** The programme performance in M&E is rated moderately satisfactory. The M&E system is still at its initial phase. While the Monitoring and Evaluation/Knowledge Management (M&E/KM) Officer is not yet on board, the Planning Officer assumed the M&E functions, limited himself in preparing the AWPB as basis for monitoring. The key M&E activities have still to be ensured: (i) revisiting the logframe to finalize the results framework and indicators/targets as appreciated by the PMO and implementing partners, (ii) conduct of programme baseline survey and IFAD's Results and Impact Management System (RIMS) impact survey, and (iii) preparation of the Programme's M&E plan in order to introduce the Standard IFAD Monitoring & Evaluation System (SIMES) and customize it for the ISFP.
32. In preparation for the three key activities to be undertaken under the purview of M&E, the mission discussed with the PMO staffs and representatives from the implementing partners the Programme's M&E and RIMS requirement. The mission proposed a M&E plan outline and a M&E organization structure (See annexes of Working paper related to M&E and fiduciary aspects), which should be discussed and finalized in a M&E workshop attended by related staffs from PMOs, DADOs, DLSOs and the implementing partner organizations. The Programme's management information system (MIS) should be worked out once the M&E plan has been approved by the Programme's management. As designed, the MIS would be web-based preferably to operate at the district and national levels, where internet connection is functional. To the extent possible, mobile phones/tablets will be utilized in reporting data/information at the village level to speed up processes and secure transfer of data. It is recommended that a consulting firm/agency be identified to help establish the Programme's MIS.
33. *RIMS and baseline surveys.* The RIMS and baseline surveys is planned for the next fiscal year. This should be in preference completed before the next supervision mission. Given the yet-to-be established PIUs at district level and limited time for training, the PMO may consider outsource the survey exercise to one of the IFAD-assisted projects in the country, or an agency of proven quality and capacities. The field surveys and their analysis should be carried out during Sept.-Dec. 2013.
34. **Gender focus.** It is still too early to assess the programme performance in gender. The Programme promotes and strengthens women's participation and leadership positions in all the components, extending the women empowerment among beneficiary organizations at both social and economic levels. Field visits witnessed a substantial percentage of women participation in programme-related activities at village level. As the Programme will work closely with an increasingly feminized rural labour, an equitable percentage of female staffs should be considered in hiring the technical team and the PIU staffs.
35. **Poverty focus.** It is still too early to assess the performance in poverty focus, as field operations have not yet started at village level.
36. **Effectiveness of targeting approach.** It is too early to assess the programme performance in effectiveness of targeting approach field operations. The ISFP adapts a targeting approach that is based on inclusiveness of the disadvantaged groups such as the poor, women and minority ethnic groups in the producer groups, cooperatives and for access to the programme-supported services in line with the PDR. Field visits did not find any evidence of discriminating the poor and the women in access to opportunities offered by the Programme.
37. **Innovation and learning.** It is still too early to assess the programme performance in innovation and learning. Due to its start stage, the Programme is not yet in a position of demonstrating its application in innovation and learning. However, the ISFP was designed on the basis of a number of good practices under the IFAD's country programme in Nepal, it is expected that the Programme will contribute to innovative practices and participatory learning among the involved agencies and at the level of beneficiary households.
38. **Climate and environment focus.** It is still too early to assess the Programme's climate and environment focus. The ISFP is mainly on the support to improvement of formal seed production and livestock productivity, and access to the financial and non-financial service by

working closely with the private sector. Concepts and technologies related to the climate change adaptation and environment protection will be introduced and applied on all the researches, quality assurance, processing and household-level production, especially in relationship with natural resources management and informed use of pesticide and fertilizers.

39. **Partnerships.** The programme performance in partnership building is rated moderately satisfactory. The programme management has established its partnership with the main technical agencies and its effectiveness is yet to be measured with more significant implementation progress and performance.

Agreed action	Responsibility	Agreed date
Start the recruitment of technical team with mention of subject to approved budget	PMO, recruiting firm	Start end June 13 and complete by Sept. 13
Establish PIUs in all programme districts with necessary staffs in position	PMO, related DLSOs and DADOs	By Sept. 2013
Update the PIM and submit it to PSC for approval and to IFAD for no-objection	PMO MOAD, Heifer International, FNCC/AEC, NACCFL/SKBBL, PMO	By July 2013
Proceed to sign the MOUs before the finalization of the AWPB 13-14		By June 2013
Prepare AWPB early enough to propose an annual budget of more than USD 10 million to reduce disbursement pressure at the programme end	PSC, PMO	April 2014 and for the next three years
Revisit the logframe and quantify the indicators for RIMS and COSOP reporting	PMO	By July 2013
Revise the M&E plan through a participatory workshop involving PMO, DADOs, DLSOs and implementing partners	PMO	By January 2014
Consider outsource the RIMS and baseline surveys and conduct the field exercise and analysis before the next supervision	PMO, PIUs	During Sept.- Dec. 2013
Consider an equitable percentage of female staffs in composing the PMO technical team and PIU personnel	PMO and PIUs	Consistently

E. Fiduciary aspects

40. **The quality of Financial management** is rated as moderately satisfactory and GoN's accounting system is now in place. In April 2013, an Accounts Officer from the MOAD was appointed to the PMO to handle the financial transactions. On the same month, the Programme opened its Special Account at the Nepal Rastra Bank, Thapali, Katmandu. The Ministry of Finance authorized the Programme Manager and the Accounts Officer to sign withdrawals jointly on behalf of the Government of Nepal.
41. **Tally accounting software.** The ISFP would leverage the WUPAP experience with Tally for its own customization. The accounting data for the period of 12-13 will need to be integrated into the standard Tally programme that is to be purchased before end June 2013. Starting from the fiscal year of 13 – 14, programme accounting operations should be proceeded with the Tally programme and all 2013 data retrofitted in the software. It is expected that the contract signing with Tally will take place by August 2013 to start the system customization and accounting integration.
42. The initial withdrawal in the amount of USD 2.50 million was submitted to IFAD on 29 April 2013. IFAD announced the WA 1 for Loan and DSF grant for a total amount of USD 2.5 million were processed, with provisional value date of 6 June 2013. However, the mission learned from the PMO that the funds were not credited to the Special Account at the Nepal Rastra Bank, which had changed the SA number without prior notice to the Programme and IFAD. As follow-up, the Program Manager wrote to the Nepal Rastra Bank for clarification and for the Bank to take immediate action. It is of the view of IFAD that such sudden change without information from the bank to the projects is detrimental to the performance of the portfolio. It is requested

that the Ministry of Finance would clarify that issue and send a letter to IFAD with all accounts for all IFAD funded projects with this bank (in international currency (Special Account) and in national currency (operating account)).

