



Investing in rural people

Republic of Liberia

Smallholder Tree Crop Revitalization Support Project (STCRSP)

Supervision report

Main report and appendices

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Abbreviations and acronyms

BOD	Board of Directors
CAC	County Agriculture Coordinator
CDA	Cooperatives Development Agency, Liberia
DAO	District Agriculture Officer
FUN	Farmers Union Network, Liberia
GOL	Government of Liberia
HIFAB	Swedish engineering consulting firm
IFAD	International Fund for Agriculture Development
INGO	International Non-Government Organization
PP	Private-sector Partner
LAADCO	Liberia Agriculture and Assets Development Company
LASIP	Liberia Agriculture Sector Investment Programme
LPMC	Liberian Produce Marketing Corporation
MoA	Memorandum of Understanding/Memorandum of Agreement
MOA	Ministry of Agriculture
PDR	Project Design Report
PIM	Project Implementation Manual
PIU	IFAD Project Implementation Unit
STCRSP	Smallholder Tree Crops Revitalization and Support Project
TA	Technical Assistance
YP	Young Professional (MOA)

A. Introduction¹

1. A joint Ministry of Agriculture (MOA) and IFAD supervision mission of the Smallholder Tree Crop Revitalization Support Project (STCRSP) was undertaken from 29 January - 12 February, 2016. The objectives of the mission are three-fold: (i) assess the progress made in the implementation of the project against the 2015-2016 Annual Work Plan and Budget (AWPB) and against recommendations arising from the previous supervision mission; (ii) identify actual and potential/emerging operational problems and challenges; (iii) propose solutions, corrective measures and provide recommendations for improved implementation; and (iv) where required, provide additional training and/or guidance to the Project Implementation Unit (PIU). The Mission was the first in-country full supervision mission for STCRSP since 2014 and was therefore crucial in assessing physical progress and the impact of Ebola Virus Disease (EVD) on Project activities.

2. In addition to field visits to the project operational sites in Lofa County², the mission held meetings with the Ministry of Agriculture (MOA), Ministry of Finance and Development Planning (MFDP), the Ministry of Public Works (MPW), the World Bank, the Farmers Union Network (FUN), the Central Agricultural Research Institute (CARI) and Implementing Partners including, the Liberia Assets and Agriculture Development Company (LAADCO) and the Cooperative Development Agency (CDA). The mission focused on the progress made and challenges encountered since the Ebola Virus Disease out-break and sustainability strategy plans made by the IPs. Lessons learned over the 3.5 years of implementation (farms rehabilitation, roads rehabilitation, and the ongoing fourth year of rehabilitation campaign against the objective of increasing quality cocoa and coffee production and smallholder farmer incomes) were distilled and used to make recommendations for future actions.

3. The findings of the Supervision Mission were discussed in a participatory manner with the MOA, Project Implementation Unit (PIU) for validation prior to finalization of the Aide-Memoire and presentation at the final wrap-up meeting held in the MOA on 12 February 2016.

4. The Aide-Memoire reflects the main mission findings and recommendations duly endorsed in the wrap-up meeting.

B. Overall assessment of project implementation

5. The STCRSP is a USD 24.9 million project, including the highly concessional IFAD loan of USD 16.8 million, private sector/implementing partner co-financing in kind of USD 5.1 million, government contribution of USD 2 million and beneficiary contribution of USD 0.9 million.

6. The specific objectives of STCRSP, which are summarized in its logframe (Appendix 2), are to: (i) increase the quantity sold and price received by 15,000 smallholder farmers for cocoa and coffee by rehabilitating plantations, (ii) improve access to markets through 315 km of rural roads rehabilitation and maintenance system development; and (iii) strengthen MOA at County and District level, private extension services (Liberia Agriculture and Assets Development Company - LAADCO) as well as 7 cooperatives (Foya Maliandoe, Sebehil, Guma Mende, Voinjama District, Quardu Gboni, Quapatamai & Zorzor District) in Lofa County.

7. The IFAD Results-Based Country Strategic Opportunities Programme (RB-COSOP) for Liberia (2011-2015) which has now ended, is fully aligned with the Comprehensive Africa Agriculture Dev.

¹ Mission composition: Ndaya Beltchika, CPM and Mission Leader; Dunstan Spencer, Technical Lead/Tree Crops Specialist; Claire Bilski, Gender & Targeting Specialist; Marzia Perilli, M&E Specialist; Mikael Anderson, Financial Management Specialist; Laurent Roy, Value Chain Specialist; Masahiro Kishi, Procurement Specialist; Akindele Beckley, Rural Infrastructure Engineer; Sumoiwo Harris, Assistant Minister, Ministry of Public Works; Michael Titoe, Director Sector Coordination, Ministry of Agriculture; Nah Wesseh, Senior Analyst, Ministry of Finance & Development Planning; Victor Voor, Agronomist, Central Agricultural Research Institute

² The mission visited seven districts (Salayea, Zozor, Voinjama, Quardu Gbondi, Vahun, Foya and Kolahun) and held meetings with field staff of the Ministry of Agriculture, Ministry of Public Works, Lofa PIU, County Agriculture Coordinator, District Agriculture Officers, LAADCO (private exporter), Cooperatives implicated as implementing partners/ service providers and other farmer groups and associations receiving project support.

Programme (CAADP) and national policies, notably the Liberia Agriculture Sector Investment Programme (LASIP) and the Agenda for Transformation (AFT). A COSOP completion review will start soon and will form the basis for the development of the new RB-COSOP (2016-2020).

8. The STCRSP is now in its fourth year of operation since effectiveness 3 July 2012. Most PIU staff were recruited in August 2012 and the project was officially launched in September 2012. The project experienced a drastic slow down, particularly in June 2014, reaching a near-halt in December 2014. This was the direct consequence of the EVD outbreak in Liberia and the subsequent measures taken by the Government to limit the spread of the epidemic, including restrictions on group gatherings, travel limitations and market closures. The project (7 Coops, Private Partner, Central MOA) can be commended for the effort and speed with which it has moved in the post- Ebola period. The private partner resumed the provision of working capital to the seven cooperatives for purchase of produce from farmers in Lofa County, which had stopped during the EVD crisis.

9. The seven cooperatives have rehabilitated a total of 9,800 ha of cocoa and coffee plantations to date (of which about 10% were not de-shaded), and have embarked on an additional 3,000 ha of smallholder farm rehabilitation for the 2016 season, totalling 12,800 ha (against an appraisal target of 15,000 ha). They sold close to 422.9 mt in 2015-2016, bringing the total tonnage commercialized through LAADCO during the three-year life of the project to 1,118.8 mt (1,056.5 mt cocoa and 62.2 mt coffee) valued at USD 1.9 million.

10. To date 143.2 km out of 315 km of farm-to-market-roads are at various stages of construction. For 60.2 km structures are 95% completed, while work on gravel pavements is 56% complete (Batch 1). In mid-2015, work on an additional 83 km roads commenced (Batch 2) which are 40% complete.

11. The 2015-2016 Annual Work Plan and Budget (AWPB) totals USD 4.9 million and financial progress against the AWPB is USD 1.7 million, 35% of the total budget. When taking into account commitments the progress is 60%. The procurement plan is for an amount of USD 433 319 of which overall progress is 40%. It was not possible for the Mission to determine the physical progress of the project due to the format of the AWPB and the data contained in it.

12. Central and mini warehouses, offices for the County Agriculture Coordinator (CAC) and District Agriculture Officers (DAO) are now constructed. Fourteen (14) Young Professionals³ (YPs) from the 7 districts and 14 Interns from the Lofa County Community College (LCCC) in various rehabilitation activities on the cocoa and coffee farms in the seven (7) districts have been hired.

13. Findings and recommendations of the mission are presented to reflect the third year results and the way forward during the remaining life of the project.

³ 7 Tree Crop YPs and 7 M&E YPs.

C. Outputs and outcomes

14. **Component 1: Cocoa/coffee rehabilitation:** The plan is to rehabilitate (underbrush, de-shade) 15,000 ha of cocoa/coffee plantations during the project (i.e. 50% of the total cocoa/coffee plantations in Lofa County). To date 9,800 ha have been rehabilitated (of which about 10% were not de-shaded), and 3,000 ha are to be rehabilitated during the current 2015/16 year (Table 1:). One ha is rehabilitated on farms of selected farmers who must be members of one of seven Cooperatives supported by the project - Zorzor District Multi-purpose Farmers' Cooperative Society (ZDMFCS), Quapatamai Farmers' Multipurpose Cooperative Society (QFMCS) in Salayea District, Quardu Gboni Farmers' Cooperatives Society in District, Voinjama District Farmers' Cooperative Society, Sebehill Kulasumai Farmers Cooperatives (SEKUFA) in Kolahun District, Foya Maliandoe Cocoa Farmers Union, and Guma Mende Multipurpose Farmers' Cooperative Society in Vahun District.

15. Rehabilitation is carried out by Youth Groups organized and recruited by the Cooperatives. To date the project through the cooperatives has engaged a total of 5,343 youths (4766 male and 577 female) in the 7 Districts. Youth groups are trained by project and Coop technical staff to carry out under-brushing, removal of parasites and pruning works on cocoa and coffee farms. Contracts have been signed between the Coops and youth groups infused over USD 700,000 (1 ha = USD 3.85 at 20 man day for about 9,800 ha) into over 200 communities up to December 2015, and are expected to infuse a further USD 231,000 in 2016).

16. The CAC and eight DAOs are supported by the project to be fully involved in the training and provision of technical advice to farmers. Also LAADCO provides training and technical advice to farmers and cooperatives.

17. Productivity increases: In all its meetings with farmers and Coop Board members the Mission was enthusiastically informed that rehabilitation has led to increased yields from rehabilitated areas, although it is not possible to precisely estimate the percentage yield increase. Furthermore, available information suggests that farmers who had one ha of their farms rehabilitated through the project have since proceeded to rehabilitate other parts of their farms, with the possible exception of some women farmers who face the challenge of access to capital for hiring of labor. It is evident that the project has achieved the expected positive effect on farm productivity and that the demonstrated improved technology is being adopted by farmers.

18. Use of Youth Groups: Youth groups have been successfully engaged in farm rehabilitation and have served as a mechanism for infusing cash into local communities. The mission raised the issue as to whether this mechanism is the most effective and sustainable in achieving the goal of farm rehabilitation. The consultation with community members led to the conclusion that the traditional "Kuu" (labor exchange system) would have been more sustainable had it been used for farm rehabilitation rather than youth groups. This provides support for the use of the Kuu system as proposed in the new Tree Crop Extension Project (TCEP).

19. Partial repayment of project investments. The principle of partial repayment by farmers of investment made in their farms is a core principle of the project. Farmers are required to payback USD 80 over two years (40% of the USD 207 cost of rehabilitation of one ha) starting in the second commercialization period of the project. Repayments started in the third season, and are taking place at a very low rate (0.2%) and only in four Coops (Sebehil, Maliandoe, Guma Mende, Quapatamai).

Table 1: Summary of Cocoa and Coffee Farms Revitalization: FY2012 – 2015

District	FY12-13			FY13-14			FY14/15			Total for 3 Years	
	Completed (90%)										
PIU Supervised	YR-1	cocoa	coffee	YR-2	cocoa	coffee	YR-3	cocoa	coffee	Cocoa	Coffee
Salayea	300	240	60	600	480	120	400	320	80	1,040	260
Zozor	200	120	80	700	560	140	500	400	100	1,080	320
Voinjama	0	0	0	200	120	80	300	240	60	360	140
Quardu-Gboni	0	0	0	300	240	60	300	240	60	480	120
Total	500	360	140	1800	1400	400	1500	1200	300	2,960	840
KOLAHUN	400	320	80	1,530	1,224	306	800	640	160	2,184	546
FOYA	490	401	89	1,050	840	210	940	752	188	1,993	487
VAHUN	110	88	22	420	336	84	260	208	52	632	158
TOTAL	1,000	809	191	3,000	2,400	600	2,000	1,600	400	4,809	1,191
Grand Total	1,500	1,169	331	4,800	3,800	1,000	3,500	2,800	700	7,769	2,031

20. In addition to the repayment of investment costs, farmers with rehabilitated plots are also required to make a USD 20.00 payment per year to the coop as contribution towards the cost of maintaining the feeder roads constructed in their communities. Farmers have apparently raised strong objections to this “tax”, as to why they should be the only ones among all users of rehabilitated roads who should make the payment, and no farmer has made the payment to date. The mission is in agreement with that view point and recommends that the requirement be dropped.

21. Nursery establishment: The project procures improved planting materials from the Sierra Leone Agricultural Research Institute (SLARI) clonal garden in Pendembu, for use in gap filling in rehabilitated plots. Initially, the pods were transported to cluster nursery sites from which the seedlings were distributed to farmers. In 2013/2014 a total of 58 cocoa and coffee cluster nurseries sites were established in various communities. The May 2014 SM supported the PIU in the further decentralization of the nurseries to the village level, so that local communities would be more involved and receive training in nursery management – a move that contributes to the sustainability of the rehabilitation exercise, reduces cost of transporting seedlings and brings farmers closer to demonstration plots. The SM notes with approval that the recommendation is being implemented and 3,000 ha are being planted in 164 communities. Given that there is an agreement between GoL and Ivory Coast and Ghana the project should consider procuring planting material from these two countries rather than from Sierra Leone. This to diversify the source of the seeds (Table 2:)

22. **Commercialization of produce.** Beneficiary farmers sign a contract with their cooperatives to deliver the produce from their rehabilitated farms to their cooperative for onward transmission to LAADCO. LAADCO pre-finances the Cooperative for commercialization of their produce. Cocoa delivered to LAADCO each year range from 270 – 365 mt of cocoa. Only 17 – 45 mt of coffee were delivered each year with no coffee deliveries during 2015-2016 financial year (Table 3:).

