

## **Socialist Republic of Viet Nam**

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### **Adaptation to Climate Change in the Mekong Delta (AMD) Project in Ben Tre and Tra Vinh**

#### **Supervision report**

Main report and appendices

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Asia and the Pacific Division  
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## Abbreviations and acronyms

ABAC	Agri-business Advocacy Committee
AMD	Adaptation to Climate in the Mekong Delta (project)
AWPB	annual work plan and budget
BMO	Business Membership Organisation
CA	Cooperative Alliance
CBDRM	community based disaster risk mitigation
CCA	Climate Change Adaptation (models in both provinces, fund in Tra Vinh)
CFAF	Co-Financing for Adaptation Fund
CIF	Commune Investment Fund
CIG	common interest group
CPC	Commune People's Committee
CSA	Climate smart agriculture
DARD	Department of Agriculture and Rural Development
DA	Designated Account
DoNRE	Department of Natural Resource and Environment
DPC	District People's Committee
DPI	Department of Planning and Investment
GDP	Gross Domestic Product
DPPR	Decentralized Project for Poverty Reduction
GoV	Government of Viet Nam
IFAD	International Fund for Agriculture Development
MARD	Ministry of Agriculture and Rural Development
M&E	Monitoring and Evaluation
MIS	Management Information System
MTR	Mid-term Review
MFI	Micro Finance Institution
MoSEDP	Market-Orientated Socio-Economic Development Planning
NGO	Non-Government Organization
NTP-NRD	National Target Programme on the New Rural Development
PCF	People's Credit Fund
PCU	Project Coordination Unit
PPC	Provincial People's Committee
PPP	Public – Private Partnership
PSC	Project Steering Committee
WDSF	Pro-Women Development Fund
RFS	Rural Finance Specialist
RIMS	IFAD Results and Impact Management System
SBV	State Bank of Viet Nam
SCG	Savings and Credit Groups
SOE	Statements of Expenditure
SRDP	Project: Sustainable Rural Development for the Poor
ToR	Terms of Reference
ToT	Training of trainers
VBARD	Viet Nam Bank for Agriculture and Rural Development
VC	Value Chain
VCFU	Value Chain Facilitation Unit
FU	Farmers' Union
VMB	Village Management Board
VND	Vietnamese Dong
WDSF	Women's Development Support Fund
WU	Women's Union



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

1. The financing agreement for the Adaptation to Climate Change in the Mekong Delta (AMD) project in Tra Vinh and Ben Tre provinces was signed on 28 March 2014. The project is due to be completed on 31 March 2020<sup>2</sup>. The Project Development Goal is to achieve *sustainable livelihoods for the rural poor in a changing environment*, and the more specific project objective is to *strengthen the adaptive capacity of target communities and institutions to better contend with climate change*. The total programme cost for the two provinces is USD 49.4 million, of which the IFAD loan is USD 22 million; ASAP co-financing grant USD 12 million; Government of Vietnam contribution USD 7.6 million; and beneficiary contribution USD 7.8 million. Project activities in Ben Tre cover 30 communes in 8 districts, and in Tra Vinh 30 communes in 7 districts. Although the project became effective nearly a year ago real implementation only started after the technical start-up workshop in September 2014.

2. The first IFAD Supervision Mission of AMD was undertaken in partnership with the Ben Tre (BT) and Tra Vinh (TV) Provincial Project Coordination Units (PCUs) during 9-27 March 2015, the whole duration of which was spent at the field. The mission objectives were to: (i) support the project in its initial stage for adequate orientation of activities; (ii) review early project performance and follow-up from the discussions and plans made in the project start up workshop; and (iii) agree with the provincial authorities and the PCU on prioritized actions to ensure project's right direction in initial activities on the ground, in view of the project design development objectives and sustainability.

3. In BT and TV, the Supervision Mission met with staff of PCU and partner agencies including Coordination Office for National Programme on Climate Change under the Department of Natural Resources & Environment (DONRE), Department of Agriculture and Rural Development (DARD), Department of Planning and Investment (DPI), Department of Industry and Trade (DOIT), Women's Union (WU), key Banks investing in rural development, and TV CIDA SME Development Project. The mission visited in Ben Tre the Hung Le commune in Giong Trom district, Vinh Hoa commune in Cho Lach district, My An commune in Thanh Phu district and Tien Long commune in Chau Thanh district. In Tra Vinh, the mission went to Chau Thanh, Cau Ngang, Cang Long, and Duyen Hai Districts visiting the communes of Luang Hoa, My Chanh, Long Son, Nhi Truong, Phuong Thanh, and Ngu Lac. During these visits, the mission met with Commune project units, District People's Committees and district line agencies, and selected groups of farmers. The mission also met a number of private enterprises interested in becoming involved in the project implementation. Key findings were discussed between the mission and the BT and TV PCUs on 17 and 26 March respectively. A debriefing with the Provincial Project Steering Committee (PSC) was held on 18 March 2015 in BT and a final wrap up meeting with representatives' of the BT and TV Province People Committees was held on 26 March in TV.

4. The Supervision Mission would like to extend sincere thanks to the Ben Tre and Tra Vinh Provincial People's Committee (PPC), PCU, representatives of line agencies, local governments at the district and communal levels, local farmers and private enterprises for their kind support and cooperation.

## B. Overall assessment of AMD implementation

5. **Overall implementation progress.** The current implementation performance or *likelihood of achieving development objectives* of the AMD is ranked as ***moderately satisfactory***. The mission appreciates efforts made by the province agencies and the project management of the AMD in moving

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<sup>1</sup> Mission composition: <sup>1</sup> : The mission comprised: Mr. Henning Pedersen, IFAD Country Director, Team Leader for Tra Vinh; Mr. Nguyen Thanh Tung, IFAD CPO, Team Leader for Ben Tre, Microfinance, Institutions and Project Management specialist; Ms. Nguyen Thu Hoai Financial Specialist; Mr. Guido Ruttens, Climate Change Specialist; Mr. Sauli Hurri, Private Sector Engagement, Value Chain and Infrastructure Specialist; Mr. Nguyen Ngoc Quang, SEDP, Targeting, Monitoring and Evaluation Specialist; and Ms. Doan Phuong Lien Interpreter/Translator.

<sup>2</sup> Important dates include:

- Project effectiveness - 28 March 2014
- Project Completion – 31 March 2020
- Loan closing date – 30 October 2020

this project during its first year or rather nine months of implementation. The **annual implementation progress** is assessed as **moderately satisfactory**.

6. Over the first 9 months, the project in **Ben Tre** has implemented various key activities: (i) Establishment of project management structure at all levels, and the signing of cooperation agreement between PCU and provincial partner agencies; (ii) Formulation and promulgation of the PIM and the development of draft technical guidelines for Commune SEDP, CIF, CFA Fund and PPP Fund; (iii) Project start-up workshops and technical training courses for project management staff at all levels and the involved agencies; (iv) Continued development of SCGs in the AMD communes and strengthened capacities of the WDF in financial management and formulation of its strategic plan for 2015-2020; (v) Participatory formulation of SEDPs for all 30 project communes for 2015; (vi) Establishment of a CCA working group; and (vii) Development of draft Request For Proposals including ToR for the salinity monitoring system in cooperation with AMD in Tra Vinh.

7. During the same period AMD in **Tra Vinh** likewise has implemented a number of key actions essential for project start up including: (i) The establishment of the required management structure as noted above for BT and the signing of implementation agreements with relevant agencies also including Tra Vinh University; (ii) Completion of the PIM, FMM, infrastructure and Women Development Fund (WDF) manuals/guidelines, while manuals for M&E, CCA, PPP are still to be finalized; (iii) The development of on an excellent AWPB in terms of sequencing of activities and logic; (iv) The adoption of a relevant poverty focus for project activities in terms of inclusion of the poorest communes; (v) Capacity building for stakeholders at all levels through workshop and training sessions; and (vi) the identification of 32 preliminary CCA models by DARD.

8. The AMD is a relevant and ambitious project. It requires high level capacities for its implementation, which are yet to be fully developed among project staff and partners. Climate change adaption in the context of sustainable market and poverty oriented development is a critical challenge, requiring close cooperation among line agencies and effective integration of government, private sector and development partner initiatives. While the AMD strategy, components and activities are relevant for both provinces, the emphasis of interventions and phasing may vary because of different socioeconomic and climate conditions. In this context the mission notes that the salinity intrusion issue seems more pronounced in BT, while the poverty rate in TV is substantially higher.

9. In view of the above the mission has identified a number of issues which require attention by **both provinces**: (i) **Coordination/Implementation arrangements**: As of now, the allocation of resources and responsibilities is biased towards the provincial level with detrimental effects on district level involvement and implementation efficiency at the ground. This is pertinent for the component 1.1, which seeks to identify and develop appropriate CCA models for analysis and replication. (ii) **Multiplication of CCA models**: With respect to multiplication of the CCA models, which require the use of instruments such as the CFAF/CCA and PPP co-investments, a range of stakeholders such as the FU, WU, lead farmers and enterprises should be involved for development and roll-out of quality proposals. Further, these models are stil to be properly assessed, verified at the farmer level and provided with an appropriate strategy for multiplication. To this effect, the mission developed a Guidance Note for the identification and roll out/multiplication of CCA models by various agencies, and provided this Note to both provinces; (iii) **Institutional capacities**: Staff of PCU, provincial agencies and in particular the commune and district level units still have insufficient understanding about the overall strategy for AMD including issues related to climate change adaptation, market-oriented climate-smart local planning and private sector engagement; (iv) **Private sector partnership**: Identification of potential private sector partners and subsequent consultations are yet to take place. These are required to initiate collaboration in value chain development and replication/identification of financially viable CCA models, by the CFAF/CCA and PPP co-investments; (v) **AWPB and Financial management**: AWPB should not be considered as a fixed resource allocation document for implementing agencies, but should be adjusted regularly throughout the year in view of emerging deliverables and performance by all implementing partners; (vi) **Pending key activities**: Subsidiary agreement on WDF financing is still to be signed between MOF and PPC, and the guidelines for CC-informed SEDP, CFAF/CCA and PPP are yet to be completed; (viii) **Collaboration between provinces**: Collaboration between the two provinces has started for the procurement of salinity monitoring system and project accounting software. Such efforts, however, need to be further strengthened and widened to areas including but not limited to manual development, CCA model development, exchange of senior expertise in climate change and market orientation, regional value chain development and commercial financing; (ix) **For Ben Tre, Poverty**



**reduction** objective has not been fully incorporated into the project strategies, alongside the CCA objectives; (x) **For Tra Vinh, Inclusion of the AMD funding into the ODA provincial plan** is urgently required and need full attention by the provincial leadership; and **Women's Development Assistance Fund capacity** requires substantial strengthening for sustainable and prudent management of planned increased funding.