43. **Disbursement rate** is currently rated as moderately unsatisfactory. Actual disbursements have not taken place. The initial withdrawal of USD 2.5 million has yet to be cleared. For the Programme's start-up operation (December 2012 to 15 July 2013, a budget of USD 262,000 was approved by both the Programme Steering Committee and IFAD. Of the total allocation, 65% of expenditures were recorded as of 31 May 2013, with most of its funds used for goods and services in setting up the Programme office in Butwal.
44. **Counterpart funding** is currently rated moderately unsatisfactory. Of the USD 171,000 expenditures recorded, USD 23,900 or 14%³ are attributable to the government matching funding. Beneficiary contributions have not yet started for the moment.
45. **Compliance with financing covenants** is rated as moderately satisfactory. The Programme is in compliance with most of the covenants in the Financing Agreement precedent to the withdrawal of funds. The Programme has completed almost all required items in Section E of the Financing Agreement except for the Programme Implementation Manual which is due for approval by the Programme Steering Committee (PSC) in July 2013.
46. Provisions in IFAD's General Conditions for Agricultural Financing (as amended in 2010) required for programme start-up are mostly met by the Programme. The Programme submitted the start-up Annual Work Plan and Budget (AWPB) and Procurement Plan (PP) in March 2013 prior to its operations in April 2013. The AWPB and PP for the fiscal period of 16 July 2013 – 15 July 2014 is under preparation and it should be submitted to the PSC for approval in July 2013. This AWPB and PP should have been submitted in May 2013 to IFAD for comments before the beginning of the relevant implementation year as stated in Article VII section 7.01, (b), (ii).
47. **Compliance with Procurement** is rated as moderately satisfactory. Procurement was conducted reportedly in adherence to the provisions of the GoN's Public Procurement Act, which is in observance with IFAD's General Conditions for Agricultural Financing, Article VII, section 7.05 (a). A procurement plan (PP) for the period December 2012 – 15 July 2013 was submitted to IFAD for No Objection, which was the basis for procurement by the Programme. Though the approved PP did not specify that the purchase of a vehicle worth USD 66,250.00 will require NOL, the PMO submitted all bid documents for IFAD's NOL. The appraisal report states that IFAD's prior review for goods and works would be USD 50,000.00 and above.
48. **Audit** is currently rated as moderately satisfactory and it will be conducted after the end of the GoN fiscal year (15 July 2013). As specified in IFAD's General Conditions for Agricultural Financing, Article IX, section 9.02 and 9.03, the Programme needs to submit to IFAD the Programme's Financial Statement three months after 15 July 2013 and the Audit report by GoN's Office of the Auditor General within six months after 15 July 2013. The mission recommends issuing the audit together with other IFAD funded projects by December 2013 in order to avoid any of the delays generally happening in Nepal Note similar delays in the past caused a drop of Nepal score, lowering the IFAD allocation for the country.

³ The PMO had equally divided the sources of funds to GoN, IFAD Loan and IFAD Grant and assumed the Government contributed 33% of the total funds. This is not in conformity with the financing percentage by expenditure category. Future attribution of financing should comply with the Financing Agreement, Schedule 2.

Agreed action	Responsibility	Agreed date
Sign the first contract of programme purchase in June with Tally and start the accounting customization and integration in August	PMO	By Sept. 2013
Finalize the PIM and the AWPB/PP for the period of 16 July 2013 – 15 July 2014 for approval by PSC and subsequent no objection from IFAD	PMO	By July 2013
Submit to IFAD the Programme's Financial Statement for the period December 2012-15 July 2013	PMO, MOAD	By November 2013
Clarify the change of project accounts number and update to IFAD on the account state of all project-funded projects with the Nepal Rastra Bank	MOF	By end June 2013
Submit to IFAD the Programme's Audit Report for the period December 2012-15 July 2013	PMO, MOAD	By December 2013

F. Sustainability

49. **Institution building.** The programme performance in institutional building is rated moderately satisfactory. The ISFP implementation relies on a close collaboration mechanism among a number of technical agencies and service providers such as DADOs, DLSOs, CCIs SQCC, NARC, FNCC/AEC, NACCFL/SKBBL, SEAN, and the strengthening of the private sector, community-based and beneficiary-driven groups and organizations. Involving the existing institutions and using them as entry point in programme implementation enhance the likelihood of institutional sustainability.
50. **Empowerment and social sustainability.** It is still too early to assess the programme performance in empowerment and social sustainability.
51. **Quality of beneficiary participation.** It is still too early to assess the programme performance in quality of beneficiary participation.
52. **Responsiveness of service providers.** It is still too early to assess the programme performance in responsiveness of service providers
53. **Economic and financial sustainability.** The programme base case FIRR is estimated at 27.4%, and the EIRR at 23%. It is too early to measure the economic and financial sustainability of the Programme, either at macroeconomic level or at micro household level.
54. **Technical sustainability.** While the technical sustainability still needs to be assessed once results of different components will be systematically recorded, PMO and the participating agencies and organizations were assessed at design for their technical viability.
55. **Environmental sustainability.** This Programme will have a positive impact on the environment, notably through the implementation of the informed implementation of sustainable seed production and livestock, and adoption of environment friendly technologies by the target groups. It is still too early to assess the sustainability in this regard. The mission did not find any evidence of negative impact related to environment protection and conservation.
56. **Exit strategy.** The exit strategy for the Programme relies on the institutional and operational strengthening of the technical support system and on the involvement of the private sector in order to ensure the need-driven approach in improved productivity and in market linkage. It is still too early to assess the programme performance in its movements towards the exit strategy.
57. **Potential for scaling up.** It is still too early to systematically assess the programme potential for scaling up.

G. Other

58. **Impacts.** The Programme started its first activities of implementation with moderate realizations in both financial and physical terms; it is yet too early to assess its impacts though innovative features and effects that are bound to move towards positive impacts.

H. Conclusion

59. The ISFP has set up its management structure since its effectiveness in December 2012 and it achieved a number of start-up activities. Implementation of the technical components still remains in its preparatory stage. Progress is moderate in both financial and physical terms as of 31 May 2013; financial realizations achieved 65% of a very conservative AWPB for the first programme year, and less than 1% of the total programme financial target. With a foreseen budget of USD 4.8 million for the fiscal year of 2013-2014, disbursement pressure will likely climb up for the onward years. It is crucial to allocate a substantial annual budget for the PY 3 – 5, in one hand to take advantage of the accrued knowledge and experience gained during the first two years, in another to avoid the built-up financial and physical targets at the programme end.
60. While the preparedness of operational implementation is gradually taking shape at the field level, it is crucial to ensure a management and coordination structure of full efficiency. This includes the hiring of the technical team, the actual engagement of the implementing partners by concluding the MOUs, the set-up of an effective M&E system in accordance with IFAD requirements, and with any further delay. Otherwise the Programme will risk losing a second year for implementation, and therefore for effectively using the allocated funding resources. Meanwhile, engaging the private sector will remain the key factor of success for the ISFP; the Programme should explore the innovative ways of building the partnership between the public and private sectors, and linking the target groups to a wide and diversified access of market opportunities.
61. Issues raised by the supervision mission are mostly of operational nature, they will serve as areas of caution before some could become problematic. More details can be found in the main report and its annexed working papers. With MOAD's guidance and all the partners and stakeholders committed to the programme goal and objectives, this Programme would present a good perspective for successful implementation after due adjustments.
62. IFAD and the Government of Nepal endorsed the findings of the supervision mission.