23. Construction and use of solar dryers. As a mechanism for improving the quality of cocoa beans marketed by farmers, the project is trying to get farmers to adopt solar dryers. Two models are being propagated – a large capacity dryer located at central level and mini-solar dryers for use by individual farmers. Two hundred and forty-eight (248) rolls of thermal plastic have been procured by the project and distributed to Coops (which corresponds to approximately 248 large or 1,000 small). The farmers were expected to pay the mini-solar dryer USD 20. Adoption by farmers has been low given that only 25 large- and 160 mini-dryers have been constructed. As reported by PIU and observed by the mission, most farmers and some Coops continue to use the traditional method of drying on mats or swept floors with the attendant high risk of contamination of the produce with foreign materials. To respond to the deterioration of the thermal plastic held in the Coop warehouses, PIU has instructed Coops to donate the plastic to “progressive farmers”. Selection criteria for the LFs will be determined jointly by the Coops and the PIU. PIU should launch a concerted campaign to ensure that LFs who receive the plastic actually construct and use the dryers. It is anticipated that the advantage consequently leading to a higher adoption rate by the farmers.

Table 2: FY2015-2016 Nurseries and Seedlings Details

FY2015-2016 Nurseries and Seedlings Details									
District	Youth Group	# of Sites	cocoa pods	Equivalent in Seedlings	Germination rate	Available Seedlings	Polythene bags	# of Communities	HA
Salayea	9	18	1,399	41,970	85%	35,409	78,950	20	400
Zozor	18	18	1,400	42,000	75%	31,299	79,035	18	450
Voinjama	22	15	910	27,350	89%	24,350	52,800	22	300
Quardu-Gboni	14	14	279	7,820	93%	7,314	37,675	14	200
Sub-Total	63	65	3,988	119,140		98,372	248,460	74	1350
KOLAHUN	11	42	1,837	55,520	88%	48,792	100,000	40	625
FOYA	53	53	1,522	45,600	77%	34,975	91,050	25	525
VAHUN	23	25	1,483	44,490	91%	40,680	87,900	25	500
Sub-Total	87	120	4,842	145,610		124,447	278,950	90	1,650
Grand Total	150	185	8,830	264,750	0	222,819	527,410	164	3,000

Note, additional 6,192 cocoa pods which is equivalent to 185,760 seeds and 78,953 coffee seeds will arrive in Feb.'16

Table 3: Summary of Commercialization

FY2013 - 2015 : Produce (Cocoa and Coffee) Sold to LAADCO (Gross wt.): Commercialization I, II & III																
Cooperative	District	Tonnage; FY13/14		USD		Tonnage: FY14/15		USD		Tonnage: FY15/16		USD (rec'd by coops)		Total Tonnage		USD
		Cocoa	Coffee	Cocoa	Coffee	Cocoa	Coffee	Cocoa	Coffee	Cocoa	Coffee*	Cocoa	Coffee	Cocoa	Coffee	
Sebehill	Kolahun	60.28	4.75	103,079	4,275	207.7	38.11	412,862	50,829	262.00		357,705		529.98	42.86	928,750
Maliando	Foya	60.62	0	103,660		51.89	4.69	94,039	6,098	55.00		86,740		167.51	4.69	290,537
Guma Mende	Vahun	48	0	82,080		50.1		89,539		48.00		58,464		146.10	0.00	230,083
Quapatamai	Salayea	41.62	0	71,170		6.13		12,000		6.00		47,568		53.75	0.00	130,738
ZDFCS	Zorzor	38	0	64,980		36.91		67,181		37.00		81,511		111.91	0.00	213,672
QGFCs	Quadu-Gboni	10.86	3.46	18,571	3,114	0.9		1,711		0.90		3,834		12.66	3.46	27,230
VDFCS	Voinjama	9.82	8.85	16,792	7,965	10.8	2.36	22,831	2,947	14.00		28,187		34.62	11.21	78,722
Total		269.2	17.06	\$ 460,332	\$ 15,354	364.43	45.16	\$ 700,163	\$ 59,874	422.90		664,009		1,056.53	62.22	\$1,899,732
*FY15/16 coffee commercialization started in Jan. 2016																

24. Grading and supply of produce to LAADCO. Coops have received vehicles and various grading tools (i.e. moisture-meter, sieves, etc.) from the PIU and LAADCO, to collect and grade produce from beneficiary farmers. The produce is transported to Coop warehouses where it is further processed (drying and sorting), before being collected by LAADCO. At LAADCO warehouses (Kolahun and Monrovia) the produce is further processed as necessary and re-graded. Coops are paid for the quality of produce as determined solely by LAADCO, sometimes in the presence of agents of the Coops. This process, which always results in “deductions” from the estimated value of produce due not only to quantity reductions but also to price reductions (as discussed in the paragraph below), is highly contentious and vehemently disputed by the Coops. The grading of produce should not be left solely to the buyer of the produce. In the absence of any existing independent produce valuation authority in the country, the mission recommend that PIU secures the agreement of Coops and LAADCO to operate a produce valuation service the decision of which both parties should sign a MOU to accept. It is clear to the mission that urgent steps need to be taken to address this issue if the objective of linking the farmers to a private sector exporter is to have any chance of long term success.

25. Prices received by Coops and farmers. As part of its contribution to the project, LAADCO provides up to USD 20,000 as a revolving fund impress to Coops for purchase of produce which must be retired in full by the end of the buying season. Farmers and Coops are dissatisfied with the amount and timeliness of the advance received from LAADCO, claiming that the amount is insufficient and there were often delays in turnaround for replenishments, resulting in loss of time for purchasing from members.

26. LAADCO also sets the buying price for produce delivered by Coops to its warehouses based on the published Liberian Produce Marketing Corporation (LPMC) price. The prices change during the buying season and varied between USD 1.25/kg to USD 2.30/kg since 2012. In addition LAADCO pays a bonus of USD 25/mt for annual deliveries up to 50 mt and USD 30/mt for deliveries over 50 mt. Some Coops claim that they pay the same prices to their farmers (e.g. Foya Maliandoe) while others (e.g. Quardu Gboni) admit that they pay their farmers up to USD 0.15/kg less, being commission to the Coop and its buying agents.

27. An issue of contention between LAADCO and the Coops is that even when LAADCO improves the quality of the cocoa received from Coops by further processing it at its warehouses, the Coops are paid the price for the lower quality received from them on the processed tonnage, rather than the the price for the higher quality of processed cocoa. So Coops are charged the cost of processing to improve the grade of the cocoa but do not get the benefit of the resulting higher grade obtained. It was clear to the Mission that farmers and Coops are dissatisfied with prices offered by LAADCO.

28. It is quite clear that the farmers do not sell all, or even a substantial portion of their harvests, to Coops. Substantial amounts of produce is “side sold” to agents of other buyers. The mission was told that prices offered by side buyers are above those offered by the Coops – approximately USD 0.30 – 0.50/kg for cocoa and USD 0.50/kg for coffee. This raises the issue as to whether Coops can continue using the present model and survive in the future. The situation would be better if the Coops had a pool of project-supported exporters to sell to, and obtained operating capital from sources independent of the purchasers (e.g. commercial banks).

Agreed action	Responsibility	Agreed date
Design and launch an investigation to understand why farmers are not making the required 40% repayment of rehabilitation costs, and see what level of repayment can be achieved	Lofa PIU, CAC,DAO,YPs, LAADCO, Coops	30 June
Discuss with LAADCO the possibility of reviewing the incentive structure offered to Coops	MOA, PIU, CDA	31 March
Launch a campaign to get progressive farmers (once agreed on selection criteria) to construct and use solar dryers with donated plastic	Lofa PIU, CAC,DAO,YPs, LAADCO, Coops	30 June
Explore the possibility of setting up a pool of independently trained graders to establish the grades of produce delivered to LAADCO and develop a proposal	PIU, Coops, LAADCO	30 April

29. **Component 2: Rehabilitation of farm to market roads:** This component consists of the rehabilitation of 315 km of farm-to-market roads to facilitate smallholders' access to markets. Awareness raising and sensitization is ongoing in all beneficiary communities and amongst all partners on the strategy and responsibilities in implementation of this component.

30. The process used by PIU to select and manage the contracts for rehabilitation of feeder roads is illustrated in Figure 1: and Figure 2:.

31. **Batch 1:** The first batch of 60.2 km farm-to-market roads (Table 4:) consisting of 16 lots allocated to 8 local contractors is ongoing - 95% of structures and 56% of the gravel pavements are complete. The structure works comprise 138 circular and box culverts which have been 100% completed, and 10 bridges 9 of which have been completed and were considered by the mission as satisfactory and in line with MPW specification as required. The setting up of road brigades has not progressed and no maintenance was observed on any of the completed sections of road. Communities' engagement during construction/rehabilitation consisted of road side-brushing, installation of circular culverts, supply of sand (mainly women and youths), crushed rocks, wood and casual labor. To date, youths involved in roads side brushing total 427 (females 87 and males 340).

32. **Batch 2:** In mid-2015, rehabilitation of an additional 83 km farm-to-market roads selected by cooperatives and local authorities commenced (Table 5:). Nine of eleven contracts have been awarded. Of the remaining two, there were no qualified contractors for the Clonal Garden-LISCO road and the second lot was conditional on contractors' timely completion of other lots and has not yet been awarded.

33. Apart from two contracts which included pavement works, the 7 contracts were for culverts and bridges, three of which have been completed. It is estimated that 40% of Batch 2 roads have been completed. At the current rate of work it is estimated that the remaining work will be completed by June 2016, if the procurement process for contract award commences before end of February 2016.

34. **Batch 3:** A road condition survey has been conducted for 125 km of roads and design is ongoing in 2016. It is difficult for the mission to see how the remaining km of roads can be completed before the end of the project. Although local contractors are doing their best and showing lots of interest, their capacity is inadequate, therefore other strategies may need to be employed to fast-track the process (e.g. the leasing of equipment from other qualified entities).

Figure 1: Flow chart of process used to select feeder roads to be rehabilitated

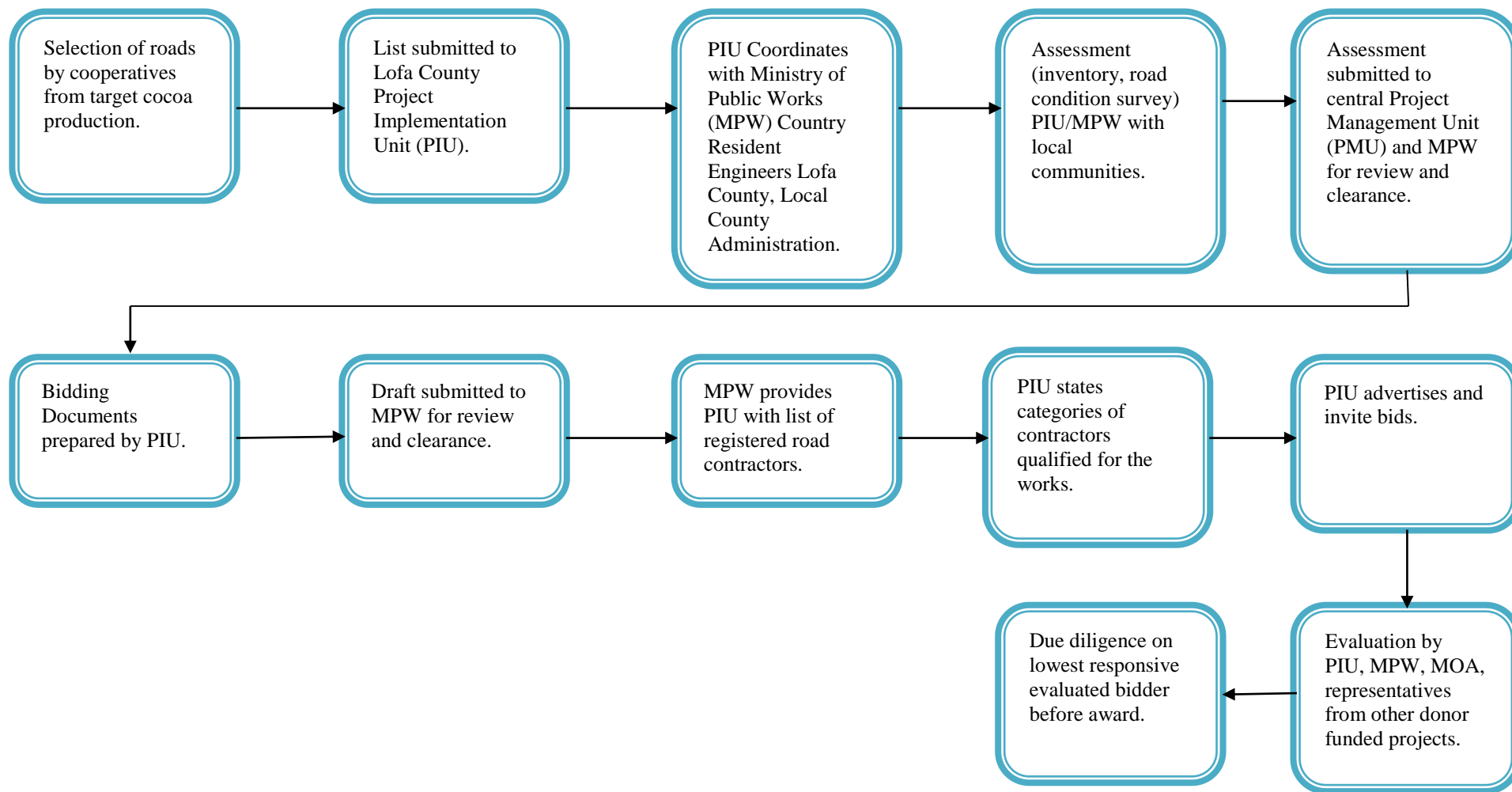


Figure 2: Flow chart of process used in managing contracts awarded for rehabilitation of Feeder roads