Agreed actions	Responsibility	Agreed date
<b>Coordination/Implementation arrangements:</b> Review current responsibilities and resource allocation with the aim of increased decentralization to DPCs/CPCs.	PSCs, PCUs, DPCs, CPCs	Q2/2015
<b>Multiplication of CCA models:</b> involve multiple actors for the identification, assessment and multiplication process of CCA models, as per the Guidance Note agreed upon during the mission.	PCU, DARD, DPCs, CPCs, FU, WU, DoIT, DoST, enterprises	Q2/2015
<b>Institutional capacities:</b> (i) Develop a comprehensive capacity building programme at all levels, focusing on CCA, market oriented planning and co-investment implementation; (ii) Engage two Senior Technical Advisors. One for Climate Change Adaptation based in Ben Tre and one for Private Sector Engagement based in Tra Vinh, both working for both provinces.	PSCs and PCUs	Q2-Q3/2015
<b>Private sector partnership:</b> Widely inform the private sector on project support through various channels. Identify potential private sector partners. Hold consultations. Initiate collaboration for value chain development and replication of financially viable CCA models. Assign staff responsibilities accordingly.	PCUs, DPCs	Q2/2015 onwards
<b>AWPB and Financial Management:</b> (i) Quarterly meetings at district level with provincial agencies' participation to review performance of project districts and communes and to agree on AWPB adjustments; (ii) Authorize PD to approve the revised AWPB with no change of counterpart funding requirement, following IFAD NOL.	PPCs, PCUs	Q2/2015 onwards
<b>Pending key activities:</b> Finalize and sign subsidiary agreement on WDF/WDAF financing; complete guidelines for CC-informed SEDP, CFAF/CCA and PPP.	PCUs	Q2/2015
<b>Collaboration between provinces</b> to be strengthened and widened to include manual development, CCA model development, value chain development, private sector financing arrangements and exchange of senior expertise.	PCUs	Q2/2015 onwards
<b>For Ben Tre, Poverty reduction</b> objectives to be mainstreamed into the project strategy and guidelines, alongside the CCA.	PCU	Q2/2015
<b>For Tra Vinh, (i) Inclusion of the AMD funding into the ODA provincial plan</b> to be dealt with immediately and PPC to provide pre-financing of eligible expenditures up to VND 20 billion; and <b>(ii) Women's Development Assistance Fund capacity</b> to be substantially strengthened.	(i) PPC, PCU, MPI; (ii) PSC, PCU, WDAF	Q2/2015

## C. Outputs and outcomes

Component 1: Building Adaptive Capacity

**Overall assessment of the component is rated moderately satisfactory**

### Sub-Component 1.1: Climate Change Knowledge Enhancement

10. *The subcomponent is rated moderately satisfactory.* To improve understanding about climate change impact and potential adaptation strategies for Ben Tre and Tra Vinh, this sub-component introduces three activities: (a) Evidence base for adaptation; (b) Water quality monitoring and reporting; and (c) Knowledge management and dissemination.

11. **(a) Evidence base for adaptation.** Regarding identification and assessment of climate change adaptation models, achievement to date for both provinces includes: (i) MoU signed between PCU and DARD assigning DARD as the lead agency in identification of CCA farming models; (ii) Establishment of a task force at DARD for implementation of the MoU; (iii) Various technical

meetings held between PCU and related agencies including DARD, DOST, DONRE to discuss about orientation of this sub-component.

12. For **Ben Tre**, a regional CCA study tour by 21 staff of PCU and partners was organised. For **Tra Vinh**, the progress is somewhat more comprehensive, including: (i) the organization of 4 ToT training courses for 130 participants from agencies and local authorities on commodity analysis, CC issue identification and community-based disaster risk management; (ii) identification of a long list of 35 demonstration models by different organisations and farmers; (iii) eight consultation meetings (1 provincial, 7 district level) with total 663 participants to analyse the listed models<sup>3</sup>; (iv) pre-selection of 25 farming models, for review and follow-up action by the PCU.

13. Significant efforts are required to improve the implementation of this activity. For both provinces: (i) The implementing partners at all levels are not yet fully aware of the overall logic of the project. The synergy between component 1.1 CCA modeling and subsequent replication efforts by other subcomponents is not yet clear<sup>4</sup>. (ii) Criteria for identification and selection of CCA models are not yet clarified. (iii) Field observations indicate that most poor households, especially in Ben Tre, are landless, which suggests that the project's limitation to on-farm models might not be appropriate in addressing poverty reduction. Rather, off-farm and limited-land models should also be included. (iv) Identification of existing CCA and poverty reduction practices should be not limited to responsibility of DARD, but involve various government agencies (District Units, DOST, DOIT, DONRE) and private sector (enterprises, households). Coordination of the various contributing agencies and private sector is required for the CCA model identification and selection process. And finally, (v) the two provinces have yet to initiate a systematic exchange of CCA farming model analysis which have potential in both locations such as ornamental leaves, cocoa, safe vegetables. Such exchange will save time and resources.

14. Identification, analysis and replication of CCA models is key for overall project implementation, thus the mission developed a two-page instruction for this purpose. It was agreed that the document is distributed to all stakeholders at all level. Further, as noted in the instruction the AMD will not solely rely on DARD for CCA model identification and replication process.

Agreed action	Responsibility	Agreed date
Disseminate the technical instruction for model identification and replication to all stakeholders at all levels. Involve other agencies beyond DARD in the implementation of subcomponent 1.1	PCU	March, 2015
Disseminate the technical instruction for model identification and replication to all stakeholders at all levels. Involve other agencies beyond DARD in the implementation of subcomponent 1.1	PCU	March, 2015

15. **(b) Water quality monitoring and reporting.** Increasing salinity intrusion in surface water is one of the most serious impacts of climate change in both provinces. To address this, a salinity monitoring and forecasting system will be developed that provides timely information for government agencies, farmers, planners and researchers. With this information, farmers will be able to make better-informed decisions on farm operation and planning. A Technical Assistance team of combined international and national expertise will, through a participatory process including a user needs assessment: (i) develop technical specifications for the network of monitoring stations and the data and knowledge platform; (ii) build the capacity of stakeholders to operate and use the system; (iii) support the investment owner in the procurement of the monitoring stations; (iv) carry out a life cycle cost analysis for the system sustainability, (v) propose a cost recovery modality to cover long-term operational costs and (vi) establish possible system start-up investments for the operating agency.

16. DONRE Ben Tre will be the investment owner of the above TA contract. A Joint Procurement and Contract Management Committee (JPMC) will be established, comprising of relevant stakeholders from both provinces and led by DONRE BT, which will oversee the procurement and

<sup>3</sup> Six indicators are used in analyzing the models including: climate change adaptation, market opportunity, farming technique, economic efficiency, participation of the poor, conformity with local economic development plan.

<sup>4</sup> Sequence should include: CCA model mapping, identification and development, selection, assessment, ToTs, farmer trainings for agriculture and investment planning, roll out through CFAF competitions, PPP competitions.

review all deliverables of the TA. DONRE BT will draft an MoU outlining the specific tasks and responsibilities of the JPMC which will be reviewed by all intended members and signed before the proposal evaluation process starts. The mission stresses the importance of DONRE's duty as a leader of the JPMC to ensure that all stakeholders (especially DARD and Hydromet) are actively involved in the process and have equal decision rights in the design of the system, in order to ensure the system's usefulness once operational. The Ben Tre PCU will support the DONRE in the procurement process as appropriate.

17. Given the highly specialized character of the TORs of the TA, and the limited number of organisations that can take on such a task, the procurement will be done using Limited International Bidding through a Request for Proposals (RFP). The RFP is currently being finalized based on the Terms of Reference developed with multi-stakeholder input, and will be sent out to a list of pre-selected organisations/companies. The mission recommends the Ben Tre and Tra Vinh PCUs to assign a dedicated staff member to work with the TA once on board.

Agreed action	Responsibility	Agreed date
Draft the MoU outlining tasks and responsibilities of JPMC and send to all intended members	DONRE BT	April 2015
Send out RFP to invited parties	PCU & DONRE BT	By May 2015

18. **(c) Knowledge management and dissemination.** Achievements to date include for **both provinces**: (i) Completion and dissemination of PIM, FMM, CIF manual to all project implementing agencies and partners; (ii) Leaflets produced, introducing the project and describing CC impact in project areas; (iii) Organisation of 18 project start-up workshops (3 at province level, 15 at districts) with participation of 1700 individuals; (iv) Cooperation with provincial TV to broadcast CC and CCA related issues, twice a month, starting from July 2014; and in addition (v) in Ben Tre the CFAF, PPP manuals are drafted and sent for review by partners.

19. The mission notes that the implemented knowledge management and dissemination activities are appropriate however the progress in key areas of dissemination is still slow and poorly prepared. As a consequence, the awareness of partners and beneficiaries of the project, its objectives and approaches is still very low. Subsequently, capacity for project implementation of partners and beneficiaries is inadequate. Both partners and beneficiaries currently still find it difficult to build action plans for the project activities they are in charge of, since they lack understanding and information about project instruments and financial resources. Manuals for key financing instruments including CFAF/CCA and PPP are still to be completed which causes delay in implementation of these instruments. The mission recommends the project (i) to accelerate the awareness and capacity building activities to all related agencies and beneficiaries before the investment activities are implemented; and (ii) to widely consult with partners, especially district agencies regarding the investment mechanisms, and complete the manuals for starting the implementation.

Agreed action	Responsibility	Agreed date
Accelerate the information dissemination program about the project, its objectives, instruments, and resources	PCUs	March, 2015 onwards
Complete all the manuals including CFAF/CCA and PPP and distribute final versions; disseminate information about the two funds widely to implementing partners and potential beneficiaries	PCUs	March, 2015 onwards

### Sub-Component 1.2: Climate Informed Planning

20. *The subcomponent is rated moderately satisfactory.* The AMD objectives regarding introduction of Climate Informed Planning mechanisms are as follows: (a) Commune level Climate-informed SEDP planning implemented annually; (b) Climate-informed provincial SEDP plans developed for 5-year periods; (c) Climate change policy dialogues between all stakeholders facilitated.