Appendix 1: Summary of project status and ratings

A. Basic Facts

Country	Nepal		Project ID	xxx	IFAD Loan #	I-881-NP
					IFAD Grant #	I-DSF-8106-NP
Project	IMPROVED SEEDS FOR FARMERS PROGRAMME (ISFP)				Supp. Loan/Grant	xxx
Date of Update:	16-June-13	Last Supervision	N/A		Financing terms	HC
Supervising Inst.	IFAD/IFAD	No. of Supervisions	1			
					USD million	Disb.rate%
Approval	15-Sept-12	Quality at entry rating		Total costs	59.7	0.29%
Agreement	02-Dec.-12	Effectiveness lag		IFAD loan	19.5	0.38%
Effectiveness	02-Dec.-12	Problem project		DSF grant	19.5	0.38%
MTR				Heifer Int'l Nepal	2.5	0.00%
Current completion	31-Dec.-19	Last Amendment		Gov.	7.3	0.33%
Current closing	30-June-20	Last Audit	N/A	Beneficiaries	10.9	0.00%
No. of extensions	0					

B. Project Performance Ratings

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

B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Component 1: Formal seed sector	N/A	4	1. Institution building (organizations, etc.)	N/A	4
2. Component 2: Smallholder livestock	N/A	4	2. Empowerment	N/A	N/A
3. Component 3: Local entrepreneurship & institutional development	N/A	4	3. Quality of beneficiary participation	N/A	N/A
			4. Responsiveness of service providers	N/A	N/A
			5. Exit strategy (readiness and quality)	N/A	N/A
			6. Potential for scaling up and replication	N/A	N/A

B.5 Justifications for ratings

C. Overall Assessment and Risk Profile	Last	Current
C.1 Physical/financial assets	N/A	4
C.2 Food security	N/A	4
C.3 Overall implementation progress (Section B1 and B2)	N/A	4
Rationale for implementation progress rating		
C.4 Likelihood of achieving the development objectives (section B 3 and B4)	N/A	4
Rationale for development objectives rating		

C 5 Risks *Short description of major risks for each section and their impact on achievement of development objectives and sustainability*

Fiduciary aspects	Low budget spending approved by the government for PY 1 and PY 2 may lead to target built-up for the following years and pressure for disbursement. Less than 1% of total financial target achieved and insignificant physically realizations
Project Implementation Progress	Absence of the PMO technical team and yet-to-set-up PIUs, pending partnership MOUs may restrain the operational roll-out at field level. M&E system set-up may be dragged behind the implementation progress and performance
Outputs and Outcomes	No risks identified at this stage
Sustainability	No risks identified at this stage

D. Follow-up Action

Issue/problem	Recommended Action	Status/Timing
Government budget approval	Increase annual budget approval up to more than USD 10 million for PY 3, 4 and 5	April 2014 and onward
PMO technical team	Hire the technical team through a recruiting firm	By Sept. 2013
District level PIUs	Establish PIUs in all the programme districts with due staffs in place	By Sept. 13
M&E	Establish programme M&E system in accordance with IFAD requirements	By Jan. 2014
RIMS and baseline	Complete field surveys and data analysis	During Nov. – Dec. 13

Appendix 2: Updated logical framework: updated in December 2012

It is still too early for significantly sizable progress in terms of outcomes and outputs in accordance with the logframe

Objective Hierarchy	Key Performance Indicators and Targets (by end of programme)	Monitoring and Information Sources	Assumptions and Risks
Goal Increased competitive, sustainable and inclusive rural growth	<ul style="list-style-type: none"> Value of agricultural & livestock production in target area increases by at least 15% and 10% respectively. At least 150,000 families (including among disadvantaged groups) increase household food security [RIMS] At least 20 percent of Programme area HHs show improvement of more than 10% in household assets ownership index [RIMS] Reduction of at least 20% in prevalence of child malnutrition among participating HHs [RIMS] 	Baseline, mid-term and completion surveys and impact studies that contain disaggregated data based on sex, ethnicity, caste and geographical remoteness	Macro-economic and political conditions do not deteriorate further No major natural disasters affect target area
Development Objective Improve rural household incomes through sustainable, market-driven agricultural productivity improvements	<ul style="list-style-type: none"> Productivity in beneficiary HHs increases by (a) goat meat : 25%; (b) milk production: 50%; (c) crop yields using improved seeds: 15 % [RIMS] At least 70% of supported production groups actively functioning at the end of the implementation period [RIMS] Private purchase contracts established with at least 50 % of supported seed and dairy production groups [RIMS] 75 % production groups receiving infrastructure support sign production contracts within 2 years [RIMS] 	DADO & DLS records Outcome studies with data disaggregated (ethnicity, sex, caste and remoteness). Periodic surveys & reports part of the monitoring RIMS reports at 2 nd level	Participation in, and support for, programme activities from relevant local-level GON agencies Ability of Programme to collaborate with other projects.
Outcome 1. Extension of formal seed sector Increased production of Truthful Labelled seeds within the target area and marketed locally and beyond	<ul style="list-style-type: none"> Strengthened NARC and SQCCs able to produce required foundation seed and perform adequate seed quality control functions, respectively Truthfully labeled seed production, formal marketing and distribution system to meet GON recommended SRRs At least 7,000 farmers participate in at least 700 seed producer groups [RIMS] At least 5 seed companies establish cereal and/or vegetable seed purchasing operations in the target area At least 25,000 farmers participate in more than 1,000 seed demonstrations for improved seeds [RIMS] At least 240,000 ha sown with TL seed for cereals and vegetables 	District DLS reports Programme annual and trimester reports as part of the regular programme monitoring RIMS 1 st level annual reports	Target households willing and able to utilize improved seed Private companies involved in seed sector interested and willing to participate in sector growth Adequate capital base or financing access to permit private sector firms to invest in required assets
Outcome 2. Smallholder Livestock Development Animals with improved genetic potential result in improved growth of animal products	<ul style="list-style-type: none"> At least 550 dairy and goat new and existing groups supported by the programme [RIMS] At least 80 % of the participating HHs have improved animals through breed improvement program At least 60 % of dairy group HHs produce forage At least 50 % dairy and goat HHs use stall-feeding At least 80 % of animals in dairy HHs covered by routine vaccination against HS, BQ and FMD [RIMS] At least 15 local livestock collection centres/markets and 25 milk chilling centers established and functioning [RIMS] 60 % of dairy groups and 25 % of goats groups are engaged in marketing activities. 	District DLS reports Programme annual and trimester reports as part of the regular programme monitoring RIMS 1 st level annual reports	Sufficient forest areas approved for goat production Cross breeds improve growth rates Demand for goat meat and dairy products in Nepal continues Private companies willing to participate in sector growth
Outcome 3. Local Entrepreneurship & Institutional Devt Strengthened capacity of rural institutions to provide services to smallholder farmers.	<ul style="list-style-type: none"> Strengthening of participating local institutions through training: (a) participating VDCs - 80 %; (b) participating Production groups and Cooperatives - 70% ; (c) participating Agrovets - 80%. [RIMS] At least 50 % of groups formed/strengthened with women in leadership position [RIMS] At least 80 % of members of new SFACLs and bank branches access production loans At least 5 multi-stakeholder platforms functioning in the programme area. 	VDC and DADC records SFDB and SFACL reports and records. Programme annual and trimester reports as part of the regular programme monitoring RIMS 1 st level annual reports.	Active collaboration will be possible with government and other agencies Collaborating agencies will have sufficient staff and resources to provide effective services.