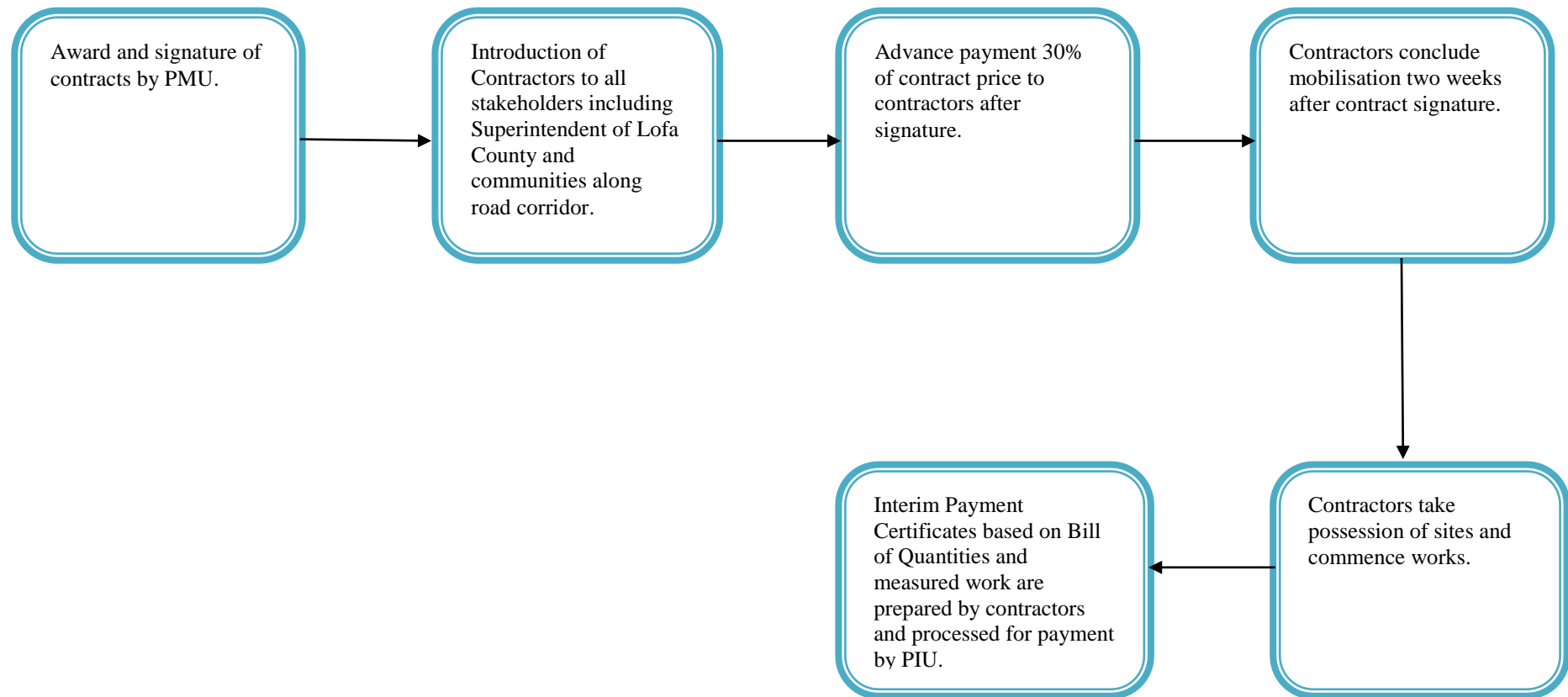


Table 4: Road Rehabilitation - Batch I (Status as at end of January 2016)

No	Road Name – Batch -1	District	Start Date	Length (Km)	Proposed Width (m)	LOT #	Type of Works	% completion (Structures)	Contractor
	Structures								
1	Folima-Nyema	Vahun	11/07/13	6.3	4.5	1	Culverts	100.00%	CROSSROADs Ent.
2	Kamatahun – Yengema	Kolahun	10/24/13	5	4.5	2	Culverts	100.00%	CROSSROADs Ent.
3	Polowu-Kiatahun	Kolahun	10/24/13	6.6	6	3	Culverts	100.00%	Kolovalee Construction
4	Foya Tengia-Sadu Bendu	Foya	10/24/13	4.5	4.5	4	Culverts	100.00%	General Engineering
5	Yassadu-Kojoloe – Phoenica	Foya	10/01/13	8.5	4.5	5	Culverts	100.00%	PHOENICIA
6	Selega-Melvinkamadu	Quardu Gboni	10/24/13	10.9	4.5	6	Culverts	100.00%	General Engineering
7	Samadu road to Nyemakamadu	Quardu Gboni	11/07/13	8.6	4.5	7	Culverts	100.00%	PERFECT TRADING
8	Zorzor road-Nekebozu	ZorZor	10/24/13	6.7	4.5	8	Culverts	100.00%	Wonieco Inc.
9	Zorzor road-Vetusu	Zorzor	10/24/13	3.1	4.5	9	Culverts	100.00%	Wonieco Inc.
	Kamatahun – Yengema	Kolahun				10	Bridges	100.00%	Wonieco Inc.
	Foya Tengia-Sadu Bendu	Foya	02/13/14			11	Bridges	30.00%	General Engineering
	Yassadu-Kojoloe	Foya	10/15/13			12	Bridges	100.00%	PHOENICIA
	Nyemakamadu	Quardu Gboni	10/24/13			13	Bridges	100.00%	General Engineering
	Zorzor road-Nekebozu	ZorZor	10.24/14			14	Bridges	100.00%	CROSSROADs Ent.
	Gravel Pavement								
	Folima, Kamatahun, Foya Tengia, Yassadu,	30.9				LOT 1p		60.00%	SSF
	Melvinkamadu, Nyemakamadu, Nekebozu, Vetusu	29.3	05/01/14			LOT 2p		52.00%	MDMC
				60.2					

Table 5: Road Rehabilitation - Batch II (Status as at end of January 2016)

No	Road Name	District	Start Date	Length (Km)	Proposed Width (m)	LOT #	Type of Works	% of Completion (Structures)	Contractor
1	Gorlue/Bosheleta Road – Guniea Border Intersection	Salayea	June 2015	6.6	6.0	16	Culverts, bridges & gravel Pavement	62%	Cross Roads Ent. Inc.
2	Kpademai/LISCO Camp Road – Clonal Garden	Voinjama	TBD	6.7	4.5	17	Culverts& gravel Pavement	TBD	
3	Kolahun/Foya H/way – Sevilahun-Dow Dow	Kolahun	June 2015	7.2	4.5	18	Culverts	100%	Wonieco
4	Memolahun – Seema	Vahun	June 2015	8.3	6.0	19	Culverts and bridge	22%	Cross Roads Ent. Inc.
5	Kolahun/Foya Highway – Joseph Kollieta	Kolahun	June 2015	9.2	6.0	20	Culverts and bridge	Conditional	
6	Voinjama/Kolahun Highway – Kpangblamin	Voinjama	June 2015	13.9	6.0	21	Culverts and bridge	40%	LETCO
7	Warsonga-Sadu Bendu	Foya	June 2015	6.9	4.5	22	Culverts	87%	Perfect Trading
8	Kporlornin – Yengbemai	Foya	June 2015	4.9	6.0	23	Culverts	100%	EADECON
9	Konia – Ziggida	Zorzor	June 2015	11.8	6.0	24	Culverts	100%	Sama Tech
	Konia – Ziggida					25	Bridge	36%	Sama Tech
10	Zorzor H/way – Passama & Telemai to Yarpua	Salayea	Oct. 2015	5.4	4.5	26	Culverts& gravel Pavement	26%	MDMC
		Salayea		2.1					
\				83					

35. Contractors required intense day to day supervision. The Central MPW based in Monrovia has started monitoring the road works in Lofa County. The agreement with the PIU is that the Resident Engineer in Lofa County, based in Voinjama, will pay regular visits along with the PIU Engineers, while the Central MPW will visit the sites every two months. The mission notes that the arrangement has not been fully effective. It is clear that there have been lapses in supervision of road works and contract management. The mission also observed lapses relating to records of site instructions and daily record of activities in site diaries. The PIU has been advised to upscale supervision to apply relevant contract conditions.

36. The mission has reviewed the existing structure in the PIU responsible for the preparation and supervision of road rehabilitation. The team consists of three full-time engineers: PIU Head/engineer responsible for Voinjama, Quardu Gboni and Lower Kolahun Districts and two consultant-engineers responsible for upper Kolahun, Vahun and Foya Districts and Zorzor and Salayea respectively. The contracts of both consultants end on 15th February 2016. This offers a good opportunity for reforming the existing system of supervision of road works, putting more emphasis on site supervision taking into consideration the fact that the roads being rehabilitated are far apart.

37. The new proposal for site supervision was discussed and accepted by the Lofa PIU as a means to enhance contract management; It was confirmed by PIU Engineers that there are road technicians trained by MPW, USAID, EU, SIDA, etc. who have vast practical experience in road structures and gravel pavement construction. In view of the above the below listed qualification and TOR are proposed for review and action. Proposed scope of works for Site Supervisors will be, but not limited, to the following;

- Directly under the control of PIU Engineers;
- Familiarisation with all Contract Documents for roads under supervision;
- Study Contractors Work Schedule / Programme and Method Statement for effective monitoring;
- Review shop drawings and recommend for approval;
- Agree with Contractor weekly activities in accordance with the approved works programme;
- Record daily construction activities on site;
- Ensure contractor compliance with construction methodology (concrete ratio, etc.), Specifications and Bills of Quantities (BOQ);
- Promote monthly inspection PIU, MOA, MPW, MIA and community leaders;
- Prepare periodic reports (every two weeks) to PIU supervising engineer;
- Undertake other job related instructions from PIU supervising engineer;
- Transmit approvals or instructions from supervising engineer to contractors.

38. The qualifications proposed for the site supervisors are as follows:

- Must be literate (minimum 6th grader) and fluent in English;
- Must have at least 4 years' experience in road works (structures and gravel pavement construction);
- Must have undergone formal or practical training in road works

PIU is to submit an organogram and action plan for the re-structuring based on available funds.

39. The mission notes with pleasure that since embarking on Batch 2 roads, community participation during implementation has improved, though it varies from site to site. However, unavailability of skilled labor in the communities continues to hamper the contractors' work making it necessary for them to import skilled labors from Monrovia or nearby cities. Though the relationship between the communities and contractors is cordial, most of the people prefer to concentrate on their farm work and are therefore not available for road works. The payment to contractors by the PIU continues to improve based on a peer review conducted in April 2014.

40. The mission observed that for the Gorlue-Bosheleta Road, out of a total length of 11.12km only 6.6km was under construction ending in the middle of nowhere, about 4.52km from Bosheleta. The PIU proposes that since the clonal garden/LISCO road was no longer relevant⁴, the funds earmarked should be transferred to the completion of the Gorlue-Bosheleta road. The cost estimate for completion of the road prepared by PIU was reviewed by the mission. Since the amount is slightly less than the allocation the mission supports the PIU recommendation.

41. To ensure long-term sustainability of roads rehabilitation, it is critical that the MPW, MOA, MIA cooperatives, engineers and PIU together intensify the on-going efforts to inform and sensitize communities on the importance of road maintenance and their respective responsibilities and contribution. MPW must lead the process for a unified system for maintenance of farm to market roads in Liberia. With some roads now completed, it would be expedient to undertake impact surveys of roads – effect on traffic volumes, crop prices, and other indicators. The Gorlue-Bosheleta road is a good candidate for such a study.

42. The initial target under the Farm to Market Component was the rehabilitation of 315km roads at a cost/km of US\$25,000.00. In subsequent consultations with Feeder Roads Unit of MPW, the road standards were revised to bring them in line with the MPW standards, resulting in an increase in the cost/km to US\$ 45,000.00. The terrain and existing poor condition of some of these tracks warrant the use of road equipment; hence the high unit cost. With the revised cost, and based on the uncommitted funds for farm to market roads, the target for Batch 3 cannot be more than 67km. i.e. uncommitted US\$ 3,015,073.00/cost per km of US\$ 45,000.00). This implies a revised project target of 210 km as against the design target of 315km.

⁴ The main purpose of the proposed rehabilitation of the clonal garden road was to accommodate the rehabilitation of the farms, which was later recommended not to be viable for rehabilitation

Agreed action	Responsibility	Agreed date
Start Procurement process for the gravel pavement for the remaining 48.1 km of roads	Procurement, Project Coordinator,	Feb 20, 2016
Advertise 48.1km of roads	Procurement,	Feb. 28, 2016
Prepare bidding documents for 125km of the 3rd batch of roads	PIU engineers and procurement officer	April 31, 2016
Advertise 125 km of 3rd batch of roads	Procurement	May 20, 2016
Sign contracts with successful bidders for 125km batch of roads	PIU, Project Coordinator, ICB team, tree crops officer	30 June, 2016
Community sensitization on road maintenance	PIU civil engineers with PP and coops, M&E	Continuous
Continuous reminder/ warning to delinquent contractors	Project Coordinator	Continuous
Undertake baseline of roads – traffic, differentiated crop prices; identify indicators	PIU civil engineers and M&E Officer	Continuous
Restructure PIU by introducing daily field supervision on road project sites	PIU	May 2016

43. **Component 3: Institutional capacity building:** Building and strengthening the institutional capacity of the participating seven cooperatives, as well as the Ministry of Agriculture at County and District levels, is a cross-cutting and fundamental element of the project approach for effective implementation and long-term sustainability of interventions. This has taken the form of provision of hardware as well as training of Coops and partners. With the view to meeting project objectives, strengthening of the institutional capacity of cooperatives to facilitate the commercialisation of cocoa/coffee produce and provide services to farmers has been giving particular attention throughout project implementation.

44. **Cooperative development.** In the original project agreement, three cooperatives were to benefit, from the institutional development, however, after the commencement of the project, four of the seven cooperatives (Sebehill, Guma Mende, Foya Maliandoe and Quardu Gboni) appealed to the GOL and IFAD to benefit from the capacity building aspect of the project. The GOL and IFAD saw the need and approved for harmonisation the approach.

45. The key features of harmonised capacity building approach include: (i) development of business plans and complementary capacity-building plans; (ii) institutional support based on capacity-building plans; (iii) emphasis on good governance and management; and (iv) effective monitoring and evaluation. Given the implication on the workload of the PIU Institutional Capacity Building Officer, two additional consultant capacity building officers were recruited in October in 2014 to constitute a Lofa-based Coop support team.

46. The mission found no evidence that any meaningful sustainability plans/exit strategy has been developed or is in place for the Coops. It is recommended that steps be taken to correct the situation immediately.

47. Hardware supplied to Coops consist of vehicles and motorbikes to improve the mobility of the Coop Management team, construction and equipment of 3 central warehouses located in Zorzor, Salayea and Quardu Gboni , while additional two have been rehabilitated and 25 mini warehouses have been completed. Other facilities such as solar dryers are being provided - 160 solar dryers' are constructed (25 major dryers and 135 mini ones). Two five-ton trucks (one for 3 Coops & one for 4 Coops), 60 motorbikes, 43 laptops, 7 printers, 7 projectors, 8 5-KVA generators, 20 GPS, 6 moisture meters, furniture, , etc. mini warehouses, equipment for farm rehabilitation, and warehouse equipment.