21. **(a) Climate-informed SEDP.** The activity is to support 60 communes in preparation of annual development plans which takes into account the increasing need of adapting to climate change<sup>5</sup>. The progress includes for **both provinces**: (i) MoU signed between project and DPI assigning DPI to lead the climate-informed SEDP process; (ii) TOT training held for total 623 participants (staff of district planning and financial departments, commune planning staff, village heads) for implementation of the SEDP; (iii) Project staff participated in an Oxfam workshop to learn about the existing experiences in development and piloting of a climate informed SEDP. For **Ben Tre**: (i) A SEDP planning process was carried out in the 30 Ben Tre communes for 2015 with the participation of 5351 people. This process followed DBRP practice, not yet including CCA elements; (ii) A training course organized for 75 leaders from district and provincial related agencies on leadership and management skill in socio-economic planning; (iii) A study tour organized to Bac Lieu province for 29 staff of DARD, DPI, WU, PPC and FU; For **Tra Vinh**, the SEDP process for 2015 was not directly supported by an IFAD investment, however the AMD participated in the Oxfam climate-informed SEDP process (BRC project) in 19 communes of two districts. Subsequently, the climate informed SEDP manual, using Oxfam manual as a reference, is now being developed by DPI.

22. The mission notes the following issues are pertinent for **both provinces**: (i) The CC-informed SEDP manual is not yet developed by PCU and DPI, and further, the two provinces have yet to exchange experiences in this process. The manual development is somewhat more advanced in Tra Vinh; (ii) DPI has limited capacity in DRM and CC issues, thus wide consultation with public and private actors is necessary during the manual development; (iii) Since the CC-informed SEDP manuals are not yet in place, and capacity building has not yet been sufficient, the local level implementing partners are not yet able to produce adequate plans. For **Ben Tre**: (iv) The Oxfam-led climate-informed SEDP process in both provinces (particularly in Tra Vinh) is an important input for finalization of the SEDP manual development, however this opportunity is yet to be systematically exploited.

Agreed action	Responsibility	Agreed date
(i) Urgently develop the CC-informed SEDP manual; (ii) include lessons by the Oxfam; (iii) include simple templates for DRM and CCA planning, (iv) include simple tools for Value Chain and Cost-Benefit analysis.	PCUs/DPIs	By end of May 2015
Ensure exchange between the two provinces in the process of manual development and implementation. The two provinces should aim at common shared manual, to the extent possible.	PCUs/DPIs	April 2015 onwards
Continue training planning staff at all levels in implementation of climate-informed SEDP.	PCUs/DPIs	May 2015 onwards
Organise technical workshops inviting stakeholders from two provinces to share and discuss experiences and lessons learnt in the first year climate informed SEDP implementation	PCUs/DPIs	Oct 2015 onwards

23. **(b) Climate-informed Provincial SEDP.** AMD will provide technical assistance to DARD, DONRE and DPI for integration of climate change issues into sectoral action plans in the period 2016-2020. In **Ben Tre**, concrete activities related to this target are yet to be initiated. The sectoral action plans are to be drafted soon, therefore the mission recommends that project should organise a technical workshop with participation of above agencies to agree on the roadmap and action plan for implementation of the output; and subsequently. In **Tra Vinh**, the sectoral (DPI, DARD, DONRE) and provincial (PPC) five year plans (2016-2020) have been developed, which however are suggested to be further fine-tuned in terms of Climate Change Adaptation.

Agreed action	Responsibility	Agreed date
<b>Ben Tre</b> : Organise technical discussions and develop a road map for implementation of long-term climate-informed sectoral SEDP.	PCU/DPI	2015
<b>Tra Vinh</b> : Organise technical discussions about the feasibility of five year plans (DARD, DONRE, DPI, PPC). Consider to mobilise and integrate different resources including AMD.	PCU/PPC	May 2015 onwards

<sup>5</sup> This activity as per the PDR comprised several work streams at the commune and village levels. To facilitate a more effective process at these levels, the Country Office and the AMD management have agreed during 2014 that the various streams should be subsumed under the SEDP planning mechanism, by inclusion of value chain, CCA and DRM tools.

24. **(c) Climate Change Policy Dialogue.** The AMD is to provide technical support to Climate Change Coordination Office (CCCO) to develop strategic plan for management and coordination of climate change response in two provinces. In **Ben Tre**, the CCCO office has been established previously under the DANIDA funded project, and in **Tra Vinh**, the CCCO is newly established with AMD support. In **both provinces**, concrete activities are yet to be initiated, however the mission observation is that the CCCO is quite well established with 10 competent staff. Expectation is that with adequate technical support, this output will be successfully implemented. The mission recommends that the primary focus of the initial policy dialogues may include: (i) Coordination of the increasing amount of government and donor funded CCA programs in the two provinces. These include current and planned investments by IFAD, World Bank, JICA, CIDA and Oxfam; and (ii) Development of appropriate CCA strategies, taking into account the evolving conditions of the various agro-ecological zones in the two provinces (fresh water, brackish, coastal). Such dialogues should include stakeholders from provincial, regional and national levels.

## **Component 2: Investing in Sustainable Livelihoods**

*Overall assessment of the component is rated moderately satisfactory*

### **Sub-Component 2.1: Rural Finance for Resilient Livelihoods**

25. *The subcomponent is rated moderately satisfactory.* The sub-component aims at improved access to finance by the project beneficiaries through (a) rural micro-finance services of women's saving and credit groups; (b) building up capacities of the Women's Development Fund (WDF) in Ben Tre and Women's Development Assistance Fund (WDAF) in Tra Vinh to become independent microfinance institutions; and (c) facilitation of investment by the commercial financial service providers to the AMD value chain stakeholders.

26. **(a) Savings and credit groups.** In both provinces, the WDF and WDAF are developing new Savings and Credit Groups (SCG) in all communes newly targeted by the AMD as well as maintain the existing SCGs in communes recently supported by DBRP and IMPP. Towards this objective, memorandums of Understanding between the PCUs and the WDF/WDAF were signed in January 2015 defining the project investment capital to both new and existing SCGs of around USD 1.63 million in each province through subsidiary loan agreements between MOF and the PPCs of Ben Tre and Tra Vinh. The draft sub-subsidiary loan agreements have been prepared by the MOF for PPC review and they are expected to be signed by April 2015. The WDF and WDAF have organized training-of-trainers workshops on the SCG operational manual and SCG mobilization/communication skills for WU staff in all the AMD districts and communes. For 2015, under AMD assistance the WDF and WDAF respectively expects to develop SCGs with about 3,500 new members in the targeted 30 communes in Ben Tre and 9,990 new members in 1,999 groups in first 18 project communes in Tra Vinh.

27. Regarding existing SCGs in **Ben Tre**, by end of 2014 the WDF has consolidated and is working with 1,512 SCGs in 349 villages with 6,638 members, among which 33.21% are registered by DOLISA as poor households. There are 6,605 outstanding loans worth VND 26 billion, with the average loan size being 3.9 million, reflecting the pro-poor nature of the current SCGs. In **Tra Vinh**, at the end of IMPP implementation, the SCG credit funds of VND 23 billion were transferred to VBSP. In spite of this, the province WU has maintained full operation of 1,256 SCGs of 22,774 members having accumulated savings of about VND 23 billion which is being on-lent through 32,826 loans to the members. On top of this the VBSP is managing the outstanding portfolio of 2,928 loans with total value of about VND 23 billion. The average loan size of VND 7.8 million (USD 371) reflects pro-poor nature of the on-going portfolio.

Agreed action	Responsibility	Agreed date
<b>Both provinces:</b> Ensure prompt approval and signing of the subsidiary loan agreement by MOF.	PPC/PCU/MOF/IFAD	April, 2015
<b>Tra Vinh:</b> (i) Start establishment of new SCGs and mobilization of savings prior to delivery of loans; (ii) enable the existing SCGs to continue the revolving saving and credit mechanisms within the groups, and maintain savings within the groups, not to be transferred to WDAF unless a fully voluntary scheme of mutual benefit is entered into.	WDAF	2015

28. **(b) MFI development.** The mission appreciates the high commitment of both PPCs and Women's Unions for development of the institutional capacities towards establishment of Micro Finance Institutions in the AMD provinces. **For Ben Tre**, with assistance by AMD the WDF has consolidated its management structure with the Control Committee of 5 members, Management Council of 3 members, Head Office of 4 departments, and 7 District Branches. In total the WDF has employed and covered salaries for 50 full-time staff and 25 persons working on part-time basis. The AMD project has organized 9 training courses in Ben Tre and sent staff for attending another 4 training courses in other provinces conducted by the Microfinance Working Group (to which WDF is a member). At the end of 2014, the total outstanding portfolio of WDF is VND 29.8 billion (USD 1,386,000). The total number of SCGs in Ben Tre province is 2,042, and amount of SCG members is 9,039. The average outstanding loan in the overall portfolio was VND 3.3 million which is satisfactory in terms of social penetration. The project engaged an international expert to assist the WDF in assessment of the current capacities and formulation of a Strategic Plan for 2015-2019. According to the specialist's assessment, the WDF has made commendable progress in development of integrated accounting and banking systems. The Fund is operationally sustainable before capacity building grants provided by AMD as its OSS (operational self-sufficiency) for 2014 stood at 107. After all operational expenses the WDF has gained net profit of VND 746 million for 2014 and on-time repayment rate is 100%.

29. However, for further capacity building of WDF the following issues should be considered: (i) The total savings balance at the end of 2014 is VND 4.4 billion (USD 204,000), which is very low compared to the net outstanding portfolio (15%); (ii) While the current staff are clearly capable to operate managerial functions of WDF, intensive capacity building activities are still needed to ensure a proper pathway towards MFI development; (iii) Staff at the branch offices should be provided with sufficient equipment and office space.

Agreed action for Ben Tre	Responsibility	Agreed date
Increase level of compulsory and voluntary savings.	WDF	4/2015 onwards
Complete the 2015-2020 Strategic Plan and organize further training courses for staff on credit management and accounting.	WDF	4/2015
Provide sufficient equipment and office space for staff at district branches .	WDF	2015

30. **In Tra Vinh**, the Women's Development Assistance Fund (WDAF) was registered as a social fund by the PPC in December 2014. The WDAF has established its head office and 4 district branches in Cang Long, Chau Thanh, Cau Ngang and Tra Cu districts. So far the WDAF has employed 11 staff working fulltime (3 for head office and 8 for branches) and 10 staff of WU working part-time. WDAF has a Control Committee and a Management Council with 3 members in each. WDAF has sent its staff to learn experience from other IFAD projects in Quang Binh and Ben Tre provinces. With technical assistance by AMD the WDAF has formulated a preliminary Business Plan for 2015-2019 and an Operational Manual for the Fund which was reviewed by IFAD and approved by PPC.