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

Action Area	Action Agreed	Date	Whom	Progress
Project Implementation	Speed up implementation and activate all the components	Starting from mid July 2013	PMO, PIUs and partner organizations	
Outputs	Support the ADS implementing unit and the forming of national platforms of policy dialogue in both seeds and livestock sectors	In conjunction with the national agenda in this regard	PMO	
	Start implementing the component 1 without any additional value chain analysis; selection of the supported seed value chains should be guided by the district development plan and determined by the private sector and the seed producers	Starting from July 2013	PMO, PIUs, private sector and seed producer groups	
	Assignment of technical tasks should take into account of the recipients' relevant expertise and operational capacity; FFS should be assigned to DADOs and participatory variety selection to NARC	Starting from July 2013	PMO and PIUs	
	Work with SEAN and map its member producers in the programme districts	By Sept. 2013	PMO and SEAN	
	Work with IFAD grant managed by Bioversity and LiBird on neglected seeds	By Sept 2013 and continuously	PMO	
	Implementation action plan and progress report with disaggregated and quantitative realizations weighed against expected targets need to be introduced	31 July 2013	PMO, DLSOs	
	Programme support tailored to the disadvantaged groups should not benefit the better-off, such as the elite individuals who run the commercial farms	31 July 2013	PMO	
	Boer buck and semen procurement specifications prepared	15 Sep 2013	PMO/DLS	
	International/national bidding opened for buck import	30 Nov 2013	PMO	
	Goat breeding pockets selected based on set of criteria	30 Sep 2013	TA, NARC, DLS, DLSOs	
	Goat selection criteria for both breeder and multiplication herds defined	30 Sep 2013	TA, NARC, DLS, DLSOs	
	Goat groups mapping for project intervention completed	31 Dec 2013	TA, DLSOs	
	New goat program implementation sites identified	31 Dec 2013	TA/goat, DLSOs	
	Define dairy pockets for Program Intervention	30 Nov 2013	DLSOs, TA	
	Introduce the method of social capitalization of Heifer to strengthen SFACLs	By Dec. 2013	PMO, Heifer, NACCFL and SKBBL	
	Revise group and cooperative lending product to reflect risk	By Sept. 2013	SKBBL	

	management		
Implementation Progress	Start the recruitment of technical team with mention of subject to approved budget	Start end June 13 and complete by Sept. 13	PMO, recruiting firm
	Establish PIUs in all programme districts with necessary staffs in position	By Sept. 2013	PMO, related DLSOs and DADOs
	Update the PIM and submit it to PSC for approval and to IFAD for no-objection	By July 2013	PMO MOAD, Heifer International, FNCC/AEC, NACCFL/SKBBL, PMO
	Proceed to sign the MOUs before the finalization of the AWPB 13-14	By June 2013	
	Prepare AWPB early enough to propose an annual budget of more than USD 10 million to reduce disbursement pressure at the programme end	April 2014 and for the next three years	PSC, PMO
	Revisit the logframe and quantify the indicators for RIMS and COSOP reporting	By July 2013	PMO
	Revise the M&E plan through a participatory workshop involving PMO, DADOs, DLSOs and implementing partners	By January 2014	PMO
	Consider outsource the RIMS and baseline surveys and conduct the field exercise and analysis before the next supervision	During Sept.-Dec. 2013	PMO, PIUs
	Consider an equitable percentage of female staffs in composing the PMO technical team and PIU personnel	Consistently	PMO and PIUs
	Sign the first contract of programme purchase in June with Tally and start the accounting customization and integration in August	By Sept. 2013	PMO
Fiduciary Aspects	Finalize the PIM and the AWPB/PP for the period of 16 July 2013 – 15 July 2014 for approval by PSC and subsequent no objection from IFAD	By July 2013	PMO
	Submit to IFAD the Programme's Financial Statement for the period December 2012-15 July 2013	By November 2013	PMO, MOAD
	Clarify the change of project accounts number and update to IFAD on the account state of all project-funded projects with the Nepal Rastra Bank	By end June 2013	MOF
	Submit to IFAD the Programme's Audit Report for the period December 2012-15 July 2013	By December 2013	PMO, MOAD

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

The PMO presented the following physical progress update based on its first AWPB. A list of indicators is proposed by the mission at the end of appendix 4, for future M&E purpose.

Results #	Objectives/Expected Results	Responsible Unit/ Staff	Implementation targets						
			Appraisal (Total)	Planned (Annual)	Cum. Achi eved	Cum. %	%	Achieved (Annual)	%
C1	Component 1 - Purpose: Extension of formal seed sector : To increase production of Truthfully Labelled Improved seeds which are marketed within and beyond the target area								
I	Investment costs								
SC1.1	Sub-Component 1.1: To Expand formal Seed Production								
	Output 1.1.1: Effective Enabling environment ensured								
	Activity 1.1.1.1 Policy and Regulations								
	Activity 1.1.1.2 Strengthening the capacity of DADOs								
	Activity 1.1.1.3 Strengthening SQCC Services (Bhairahawa and Nepalgunj)								
SC1.2	Sub-component 1.2. Seed production ensured								
	Output 1.2.1 : Value chain analysis for cereal and vegetable seed production								
	Output 1.2.2 : Foundation seed production								
	Output 1.2.3 : Cereal seed production								
	Activities 1.2.3.1 Strengthening seed producers groups and cooperatives Type-1 groups								
	1. Equipments		280	4				4	
	2. Trainings		280	4				4	
	Output 1.2.4 : Vegetable seed production								
	Activities 1.2.4.1 Strengthening seed producers groups and cooperatives Type-1 groups								
	1. Equipments		320	7				7	
	2. Trainings		320	7				7	
	Output 1.2.5 : Technical Support and Mobilization Services								
	1. Motorbikes		3	3				3	
1.3	Sub component 1.3. Farmer demand for TL seed promoted								
	Output 1.3.1 Demos								
	Output 1.3.2 Participatory variety selection								
	Output 1.3.3 : TOT for Facilitators (at SQCC regional Laboratory)								
1.4	Implementation management								
	Activity 1.1.4.1 Grand Screening and Evaluation committee								