48. Fourteen (14) young professionals (YPs), have been engaged to provide dual technical support to the Coops as M&E and tree crops officers. PIU in collaboration with the Lofa County Community College (LCCC) has also accommodated 14 Interns from the College's agriculture department for support to the Coops in community engagement, commercialization activities, and rehabilitation of cocoa and coffee farms in the seven districts in Lofa.

49. Regular incentives have been provided to the Cooperatives in the form of stipends for the Management teams usually consisting of a Business manager, an Accountant, a Tree crop officer, a Marketing officer, a Driver and one Security staff.

50. The seven Coops can boast of overall increase in membership by 40% from last year as a result of membership drives supported by the project. As part of its capacity Building Support, the project in collaboration with the CDA has supervised 6 General Assemblies for (Salayea, Zorzor, Quardu Gboni, Foya and Vahun, Kolahun) to ensure information sharing among cooperatives and create a smooth leadership transition according to their by-laws and constitutions.

51. In May-June 2015 an assessment of the business potential of the seven Coops conducted by SCOPEinsight⁵ found that the weakest area is that of *external risks*⁶ whereas the Lofa Coops perform very well on *internal management*.⁷ Voinjama district cooperative is the best performing with formalized policies, and ensures there is monitoring of progress within the cooperative. Foya Maliandoe Cooperative was the least performing - the organization is not fully aware of all its risk and possible biological and marketing mitigation strategies that they could put in place.

52. **Land Commission:** A Land Commission has been established by the GoL to facilitate dialogue and resolution of land conflicts at local level. The project will provide support (equipment & operational support) to the Land Commission, in case of conflict over land, mainly due to overlapping between statutory and customary laws. The lack of common understanding and awareness of land issues, policies and regulations among the people of Liberia is also a major challenge. A concept note to response to this need was submitted to the PIU to ensure that the LC continue to publicize nation-wide the contents of this milestone achievement in order to avoid public criticisms. The information contained this document need to be publicized sufficiently for citizens to know and adhere to it, in order to not be caught uninformed.

53. **Support to MOA at County-Level – CAC and DAOs.** In addition to the institutional support to cooperatives, the project is also providing institutional capacity building support to the MOA at decentralised level (County and District levels), with an agreement in place between the PIU and the CAC. Other support to the CAC/DAOs includes 1 4x4 vehicle for the CAC and eight heavy duty bikes for 8 DOAs. All 8 offices for the CAC and DAOs are completed. Regular financial support is being provided for meetings limited CAC and DAO operating costs. However, some of the DAOs have not started to make use of the newly constructed and furnished offices for reasons ranging from lack of security personnel on the premises to death or sickness of a DAO.

54. The mission observed that there has been a general improvement in the performance of the seven Coops as a result of the support of the project. Some moribund Coops are now active with functioning Boards and regular meetings, with variable achievements among the Coops in terms of day-to-day management and performance, volume of produce commercialised over the three marketing seasons, etc. However, the overall situation is still far from what is desired. Most of the Coops are not yet providing services to their members that would ensure the sustainability of the Coops. For example none of the Coops have Village and Savings Associations (VSLAs), a useful mechanism survival. There is a general need for improvement in operating modalities, management of vehicles, drive for more members, financial and program reporting.

⁵ SCOPEinsight is an independent rating agency based in the Netherlands that assesses the business potential of farmer organizations in agriculture, dairy, forestry and aquaculture in developing countries

⁶ Organization's management of external risks such as biological & environmental, weather & climate related risks, e.g. risk of diseases, contamination, soil erosion, and floods, droughts, temperatures, etc.

⁷ Organization's performance on legal compliance, governance, internal organization, business planning –all that is related to what goes on within the organization.

Agreed action	Responsibility	Agreed date
Update all cooperatives business plans for the next commercialization seasons (including sustainability plan)	External consultant, PIU ICB team and IPs	30 May 2016
Finalize cooperative procedures manual, to include structure, responsibilities and accountability mechanisms, internal controls and remuneration	PIU ICB team and IPs	30 June 2016
Undertake a monthly monitoring and audit of advances of the cooperatives financial situation	Lofa PIU accounting consultant	Continuous
Development of a capacity building plan based on the SCOPEinsight Coops' assessment	MOA, CDA, PIU SCOPEinsight	30 April
Printing and distribution of STP manual	IFAD, PIU	30 April

D. Project implementation progress

55. **Component 4: Project Management:** To date, all STCRSP staff have been recruited with the Agro-Business Officer post being occupied by two capacity building consultants. This component includes equipment, operating costs and consulting services as required to manage the project for the PIU. A County-level PIU is in place in Lofa for the implementation; following up on activities in the field and reporting to Monrovia PIU/MOA. Coordination, M&E, Finance and Procurement are also a part of this component. The project has a total of 24 staff (all local).

56. Although some of the constraints associated with the move of the Central PIU to Fendall, noted by the last Supervision mission still exist, e.g. the loss of time due to the remote location, the general situation has improved (access to Wi-Fi, more regular power supply) and the unit has settled well, and the project management team is working well.

57. The mission recommends initiating with new performance-based contracts a reward/recognition scheme for well-performing staff/leaders at all levels (including YPs), e.g. with exposure visits for those making significant efforts and facilitating improvements in the areas of gender and targeting.

58. **Annual Work Plan and Budget.** The mission notes that in the past the AWPB has been submitted to IFAD late, nearly two months after the beginning of the fiscal year. The mission recommends that the AWPB should be submitted to IFAD in a timely manner, and the format of the AWPB should include physical targets by activity. The mission also reminds PIU to constantly monitor the USD/SDR exchange rate and the availability of funds in order not to over commit project resources. Finally, the mission recommends providing AWPB development support to the project team for a better monitoring of implementation progress and enable physical progress reporting in the future.

59. **Monitoring and Evaluation (M&E).** M&E related activities are currently being conducted at different levels and involve a great number of actors – 14 Young Professional (YPs), 7 District Agricultural Officers (DAOs), the County Agricultural Officer (CAC), PIU-Lofa and Central-PIU. The mission observed that timely reporting, quality of data and lack of an appropriate accountability framework⁸ are the greatest challenges for the Project. A Memorandum of Agreements (MoA) has been signed between the MOA for support to the decentrali-zed levels which outline roles and responsibilities of county and district authorities with regards to data collection and reporting. Incentives have also been put in place to motivate YPs, DAOs and CACs to submit monthly reports to the Lofa-PIU for forward submission of consolidated monthly/quarterly reports to the Central-PIU. These incentives, however, do not seem to be yielding the desired results – CAC monthly reports have been irregular or non-existent since July 2015.

⁸ M&E/Accountability Framework refers to the continuous process of monitoring/assessing progress, documenting success, identifying problems that need to be rectified and take prompt action as and where needed. This process needs to involve all relevant stakeholders which need to be accountable for their portion of the work.

60. Reporting is largely focused on activities and output indicators included in the Project logical framework (Appendix 2). Given that the project is reaching its fourth year of implementation, more effort is required to capture information on outcomes (i.e. yields, sustainability of roads, adoption of improved farming practices) and ultimately on project impact on the livelihoods of its beneficiaries. To this end the PIU is currently in the preparatory phase of a cocoa yield assessment study which will serve as a baseline for the new IFAD funded Tree Crop Extension Project (TCEP). This study, which will be undertaken jointly by MOA, CARI and KIT⁹, will provide valuable and rigorous information on cocoa production and commercialization therefore increasing the current level of donor coordination related to the Liberian cocoa sector. Given the significant investment being made by the Project in road construction and rehabilitation, a comprehensive assessment on the impact of roads on should also be undertaken.

61. Although a plethora of data is available i.e. at the cooperative level, the degree of standardization should be improved. It is recommended to map the current data flow process and review the tools and templates utilized for data collection. This will be the basis to ensure appropriate data is being collected, as well as to optimize the current reporting flows and ensure efficiency and effectiveness.

62. The project purchased 20 GPS for field staff to measure the area, and record geo data for rehabilitated plots. To date no GIS data has been transmitted to PIU due to lack of appropriate software. There is an urgent need for PIU to procure the necessary software and train Lofa PIU staff to use it.

63. **Knowledge Management.** The Sao Tome & Principe (STP) manual is yet to be printed by IFAD for distribution to the farmers to serve as guide for replication of the STP learning. The STP learning at the demonstration sites is yet to be fully utilized. The mission recommends that printing of the manual should be expedited.

64. The mission is of the view that results achieved by some of the cooperatives supported by STCRSP (e.g. Sebehill Kulasumai Farmers Cooperatives) could undoubtedly be a source of inspiration for other cooperatives. It is therefore recommended that a “road show” be organized for the high-performing cooperatives to facilitate sharing of knowledge and good practices with other cooperatives. Furthermore, it is also recommended that the Project explore alternative ways of sharing good practices with farmers – Community Radios to disseminate information on tree crop rehabilitation, production and commercialization, etc., tapping on the experience acquired by the NPCU in Sierra Leone.

Agreed action	Responsibility	Agreed date
Review/revise incentive-accountability framework, as well as data flow, for M&E in current MoU between MOA at Central and Decentralized level	MOA, Central and Lofa PIU	15 March
Ensure necessary actions are taken to purchase and install GIS software on YPs computers	Central and Lofa PIU	31 March
Finalize farmers database (one-stop-shop for all data related to rehabilitation, production, commercialization)	Central and Lofa PIU (with support from CAC/DAOs, YPs, IP, Coops)	30 April
Field a team to learn the SL experience in dissemination of project information to farmers & others	PIU	30 June
Print and distribute the STP learning manual	IFAD and PIU	30 June

⁹ Royal Tropical Institute (KIT).

65. **Targeting approach.** The project focuses on youth and women's engagement in all aspects. The sensitization of communities on the targeting strategy is an ongoing process and there is a good level of understanding, with emphasis on inclusion of the most vulnerable (including elderly, disabled and women-headed households). However, the farmer selection process needs to be documented.

66. **Gender focus.** Female beneficiaries currently comprise 29% of Coop members, 33% of beneficiaries of rehabilitation, and 12% of Youth Groups, against the 25% target (Table 6:). The physical nature of the work of Youth Groups (brushing, de-shading) which are traditionally male activities, is an understandable constraint to increasing women's participation in that activity. It appears that the project has commendably been able to achieve more than the project target.

67. While some women are farming on their own farms (often inherited) and the land situation has not been reported as an issue, there should be further focus by the project on women's land security. This should link to the planned work under STCRSP with the Land Commission on awareness raising and engagement with rural communities. The new Land Rights Act combined with the Inheritance Act linked to property rights should be leveraged to help secure women's increased land access, e.g. by (i) engaging with cooperatives to help negotiate land for women; (ii) engaging with men to consider their role in securing land for their daughters and wives; (iii) directly supporting women in securing land¹⁰.

¹⁰ Subject to the current ban on title deeds, awaiting the new land policy.

Table 6: Gender distribution of Cooperative membership and Youth Groups

Membership of Cooperatives						
Cooperation	Male	Female	Total	# of Shareholders	Cost/share	Registration fees
					LRD	LRD
Sebehill	1405	468	1,873	153	1,000	500
Guma Mende	1106	479	1,585	300	500	200
Maliandoe	1,320	705	2,025	1,500	500	100
Quardu	884	266	1,150	800	500	270
Zorzor	156	61	217			
Quapatamai	400	271	671			
Voinjama	409	112	521	16	1,000	300
TOTAL	5,680	2,362	8,042			

Gender composition of beneficiaries of the rehabilitation exercise for LAADCO supervised coops (2015-2016)

	Coop name	# of ha allocated	# of farmers	# of male	# of female
1	Guma Mende	500	500	365	135
2	Foya Maliandoe	525	525	364	161
3	Sebehill	625	625	512	113
Total		1,650	1,650	1,241	409

68. The quality of women's participation remains an issue. As indicated, it appears that while male farmers are extending their rehabilitated farms independently, this appears not to be the case with female households, where capital issues limit their ability to hire labour. There should be further focus by the project on the extent to which women can extend their crop area. Furthermore, there is little allocation of resources to gender mainstreaming in the AWPB. While this should be investigated further, it is recommended to include technical gender training for key staff and implementing partners, including at the district, county and cooperative levels. It is also recommended to promote women's leadership in cooperatives through the facilitation of exchange visits with Sebehill Cooperative, which is performing well under female leadership and training women members in value addition activities. A stocktaking of the gender aspects in the recently completed ScopeInsight cooperative surveys is also recommended, to assess any particular needs of women and areas for strengthening. The mission recommends any new performance-based contracts to be signed should include gender and targeting aspects, developed as a consultative process.

69. **Youth focus.** For youth, 5343 youth (4766 male, 577 female) have been mobilised into village youth groups to date (Table 7:), and 427 youth (87 females and 340 males) involved in roads side brushing. In addition, 14 interns (all male) were recruited to support the work of the existing 14 Young Professionals (12 male, 2 female). The previous supervision mission recommendation to assess the

project impact on youth, particularly youth groups, remains an outstanding issue. Given the remaining timeframe of the project, this should be included in the final impact assessment.

Table 7: Composition of Youth Groups

Fiscal Year	Total	MALE	FEMALE
2012-2013	1,357	1,320	37
2013-2014	2,215	1,935	280
2014-2015	1,771	1,511	260
Total	5,343	4,766	577

Agreed action	Responsibility	Agreed date
Document farmer selection process	PIU Tree Crops Officer/ M&E Officer	31 Dec, 2016
Allocate resources in the AWPB for technical gender training for key staff and implementing partners	PIU Tree Crops Officer/ M&E Officer	01 April, 2016
Link with the Land Commission to support women in securing land	PIU Tree Crops Officer	30 June, 2016
Promote women's leadership in cooperatives through facilitation of exchange visits	PIU Tree Crops Officer	31 Dec, 2016
Assess gender aspects in the ScopeInsight cooperative surveys (7 Coops in Lofa) to inform particular areas for strengthening	PIU Tree Crops Officer/ Agro-Business Consultant	29 Feb, 2016

E. Fiduciary aspects

70. **Quality of financial management (FM).** Overall, the mission notes that the quality of the project financial management is adequate. The PIU is characterized by a competent FM-team and strong internal controls. The FM capacity is weaker at the implementing partner level where most of the internal control issues are identified. The mission notes that the PIU's is following up on the recommendations made by previous missions with some minor exceptions. The main findings and recommendations are listed below.