31. Regarding liquidity, the WDAF currently has a capital of VND 3.7 billion accumulated from completed NGO-supported projects and individual donations. As noted above, the PPC has agreed to transfer VND 23 billion from the VBSP to the WDAF. In addition, under AMD a further USD 1.63 million will be provided as on-lending to the WDAF. By all these sources the total liquidity of WDAF is sufficient for its operations in 2015 and coming years and meets the requirements for future establishment of an MFI. However, building WDAF capacity for effective, sustainable and prudent operations still remains a challenge for the following reasons: (i) **Full-time professional manager.** At this stage, the Director and the Deputy Directors of the WDAF are from among existing WU staff and lack experience in financial institution management; (ii) **Finance and accounting system.** There is a need to upgrade the finance and accounting systems of the WDAF, following BT WDF example. The excel-based calculation with hard-copy reporting formats will not be sufficient to manage expected flows of funds; (iii) **Operational Self-Sufficiency and business plans.** The WDAF currently fully relies on AMD financial supports, covering its operational cost and capacity building activities. No income is generated by the fund. The income generation need to be clearly elaborated in an improved version of the preliminary business plan and in a coming strategic plan for 2015-2020; (iv) **Capacity of staff.** fulltime staff of head office and branches are fresh graduates from universities and need

elaborate training on credit management, accounting and finances; (v) **Transfer of IMPP funds from VBSP.** The IMPP funds of about VND 23 billion is still held by the VBSP, however the PPC has agreed that the credit funds will be transferred to the WDAF. In a meeting between the mission, WDAF and VBSP it was agreed that such transfer shall take place in the following instalments: VND 8 billion in 2015, VND 8 billion in 2016 and remaining VND 7 billion in 2017.

Agreed action for Tra Vinh	Responsibility	Agreed date
Full-time professional manager to be recruited by AMD to manage operations of WDAF and training of staff.	WDAF/PCU	ASAP
Until WDAF has achieved financial self-sufficiency, the AMD is to continue financing salaries at provincial and district level as required.	WDAF/PCU	2015
Following Ben Tre example, a new financing and accounting software to be installed in Tra Vinh WDAF.	WDAF/PCU	ASAP
Organize elaborate training programmes for WDAF staff at head office and district branches.	WDAF/PCU	2015
VBSP transfer of funds: Agreement between PPC and VBSP will be modified that at least VND 8 billion is transferred by end of 2015, and respectively VND 8 billion and the rest of about VND 7 billion for 2016 and 2017.	PPC/VBSP	2015-2017
Formalize the agreed schedule of funds transfer for the VND 23 billion from VBSP to WDAF.	PPC, VBSP, WDAF	6/2015
Mission of IFAD international expert to assess WDAF capacity and provide with strategic guidance.	WDAF/PCU/IFAD	June 2015

32. **(c) Value Chain Financing.** The AMD is to strengthen agribusinesses and farmers groups as potential customers to the banks in Ben Tre and Tra Vinh. The overall purpose of this is to make these clients more creditworthy by reducing risks both for themselves and subsequently for the banks, and potentially leveraging additional funding to value chains. The instruments serving this purpose include technical assistance for investment and business planning, improved public infrastructure and direct co-investments under the PPP and CFAF/CCA funds. The co-investments by these funds, in particular, will also reduce the collateral requirements for the clients. These transactions also require bank services which is an incentive for the engagement by financial institutions. As of now, the required agreements between the AMD and potential partner banks are still at a very initial stage. However, in both Ben Tre and Tra Vinh the mission and the PCUs had very promising meetings with Agribank and with Lien Viet Post Bank in Ben Tre, who confirmed their interest in such collaboration.

33. To further strengthen the relationships between AMD, farmers, agribusinesses and financial institutions, Ben Tre and Tra Vinh PCUs are to take turns in organization of a yearly Agro-finance Workshop, starting end of 2015. A workshop schedule to this effect is to be established, and preparations initiated accordingly. These include: (i) mapping of the currently available financial service providers in agricultural sector, (ii) assessment of financial institutions' interests and conditions for potential partnerships with AMD PPP enterprises and CFAF/CCA implementing households; (iii) capacity assessment of the value chain stakeholders as per financial institutions' conditions, and (iv) identification of required project support to bridge the gaps between financial institutions and VC actors.

Agreed action	Responsibility	Agreed date
Involve financial institutions in the PPP and CFAF/CCA preparation processes;	BT and TV PCUs	Q3/2015
(i) Ben Tre and Tra Vinh PCUs to coordinate for the Agro-finance workshop schedule; (ii) Preparations for VC stakeholder access-to-finance facilitation to be initiated by both PCUs.	BT and TV PPCs, PCUs	2015

## Sub-Component 2.2: Investing in Climate Change Adaptation

34. *The subcomponent is rated as moderately satisfactory.* The objective of the subcomponent is to enable communities, rural households and agri-businesses to create/protect local livelihoods through three financing instruments: (a) Commune Investment Fund; (b) Co-Financing for Adaptation/Climate Change Adaptation Fund; and (c) Public Private Partnership fund.

35. **(a) Community Investment Fund.** During the project duration, the CIF in each province will invest 4 million USD for commune infrastructure projects. The PCUs will competitively select projects

to be financed, based on proposals in the SEDP plans of each commune. The CIF implementation capacity in the both PCUs and in the provinces' communes is high due to experience gained in the recent IMPP and DPRB projects. The progress as of now includes: (i) The CIF manual is drafted and approved in Tra Vinh. In Ben Tre the manual is drafted and currently under review by DPCs and line agencies, to be sent to IFAD CO in April for no-objection. The manuals include new selection criteria for value chain targeting and climate change adaptation; (ii) **In Ben Tre**, under DBRP SEDP support in 2014 the project communes have developed 51 infrastructure project proposals. The proposals are currently under assessment by the districts, prior to submission to the PCU; The PCU has budgeted 400 000 USD for the CIF projects in 2015, to finance about 8 projects, construction of which is expected to start in Q2 and be finished by the end of the year; (iv) **In Tra Vinh**, the infrastructure planning is currently being prepared for, by DPI-led development of climate change informed SEDP guidance.

36. Despite broad experience of the project units in implementation of civil works, some issues are emerging for the CIF funds: (i) **In Ben Tre**, the PY2 civil work proposals are not yet prepared by appropriate CCA or VC assessments, as these were not yet integrated to the 2014 SEDP plans; (ii) **In both provinces**, the upgrading of the planning processes is underway, however the villages' and communes' infrastructure proposals are to be submitted early Q3 of 2015, requiring urgent action to ensure appropriate preparations and rollout of PY3 civil works; (ii) **In both provinces**, the project design threshold of maximum 30 000 USD for the use of force-account and community participation procurement mechanisms limits investments by these methods. Noting that in the IFAD Vietnam portfolio these methods were widely used and proven effective, the threshold should be revised; (iii) Staff at various levels of both provinces are yet not aware of the requirements introduced by the new procurement law.

Agreed action for both provinces	Responsibility	Agreed date
The planning processes to be upgraded urgently to enable CCA and VC assessments as support to PY3 civil works.	DPIs, PCUs	By May 2015
Force account and community participation infrastructure procurement threshold of 30 000 USD to be raised to up to 60 000 USD. IFAD to amend the Letter to Borrower accordingly; F-A and community participation methods to be used for min. 60%(BT) / 40% (TV) of investments.	PCUs	As of now
Training to be provided for the relevant project and government staff for the new procurement law.	PCUs	During 2015

37. **(b) Co-Financing for Adaptation Fund Ben Tre; Climate Change Adaptation Fund Tra Vinh.** The CFAF/CCA fund is to co-finance investment into upgraded production systems, enabling increased income and climate change resilience of the rural households. The co-financing amount of 2.2 million USD is to be distributed to minimum 1500 beneficiary households in each province, through a competitive grant mechanism. **In Ben Tre**, the PCU has drafted regulations for the granting process, and the manual is currently being reviewed by the districts and relevant line agencies. **In Tra Vinh**, the manual is currently being finalized.

38. At the initial stage of the project, identified risks regarding the upcoming farmer co-investments include **for both provinces**: (i) CFAF/CCA should be the main instrument for replication of the identified CCA models. However, the project partners responsible for model replication were not yet aware of the purposes of this fund. Also, the existing CCA models have not been assessed in terms of cost-efficiency, market potential or climate resilience, and no replication strategy is at place. Development and broad dissemination of an overall roadmap for the model replication by CFAF/CCA is critically required; (ii) Business households and CIGs have no experience in production/investment planning, which is critical for CFAF/CCA grant implementation. PCUs in both provinces have not yet initiated preparations for required capacity building or technical assistance; (iii) The local staff has no experience in supporting farmer groups in business planning nor in financial assessment of investment proposals. PCUs have not yet initiated preparations for required capacity building; (iv) **For Ben Tre**, the poverty targeting strategy of CFAF requires attention by the PCU because the poor households rarely have land for agricultural investment. Off-farm and on-farm job creation should be considered as additional objectives of the scheme, next to upgrading of farm production systems.



Agreed action	Responsibility	Agreed date
(i) CCA model replication strategy to be developed in close consultation with all relevant stakeholders, most importantly with the CFAF/CCA coordinators at the district level. (ii) Potential CCA models to be assessed and model-specific replication plans developed by interested agencies and enterprises, following a template by the PCU; (iii) CCA model ToTs and subsequent farmer-to-farmer trainings to be initiated in large scale.	PCUs, DPCs, DARDs, FUs, WUs, other agencies, lead farmers, enterprises	By 7/2015
(i) CFAF/CCA investment proposal support officers to be selected at the district and commune levels; (ii) The support officers to be trained in investment planning as per CFAF/CCA application requirement; (iii) Farmer group investment planning trainings to be initiated, prior to CFAF/CCA grant competition.	PCUs, DPCs, CPCs, FUs, WUs, lead farmers, enterprises	By 9/2015
Initiation of the CFAF/CCA scheme by first grant competition round, using maximum 20% of the total available budget.	PCUs, DPCs	Q3-4/2015 onwards
Competent national or international TA to assist in comprehensive evaluation of the first co-investments for lessons learnt.	PCUs, DPCs	Q1/2016 onwards

39. **(c) Public Private Partnership Fund** will be used for a competitive enterprise co-investment programme, with the aim of job creation and improved market opportunities for farmer households. PPP Funds in both provinces will invest 0.9 million USD with the aim of benefitting about 2000 households. By now, **Ben Tre** PCU has developed a draft manual to the implementation of the PPP scheme, and submitted this to comments by districts and relevant line agencies. The **Tra Vinh** PPP manual is not yet drafted.