	Activity 1.1.4.1 District Launch Workshops								
II	Recurrent costs								
	A. Implementation Management								
	1. Staff								
	2. Travel and per Diem		1135	120				30	
	3. Vehicle O&M								
	B. Services								
	1. DADO office							30	
	Travel and per Diem		3600	120					
	2. SQCC O&M								
2	Component 2 : Smallerholder Livestock Development : To improve Productivity of livestock systems which are more closely linked to markets								
2.1	Sub-component 2.1 : Expanded, More Productive Dairy Production								
	Output 2.1.1 Policy dialogue								
	1. Technical Assistance and workshops								
	2. Value Chain Analysis (cattle and goat sectors)								
	3. Training and capacity building								
	Output 2.1.2 Breed improvement								
	Output 2.1.3 Nutrition and Management								
	Output 2.1.4 Improving Veterinary Services								
	Output 2.1.5 Farmer Training								
	Output 2.1.6 Milk market linkage development								
2.2	Sub-component 2.2. Expanded, More, Productive Goat Production								
	Output 2.2.1 Value Chain Analysis								
	Output 2.2.2 Breed improvement								
	Output 2.2.3 Nutrition and Management								
	Activities 2.2.3.1 Forage expansion on terrace riser and bunds		1272 2.4						
	Activities 2.2.3.2 Fodder trees seedling plantation		7387. 2	3000					
	Activities 2.2.3.3 Support to goat pen improvement		1846 8	1					
	Output 2.2.4 Improving Veterinary Services								
	Output 2.2.5 Farmer Training								
	Activities 2.2.5.1 Group level onsite farmers training on goat husbandry		980.4	3				3	
	Output 2.2.6 Goat market linkage development								
	Output 2.2.7 Farmer Field Schools								
	Output 2.2.8 Incremental resource for phase II								
	Output 2.2.9 Management Fee HEIFER								
2.3	Sub-component 2.3 DLSO/ DFO Offices strengthened								
	Output 2.3.1 Strengthening technical capacity								
	Output 2.3.2 Strengthening institutional capacity								
2.4	Infrastructure								
	Goat Pen construction at NARC station								

2.5	Implementation management								
	1. Vehicle (Pick up)								
	2. Motorbikes								
	3. Office equipments								
2.6	Monitoring and supervision								
II	Recurrent costs								
A	Implementation management								
	1. Staffs								
	2. Travel and per Diem		6300	120					
	3. Vehicle O&M								
	4. Motorbike O&M								
	5. Office equipment O&M								
	6. Communications/ Supplies								
B	District level activities								
	1. DLS Operating costs								
	2. Travel and per Diem		3960	120					
	3. Vehicle O&M								
	4. Motorbike O&M								
	5. Communication/ supplies								
C4	Component 4 : Programme Coordination and Managemnt.								
I	Investment costs								
A	Office Renovation								
B	Vehicles and Equipment								
	1. vehicles (4x4)		1	1				1	
	2. Pick-ups								
	3. Motor bike for messenger								
	4. Office equipment and furniture		1.5	1					
	5. Office equipment for M&E and KM staff								
	6. Computers for district level accountants								
C	Planning, Studies, Training and Technical support								
	1. Planning and orientation								
	National launch workshop		1	1				1	
	District launch workshop		6	6					
	Outreach and identification								
	Planning and Review meetings								
	Other workshops								
	2. Studies and TA supports								
	International TA								
	National TA								
	GESI advisor								
D	Monitoring & Evaluation and Knowledge managemnt								
	Establishing the M&E system		1	1					
	Development of MIS and mobile monitoring								
	Communication strategy development								
	Baseline, Mid-term and completion impact surveys								
	Impact and case studies								

	Communication materials and dissemination		21	3					
	National stakeholder workshop on M&E/KM								
	District level training /workshop on M&E/KM								
	Program website		4	1					
E	Financial control and Governance								
	Anticorruption action plan								
	Support action for governance								
	Audit								
F	Steering committee/PPF meetings		9	2				1	
II	Recurrent costs								
A	Operating costs								
	1. Program Management team								
	A. Salaries		84	4					
	Programme director (GON)								
	Deputy programme director (GON)								
	Accounts officer (GON)								
	Planning officer (GON)								
	Agriculture Dev. Officer (GON)								
	Livestock Dev. Officer (GON)								
	Administrative assistant (PMO-hired)								
	Financial Management Specialist (FAO)								
	M&E/KM officer (FAO)								
	Funds and contracts procurement manager (FAO)								
	Cross component liaison officer (FAO)								
	Technical Team assistants (3, FAO)								
	Secretary (PMO-hired)								
	Support staffs								
	District level coordinators (PMO-hired)								
	B. Travel and per diem		7	1					
	C. Vehicle O&M		7	1					
	D. Office equipment O&M		7	1					
	E. Office rent and utilities		84	5					

The mission proposed the following format for further monitoring of physical progress

Draft Content for AWPB, ISFP, Nepal⁴

Component 1

Component(C), Sub-Component (SC), Activities (A), Sub Activities	Performance Indicators ⁵	Global/Appraisal Targets
C1. Support to the Extension of the Formal Seed Sector		
SC1.1. Ensuring an Effective Enabling Environment		
A 1.1.1. Improving Policy and Regulation	- Seed Act amended and finalized	1 Seed Act
1.1.1.1.		
1.1.1.2.		
A1.1.2. Increasing the capacity of the DADOs	-Number of DADOs supported -Number of staff trained	-6 DADOs -90 staff
1.1.2.1.		
1.1.2.2.		
A1.1.3. Improving the seed quality control systems	-Number of RSTL laboratories renovated and facilities updated -Number of staff trained (male/female)	-2 RSTL -24 staff
1.1.3.1.		
1.1.3.2.		
SC1.2. Improved Seed Production		
A1.2.1. Production of required foundation seed	-Number of NARC stations and DOA farms with improved equipment and infrastructure -Number of farmer seed groups with contract farming	-4 centers, 2 farms -70 groups (average 25 members per group)
1.2.1.1.		
1.2.1.2.		
A1.2.2. Strengthening seed producer groups and cooperatives	-Number of seed producer groups/cooperatives involved in supplying seed requirements	-400 cereal seed producer groups (average 20 members per group) -320 vegetable producer groups (average 20 members per group)
1.2.2.1.		
1.2.2.2.		
AF.1.2.3. Engaging formal sector seed companies	-Number of private seed companies (PSC) engaged	- 13 PSCs
1.2.3.1.		
1.2.3.2.		
SC 1.3. Promoting Farmer Demand for TL Seed		
A.1.3.1. Conducting educational and awareness campaigns	-Number of farmer hhs reached to use TL seed	-30,000 smallholder hhs (5,000 per district)
1.3.1.		
1.3.2.		
A1.3.2. Establishing PVS demonstrations through	-Number of group demonstrations	-270 PVS

⁴ Based on the DCR (design completion report)

⁵ These indicators have to be reviewed in the light of RIMS, and where necessary include farmers (male/female) trained, people/hhs accessing services, etc.