71. **Internal controls.** The mission notes that there is sufficient level of segregation of duties, all payments are duly authorized and the financial data is backed up regularly. The mission recommends that the financial procedures manual be reviewed once a year and updated as necessary to address risks noted by the auditors and IFAD supervision missions.

72. **Financial progress.** As of 25 January, the project has spent USD 13.3 million against the planned USD 25 million yielding an execution rate of 53%. Under the IFAD loan the project has spent USD 11 million against the planned 16.9 million yielding an execution rate of 65%. Component two is slightly lagging behind the other Components with an execution rate of 41%, compared to Component one (54%), Component three (64%) and Component four (84%). The progress against the approved AWPBs has been modest in the past years partly due to the Ebola outbreak: In 2014/2015, the project spent USD 3.6 million against the budgeted amount of USD 6.7 million yielding an execution rate of 54%. In 2015/2016 the project has spent to date USD 1.7 million against USD 4.9 million yielding an execution rate of 35%. As at the date of the mission the PIU reported USD 1.1 million as hard commitments (contracts signed, not paid) as part of 14 construction contracts to be financed by IFAD.

In addition the project has seven ongoing Memorandum of Agreements (MoAs) with the Implementing Partners.

73. Flow of funds. The project maintains a Designated Account (DA) for the IFAD loan in the Central Bank of Liberia. The mission undertook a reconciliation of the DA and noted a reconciliation item of 100,000 USD in form of a loan to ASRP, which must be refunded by the end of February 2016.

74. Accounting. The PIU maintains its accounting records in accordance with IPSAS-cash basis of accounting. The project transactions are entered into the accounting software (TOMPRO) in a timely manner. The PIU is in the process of updating the accounting software to automatically generate all procurement reports as well as the extended statement of expenditures (SOE) as required by IFAD. After the extended SOE forms have been implemented, the mission recommends that the SOE thresholds be increased in order to further decrease the need of including supporting documentation in the withdrawal applications, and to reduce DHL-cost.

75. Withdrawal Applications (WAS). As of 29 January, a total of 30 WAs have been disbursed by IFAD amounting to SDR 7.9 million (USD 11.7 million) yielding a disbursement rate of 75% which is considered to be in line with the implementation period.

76. Status of funds. The mission reviewed the status of funds as at 29.1.2016 and noted that the Technical Assistance category has been overdrawn by 52% implying that no further withdrawal can be processed under the TA category before a formal reallocation has been approved by IFAD. This overdraft is largely due to: (i) support to a total of seven (7) cooperatives instead of the three (3) originally planned, (ii) the fees for the additional PIU resources (2 field accountants and 2 field capacity building officers) not initially forecasted; and (iii) trainings linked to Roads Rehabilitation.

77. Reallocation of funds. Given the status of funds described above and a review of the planned activities for the remaining project implementation period, the mission recommends that IFAD loan funds be reallocated among categories as follows: SDR 1,050,000 from the unallocated category and SDR 650,000 from the civil works category be reallocated to the TA category. The detailed proposal for reallocation is presented in detail in Table 8:.

78. **Counterpart and beneficiary contribution:** GOL contribution to the STCRSP is in the form of duty/tax exemptions on investment expenditures (totaling USD 69,621 since project start). The mission recommends that the level of government contribution be reviewed and recorded in the project accounts as goods/works/services are procured. Beneficiary contribution is made in two forms: (i) the 40% payback of the rehabilitation costs and (ii) cash for road maintenance. These have not materialized. Therefore, a review of contributions by financiers is to be revisited. The mission also reminds the PIU that procedures for the estimation, receipt, reporting by the IPs, and recording of these contributions in the project accounts must be established and formalized in the procedures manual.

Table 8: STCRSP IFAD Loan-852: Proposed Reallocation

Category description	Allocation	Disbursed amount to date (SDR)	Disbursement progress to date (%)	Available Balance	Proposed Allocation after reallocation and cancellation	Difference (SDR)	Available Balance after the reallocation (SDR)	Estimated Available Balance after the reallocation (USD)*
Initial deposit		978 892		-978 892			-978 892	
Civil works	5 350 000	2 967 840	55.5%	2 382 160	4 750 000	-600 000	1 782 160	2 463 446
Equipment, goods, and materials	1 250 000	983 690	78.7%	266 310	1 250 000		266 310	368 115
Technical assistance	1 140 000	1 733 042	152.0%	-593 042	2 790 000	1 650 000	1 056 958	1 461 013
Salaries, allowances and operating costs	1 710 000	1 236 982	72.3%	473 018	1 710 000		473 018	653 844
Unallocated	1 050 000			1 050 000	0	-1 050 000	0	0
Total	10 500 000	7 900 445	75.2%	2 599 555	10 500 000	0	2 599 555	3 593 315

*using the exchange rate of 2 February 2016 (0.723442)

79. **Use of Statement of Expenditure (SOE) and adequacy of supporting documentation.** The mission examined a sample of expenditures claimed using SOEs under Withdrawal Applications (WAs) 23, 24, 28, and 30, noting the following: i) all Purchase Orders (POs) are duly authorized and entered into the accounting system, ii) supporting documentation is available, and iii) the filing system is adequate. However, the mission noted that the quality of the retirement documentation including the completeness of the supporting documentation from the IPs should be improved by taking the following actions: i) use of harmonized templates for retirement, ii) inclusion of handover notes for all goods/tools to the beneficiary groups, iii) inclusion of certificate of an independent person (PIU) that rehabilitations have been duly completed and iv) inclusion of travel authorizations and Back-to-Office-Reports (BTORs) for all travel related expenditures.

80. **Compliance with loan covenants.** The mission notes that all loan covenants have been complied with except for the late submission of the 2015/2016 AWPB.

81. **Implementing partners.** Project advances funds to seven implementing partners (IPs). To date a total amount of USD 2,541,014 has been advanced to the IPs, of which USD 2,498,241 (98%) have been justified. The External Auditors have identified significant internal control issues with several of the IPs, which need to be followed up on in order to mitigate the high risk of incurring ineligible expenditures. The mission also recommends that the PIU monitors the operating cost and incentives incurred by the IPs and strengthens the FM capacity of the IPs through training.

82. **Fixed Asset Management.** The PIU maintains a Fixed Asset Register (FAR) in Excel and in the accounting software. All assets are tagged and an inventory exercise is carried out annually. The mission recommends that the FAR in the software is completed, and the annual inventory reports be duly signed by the FC and filed.

83. **Financial reporting.** The mission assesses the quality of financial reporting is adequate. The mission reminds PIU that quarterly interim financial reports should be submitted to IFAD on a timely basis and that the project financial statements should be prepared and submitted to IFAD as well as to the external auditor by the end of August each year.

84. **Internal Audit arrangements.** The project is included in the audit plan of the Central PMU Internal Auditor (IA). The mission recognizes the added value of the IA function.

85. **External Audit arrangements.** The financial audit of the FY 2014/2015 accounts was conducted by MGI -Monbo & Company in accordance with International Standards on Auditing (ISA). The audit report was received in a timely manner and the auditors issued an *unqualified opinion* on the project financial statements, statement of expenditure and operation of the designated account. The management letter revealed some internal control weaknesses at IP level, which at the time of the mission still requires some follow-up. In accordance with the national law, STCRSP is in the future to be audited by the General Auditing Commission (GAC). The mission met with the GAC, who confirmed that the project has been included in its audit plan. The mission recommends that the PIU obtains a written confirmation from the GAC that regarding its audit plan and that the audit TORs are formally agreed with IFAD. The mission clarified that all reasonable incremental cost of the audit incurred by GAC will be covered by the project.

Agreed action	Responsibility	Agreed date
Develop an AWPB for the final year of implementation including all winding up activities and Submit the AWPB to IFAD for non-objection two months before beginning of the fiscal year.	PIU	1st May 2016
Agree with IFAD on a reallocation of funds among categories.	PIU/MoA/MoF/ IFAD	Immediate
Settle the inter-project loan of USD 100,000 to the STCRSP designated account	FC/PIU	28th February

Modify the accounting software to produce new SOE forms	FC/PIU	30th March 2016
Complete the FAR in the accounting system and issue formal annual inventory reports	FC	30th March 2016
Quarterly Interim financial reports (IFR) and annual project financial statements (unaudited) to be submitted to IFAD in a timely manner.	FC	IFR 4 weeks after the end of the reporting period. PSF: August 30th 2016
Monitor the IPs performance and improve the quality of supporting documentation by providing training and introducing harmonized procedures and templates as well as guidance regarding the required supporting documentation.	FC	Continuous
Review and update the Financial Procedures Manual - and send it to IFAD for Non objection	FC	30th March 2016
Formalize procedures on how to fully capture all tax exemptions provided by GoL and all beneficiary contribution.	PIU (Technical staff, Procurement officer and FC)	30th March 2016

86. **Procurement.** The Mission observed during the review of the Procurement Plan (PP) that the Procurement Unit is not fully involved in finalizing the AWPB. It is essential that all of the stakeholders have a chance to comment, and all the inputs from technical, financial and procurement teams are correctly reflected therein, and the AWPB is understood by all of them. Only thereafter, the procurement plan may be prepared correctly.

87. It was observed that, when a new procurement is being initiated, the TOR /Specifications are not reviewed by Procurement Unit. With a view to ensuring that procurement actions yield expected results, it is essential that the TOR/Specifications are reviewed by Procurement Staff in advance in order to ensure that elements necessary for efficiently conducting procurement are included and described properly therein.

88. While the Procurement PP at PIU is prepared in a meticulous manner based on Excel formula and other functions to minimize the manual input of the data, it was observed that the PP is not constantly updated by the Procurement Unit. As the PP is not an itemized list of the requirements, but a monitoring tool for implementing all the procurement in a timely manner, the Mission recommends that the Procurement Unit constantly monitor and update the PP utilizing the newly introduced Revised Schedule row. The Mission also recommends that PIU convenes a Monthly (or Quarterly) Procurement Meeting, between the Procurement Unit and the technical departments (requesters) based on updated PPs.

89. The Mission observed that all the contracts are drafted by the Financial Controller. Since drafting contracts is a core function of procurement, the Mission recommends that the function be handed over to the Procurement Officer. Likewise, the Mission recommends that all the MOUs be drafted by the Procurement Officer after each case is processed by the Procurement Unit in an identical manner as the commercial contracts. In case an MOU is to be signed without a competition, justifications for direct contracting needs to be sent to IFAD for No Objection.

90. While the Contract Register is prepared in a satisfactory manner, the Mission observed that the Procurement Unit is not involved in contract monitoring in terms of its administrative part. It is therefore recommended that the Contract Register is amended by Procurement to include new columns necessary for contract administration so it may serve as an effective Contract Register and Administration Table.

91. The Mission observed that invoices are processed for payment without certification by the Procurement Unit. The Mission recommends that invoices after certification by the contract managers should go through the Procurement Unit in order to ensure compliance with the payment conditions in the contract.

92. The May 2015 Supervision Report recommended that TOMMARCHE, the procurement module of the TOMPRO software should be operationalized. The Mission notes that has yet to be done. The Mission understands that an engineer from the supplier will visit the project for customization of the software in Feb/Mar 2016, and urges the Procurement Unit to pursue the functionality of the procurement module to ensure that the Procurement Plan based on a new PP template is uploaded into TOMMARCHE. The Procurement Unit should then monitor/update the PP through TOMMARCHE on a real time basis.

Agreed action	Responsibility	Agreed date
Procurement Unit shall be involved in finalization of AWPB	PC/FC	30 April 2016
TOR/specifications shall be reviewed and modified as appropriate by Procurement Unit	Technical staff & Proc Officer	01 March
Constant updating of the PP and sharing the copy among PC and the originators	Proc Officer	01 March
Monthly (or Quarterly) meeting between Procurement Unit and originators on procurement execution	Proc Officer	30 April 2016
Functions of TOMMARCHE to be fully utilized	Proc Officer	30 September 2016
Contract Registration & Administration Table to be produced and implemented	Proc Officer	30 April 2016
All contracts/MOUs shall be drafted by Procurement Unit	Proc Officer	01 March
Invoices should be certified by the Procurement Unit before payment is processed by the Finance.	PC/FC	30 April 2016

F. Sustainability

93. With less than 18 months of project life left the issue of sustainability of project investments comes to the fore. The mission carefully assessed the issue.

94. **Institution building.** The project has invested a lot in this area. The Coops supported by the project appear to be self-managed and their governance systems are transparent and largely free from political interference. The mission is of the view that the training of the Coop management teams (Management and Board) is making some contribution to their effectiveness. However, the mission has serious doubts as to the types and level of services provided to the members. When queried during the mission, farmers could not say what services beyond rehabilitation were provided by the cooperatives. The limited support provided by cooperatives to its members is achieved in great part due to the subsidy provided by the project. There is no convincing evidence that Management teams will survive when the stipends they receive from the project ends as it is clear that the Coops will not be able to continue to pay the stipends. While there are indications that the Management Team will stay in place post project in the most active Coop as members are from the local community, the mission got no evidence of that from other Coops. Capacity building of Board members three of who receive stipends as advisers to the Management team, is likely be sustainable as the members will stay with the Coops. To the extent that they can run the affairs of the Coops (evident in one of the Coops visited) they will make a great contribution to the survival of the Coops.

95. **Empowerment:** The mission got a mixed picture of the degree to which Coop members including women have been empowered and have gained control and manage their own affairs. In one case it was evident that the Board has a major say in the management of the Coop and have the

confidence and support of the general membership. The support to the CAC and DAOs is evidently helping to improve their performance in most cases, making a contribution to the sustainability of the intervention.

96. **Quality of beneficiary participation.** Supported Coops hold general meetings and assemblies in which the views of members on project implementation are expressed and Boards are elected. In these instances, beneficiaries have some role in influencing the sequencing of project activities. While the beneficiary contributions could be improved, beyond the brushing of paths to allow road contractors to access roads to be rehabilitated or youth groups to access farms, the Mission noted that beneficiaries are rehabilitating, with their own resources, their farms beyond the 1ha done under the project. Beneficiary repayments for farm rehabilitation or contributions for road maintenance remain an issue but these should be considered as design flaws.