40. The main risks of PPP co-investments for **both provinces**: (i) The key strategy for AMD value chain development is to establish and strengthen farmers' partnerships with the private sector. However, consultations are yet to be initiated for identification of potential enterprise partners and preparations for Value Chain Action Plans are yet to be initiated; (ii) The project staff and line agencies have limited capacity in assessment of PPP proposals, in terms of financial analysis of business viability and impact at both enterprises and farmer households. AMD has yet to initiate capacity building efforts to this effect; (iii) There are no experienced technical advisers in Ben Tre or Tra Vinh, to support potential PPP implementing enterprises in business and investment planning; (iv) **For Ben Tre**, the poverty targeting strategy of PPP requires attention by the PCU because the poor households rarely have realistic opportunities of becoming raw material producers to industrial agro-processing companies; (v) **For Tra Vinh**, the overall capacity of the PCU and its partners in PPP initiation and coordination requires further strengthening and the development of PPP manual is pending.

Agreed action for both provinces:	Responsibility	Agreed date
Hold local commodity workshops and provincial PPP workshops for identification of potential partner enterprises. Discuss collaboration opportunities widely, including enterprise-led supplier and labourer trainings, infrastructure needs, improved access to finance/ land/ services and PPP co-financing.	PCUs, DPCs	Q2/2015
(i) Develop a comprehensive plan for enterprise support in business planning and preparation of PPP proposals; (ii) Assess the training needs of relevant staff in PPP proposal assessment; (iii) Strictly require detailed financial analysis of all PPP proposals to be approved, including assessment of business plan viability, and impact on household incomes.	PCUs, DPIs, <b>BT</b> DOIT, <b>TV</b> SME Project	Q2/2014
(i) Initiate the first co-investment competition round, using maximum 20% of the total available budget; (ii) Draft comprehensive Value Chain Action Plans for all PPP value chains;	PCUs, DPIs	Q3-Q4/2015
Competent national or international TA to assist in comprehensive evaluation of the first co-investments for lessons learnt.	PCU, DPI	Q1/2016
<b>For Tra Vinh</b> , engage additional expertise in the implementation of the PPP scheme, potentially by hiring a Chief Technical Advisor and entering into close partnership with the CIDA/DPI project for SME Development; Consult closely with the Ben Tre PCU regarding PPP manual development.	PPC, PCU, DPI, SME project	Q2-3/2015

## D. AMD implementation progress

41. **Project management performance.** *Rated as moderately satisfactory.* In both Ben Tre and Tra Vinh the project management system has been fully established for the provincial, district and commune levels. Cooperation agreements between the PCU and provincial line agencies including DONRE, DARD, DPI and WU have been signed. Project implementation manuals have been prepared, reviewed by IFAD and approved by the PPC. These include the Project Implementation Manual (PIM), Financial Management Manual, Procurement Manual, M&E Manual. The draft manuals for CFAF in Ben Tre and CSA in Tra Vinh and PPP Fund in Ben Tre have been prepared for review of partners and IFAD. The PCUs in both provinces have organized orientation workshops in all project districts and training programmes on the project management areas such as M&E, finance management, decentralized procurement as well as the Commune SEDP guidelines (in Ben Tre) to the project management staff at all levels.

42. However the mission suggests that the following issues should be considered: (i) **Project orientation.** The project nature is complex and there is a profound change of management staff at the province line agencies, districts and communes, compared to the time of DBRP and IMPP, leading to limited understanding of the project strategy/approaches and integration of components/sub-components. Especially, the poverty reduction objective and the private sector partnership approach are poorly reflected by the management staff in their implementation reports and future planning, and the DPCs and CPCs are not yet fully aware of the project strategy and the respective tasks assigned to them; (ii) **Project implementation arrangement.** While the signed cooperation agreements between the PCU and DARD, DPI, DONRE and WU have clearly indicated the horizontal coordination mechanism at the provincial level, the vertical implementation arrangement including resource allocation to province/district/commune levels is not yet clear. In particular, the implementation of the component 1.1 is currently entrusted only to DARD resulting in somewhat slow progress of this subcomponent. This in turn leads to poor grounds for implementation of the remaining components. Therefore the PSC/PCU should specify cooperation framework with relevant line agencies, districts, communes and enterprises to identify models that could be assessed and replicated locally; (iii) **Capacities of PCUs.** While the PCUs benefit from the employment of the former DBRP and IMPP staff, additional management capacity and technical assistance is required in the area of climate change adaptation and private sector engagement; (iv) **Coordination at the local level.** All activities should be thoroughly embedded into the work of the district line agencies. Thus, the DPC chairperson or the vice-chairperson is suggested to assume the overall responsibility of the AMD activities and coordination of all line agencies at the district level. The fulltime AMD Project District Coordinator (District Support Officer) should be facilitating the process rather than take full responsibility of all ground-level work. The involved agencies should not be limited to the current DST members only, but also to include other agencies such as the FU and Economic/Infrastructure sections as required by the annual work-plans. The involved agencies may change from year to year, depending on ongoing activities; (v) **Task-oriented allowance system.** In view of the above point, it is suggested that the AMD support to local level implementing agencies should be task-oriented. The allowances should be allocated as per annual work-plan requirements, thus creating flexibility for participation of relevant agencies as required.

Agreed action	Responsibility	Agreed date
<b>Project orientation and planning:</b> (i) Quarterly meetings to be held in each district with DPCs, involved provincial and district agencies and project communes to discuss project strategies, review implementation performance and agree follow-up actions and relevant AWPB adjustment. (ii) Approval process to be accelerated by authorizing the PD to approve modifications of AWPB if no change in level of IFAD and counterpart funding required.	Provincial agencies, DPCs, PCU, CDBs	2015
<b>Project implementation arrangement/guidelines:</b> PCUs to a workshop to discuss and agree upon changes of project implementation mechanisms for (i) coordination among provincial line agencies and DPCs and CDBs; (ii) integration of AMD sub-components and with other programmes/projects; (iii) decentralization of resources to district/commune levels.	Provincial agencies, DPCs, PCU, CDBs	2015
<b>PCU capacity improvement:</b> (i) Appoint a qualified Deputy Project Director in both PCUs, based on technical capacities; (ii) Recruit a Senior Technical Advisor on Agriculture and Climate Change Adaptation, based in Ben Tre but working for both provinces; (iii) Recruit a Senior Technical Advisor on Value Chains/PPP based in Tra Vinh but working for both provinces.	PCU and related agencies	2015
<b>Coordination at the local level:</b> Engage DPC and CPC agencies in implementation of project instruments such as CCA, PPP, CFAF/CCA funds, and organize training courses accordingly.	PCUs, DPCs, CPCs	
<b>Task-oriented allowance system:</b> PCUs to discuss and initiate implementation of a task-oriented allowance system.	PCUs	2015

43. **Coherence between AWPB and Implementation.** *Rated as moderately satisfactory.* With competent planning staff recruited from prior DBRP and IMPP, the project followed a regular process of AWPB development and approval. In both provinces, the AWPB 2015 was developed in December, 2014 and approved by IFAD and PPC in January, 2015. In Tra Vinh, the AWPB and Narrative were appreciated by IFAD CO as good documents and disseminated to other projects for learning.

44. At this first quarter of the year (March, 2015), the coherence between AWPB and implementation is adequate. Priorities were: (i) signing MoUs with related agencies in project implementation; (ii) development of ToRs for recruitment of TA for early warning salinity intrusion system; (iii) provision of some basic CC and CCA training courses; (iv) drafting leaflets and manuals including CFAF, PPP, M&E; and (v) conducting bench-mark RIMS survey. All of these preparations laid concrete foundation for intensive field implementation in the forthcoming months. However, the following activities require critical attention since they are potentially delayed in comparison to the plan: In two provinces (i) capacity building for partners and beneficiaries relating to market analysis, CC and CCA issues; (ii) development of CC-SEDP manual and implement it for the course of 2016; and (iii) in Ben Tre, the CCA models identification.

45. **Monitoring and Evaluation.** *Rated as moderately satisfactory* The M&E system in two provinces has been in place with competent staff relocating from former DBRP and IMPP projects. To date, (i) a draft manual with all monitoring tables has been developed. (ii) Some basic M&E training courses have been organised for M&E staff at all levels. (iii) A baseline database on socio-economic situation of 60 project communes (30 communes in each province) has been developed. (iv) The bench-mark RIMS survey has been conducted. And (v) an IFAD mission has been organised to support two provinces with update of specific indicators in the log-frame, to include concrete targets; and with provision of simple and focused indicator measurement system where data can be captured by regular monitoring instead of large size sample surveys.

46. However, the mission notes that in both provinces (i) the slow process of completing and distributing M&E manual to districts and communes delayed the actual M&E implementation in the field. (ii) Capacity of staff relating to CC, CCA, and financial analysis is not yet equipped leading to a lack of indicators to measure CCA related interventions. In the coming period, the mission recommends M&E staff (i) to finalise and distribute the M&E manual as soon as possible; (ii) to develop a capacity building plan focusing on CC, CCA, and financial analysis skills; then accordingly to implement interventions to capacitate M&E staff.

47. **Gender focus. Rated as moderately satisfactory** In two provinces, the project has paid attention to gender issues, as reflected in the participation rate (47% in BT and 49% in TV) of women in project activities. Under specific activities, (i) women account for 49% of all beneficiaries in capacity building activities by the project; and (ii) in Ben Tre, 44% of MoSEDP participants were female. Through field consultations, the mission notes that women, especially women as heads of households, tend to be exposed more to climate change risks. In order to guide project staff and partners to practically mainstream gender aspects into project activities, the mission suggests the project to develop gender mainstreaming guidelines and accordingly provide capacity building for project staff and partners in this respect.

Agreed action	Responsibility	Agreed date
Two provinces, develop a simple gender mainstreaming manual with clear instructions to involve and empower women in project activities. Tra Vinh province pays more attention to Khmer women. Two provinces, provide training courses following the manual.	PCU TV and BT	2015

48. **Poverty focus. Rated as moderately satisfactory.** Poverty reduction is the project ultimate objective, which is adequately addressed in the project design. Project baseline in two provinces indicates that the selected 60 project communes are the poorest and most difficult communes with poverty and near poverty rate (BT:18.59%; TV: 33.9%) being higher than the provincial poverty rate (BT:14.75%; TV: 28.5%). Project progress reports show a relatively high portion of the poor participating in initial project activities. Under specific activities, in BT (i) 36% poor people participated in MoSEDP; and in two provinces (ii) approximately 40% in BT and 45% in TV of participants in capacity building activities are poor. Through field visits the mission observed that most of the poorest groups are women headed, and landless households. Especially in Tra Vinh, out of 33.9% poverty and near poverty rate, 40% are Khmer poor. These indicate that in two provinces off-farm, limited land required models, and job creation (e.g. farm hired labour) should be equally addressed apart from the farming models proposed by the project. In Tra Vinh, Khmer poor should be more prioritised in implementation/replication of above models.