FFS	established -Number of FFS conducted -Number of facilitators trained	demonstrations -1,200 FFSs (200 per district) -300 facilitators (50 per district)
1.3.2.1.		
1.3.2.2.		

Component 2

Component(C), Sub-Component (SC), Activities (A), Sub Activities	Performance Indicators	Global/Appraisal Targets
C2. Smallholder Livestock Development		
SC2.1. Improving Dairy Productivity		
A2.1.1. Breed improvement	-Number of improved bulls distributed -Doses of improved semen imported -Number of dairy pockets established -Number of dairy groups established/strengthened	-72 heads -118,650 doses -57 pockets -342 groups @25HH/group
2.1.1.1.		
2.1.1.2.		
A2.1.2. Nutrition and management	-Number of farmers trained -Number of fodder tree nurseries established -Number of farmers in forage demonstrations -Number of chaffers supplied -Number of farmers with shed improvement -Number of dairy animal insurance schemes - Number of farmers supported with rain water harvesting	-8,550 (all participating HHs) -57 units -1,368 farmers -1,112 units -8,550 farmers -171 schemes -2,138 farmers
2.1.2.1.		
2.1.2.2.		
A2.1.3. Veterinary services development	-Number of VAHW trained -Number of paravet trainings provided -Number of veterinary camps organized -Number of group vet funds established -Number of bull health check-up events -Number of farmers receiving veterinary services	-28 persons -20 persons -63 camps -171 groups -240 events -none
2.1.3.1.		
2.1.3.2.		

A2.1.4. Farmer training	-Number of groups trained -Number of farmers trained	-135 groups -8,500 farmers
2.1.4.1.		
2.1.4.2.		
A2.1.5. Market linkage development	-Number of chilling centers established and trained -Number of dairy entrepreneurs trained and supported	-28 units -15 persons
2.1.5.1.		
2.1.5.2.		
SC2.2. Improving Goat Productivity		
A2.2.1. Breed improvement	-Number of community managed goat breeder herds established (Boer) Number of goat multiplication herds established Number of doses of Boer semen imported Number of Boer bucks imported	-2 units -12 units -38,760 doses -140 heads
2.2.1.1.		
2.2.1.2.		
2.2.2. Nutrition and management	-Number of fodder tree nurseries -Number of seedlings planted -Number of farmers in forage demonstrations -Number of goat insurance schemes	-50 nurseries -3,240,000 seedlings -1,780 farmers -171 schemes
2.2.2.1.		
2.2.2.2.		
A2.2.3. Veterinary services development	-Number of VAHW trained -Number of group veterinary fund established	-59 VAHWs -167 group fund
2.2.3.1.		
2.2.3.2.		
A2.2.4. Farmer training/Farmer Field School	Number of FFS- Number of groups trained -Number of farmers trained -Number of FFS facilitators trained	-96 FFS -338 groups @ 25 /group -8,900 farmers -50 persons (GAs + JT/JTAs = VAHWs)
2.2.4.1.		
2.2.4.2.		
A2.2.5. Market linkage development	-Number of livestock markets established -Number of improved butcheries -Number of meat entrepreneurs trained and supported	-28 units -25 units -37 persons
2.2.5.1.		
2.2.5.2.		
SC 2.3. Strengthening of District Livestock Services		
A2.3.1. Strengthening technical capacity	Number of offices provided with mobility and related support	-6 DLSOs
2.3.1.1.		
2.3.1.2.		
A2.3.2. Strengthening institutional capacity	-Number of staff trained in country Number of staff trained outside country	-96 staff -2 staff

2.3.2.1.		
2.3.2.2.		

Component 3

Component(C), Sub-Component (SC), Activities (A), Sub Activities		
C3. Local Entrepreneurship and Institutional Development	Performance Indicators	Appraisal Targets
SC3.1. Institutional Strengthening		
A3.1.1. For District Agricultural Development Committees		
3.1.1.	-Number of DDACs active in project activities	-6 DDACs
3.1.2.		
A3.1.2. For Village Development Committees		
3.1.2.1.	-Number of VDCs active in project activities	-156 VDCs
3.1.2.2.		
A3.1.3. Producer's groups and cooperatives		
3.1.3.1	-Number of groups active in project activities -Number of cooperatives active in project activities	-1,230 groups @ 25/group -70 coops
3.1.3.2.		
SC3.2. Access to Non-Financial Services		
A3.2.1. Creation of an investment window at the District Chamber of Commerce and Industry (DCCI)		
3.2.1.1.	-Number of DCCI Investment windows operational	- 6 (1 per district)
3.2.1.2.		
A3.2.2. Support to agro vets operations		
3.2.2.1.	-Number of agro vets with best practices promoted	-25 persons
3.2.2.2.		
SC 3.3. Increasing Outreach of Microfinance Institutions		
A3.3.1. SFACs/NACCFL/SFDB model development and strengthening		
3.3.1.1.	-Number of SFACs organized and functional -Number of NACCFL personnel trained	-30 SFACs - 3 staff
3.3.1.2.		
A3.3.2. Non-cooperative model development and strengthening	-Number of new branches created and trained	-6 branches
3.3.2.1.		
3.3.2.2.		

Component 4

Component(C), Sub-Component (SC), Activities (A), Sub Activities	Performance Indicators	Global/Appraisal Targets ⁶
C4. Programme Coordination and Management		
4.1. Planning, studies, training and technical support	-Number of participatory planning conducted -Number technical experts hired	-5 -none
4.1.1.		
4.1.2.		
4.2. Monitoring, evaluation and knowledge management	-Number of studies conducted (baseline, midterm, completion incorporating RIMS) -Number of M&E reports submitted on time -Number of knowledge products and sharing activities	-3 -1 per trimester and 1 annually -none
4.2.1.		
4.2.2.		
4.3. Governance, audit and steering committee	-Number of steering committee meetings -Number of audit reports submitted to IFAD on time	-13 -7
4.3.1.		
4.3.2.		
4.4. Programme management team	-Percentage of required government staff deputized on time -Percentage of required contracted staff hired on time -Percentage of women in total number of staff	-80% -80% -15%
4.4.1.		
4.4.2.		