97. **Responsiveness of service providers.** The project is using a number of local contractors for road rehabilitation, one private sector exporter for commercialization of produce and youth groups for implementation of farm rehabilitation. Service provision is demand driven in rural road rehabilitation to the extent that the roads to be rehabilitated are decided by local communities (there is an outstanding example of this where the community held out for the road it wanted to the extent of being dropped out of the activity in the first year!) It is clear to the mission that the capacity of the road contractors has been enhanced by their participation in the project and that the experience is being carried forward to other areas. For farm rehabilitation, to the extent that farmers to be rehabilitated are selected by the Coops, the system can be regarded as demand driven. However, the system of aying youth groups to rehabilitate farms is not sustainable.

98. It is in the area of commercialization that the system is clearly not demand driven and service provision cannot be regarded as responsive. Farmers and their Coops have no choice but to receive input and marketing credit and make sales to the one service provider (LAADCO) selected by the project. The service provider has not succeeded in building a transparent and equitable relationship with its clients – the Coops and farmers.

99. **Exit strategy (readiness and quality).** The mission found no evidence that any meaningful project wide exit strategy has been developed or is in place for project activities. Some elements of the strategy were in project design and have been successfully implemented (institutional support to existing County Government institutions (CAC, DAOs) which are expected to continue to provide enhanced services to farmers, but others in project design have not been successfully implemented (farmer repayments for farm rehabilitation or contributions for road maintenance, community feeder road maintenance scheme).

100. **Potential for scaling up and replication:** There is a great possibility of scaling up and replication of the project, if the sustainability issues discussed in report are addressed, e.g. use of the Kuu system for farm rehabilitation rather than youth groups, ensuring that there is competition in the commercialization system, there is independent verification of produce grading systems, farmers are allowed a choice in selling their produce by divorcing credit and input supply channels from marketing channels, there is increased supervision to ensure that feeder roads are built to specifications, feeder road maintenance systems are harmonised across the country. Lessons learned from the implementation have been factored into the new Tree Crops Extension Project in Nimba County.

G. Conclusion

101. The project has resumed full operations after the severe slow down during the Ebola crisis. The 2015-2016 Annual Work Plan and Budget (AWPB) totals USD 4.9 million and financial progress against the AWPB is USD 1.7 million, 35% of the total budget. When taking into account commitments the progress is 60%. The procurement plan is for an amount of USD 433 319 of which overall progress is 40%..

102. Two thousand and eight hundred ha of cocoa and 700 ha of coffee were rehabilitated (under brushed and de-shaded in 2014-15 and about 3000 ha are under rehabilitation in 2015/2016. Rehabilitation has led to increased yields from rehabilitated areas, although it is not possible to precisely estimate the percentage yield increase. Furthermore, available information suggests that most farmers who had one ha of their farms rehabilitated through the project have since proceeded to rehabilitate other parts of their farms.

Rehabilitation is carried out by Youth Groups organized and recruited by the Cooperatives. To date the project through the cooperatives has engaged a total of 5,343 youths (4766 male and 577 female) in the 7 Districts, and have infused over USD 700,000 into over 200 communities up to December 2015, and are expected to infuse a further USD 231,000 in 2016

103. Through their Coops, farmers sold close to 422.9 mt of cocoa in 2015-2016, bringing the total tonnage commercialized through the private sector exporter (LAADCO) during the three-year life of the project to 1,118.8 mt (1,056.5 mt cocoa and 62.2 mt coffee) valued at USD 1.9 million. However, it is in the system of commercialization of produce using the model of coops linked to one private sector exporter that the project has encountered difficulties. The service provider has not succeeded in building a transparent and equitable relationship with its clients – the Coops and farmers

104. To date 143.2 km of farm-to-market-roads are at various stages of construction. These roads are having noticeable positive effect on traffic volumes and the benefits are much appreciated by communities serviced even before full completion of road works. Accounting for the actual average cost per km of road, the design target of 315 km will have to be revised downward to 215km. On site supervision would need to be strengthened. For long term sustainability, all stakeholders will need to be sensitize on their role and contribution for regular road maintenance.

105. As part of its capacity building effort, central and mini warehouses, offices for the CAC and DAOs in Lofa are now constructed. Fourteen (14) Young Professionals¹¹ (YPs) from the 7 districts and 14 Interns from the Lofa County Community College (LCCC) in various rehabilitation activities on the cocoa and coffee farms in the seven (7) districts have been hired

106. With less than 18 months to project closure the sustainability of systems put in place comes to the fore. The mission found no evidence that any meaningful project wide exit strategy has been developed or is in place for project activities, a situation which calls for some remedial action. The training of the Coop management teams (Management and Board) is making some contribution to their effectiveness. However, limited support provided by cooperatives to its members is achieved in great part due to the subsidy provided by the project. There is no convincing evidence that Management teams will survive when the stipends they receive from the project ends as it is clear that the Coops will not be able to continue to pay the stipends.

107. It is noteworthy that there is a great possibility of scaling up and replication of the project, if the sustainability issues discussed in report are addressed. Lessons learned from the implementation have been factored into the new Tree Crops Extension Project in Nimba County.

108. IFAD and the Government of the Republic of Liberia endorse the findings and the recommendations of the supervision mission.

¹¹ 7 Tree Crop YPs and 7 M&E YPs.

Appendix 1: Summary of project status and ratings

Basic Facts

Country	Liberia	Project ID	1616 [1100001616]	Loan/DSF/Grant/ASAP FI No.	1000004133
Project	Smallholder Tree Crop Revitalization Support Project			Top-up Loan/DSF/Grant/ASAP FI No.	
Date of Update	01-Feb-2016				
Supervising Inst.	IFAD				
No. of Supervisions	7	No. of Implementation Support/Follow-up missions	3		
Last Supervision	12-Feb-2016	Last Implementation Support/Follow-up mission	18-Oct 2013		

					USD million	Disb. rate %
Approval	13-Dec-2011			Total financing	24.96	
Agreement	10-Jan-2012	Effectiveness lag	7.1	IFAD Total	16.88	
Entry into force	13-Jul-2012	PAR value	Not at risk	IFAD loan	16.88	75
First disbursement	13-Nov-2012			DSF grant		
MTR	05-May-2015	Last amendment		IFAD grant		
Original completion	30-Sep-2017	Last audit	17-Feb-2015	ASAP grant	0.00	0
Current completion	30-Sep-2017			Domestic Total	8.08	
Current closing	31-Mar-2018			Beneficiaries	0.92	
No. of extensions	0			National Govern	2.02	
				Local private	5.13	17
				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	5	5	2. Performance of M&E	3	3

3. Counterpart funds	4	4	3. Coherence between AWPB & implementation	3	3
4. Compliance with financing covenants	4	4	4. Gender focus	3	4
5. Compliance with procurement	3	3	5. Poverty focus	5	5
6. Quality and timeliness of audits	4	5	6. Effectiveness of targeting approach	4	4
			7. Innovation and learning	5	5
			8. Climate and environment focus	4	4

B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Cocoa and Coffee Rehabilitation	3	4	1. Institution building (organizations, etc.)	4	4
2. Farm to market roads rehabilitation	3	3	2. Empowerment	5	5
3. Institutional Capacity building	4	4	3. Quality of beneficiary participation	3	4
			4. Responsiveness of service providers	4	3
			5. Exit strategy (readiness and quality)	4	3
			6. Potential for scaling up and replication	5	5

B.5 Justification of ratings

B.1.5 The procurement unit is not fully involved in finalizing the AWPB and the procurement plan not regularly updated. B.1.6 Quality and timeliness of audits has improved. The financial audit of the FY 2014/2015 accounts was conducted by MGI -Monbo & Company in accordance with International Standards on Auditing (ISA). The audit report was received in a timely manner and the auditors issued an *unqualified opinion* on the project financial statements, statement of expenditure and operation of the designated account. B.2.2 Reporting is largely focused on activities and output indicators. Given that the project is reaching its fourth year of implementation, more effort is required to capture information on outcomes (i.e. yields, sustainability of roads, adoption of improved farming practices) and ultimately on project impact on the livelihoods of its beneficiaries. Although a plethora of data is available i.e. at the cooperative level, the degree of standardization should be improved. B.2.3 The AWPB was submitted late and has an execution rate of 35%; this is in great part due to EVD outbreak. B.2.4 In terms of gender the project has exceeded its targets - female beneficiaries currently comprise 29% of Coop members, 33% of beneficiaries of rehabilitation, and 12% of Youth Groups, against the 25% target. Women have crucial management and leadership roles in some Coops. B.3.1 Despite the challenges encountered due to the EVD outbreak component 1 is at 54% of execution at mid-year (youth have been hired, rehabilitation has been conducted, etc.). B.3.2 34km of roads have been completed, 109km are ongoing with different stages of completion. B.4.3 Farmers interviewed are expanding the rehabilitation beyond the 1 ha included in the project. B.4.4 The private operator, partner of the project, has not succeeded in building a transparent and equitable relationship with its clients – the Coops and farmers.

Overall Assessment and Risk Profile

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

Rationale for implementation progress rating

Available information suggests that farmers who had one ha of their farms rehabilitated through the project have since proceeded to rehabilitate other parts of their farms. It is evident that the project has achieved the expected positive effect on farm productivity and that the demonstrated improved technology is being adopted by farmers. Farm to market road rehabilitation has resulted in good quality roads which are already having a very positive impact on target village communities even before full completion. The assumption is that given that the physical assets have increased thanks to the project (25% female), we can infer that also food security has improved.

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

Having met both the first to third year rehabilitation targets, despite the disruptions caused by the EVD emergency, the project is in a strong position to deliver on the overall appraisal targets and meet the development objectives. The emphasis on cooperatives as a viable business, and the focus on promoting sustainability and implementation of a clear exit strategy should ensure that project stakeholders are committed to commercialising cocoa/ coffee production in the interest of improving farmer incomes. The rehabilitation of farms provides on the one hand, scope for positive improvement to production levels, and the partnership with the private export partner and the good conditions provided, presents the scope for generating income through increased production. The creation of youth employment opportunities and injection of cash into the communities is also contributing to the likelihood of achieving the development objectives

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

Fiduciary aspects:

In the past the AWPB has been submitted to IFAD late, nearly two months after the beginning of the fiscal year. They should be submitted to IFAD in a timely manner, and the format of the AWPB should include physical targets by activity. Also, PIU to constantly monitor the USD/SDR exchange rate and the availability of funds in order not to over commit project resources.

Project implementation progress:

It is critical that the procurement procedures/ processes are implemented in a timely manner to ensure no unnecessary delay in carrying out project activities. Particularly, delays in conditions set for awarding the contract for the road rehabilitation should be eliminated. The TOMMARCHE software be fully implemented

Outputs and outcomes

Key risks by component relate to: (i) cocoa/ coffee rehabilitation –repayment mechanism (ii) farm to market roads rehabilitation – putting in place a more effective system of supervision of contractors, ensuring that MPW collaborates in designing and implementing a participatory system for community participation and ownership of maintenance of rehabilitated roads; (iii) institutional capacity building – cooperatives' design and adherence to revised business plans; sound financial management.

Sustainability

No Coops have developed any meaningful project wide exit strategy for project activities. This must be urgently addressed, and must include strategies for keeping management teams in place, securing higher returns for produce delivered by members. For feeder roads, establishing an effective community owned and operated road maintenance system is still required.

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
Procurement weaknesses	Implementation of TOMMARCHE software; training of the project staff; realignment of the procurement function within the procurement unit; procurement plan regular update, follow-up and monitoring.	30 Apr 2016	Ongoing
Coop capacity building	Development of a tailored capacity building plan for the cooperatives as a follow-up activity to the SCOPEinsight coop assessment.	31 Dec 2016	Ongoing
Reallocation	Reallocate funds amongst categories to accommodate Category III.	31 Mar 2016	Pending
Roads	Review the road targets and implement the revised road contract management approach to strengthen on-site supervision.	30 Apr 2016	Pending

Additional observations

Appendix 2: Updated logical framework: Smallholder Tree Crop Revitalization Support Project (STCRSP). Progress against objectives, outcomes and outputs

Results Hierarchy	Indicators	Results (cumulative for outputs)			Target	Means of Verification		
		YR1	YR2	YR3	End Target	Source	Frequency	Responsibility
Goal: Empower the rural poor to increase their food security and improve their livelihoods, in the counties covered by IFAD, on a sustainable basis	1. No. of smallholder farmers with an improved household assets ownership index based on additional assets*	-	-	-	15,000 (at least 25% female & 50% youths)	■ MDG progress report ■ WFP Food security and analysis report ■ WFP Vulnerability Analysis and Mapping ■ LISGIS surveys	Baseline and Completion	PMU/PIU
	2. % reduction in child malnutrition prevalence in the targeted smallholder farmers' households*	-	-	-	20%			
	3. % of targeted smallholder farmers' households report an improvement of food security (duration/frequency of hungry season)*	-	-	-	25%			
Development Objective: Incomes of targeted cocoa and coffee	4. Increased income generated by cocoa and coffee farming	-	-	-	Income at least x 5 for 80% of the targeted smallholders (at least 25% female & 50% youths)	■ Project impact assessment	Baseline, Mid-Term and Completion	PMU/PIU

Results Hierarchy	Indicators	Results (cumulative for outputs)			Target	Means of Verification		
		YR1	YR2	YR3	End Target	Source	Frequency	Responsibility
smallholder producers have increased	5. Increased cocoa and coffee prices received by targeted smallholder farmers on local markets	-	-	-	Prices at least x 2 for 80% of the targeted smallholders (at least 25% female & 50% youths)	studies and surveys ▪ National and local household income and poverty studies		
	6. Increased cocoa and coffee sales by targeted smallholder farmers	-	-	-	Sales at least x 3 (at least 25% female & 50% youths)			
Outcome 1 Increased quantity and quality for the targeted cocoa and coffee smallholder producers	7. No. of farmers using improved cocoa/coffee production practices	-	-	-	15,000 (at least 25% female & 50% youths)	Project progress Reports Ad-hoc surveys	yearly	PIU/TCO
	8. No. of coops that are profitable and finance recurring cost	-	-	-	7	Project progress Reports Ad-hoc surveys	yearly	PIU/ICBO
	9. No. of processing facilities functioning	19	12	121	3,000	Project progress Reports Ad-hoc surveys	yearly	PIU/ICBO
Outputs	10. Marketing groups formed/strengthened	5	7	7	3	Project progress Reports	monthly	PIU/ICBO
	11. People trained in crop production and technologies	1,350	5,670	8,820	15,000	Project progress Reports	monthly	PIU/TCO
	12. People trained in post-production, processing and marketing	105	105	105	-	Project progress Reports	monthly	PIU/TCO

Results Hierarchy	Indicators	Results (cumulative for outputs)			Target	Means of Verification		
		YR1	YR2	YR3	End Target	Source	Frequency	Responsibility
	13.Processing facilities (solar dryers) constructed/rehabilitated	25	39	160	3,000	Project progress Reports	monthly	PIU/ICBO
	14.Storage facilities (warehouses) constructed/rehabilitated	10	16	33	-	Project progress Reports	monthly	PIU/ICBO
Outcome 2 Improve access to markets through rehabilitation of roads	15.% of km of roads passable year round	-	-	-	80%		yearly	Engineers
Outputs	16.Roads constructed (km)	0	0	34	315	Field Report	monthly	Engineers
Outcome 3 Reinforce the extension services of the Ministry of Agriculture and private providers, and strengthen farmers' organizations	17.% of the targeted cocoa and coffee producers sell their production through group arrangements (at least 25% female & 50% youths)	-	-	-	20%	Project progress Reports Ad-hoc surveys	yearly	PIU/ICBO
	18.No. of agreements link cooperatives and standard commodity and/or fair trade private buyers	-	-	-	3	Project progress Reports Ad-hoc surveys	yearly	PIU/ICBO
Outputs	19.Staff of service providers trained	152	152	152	-	Project progress Reports	monthly	PIU/ICBO

Results Hierarchy	Indicators	Results (cumulative for outputs)			Target	Means of Verification		
		YR1	YR2	YR3	End Target	Source	Frequency	Responsibility
	20.No. of cooperatives with a legal status and a board (at least 25% female members & 25% female in leadership positions)	5	7	7	3	Project progress Reports	yearly	PIU/ICBO

* RIMS indicators

No baseline was conducted.