49. **Effectiveness of targeting approach. Rated as moderately satisfactory.** In this early stage, it is still early to evaluate the effectiveness of the project targeting approach. However, the mission observed in two provinces that while the poor and women were equally involved in the project capacity building and planning activities (in BT), appropriate models to help the poor were not yet systematically identified. (ii) In Ben Tre, approach to identify and analyse models was not yet implemented; meanwhile in Tra Vinh, 32 farming models have been identified and proposed by DARD. The mission notes that (i) current approach by DARD in Tra Vinh needs further improvement in terms of targeting the poor (see the part poverty focus). (ii) CC and CCA capacity of the project staff and related agencies are not in place. In this sense, except the salinity monitoring system, there have not yet been any project activity integrated CC and CCA in implementation. (iii) Coordination between agencies and levels (province, district, commune, and village) in planning and implementing activities were not yet strong. Knowledge and experience relating to poverty reduction, CC and CCA are often bound in the territory of each agency or village, commune. This inhibits the possibility of learning good practices from each other to integrate into project activities.

50. The mission recommends (i) the project to consider diversification of the models to off-farm, limited land models, and on-farm job creation. In this context, DARD should not be the single agency to identify and replicate the models, other agencies (province, district, commune), private sector including farmers should be encouraged to identify and replicate poverty reduction, CCA models. (ii) Follow up capacity building framework (technical knowledge, business and planning skills) to implement/replicate models should be developed by the PCU with inputs provided by related agencies and private sector at all levels. Within the framework, capacity building instruments (e.g. TOT, FFS, Enterprise to farmer extension, farmer to farmer extension) should be proposed. (iii) By inviting agencies to work more often with each other, and decentralising more activities to lower levels, the project should be able to mobilise good knowledge and experience serving for project implementation.

51. **Climate and environment focus. Rated as moderately satisfactory.** The project is specially designed to address the issues of climate and environment. Throughout the project document, various instruments including CC-SEDP, CIF, CFAF/CCA, PPP are proposed to deliver the CC adaptation and environmental protection objectives. The project is in early stage of implementation and concrete activities related to climate and environment are still limitedly implemented. However, with careful

development of manuals (CC-SEDP, CIF, CFAF/CCA, PPP) and plans (AWPB, capacity building framework), the mission is positive about the future focus in climate and environmental outputs, outcomes, and impacts.

52. **Innovation and learning.** *Rated as moderately satisfactory.* The AMD project is a learning project. As explained in the above sections, it introduces new innovative instruments to sustainable development of the two target provinces, most importantly (i) the salinity monitoring mechanisms, (ii) CCA model development, (iii) CFAF/CCA fund and (iv) PPP fund. The project unit has initiated learning processes to enable implementation of these instruments. By the end of PY1 most of the required manuals and guidelines are drafted or under finalization, however most of the project partners are still unaware of the opportunities brought about by the innovative new methods and lack technical capacities to implement these appropriately. The learning capacity is pertinent, as both Ben Tre and Tra Vinh provinces have absorbed innovations by previous IFAD investment projects to the work of line agencies and the AMD project, such as Women's Union MFI, Community Participation method for infrastructure development and commune level SEDP.

53. **Partnerships.** In such provinces which are critically effected by climate change, but also have potential for market development, partnerships are particularly essential for a successful project implementation. To date, the project has initiated dialogue with few private enterprises about the possibilities to upgrade the targeted value chains. Also, various technical discussions with international NGOs/agencies/projects including Oxfam, DANIDA and CIDA-SME have been held about CC and CCA issues. Given the increasing interests in investment in the province from international donors (WB, JICA) and enterprises (UK and American enterprises investing in fruit trading, etc), a more active dialogue between project and these actors is needed to mobilize and coordinate resources for socio-economic development of the province.

## **E. Fiduciary aspects**

54. **Financial Management in BT.** *Rated as satisfactory* except for the low disbursement rate due to the slow implementation progress in the first year. The project financial management system was set up from provincial level down to the district and commune level. Bank accounts were opened and in operation at district and commune levels. Until March, 2015, no activity has been implemented and thus only operation cost was occurred at the district and commune level. The majority of the current district and commune accountants have similar work experience with the DBRP project, so they have a good level of capacity and knowledge to perform duties and tasks to the requirement of their terms of reference. It is however noteworthy that the change of personnel and/or staff rotation is very much likely to happen after the upcoming provincial party congress in July 2015. This represents a risk to the project in terms of HR and the capacity development plan. The mission recommends the project management to follow up on this the risk and to prepare a mitigation strategy.

55. **Financial Management in TV.** *Rated as satisfactory.* The project financial management system has been set up from the provincial down to the district and commune levels and bank accounts have been opened and are in operation. Until March, 2015, no investments have taken place in the district and communes thus expenditures are only related to operational cost. Most of the current district and commune accountants have similar work experience from the IMPP project, so the capacity to perform their duties are satisfactory. Several trainings were organised for the accountants, however it should be noted that changes of personnel and/or staff rotation are likely to happen after the upcoming provincial party congress in July 2015. This represents a risk for the project in terms of lack of relevant capacity. The mission recommends that the project management prepares a risk mitigation strategy to deal with this.

56. Due to an oversight, the planned IFAD funding under AMD for 2015 was not included in the overall provincial ODA plan prepared by Tra Vinh PPC for the approval of MPI. Subsequently, MOF has declined to endorse the second sets of WAs for submission to IFAD. Obviously this is a matter of concern and the mission strongly recommends that the required corrections and/or re-adjustment of the provincial ODA plan are made on a priority basis. A letter has been submitted to MPI to this effect. As an interim measure it was agreed that the PCC will pre-finance eligible expenditures up to an amount of VND 20 billion as per the 2015 AWPB to be reimbursed by IFAD when this matter is resolved. An email from the PCC to IFAD will be submitted to this effect. The PCU was also advised to transfer fund to the district and commune level to finance the implementation of planned activities in 2015.

57. **Disbursement in BT.** *Rated as moderately unsatisfactory.* The total disbursement for both loan and grant and by all financiers stood at US\$0.216 million against a total approved project cost of US\$24.660 million (0.9%). This included a disbursement of 1.44% of the approved loan amount of US\$10.930 million by IFAD and 0.9% of the approved IFAD ASAP grant amount of US\$6.002 million. GoV had met 0.2% of its own commitment to the Project. Project disbursement in 2014 achieved 33% of the 2014 AWPB.

58. **Disbursement in TV.** *Rated as moderately satisfactory.* The total disbursement for both loan and grant and by all financiers stood at US\$0.524 million (2.1%). This included a disbursement of 2.6% of the approved loan amount of US\$11.130 million by IFAD and 0.8% of the approved IFAD ASAP grant amount of US\$6.033 million. Project disbursement in 2014 was 66% of AWPB.

59. **Counterpart funds in BT.** *Rated as moderately satisfactory.* GOV had allocated funds to meet requirement of the AWPB 2014. However the project has disbursed only USD 8000 out of the approved budget of USD 200 000 in 2014. In 2015, the GOV has not yet approved the counterpart fund as a result of the newly issued resolution by the National Assembly on approval of ODA funds. The provincial government has been waiting for the detailed guidelines from MPI before they can allocate funds to the project accordingly. Despite the demonstrated strong commitment of the provincial government to the project, the mission advised that counterpart funds needed to be allocated on a high priority basis to ensure the project smooth operation. **Beneficiary contribution.** No beneficiary contribution is foreseen during the early stage of project.

60. **Counterpart funds in TV.** *Rated as moderately satisfactory.* GOV allocated funds to meet requirement of the AWPB 2014. In 2015, the GOV has approved the counterpart funds as per the 2015 AWPB. No beneficiary contribution is foreseen during this early stage of project

61. **Withdrawal Application in BT.** As at 28 March 2015, the project has submitted to IFAD two withdrawal applications to get the initial advance for IFAD loan (USD 0.318 million) and ASAP grant (USD 0.182 million). The project is recommended to promptly complete the third WA and make the next submission to IFAD at the earliest possible in order to receive the needed funds for activities at district and commune level.

62. **Withdrawal Application in TV.** As at 28 March 2015, the project submitted to IFAD two withdrawal applications for the initial advance for IFAD loan and ASAP grant. The project has submitted another WA to MOF for additional advance in the designated accounts, but as noted, the processing is on hold in MOF due to the non-inclusion of the IFAD in the Tra Vinh 2015 ODA plan. WA No.3 has been prepared and being translated

63. **Project Accounting in BT.** The PCU installed a new accounting software which has been widely used by a number of IFAD funded projects in Vietnam. The accounting software offers authorized users opportunity to link data between commune, district and provincial level. The software is reportedly user friendly, easy to learn and operate, able to produce reports to the requirement of GoV and IFAD and is highly appreciated by the accountants. However, through interview and on-site test, the mission recommended the project to have the pending errors fixed or updated immediately (e.g. asset, contract, advance modules). **Assets Management.** The project assets are managed in an MS Excel based table and a software at the PCU. The asset registers did not include asset number and identification. The project needs to re-assign number to all project assets since the existing numbering system is not good enough for asset management. Physical verification was carried out annually. **Contract management.** The Contracts Register is maintained, updated and shared with IFAD. It is recommended that the use of contract register should be extended to the district and commune levels. **Project filing system.** Currently, the PCU is still keeping the DBRP documents in its office. There is a high possibility that documents of the previous project be mistakenly mixed with the AMD documents, causing confusion to the PCU staff. Therefore, systematic separation of DBRP documents and AMD documents is recommended to be done immediately, especially the documents of accounting and procurement unit.