⁶ Most of the targets are set by the PMO as they are not found in the CDR

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

Table 5A: Financial performance by financier, as of 31 May 2013

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan			0.38%
	19,516	73.6	
IFAD grant			0.38%
	19,516	73.6	
Heifer Int'l Nepal			- 0.00%
	2,507		
Government			0.33%
	7,304	23.9	
Beneficiaries			- 0.00%
	10,900		
Total	59,743	171.1	0.29%

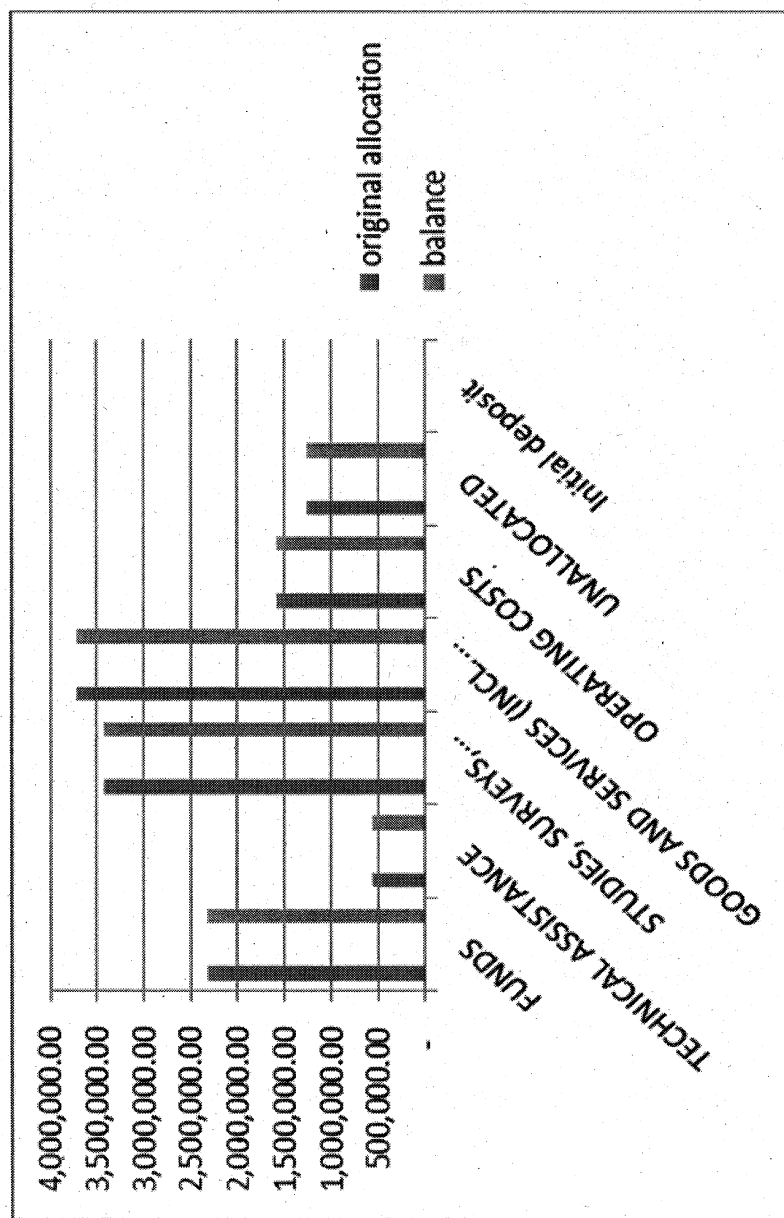
Table 5B: Financial performance by financier by component (USD '000), as of 31 May 2013

Component	IFAD loan			IFAD grant			Heifer Int'l Nepal			Government	
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual
C1 - Formal seed	7,815	7.2	0.1%	7,815	7.2	0.1%	-	-	0%	2,805	2.3
C2 - Livestock	6,741	3.0	0.0%	6,741	3.0	0.0%	2,507	-	0%	2,436	0.8
C3 - Institutional	2,744	-	0.0%	2,744	-	0.0%	-	-	0%	1,269	-
C4 Programme MGT	2,216	63.4	2.9%	2,216	63.4	2.9%	-	-	0%	795	20.8
TOTAL	19,516	73.6	0.4%	19,516	73.6	0.4%	2,507	-	0%	7,305	23.9

Table 5C: IFAD loan/grant disbursements (SDR, as at 31 May 2013)
(IFAD loan and grant are equally of SDR 12,850,000 respectively, financing expenditures on a 50/50 basis)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	FUNDS			-	-		0
II	TECHNICAL ASSISTANCE	2,320,000.00		-	-	2,320,000.00	0
III	STUDIES, SURVEYS, TRAININGS AND WORKSHOPS	550,000.00		-	-	550,000.00	0
IV	GOODS AND SERVICES (INCL. VEHICLES)	3,420,000.00		-	-	3,420,000.00	0
V	OPERATING COSTS	3,720,000.00		-	-	3,720,000.00	0
99	UNALLOCATED	1,590,000.00		-	-	1,590,000.00	0
	Initial deposit	1,250,000.00		-	-	1,250,000.00	0
	Total	12,850,000.00				12,850,000.00	0

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



Appendix 6: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status
Section E (i)	The Programme Steering Committee and the Programme Management Office (PMO) shall have been established and the members designated	Precedent to withdrawal of funds	Fully complied by A
Section E (ii)	The Programme Manager and Accounts Officer, both acceptable to the Fund based on the approved terms of reference, shall taken up their posts	Precedent to withdrawal of funds	Fully complied by A
Section E (iii)	The Programme Implementation Manual shall have been approved by the Programme Steering Committee after non-objection by the Fund	Precedent to withdrawal of funds	Partly complied
Schedule 1, Article II, Section 2	The Programme Management Office (PMO) shall include a management team composed of.... The Programme Manager... will be deputed MOAD personnel. All other PMO staff will be recruited by the Programme	At Programme start-up	All deputed MOAD comprise the PMO board from April-Ju
Schedule 1, Article II, Section 4	Programme Implementation Manual. The PMO shall finalize the Programme Implementation Manula (PIM)	Precedent to withdrawal of funds	Partly complied
Article IV, Section 4.02 (b)	No withdrawal shall be made from the Loan and/or Grants until the first AWPB has been approved by the Fund...	Precedent to withdrawal of funds	Fully complied by A
Article IV, Section 4.04 (b)	The Borrower/Recipient shall furnish to the Fund satisfactory evidence of authority of the person or persons authorised to sign applications and the authenticated specimen signature of each such person	Precedent to withdrawal of funds	Fully complied by A
Article VII, Section 7.01 (b)(II)	Before each Project Year, the Lead Project Agency shall, if required, submit the draft Project AWPB to the oversight body designated by the Borrower/Recipient for its review. When so reviewed, the Lead Project Agency shall submit the draft Project AWPB to the Fund for comments not later than sixty (60) days before the beginning of the relevant Project Year	May 2013 for the 16 July 2013 - 15 July 2014 Project Year	Not complied

Appendix 7: Knowledge management: Learning and Innovation

It is still too early for the capture to capture some significant learning and innovations

Appendix 8: Progress against Previous Mission Recommendations.