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

Action Area	Agreed action	Responsibility	Agreed date
Component 1: Tree crop rehabilitation	Design and launch an investigation to understand why farmers are not making the required 40% repayment of rehabilitation costs, and see what level of repayment can be achieved	Lofa PIU, CAC,DAO,YPs, LAADCO, Coops	30 June
	Discuss with LAADCO the possibility of reviewing the incentive structure offered to Coops	MOA, PIU, CDA	31 March
	Launch a campaign to get progressive farmers (once agreed on selection criteria) to construct and use solar dryers with donated plastic	Lofa PIU, CAC,DAO,YPs, LAADCO, Coops	30 June
	Explore the possibility of setting up a pool of independently trained graders to establish the grades of produce delivered to LAADCO and develop a proposal	PIU, Coops, LAADCO	30 April
Component 2: Feeder Roads	Start Procurement process for the gravel pavement for the remaining 48.1 km of roads	Procurement, Project Coordinator,	Feb 20, 2016
	<i>Advertise 48.1km of roads</i>	<i>Procurement,</i>	<i>Feb. 28, 2016</i>
	Prepare bidding documents for 125km of the 3rd batch of roads	PIU engineers and procurement officer	April 31, 2016
	Advertise 125 km of 3 rd batch of roads	Procurement	May 20, 2016
	Sign contracts with successful bidders for 125km batch of roads	PIU, Project Coordinator, ICB team, tree crops officer	30 June, 2016
	Community sensitization on road maintenance	PIU civil engineers with PP and coops, M&E	Continuous
	Continuous reminder/ warning to delinquent contractors	Project Coordinator	Continuous
	Undertake baseline of roads – traffic, differentiated crop prices; identify indicators	PIU civil engineers and M&E Officer	Continuous
	Restructure PIU by introducing daily field supervision on road project sites	PIU	May 2016
Component 3: Feeder Roads	Update all cooperatives business plans for the next commercialization seasons (including sustainability plan)	External consultant, PIU ICB team and IPs	30 May 2016

Action Area	Agreed action	Responsibility	Agreed date
Component 4: Capacity building	Finalize cooperative procedures manual, to include structure, responsibilities and accountability mechanisms, internal controls and remuneration	PIU ICB team and IPs	30 June 2016
	Undertake a monthly monitoring and audit of advances of the cooperatives financial situation	Lofa PIU accounting consultant	Continuous
	Development of a capacity building plan based on the SCOPEinsight Coops' assessment	MOA, CDA, PIU SCOPEinsight	30 April
	Printing and distribution of STP manual	IFAD, PIU	30 April
	Review/revise incentive-accountability framework, as well as data flow, for M&E in current MoU between MOA at Central and Decentralized level	MOA, Central and Lofa PIU	15 March
	Ensure necessary actions are taken to purchase and install GIS software on YPs computers	Central and Lofa PIU	31 March
	Finalize farmers database (one-stop-shop for all data related to rehabilitation, production, commercialization)	Central and Lofa PIU (with support from CAC/DAOs, YPs, IP, Coops)	30 April
M&E	Field a team to learn the SL experience in dissemination of project information to farmers & others	PIU	30 June
	Print and distribute the STP learning manual	IFAD and PIU	30 June
	Document farmer selection process	PIU Tree Crops Officer/ STCRSP M&E Officer	31 Dec, 2016
	Allocate resources in the AWPB for technical gender training for key staff and implementing partners	PIU Tree Crops Officer/ STCRSP M&E Officer	01 April, 2016
	Link with the Land Commission to support women in securing land	PIU Tree Crops Officer	30 June, 2016
	Promote women's leadership in cooperatives through facilitation of exchange visits	PIU Tree Crops Officer	31 Dec, 2016
	Assess gender aspects in the ScopeInsight cooperative surveys (7 Coops in Lofa) to inform particular areas for strengthening	PIU Tree Crops Officer/ Agro-Business Consultant	29 Feb, 2016
Fiduciary Aspects	Develop an AWPB for the final year of implementation including all winding up activities and Submit the AWPB to IFAD for non-objection two months before beginning of the fiscal year.	PIU	1st May 2016
	Agree with IFAD on a reallocation of funds among categories.	PIU/MoA/MoF/ IFAD	Immediate

Action Area	Agreed action	Responsibility	Agreed date
	Settle the inter-project loan of USD 100,000 to the STCRSP designated account	FC/PIU	28th February
	Modify the accounting software to produce new SOE forms	FC/PIU	30th March 2016
	Complete the FAR in the accounting system and issue formal annual inventory reports	FC	30th March 2016
	Quarterly Interim financial reports (IFR) and annual project financial statements (unaudited) to be submitted to IFAD in a timely manner.	FC	IFR 4 weeks after the end of the reporting period. PSF: August 30th 2016
	Monitor the IPs performance and improve the quality of supporting documentation by providing training and introducing harmonized procedures and templates as well as guidance regarding the required supporting documentation.	FC	Continuous
	Review and update the Financial Procedures Manual -and send it to IFAD for Non objection	FC	30th March 2016
	Formalize procedures on how to fully capture all tax exemptions provided by GoL and all beneficiary contribution.	PIU (Technical staff, Procurement officer and FC)	30th March 2016
Procurement	Procurement Unit shall be involved in finalization of AWPB	PC/FC	30 April 2016
	TOR/specifications shall be reviewed and modified as appropriate by Procurement Unit	Technical staff & Proc Officer	01 March
	Constant updating of the PP and sharing the copy among PC and the originators	Proc Officer	01 March
	Monthly (or Quarterly) meeting between Procurement Unit and originators on procurement execution	Proc Officer	30 April 2016
	Functions of TOMMARCHE to be fully utilized	Proc Officer	30 September 2016
	Contract Registration & Administration Table to be produced and implemented	Proc Officer	30 April 2016
	All contracts/MOUs shall be drafted by Procurement Unit	Proc Officer	01 March
	Invoices should be certified by the Procurement Unit before payment is processed by the Finance.	PC/FC	30 April 2016

Appendix 4: Physical progress measured against AWP&B, including RIMS indicators (Results Tracking Sheet for the Smallholder Tree Crop Revitalization Support Project (STCRSP))

Component/Sub-component or Output/ Result12	Indicator	Unit	Period: 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
Component 1 – Cocoa/ Coffee Revitalization								
<u>Outcome level results</u>								
Cocoa/ coffee production multiplied by at least 3 for 80% of the targeted smallholders	No of farmers with increased cocoa/ coffee production	Person	3,500	3,150	90%	15,000	8,820	59%
		Male	1,519	1,505	99%	6,910	4,875	70%
		Female	824	634	77%	2,844	1,349	47%
		Male Youth	1,106	923	83%	4,340	2,377	55%
		Female Youth	51	88	172 %	906	219	24%
Percentage of bad beans reduced by at least 50% for 80% of the smallholders	No of farmers with reduced percentage of bad beans	Person						

Component/Sub-component or Output/ Result12	Indicator	Unit	Period: 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
		Male						
		Female						
15,000 farmers use improved production practices	No of farmers using improved cocoa/ coffee production practices *	Person	3,500	3,150	90%	15,000	8,820	59%
		Male	1,519	1,505	99%	6,910	4,875	70%
		Female	824	634	77%	2,844	1,349	47%
		Male Youth	1,106	923	83%	4,340	2,377	55%
		Female Youth	51	88	172 %	906	219	24%
15,000 farmers have access to drying, storage or packaging facilities	No of processing facilities functioning (need a definition of functioning at a high quality even after initial years) *	Hectare s	600	121	20%	3,000	160	5%

Component/Sub-component or Output/ Result12	Indicator	Unit	<u>Period:</u> 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
<u>Output level results</u>								
15,000 farmers use improved production practices	No of farmers trained in cocoa/ coffee production practices *	Person	3,500	3,150	90%	15,000	8,820	59%
		Male	1,519	1,505	99%	6,910	4,875	70%
		Female	824	634	77%	2,844	1,349	47%
		Male Youth	1,106	923	83%	4,340	2,377	55%
		Female Youth	51	88	172 %	906	219	24%
	No of village youth hired to underbrush cocoa & coffee farms	Person	1,000	1,552	155 %	5,000	5,551	111%
		Male Youth	750	1,321	176 %	3,750	4,766	127%
		Female Youth	250	231	92%	1,250	577	46%

Component/Sub-component or Output/ Result12	Indicator	Unit	Period: 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
15,000 farmers have access to drying, storage or packaging facilities	No of processing facilities constructed *	Number	600	121	20%	3,000	160	5%
15,000 farmers have access to drying, storage or packaging facilities	No of farmers with access to drying, storage or packaging facilities	Person	3,500	3,150	90%	15,000	8,820	59%
		Male	1,519	1,505	99%	6,910	4,875	70%
		Female	824	634	77%	2,844	1,349	47%
		Male Youth	1,106	923	83%	4,340	2,377	55%
		Female Youth	51	88	172 %	906	219	24%

Component/Sub-component or Output/ Result12	Indicator	Unit	Period: 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
Component 2 – Rehabilitation of farm to market roads								
Outcome level results (should be specified if farmers reported under Component 2 are the same as those under Component 1)								
Selling on the local and export markets multiplied by at least 3 for 80% of the targeted smallholders	No of farmers with increased sales on the local and export markets	Person	N/A	N/A				
		Male	N/A	N/A				
		Female	N/A	N/A				
		Male Youth	N/A	N/A				
		Female Youth	N/A	N/A				
Losses/ damage for produce reaching the	No of farmers reporting decreased damage/	Person	N/A	N/A				

Component/Sub-component or Output/ Result12	Indicator	Unit	<u>Period:</u> 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
market divided by 2 for 80% of the targeted smallholders	loss in produce when reaching the local and export markets							
		Male	N/A	N/A				
		Female	N/A	N/A				
		Male Youth	N/A	N/A				
		Female Youth	N/A	N/A				
80% of farm to market roads are rehabilitated and passable the year round	Km of roads passable the year round * (also feeds into the rating on sustainability of roads constructed/ rehabilitated)	Km	83 km	0.0 Km	0%	315 km	34 km	11%
<u>Output level results</u>								
Selling on the local and export markets multiplied by at least 3 for 80% of the targeted smallholders	No of farmers reporting selling on the local and export markets	Person	N/A	N/A	-	-	-	-
		Male	N/A	N/A				
		Female	N/A	N/A				

Component/Sub-component or Output/ Result12	Indicator	Unit	<u>Period:</u> 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
		Male Youth	N/A	N/A				
		Female Youth	N/A	N/A				
80% of farm to market roads are rehabilitated and passable the year round	Km of roads constructed/ rehabilitated *	Km	83 km	0	0%	315 km	34 km	11%
	No of youth hired to side brush farm to market roads	Person	1,743	405	23%	6,615	832	13%
		Male Youth	1,307	366	28%	4,961	706	14%
		Female Youth	436	39	9%	1,654	126	8%
Component 3 – Institutional capacity building								
<u>Outcome level results</u>								
20% of the targeted smallholders sell their produce through group arrangements	No of farmers selling their produce through group arrangements	Person						
		Male						

Component/Sub-component or Output/ Result12	Indicator	Unit	Period: 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
		Female						
		Male Youth						
		Female Youth						
Three agreements link cooperatives and standard commodity/ fair trade private buyers	No of agreements between cooperatives and standard commodity/ fair trade private buyers	Number	7	7	100 %	3	7	233%
Three agreements link cooperatives and standard commodity/ fair trade private buyers	No of cooperatives covered by agreements	Number	7	7	100 %	3	7	233%
Three cooperatives have a legal status and a board	No of cooperatives with a legal status and a board	Number	7	7	100 %	3	7	233%
Three cooperatives are profitable and finance recurring costs	No of cooperatives that are profitable and finance recurring costs * (also feeds into indicator on No of cooperatives/ community groups that are sustainable and RIMS rating on sustainability)	Number	N/A	N/A	N/A	N/A	N/A	N/A
Output level results								