64. **Credit line at the BT WU.** The mission reviewed the accounting software at WU and noted some outstanding problems and errors. The system definitely needs to be corrected or updated before fund arrives to the WU from the project. Many function and features are missing in the software, PCU is suggested to assist the WU to have the software updated by the service provider and functioning well. **Flow of funds for the credit line:** According to the Circular 218/2013/TTBTC (on financial management of programme and projects funded by ODA and concessional loan granted

by foreign donors), the WU should open a bank account at a commercial bank to receive fund from the project designated account. Then the WU will send the disbursement report to PCU for the Withdrawal Application purposes. According to the Circular 218/2013/TTBTC, there is no need to have the certification of the Treasury on the disbursement report

65. **Project Accounting in TV.** The PCU installed a new accounting software (shared contract with AMD Ben Tre) which is widely used by a number of IFAD funded projects in Vietnam. The accounting software offers authorized users opportunity to link data between commune, district and provincial levels. The software is reportedly user friendly, easy to operate, produces reports as to the requirement of GoV and IFAD and is highly appreciated by the accountants. However, through interviews and on-site test, the mission recommends the project to have pending errors fixed or updated immediately (e.g. asset, contracts, advance modules). **Assets Management.** The project assets are managed in an MS Excel based table and a software at the PCU and physical verification is carried out annually. However, district and commune levels are not included in the asset register and this should be rectified. **Contract management.** A Contracts Register is maintained, updated and shared with IFAD. It is recommended that the use of contract register should likewise be extended to the district and commune levels

66. The mission met with the Provincial Treasury and a number issues were noted: (i) **Cost norms for TA contracts.** Currently, the project is not able to sign any TA contracts due to a disagreement between PCU and Treasury. The Treasury maintains that DSA and travel cost of all TA proposed contracts as per the cost norm provided in Circular 219/2009/TT-BTC is a lump sum package which includes these cost. However, if the cost norms of Circular 219/2009/TT-BTC is to apply as per the interpretation of the Treasury, no qualified consultants will accept to work with the project. The mission notes fact that this was not an issue encountered by the previous IMPP project or in any other IFAD project. The issue was reported to MOF, however the project is advised to send an official letter to the Ministry to seek clarification. Once a reply is received the relevant department in the Treasury can be instructed accordingly. (ii) **Too many small transactions.** The Treasury noted that the project is making too many small payments and suggest the use cash for expenditures of less than 5 million VND. PCU agrees with this suggestion and will increase the threshold of petty cash up to 30 million VND to cater for this. (iii) **Processing time In Treasury.** Currently, the procedures for the processing of advance/ payments at the Treasury in Tra Vinh takes longer time than in other IFAD projects. It is recommended that the PPC instructs the Treasury to give stronger support and/or priority to the project to speed up the project transactions

67. **Credit line at the TV WU.** All accounting staff at WU are very junior, and have limited experience in accounting. Currently, all transaction are recorded in an Excel file which is not satisfactory. The mission recommends that an accounting software for the Fund be installed by the end of 2015. For this, the experience of the Women's development Fund in Ben Tre should provide guidance. The Fund is expected to receive fund from PCU during May-June 2015 and will start record data manually. It is suggested that PCU organises to training for the WU the accountants and assist in the procurement of relevant software by end of 2015. According to the Circular 218/2013/TTBTC (on financial management of programme and projects funded by ODA and concessional loan granted by foreign donors), the WU shall open a bank account at a commercial bank to receive fund from the project designated account. Subsequently the WU will send the disbursement report to PCU for the Withdrawal Application purposes. According to the Circular 218/2013/TTBTC, there is no need to have the certification by the Treasury on the disbursement report.

68. **Compliance with loan covenants in BT and TV.** *Rated as moderately satisfactory.* In overall the loan covenants are being complied except for a condition under paragraph 8, Section B of the FA regarding the counterpart funding is not fully complied with in Ben Tre.

69. **Procurement in BT.** *Rated as moderately satisfactory.* Procurement manuals were developed and introduced to project communes. The Project has not undertaken any major procurement during the year under review. Only four contracts have been signed (3 contracts are for procurement of project equipment and furniture, one contract for a study tour). The missions reviewed all four contracts and noted that procurement procedure has been followed, documents is kept in good order.

70. **Procurement in TV.** Procurement manuals have been developed and introduced to project communes. The Project has not undertaken any major procurement during the period under review. Ten contracts have been signed, the missions reviewed some of the contracts and noted that procurement procedure has been followed. However, for the TA contracts, the project should

advertise the ToRs more widely. The mission recommends the project to advertise their ToRs on the NGO website, newspapers, etc in order to receive more applications for the work. Project needs to consider more carefully the need of the project when purchasing office equipment.

71. **Audit in BT. Rated as moderately satisfactory.** The project has asked IFAD for NOL on exemption on 2014 audit as the expenditures occurred were very limited. The 2015 audit report will also cover 2014 expenditures. IFAD provided NOL for this however the project needs to submit to IFAD an unaudited financial statement immediately. The mission has reviewed the draft financial statement report and recommend for some changes.

72. **Audit in TV. Rated as satisfactory.** The project has asked for IFAD for NOL on 2014 ToR audit. Currently, the project has selected the audit company and the work will start in April 2015.

Agreed action - BT	Responsibility	Agreed date
<b>Counterpart Fund:</b> Government to approve the full budget for project in 2015 as per the AWPB	PPC	
<b>Accounting software:</b> to update and correct the software at the soonest possible	Accounting unit	
<b>Audit:</b> Unaudited financial statement to be sent to IFAD	PCU	
Agreed action - TV		
<b>IFAD funds for 2015 AWPB:</b> PPC to seek IFAD funds for inclusion in the 2015 ODA plan and in the meanwhile pre-finance legible expenditures	PPC	March 2015 onwards
<b>Withdrawal Applications:</b> PCU sends all pending WAs to MOF	PCU	March 2015 onwards
<b>Cost norm for TA contract:</b> PPC send an letter to MOF requesting for clarification of this issue	PCU	March/April 2015
<b>Support from Tra Vinh Treasury:</b> Treasury to give stronger support and/or priority to the project in order to help speed up the project transactions.	PPC/Treasury	March 2015 onwards

## F. Sustainability

73. **Institution building. Rated as moderately satisfactory.** The mission noted commitment of the PPCs/PSCs in coordinating relevant agencies to promote innovative approaches and establish institutions introduced by AMD. However, in order to ensure the project institutional sustainability the mission recommends that: (i) the PPCs and DPLs ensure that the Finance and Planning Sections under DPCs take lead in preparation of SEDPs for project communes. At the same time sufficient government funds should be provided for replication of the SEDP process in non-project communes; (ii) WDF and WDAF with AMD assistance to ensure implementation of the 2015-2020 Strategic Business Plans that mobilize sufficient capital including savings from SCG members and deliver market-based services.

74. **Empowerment and social sustainability. Rated as moderately satisfactory.** For both provinces Ben Tre and Tra Vinh, the achievements of the prior DBRP and IMPP projects have bequeathed significant empowerment and social sustainability. The SEDP and initial financial support instruments (SCG, CIG linked to enterprise) of the prior projects have (i) strengthened the capacities of the HHs in market access and economic development, (ii) facilitated the participation of the poor, the women and the ethnic minorities, and (iii) empowered their position within society through involvement in decision making process. For this AMD project, it is still early to evaluate the empowerment and social sustainability of the project. However, the mission observed that the prospect for social sustainability is appropriate by taking over and upgrading the achievements of prior projects (CC-SEDP, CIF), and introducing innovative financing instruments (CFAF/CCA, PPP).

75. **Quality of beneficiary participation. Rated as moderately satisfactory.** To date, there are limited activities implemented in the field. However, in both provinces the early progress shows positive signals of quality of beneficiary participation. In Ben Tre, the SEDP process has created a space for participation of people, especially the poor (36%) and women (44%). In Tra Vinh, although having not yet implemented SEDP for 2015, awareness raising and capacity building process at all levels have involved a significant number of participants (5000 participants; 40% poor, and 47% women). These initial activities helped to raise the voices of beneficiaries in the process of setting



priorities for investments, and potentially to engage directly in implementation and monitoring of approved activities at later stage. The mission notes that with introduction of CC and CCA issues, CFAF/CCA/PPP funds, considerable amount of challenging work remains to be done to facilitate beneficiary participation in climate informed and market oriented planning for economic development.

76. **Responsiveness of service providers.** *Rated as moderately satisfactory.* At the early stage of the project, agricultural service support is not yet initiated. Lessons from the prior DBRP and IMPP projects indicate that private or semi-private extension services, BDS and technical assistance are very efficient methods for farmer and small business support in Ben Tre and Tra Vinh. The project should continue the efforts to improve the responsiveness of all services, aiming at diversification from public to private sector. The new PPP and CFAF/CCA funds of the AMD should become useful tools for this.

77. **Exit strategy.** *Rated as moderately satisfactory.* The project is at initial stage, overall exit strategy not yet required. Regarding PPP and CFAF/CCA investments, project should already at planning stages pay attention to exit strategy issues including assets management and shifting full ownership to implementing partners.

78. **Potential for scaling-up.** *Rated as moderately satisfactory.* Due to successful DBRP and IMPP projects in the Ben Tre and Tra Vinh provinces, the SEDP and MFI instruments are now included in the provincial government mechanisms, and impact is scaled up to non-project areas. The new instruments included in the AMD project design are appreciated by the provincial leadership and have very high potential for later up-scaling, including salinity monitoring systems, CCA models, CFAF/CCA and PPP.

## **G. Other (impact)**

79. **Impact on physical and financial assets.** The project is at initial stage, and impact on physical or financial assets is not yet visible. Planning processes however are well underway and project investment instruments CIF, CFAF/CCA and PPP have been planned with concrete target numbers in terms of physical and financial impact. Each of the instruments have specified targets for disbursement, for quality of the sub-projects, and for amount of reached beneficiaries. Concrete impact is yet to be seen, however expectation is high for the coming years.

80. **Impact on food security.** The project is at initial stage, it is still early to evaluate the impact of project on food security. However, it is noted from the bench-mark RIMS survey that: in Ben Tre, thanks to the achievements of prior DPRP, food security is no more an issue in the project area. Instead, food quality is suggested to be considered. By adding more nutrient to the daily meals of households, it will likely to reduce the situation of malnourished children which is still high in project area (12% - RIMS survey, 2015). In Tra Vinh, food security is still a certain problem in the project communes. 10% of the poor still suffered 4.3 months food shortage, and 1% suffered 2 months food shortage. This indicates that simple models generating immediate income are needed for this poor group.

81. **Impact on incomes.** The project is at initial stage, impact on incomes is not yet significant. With the support for two IFAD specialists in the mission in September, 2014, the project has already set the targets for poverty reduction and income increase by the end of the project. By doing this practice, and with effective instruments (SCG, CIF, CFAF/CCA, PPP), the mission views that the project activities will have a significantly positive impact on incomes of beneficiaries.

82. **Impact on quality of natural assets and climate resilience.** The project is at initial stage, impact on incomes is not significant. However, as mentioned in the part – Climate and Environment focus, climate change adaptation is one of the important objectives of this project. The climate informed instruments including CC-SEDP, CIF, CFAF/CCA, PPP when concretely implemented will likely create positive impact on quality of natural asset improvement and climate resilience.