Not applicable yet. First mission for the Project.

Appendix 9: Supervision Mission Schedule and Persons Met

A. Mission Schedule

The mission was not able to travel in the field for more days as planned due to a nation-wide strike.

Date and Day	Activities
02 June, 2013—Sunday	Team assembly in KTM
03 June, 2013—Monday	Debriefing + Security briefing
	Courtesy meeting with Secretary, MoAD
	Courtesy meeting with Head of Implementing partners
04 June, 2013—Tuesday	Leave to Programme Area (PMO, Butwal)
	Welcome and brief presentation on activities completed till date/ tentative work-plan during stay
05 June, 2013—Wednesday	Implementation support to PMO in Butwal
06 June, 2013 - Thursday	Implementation support to PMO in Butwal
07 June, 2013—Friday	Travel to Pyuthan district and work with local stakeholders, visit beneficiaries at village level
08 June, 2013- Saturday	Work with local stakeholders, visit beneficiaries at village level continued. Travel back to Butwal
09 June, 2013—Sunday	Work with PMO in Butwal. Travel to Kathmandu
10 June, 2013—Monday	Team working
11 June, 2013—Tuesday	Team members submit aide-memoire inputs. AM drafting
12 June, 2013—Wednesday	Pre-wrap-up exchanges on findings and recommendations with PMO and imple. partners
13 June, 2013—Thursday	Pre-wrap-up exchanges on findings and recommendations with PMO and imple. Partners continued
14 June, 2013—Friday	Aide-memoire finalization
15 June, 2013-Saturday	Holiday, team internal work
16 June, 2013—Sunday	Official wrap-up. Team disbanded
18 June, 2013 - Tuesday	Team members submit technical reports to TL
19 June, 2013 - Wednesday	Team Leader submits the report package to CPM

B. Persons met by the mission (as recorded by the PMO)

List of participants in wrap up Meeting of First Supervision Mission dated 16th June, 2013.

S.N.	Name	Designation	Office
1	Jaya Mukunda Khanal	Secretary	MoAD
2	Dr. Pravakar Pathak	Joint-Secretary	MoAD
3	Ram Prasad Pulami	Joint Secretary	MoAD
4	Vijaya Kumar Mallik	Joint Secretary	MoAD
5	Mohan Chapagain	Joint Secretary	MoAD
6	Surya Prasad Paudel	Programme Manager	KUBK-ISFP
7	Peter Situ	Team leader	Mission IFAD
8	Kailash Raj Pokherel	Under Secretary	Ministry of Finance
9	Jalan Kumar Sharma	CEO	SFDB
10	Navraj Simkhada	Consultant	SFDB
11	Dr. Pradip Chandra Bhattarai	Deputy Program Manager	KUBK-ISFP
12	Lal kumar Shrestha	Agri-Economists	MoAD
13	Ravi kumar Dangol	Agri-Economists	MoAD
14	Krishna Thapa	M and E Officer	HVAP
15	Rudra Bhattarai	General Manager	NACCFL
16	Manish mahato		SFDB
17	Indra Prasad Paudel	Account Officer	KUBK-ISFP
18	Bhim Chaulagain	Liaison Officer	KUBK- ISFP
19	Dr. Sharan Kumar Pandey	Livestock Development Officer	KUBK- ISFP
20	Kul Prasad Dawadi	Crop Development officer	KUBK- ISFP
21	Ishwor Barshila	Planning Officer	KUBK- ISFP

Persons met during the field mission

S.N	Name	Agency	Post	Gender
1	Surya prasad poudel	KUBK	Program manager	Male
2	Dayaram Basyal			M
3	Lalkumar Shrestha	ADM		M
5	Bhim chaulagain	KUBK		M
7	Durga k.c	Heifer		M
8	Buddhinath bhattarai	ADM		M
9	Krishna prasad poudel	Heifer		M
10	Dr.saran kumar panday	KUBK		M
11	Purna neupane	Heifer		M
12	Shiva bahadur saha	Livestock		M
13	Krishna rayamaghi			M
14	Phadadhar sharma			M
15	Nimraj acharya			M
16	Jeetyam			M
17	Udaya bahadur k.c			M
18	Sushila adhikari			F
19	Dilmaya g.c			F
20	Sailkumar saha			M
21	Rishiram bhattarai			M
22	Bhuwan prasad aryal			M

23	Narwada giri		Farmer	F
24	Jamila khatun		Farmer	F
25	Jamirat khatun		Farmer	M
26	Rojan khatun		Farmer	M
27	Amira khatun		Farmer	F
28	Jadran khatun		Farmer	M
29	Bibirun khatun		Farmer	M
30	Sabita pariyar		Farmer	F
31	Sapara khatun		Farmer	F
32	Juni khatun		Farmer	F
33	Nagera khatun		Farmer	F
34	Meena dhami		Farmer	F
35	Sakuntala karki		Farmer	F
36	Phulmaya B.k		Farmer	F
37	Phampa B.K		Farmer	F
38	Luma thami		Farmer	F
39	Kabi thami		Farmer	M
40	Mannata bhandari		Farmer	F
41	Samjhana dhami		Farmer	F
42	Mina dhami		Farmer	F
43	Laxmi k.M		Farmer	F
44	Santa K.M		Farmer	F
45	Sushila K.M		Farmer	F
46	Manakala raut		Farmer	F
47	Manakala pun		Farmer	F
48	Kamala K.M		Farmer	F
49	Sabitra thapa		Farmer	F
50	Chameli raut		Farmer	F
51	Mameena khatun		Farmer	F
52	Kusha acharya		Farmer	F
53	Nima acharya			F
54	Begam miya			F
55	Sarita poudel			F
56	Sarada poudel			F
57	Durga prasad panthi			M
58	Nim B.panthi			M
59	Kaluram dhami			M
60	Bagwata aryal			F
61	Mangal dhami			M
62	Santosh pokhrel			M
63	Dayaram chaudary			M
64	Jeet B.rooka			M
65	Bishnu P.acharya			M
66	Krishna b.waiba	KUBK		M
67	Radha amatya			F
68	Sarita bhandari			F
69	Maya basnet		Farmer	F
70	Chhanda B.basnet			m

Appendix 10: Audit Log

The first audit will only be due in January 2014.

Appendix 11: Summary of implementation support provided by IFAD

#	Time	Descriptions/topics	Agencies/persons
1	19 August – 04 Sept. 2012	Post design support	Mr. Peter Situ, IFAD consultant
2	02 – 22 Dec. 2012	Pre-start-up support	Mr Peter Situ IFAD Consultant
3	18 – 26 March 2013	Official start-up	Mr Benoit Thierry, IFAD CPM Ms. Irene Li, IFAD Financial Controller Mr Peter Situ, IFAD Consultant