Component/Sub-component or Output/ Result12	Indicator	Unit	Period: 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
Targeted cocoa and coffee smallholder producers are organized in sustainable cooperatives for marketing	No of cooperatives formed (No of community groups formed/ strengthened in RIMS reporting) *	Number	7	7	100 %	3	7	233%
20% of the targeted smallholders sell their produce through group arrangements	No of farmers who are members of cooperatives (People in community groups formed/ strengthened in RIMS reporting) *	Person	3,500	3,150	90%	15,000	8,820	59%
		Male	1,519	1,505	99%	6,910	4,875	70%
		Female	824	634	77%	2,844	1,349	47%
		Male Youth	1,106	923	83%	4,340	2,377	55%
		Female Youth	51	88	172 %	906	219	24%
80% of the targeted cocoa/ coffee farmers receive advice from the CAC and DAO at least once a quarter	No of farmers who receive technical advice from the CAC ,DAO and Young Professionals(YPS) at least once a quarter	Person	3,500	3,150	90%	15,000	8,820	59%
		Male	1,519	1,505	99%	6,910	4,875	70%
		Female	824	634	77%	2,844	1,349	47%

Component/Sub-component or Output/ Result12	Indicator	Unit	<u>Period:</u> 1 st July- 2014 to 30 th June, 2015			Program/ appraisal target	Cumula tive actual	% Achieved of Appraisal Target
			AWP&B	Actual	%			
		Male Youth	1,106	923	83%	4,340	2,377	55%
		Female Youth	51	88	172 %	906	219	24%

Appendix 5: Actual financial performance by Financier; by component and disbursement by category

Table 5A: Financial performance by financier* - as at 25/02/2016

Financier	Approval (USD '000)	Current (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	16 884	16884	11 728	69.5%
Private Partners	5 131	5131	2 197	42.8%
Beneficiary contribution	923	923	0	0.0%
Government of Liberia	2021	2021	69	3.4%
Total	24 959	24 959	13 994	56.1%

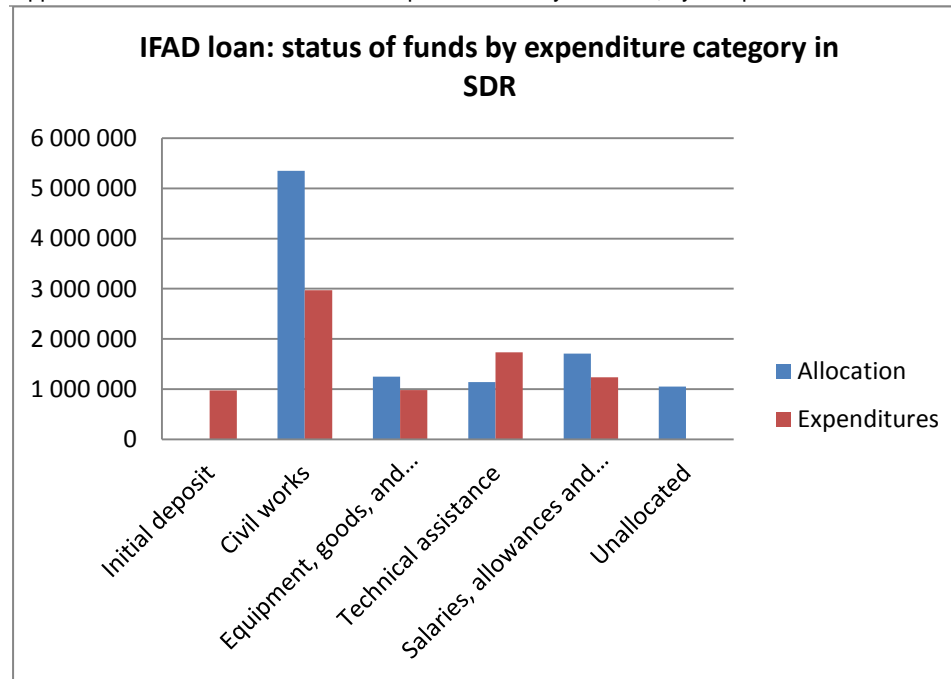
*Funds disbursed by financier to the project

Table 5 B. Financial performance by financier by component - as at 25/2/2016 (USD)**

	IFAD loan			Government of Liberia			Beneficiary contribution			Private Partners			Total		
	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
1. Revitalization of Cocoa & Coffee	1 388 435	1 793 428	129.2 %	751 612	0	0.0%	148 753	0	0.0 %	5 131 402	2 196 819	42.8 %	7 420 202	3 990 247	53.8 %
2. Rehabilitation of Farm to Market roads	10 067 761	4 573 534	45.4%	531 461	6 589	1.2%	553 400	0	0.0 %	0			11 152 621	4 580 123	41.1 %
3. Institution Capacity	2 951 346	2 127 050	72.1%	192 819	29 094	15.1 %	220 871	0	0.0 %	0			3 365 036	2 156 144	64.1 %

TABLE 5C: IFAD Loan Expenditures by category - as at 29/01/2016 (SDR)

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Appendix 6: Compliance with Financing Agreement Covenants: Status of Implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section B 6.	GOL to open a General Revenue Account at the Central Bank to receive the loan proceeds	Upon entry into force	Done	The revenue account is the Designated Account
Section B 6. and E 2.	PIU to open and maintain a Project Account in a commercial bank	Upon entry into force	Done	The Project (or Operating) account opened at the Liberia Bank for Development & Investment (LBDI) the process of being closed. A new operating account was opened at Ecobank Monrovia, as well as a sub-account at Ecobank Voinjama in Lofa county
Section B 7.	GOL to provide approximately USD 2.02 million in total in counterpart financing	Continuous	Done	Contribution in form of tax & import duty exemption, office space and costs of CACs (see comments in aide-memoire and mission recommendations)
Section E 2.	Draft PIM submitted to IFAD for approval	Prior to 1 st withdrawal 30 April	Done	
GC – Section 7.01(b)	AWPB submitted to the Fund each year, for review and comments	Continuous	Not on time	
GC – Section 7.05 and Letter to the Borrower	Procurement of goods, works and services carried out in accordance with IFAD Procurement Guidelines; each Procurement Plan to identify procedures that must be implemented by the Project	Continuous	Done	See comments in aide-memoire and mission recommendations
GC – Section 7.08	Insurance of all goods/buildings used in the Project in amounts consistent with sound commercial practice	Continuous	Done	
GC – Section 7.11	Insurance of project staff against health and accident risks	Continuous	Done	
GC – Section 8.03	Midterm review (MTR) to be carried out jointly by Borrower and IFAD	31 March 2015	Done	
GC – Section 9.02	Submission of unaudited financial statements for each fiscal year	31 October	Done	
GC – Section 9.03	Submission of audit report for each fiscal year	31 December	Done	
Schedule 3 Para 2	Loan proceeds to be exempted from all taxes. Payment by Borrower, in cash, of any amount that cannot be exempted	Continuous	Done	All investment expenditures are tax exempt
Schedule 3 Para 3	Project staff salaries to be subject to income tax and social security deductions in accordance with applicable domestic	Continuous	Done	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
	legislation			

Appendix 7: Knowledge Management: Learning and Innovation

Learning

The Sao Tome & Principe (STP) manual is yet to be printed by IFAD for distribution to the farmers to serve as guide for replication of the STP learning. The STP learning at the demonstration sites is yet to be fully utilized. The mission recommends that printing of the manual should be expedited.

The mission is of the view that results achieved by some of the cooperatives supported by STCRSP (e.g. Sebehill Kulasumai Farmers Cooperatives) could undoubtedly be a source of inspiration for other cooperatives. It is therefore recommended that a “road show” be organized for the high-performing cooperatives to facilitate sharing of knowledge and good practices with other cooperatives. Furthermore, it is also recommended that the Project explore alternative ways of sharing good practices with farmers – Community Radios to disseminate information on tree crop rehabilitation, production and commercialization, etc., tapping on the experience acquired by the NPCU in Sierra Leone.

Innovation: Describe any interesting innovation noted during supervision

Use of YPs and Interns: Fourteen (14) young professionals (YPs), have been engaged to provide dual technical support to the Coops as M&E and tree crops officers. PIU in collaboration with the Lofa County Community College (LCCC) has also accommodated 14 Interns from the College's agriculture department for support to the Coops in community engagement, commercialization activities, and rehabilitation of cocoa and coffee farms in the seven districts in Lofa. This has allowed not only to increase its capacity for technical advise to farmers and Coops, but also to contribute to national capacity building for agricultural development in Liberia

Assessment of business potential of Coops. The use of SCOPEinsight assessment of the business potential of the seven Coops is an innovation of note. The SCOPEinsight assessment found that the weakest area of the Lofa Coops is that of external risks whereas they perform very well on internal management. Voinjama district cooperative is the best performing with formalized policies, and ensures there is monitoring of progress within the cooperative. Foya Maliandoe Cooperative was the least performing - the organization is not fully aware of all its risk and possible biological and marketing mitigation strategies that they could put in place.

Separation of works contracts in road rehabilitation: The system of awarding road rehabilitation contracts to individual contractors for structures only (culverts and bridges) or and gravel pavement works and structures has allowed the full exploitation of the limited capacities of local contractors and has proved to be effective in delivering the quality of works within required time frames.

Annex 1- Progress against Previous mission recommendations

Action area	Action agreed	Agreed date for action to be taken	Whom	Status
Fiduciary aspects	1. IFAD disbursements: (a) Close monitoring of expenditure in Category 3 (Technical Assistance) to avoid exceeding the maximum allowable by IFAD; (b) Recording of expenditure related to international official travel in Category 4 instead of Category 3; and (c) Submission of proposal for funds reallocation as soon as necessary	Continuous	Project Coordinator Financial Controller	done continuously
	2. Production of financial reports by the 15 th of the following month at the latest, with input from component heads (for the analysis of the AWPB execution)	Continuous	Financial Controller	done continuously
	3. Preparation of a Designated Account reconciliation at the end of each month (regardless of WA submissions)	Continuous	Financial Controller	done continuously
	4. Preparation of bank reconciliations (for all accounts) promptly after month-end	Continuous	Financial Controller	done continuously
	5. Submission of monthly financial returns by LAADCO and the Cooperatives, including bank reconciliations and budget-to-actual statements (as per the MOAs signed between the PIU and the IPs)	Continuous	Financial Controller	Done with some delays
	6. Signature of vouchers by payment beneficiaries as acknowledgement of payment receipt (for cooperatives)	Continuous	Field Accountants	Done continuously
	7. Submission of acceptable plan by the Quapatamai cooperative for reimbursement of missing funds to the PIU	Immediate	Project Coordinator	Follow ups done (oral and written) with Quapatamai
	8. Withdrawal applications and SOEs: (a) Quality control of WAs (date on Form 100, WA checklist, inclusion of petty cash reconciliations) (b) Recording of all staff official mission costs under Category 4 (c) Systematic signature of all vouchers and payment requests by the Financial Controller (d) Quality control of financial returns submitted by IPs to ensure completeness of supporting documentation	Continuous	Financial Controller	done continuously
	9. Establishment of procedures for the estimation, receipts, reporting by the IPs and recording of beneficiary contributions	31 March 15	Financial Controller	Partially done estimation of beneficiary contribution not done

Action area	Action agreed	Agreed date for action to be taken	Whom	Status
	10. Recording of Private Partner (LAADCO), beneficiary and GOL contributions in the project accounts as they are recognized	Continuous	Financial Controller	No contribution reported/ recorded since last review
	11. Recruitment of a Senior Procurement Officer	Immediate	Project Coordinator	Was no longer consider necessary with the recruitment of a Procurement Specialist in the PMU
	12. Preparation of procurement plans according to actual needs of recipients, and initiation of procurement actions on the planned dates (request of TOR/specifications by the Procurement Officer on a timely basis)	Continuous	Procurement Officer	Done
	13. (a) Full implementation of TOMMARCHE software (b) Update of procurement plan execution on a real time basis	30 April 15 Continuous	Financial Controller Procurement Officer	Partially done
	14. Submission of no objection request to IFAD for all direct purchases, regardless of the contract amount	Continuous	Project Coordinator	Done
	15. Submission of the final audit report by the 31/12 deadline	Annually	Financial Controller	Done
	16. Submission of evidence of surprise cash counts to the Financial Controller along with the Lofa PIU monthly financial returns	Monthly	Head of PIU Lofa	Not done
	17. Completion of personnel files and social security files with all missing documents	Immediate	Admin Assistant	Issue with NASSCORP
	18. Completion of performance evaluation exercise for the 1 st semester (July-December 14) for all staff	Immediate	Admin Assistant	Partially
	19. Setting of objectives for the 2 nd semester performance evaluation exercise for all staff; Thereafter, setting of objectives for the entire year as soon as the AWPB is finalized	28 February 15 Continuous	Project Coordinator & Admin Assistant	Partially
	20. Prompt payment of social security contributions	Continuous	Financial Controller	Not done Social security could not accept payment until the PIU is register as an entity
	21. Systematic submission of (i) signed/stamped travel authorization as proof of travel (for all staff) and (ii) back-to-office	Continuous	Financial Controller	Done

Action area	Action agreed	Agreed date for action to be taken	Whom	Status
	report (for Lofa PIU staff), as a condition for the payment of the 20% DSA balance			
	22. Input of all assets into TOMPRO	Immediate	Admin Assistant	Not done
	23. Adoption of a uniform assets coding system, and tagging of all assets as soon as they are purchased; classification of assets by type and by location in the assets register, with separate registers for STCRSP and ASRP	Immediate Continuous	Admin Assistant	Done
	24. Physical inventory of all PIU assets held in Monrovia	28 February 15	Financial Controller	Done
	25. Communication of inventory dates to all entities (PIU Lofa and IPs) to ensure that all assets are visible at the time of the inventory; conduct of the physical inventory by 2 PIU staff who must sign the inventory listing	Continuous	Financial Controller	Done
	26. Following reconciliation of inventory with assets register, preparation of a report listing discrepancies and actions to be undertaken (e.g. disposal, tagging, input of missing items in the assets register, etc.)	Continuous	Financial Controller	Done
	27. Renewal of assets insurance policy based on updated assets register	28 February 15	Financial Controller	Partially
	28. Automatic daily backup of accounting files to the server and to an external device	Continuous	Financial Controller	Done continuously
	29. Revision of procedures manual to integrate procedures related to the estimation, receipt, reporting by IPs and recording of beneficiary contributions; independent assessment of staff's knowledge of the PIU procedures manual	31 March 15	Financial Controller Project Coordinator	Not done