83. **Policy impact.** Policy impact is not yet visible, while project is at its initial stages. However, the experience from previous projects in Ben Tre and Tra Vinh show that the provinces have a dynamic policy mechanism and IFAD projects' inputs have been well appreciated. It is very likely that the AMD policy development components are to have significant impact, particularly for the Climate Change Adaptation and Disaster Risk Management governance. The mission has provided guidance to this effect.

## H. Conclusion

84. In view of only nine months of actual project implementation, the achievements of AMD are substantial. Overall performance is moderately satisfactory. Both provinces have made good progress in (i) establishment of project management structures at all levels, (ii) formulation and promulgation of the project implementation manuals PIM and FMM, (iii) support and development of SCGs, (iv) establishment of CCA working groups, and (v) initiation of the salinity monitoring system procurement process. In addition, Ben Tre has made substantial progress in MFI development process, and Tra Vinh in initial mapping of potential CCA models for replication.

85. To further strengthen the AMD project in its early stage, the following points require attention and follow up:

- Responsibility and resource allocation mechanisms require review, with the aim of increased activity decentralization to DPCs/CPCs;
- Multiple agencies, beyond DARD, need to be involved the identification, assessment and replication process of CCA models, as per the Guidance Note agreed upon during the mission;
- The climate adaptive research agenda for science institutions need to be formulated and submitted to the IFAD Country Office for review. It's recommended that multiple research institutions are engaged in this task;
- Institutional capacities of the project need to be strengthened, including (i) a comprehensive capacity building programme at all levels, focusing on CCA, market oriented planning and co-investment implementation; and (ii) Engagement of two Senior Technical Advisors;
- Private sector actors need to be widely informed on project support. Potential private sector partners need to be identified, and consultations held for initiation of collaboration in value chain development;
- AWPB need to be made a flexible management instrument, through (i) quarterly meetings at district level with provincial agencies' participation to review performance of project districts and communes and to agree on AWPB adjustments; and (ii) authorization of PD to approve the revised AWPB with no change of counterpart funding requirement, following IFAD NOL;
- Pending preparatory processes need to be finalized, including signing of subsidiary agreement on WDF/WDAF financing; completion of guidelines for CC-informed SEDP, CFAF/CCA, PPP;
- Collaboration between provinces need to be strengthened and widened to include manual development, CCA model development, value chain development, private sector financing arrangements and exchange of senior expertise;
- For Ben Tre, the poverty reduction objectives should be mainstreamed into the project strategy and guidelines, alongside the CCA;
- For Tra Vinh, it is urgent that (i) the inclusion of the AMD funding into the ODA provincial plan is to be dealt with immediately and PPC is to provide pre-financing of eligible expenditures up to VND 20 billion; and (ii) Women's Development Assistance Fund capacity to be substantially strengthened.

86. Through adopting the above key points as well as the other recommendations outlined in the Aide Memoire, Ben Tre and Tra Vinh should be in a stronger position to move implementation of the AMD Project substantially forward during 2015. At this stage the mission is confident about the potential success of this project.

## Appendix 1: Summary of project status and ratings

### Project 1664 - Adaptation to Climate Change in the Mekong Delta

Country	Viet Nam		Project ID	1664	Loan No.	2000000433
Project	Adaptation to Climate Change in the Mekong Delta (AMD) Project in Ben Tre and Tra Vinh provinces				ASAP Grant No.	2000000434
Date of Update	27-March-2015				IFAD Grant No.	
Supervising Inst.	IFAD				Financing terms	
No. of Supervisions	1	No. of Implementation Support/Follow-up missions	4			
Last Supervision	March 2015	Last Implementation Support/Follow-up mission	Oct 2014			

USD million Disb.Rate %

Approval				Total financing	49.5	1.5
Agreement	28-Mar-2014	Effectiveness lag		IFAD Total	34.1	1.6
Entry into force	28-Mar-2014	PAR value		IFAD loan	22.5	2.0
MTR				ASAP Grant	0.5	0.8
Original completion	31-Mar-2020	Last Amendment				
Current completion	31-Mar-2020	Last Audit		GoV	7.6	2.5
Original closing	30 - Sep - 2014			Beneficiaries	7.8	0
Current closing	30 - Sep - 2014					
No. of extensions	0					

### Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management		5	1. Quality of project management		4
2. Acceptable disbursement rate		3	2. Performance of M&E		4
3. Counterpart funds		4	3. Coherence between AWPB & implementation		4
4. Compliance with loan covenants		4	4. Gender focus		4
5. Compliance with procurement		4	5. Poverty focus		4
6. Quality and timeliness of audits		4	6. Effectiveness of targeting approach		4
			7. Climate and environment focus		4
			8. Innovation and learning		4
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Building Adaptive Capacity		4	1. Institution building (organizations, etc.)		4

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

## B.5 Justification of ratings

The AMD in both provinces Ben Tre (BT) and Tra Vinh (TV) has had about nine months of active implementation, and has already made good progress in establishment of project management structures at all levels and formulation and promulgation of the key implementation documents. Partnerships with key agencies have been established, and implementation strategy is at place. However, the grass-root initiation of activities is still somewhat slow, due to required complex preparations and capacity building of implementing partners. Overall performance is moderately satisfactory.

### Overall Assessment and Risk Profile

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

### Rationale for implementation progress rating

The AMD management in both provinces, both for project planning and financial management, is adequate quality due to experience gained in the previous projects DPRB (BT) and IMPP (TV). The financial management of the AMD is rated as satisfactory, and all other areas of work is considered moderately satisfactory at the initial stage. Improvement is expected after the coming year of implementation at the ground, and the Country Office expects learning processes regarding CCA for the overall Vietnam country programme.

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

The AMD likelihood of achieving its development objectives is also assessed moderately satisfactory. At this very early stage of the complex AMD programme, all components are prepared for, given concrete and measurable implementation targets, and planning instruments are being initiated during 2015 along with some initial grass-root activities.

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

Fiduciary aspects	<ul style="list-style-type: none"> <li>- For Tra Vinh, inclusion of the AMD funding into the ODA provincial plan is urgently required and need full attention by the provincial leadership</li> <li>- The allocation of resources and responsibilities is biased towards the provincial level, causing delays at district level involvement and implementation</li> </ul>
Project implementation progress	<ul style="list-style-type: none"> <li>- Staff of the PCUs, provincial agencies and in particular the commune and district level units still have insufficient understanding about the overall strategy for AMD including issues related to climate change adaptation, market-oriented climate-smart local planning and private sector engagement</li> <li>- Some key implementation guidelines such as CC-informed SEDP, CCA/CFAF and PPP are yet to be approved and disseminated</li> <li>- Collaboration between the two provinces requires strengthening and widening</li> </ul>
Outputs and outcomes	1.1: CCA models are still to be properly assessed, verified at the farmer level and provided with an appropriate strategy for multiplication

Sustainability	2.1: For Tra Vinh, the Women's Development Assistance Fund capacity requires substantial strengthening for sustainable and prudent management of planned increased funding
	2.2: Identification of potential private sector partners and subsequent consultations are yet to take place
	Exit strategy is still missing, however at the first year of implementation this is only relevant to specific exit strategies in CFAF/CCA and PPP schemes.

#### Proposed Follow-up

Issue / Problem	Recommended Actions	Timing	Status
<b>Coordination/Implementation arrangements</b>	Review current responsibilities and resource allocation with the aim of increased decentralization to DPCs/CPCs.	Q2/2015	
<b>Multiplication of CCA models</b>	Involve multiple actors for the identification, assessment and multiplication process of CCA models, as per the Guidance Note agreed upon during the mission.	Q2/2015	
<b>Institutional capacities</b>	(i) Develop a comprehensive capacity building programme at all levels, focusing on CCA, market oriented planning and co-investment implementation; (ii) Engage two Senior Technical Advisors. One for Climate Change Adaptation based in Ben Tre and one for Private Sector Engagement based in Tra Vinh, both working for both provinces.	Q2-Q3/2015	
<b>Private sector partnership</b>	Widely inform the private sector on project support through various channels. Identify potential private sector partners. Hold consultations. Initiate collaboration for value chain development and replication of financially viable CCA models. Assign staff responsibilities accordingly.	Q2/2015 onwards	
<b>AWPB and Financial Management</b>	(i) Quarterly meetings at district level with provincial agencies' participation to review performance of project districts and communes and to agree on AWPB adjustments; (ii) Authorize PD to approve the revised AWPB with no change of counterpart funding requirement, following IFAD NOL.	Q2/2015 onwards	
<b>Pending key activities</b>	Finalize and sign subsidiary agreement on WDF/WDAF financing; complete guidelines for CC-informed SEDP, CFAF/CCA and PPP.	Q2/2015	
<b>Collaboration between provinces</b>	Provinces to strengthen and widen collaboration to include manual development, CCA model development, value chain development, private sector financing arrangements and exchange of senior expertise.	Q2/2015 onwards	
<b>For Ben Tre: Poverty reduction</b>	objectives to be mainstreamed into the project strategy and guidelines, alongside the CCA.	Q2/2015	
<b>For Tra Vinh: ODA Plan</b>	Inclusion of the AMD funding into the ODA provincial plan to be dealt with immediately and PPC to provide pre-financing of eligible expenditures up to VND 20 billion.	Q2/2015	
<b>For Tra Vinh: WDAF Capacity</b>	Women's Development Assistance Fund capacity is to be substantially strengthened.	Q2/2015	



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

AMD Ben Tre and Tra Vinh

### UPDATED LOGICAL FRAMEWORK OVERALL GOAL AND OBJECTIVES

Narrative Summary	1st level indicators	2nd level indicators	Means of Verification	Main responsibility
<b>Project goal</b>				
Sustainable livelihoods for the rural poor in a changing environment.		<b>MD1</b> 40% reduction in the prevalence of child malnutrition [1] (*);	RIMS baseline and completion	PCU
		<b>MD2</b> At least 25,000 poor and near poor households (Ben Tre: 10,000; Tra Vinh: 15,000) with at least 25% improvement in household assets ownership index	RIMS baseline and completion	PCU
		<b>MD3</b> At least 40% reduction in income poverty of the households in project communes (**);	Poverty statistics	DOLISA
<b>Project development objective</b>				
Adaptive capacity of target communities and institutions to better contend with CC strengthened	<b>MT1</b>	100% of Ben Tre (BT) and Tra Vinh (TV) communes and districts preparing and implementing annual climate-informed, participatory market oriented plans	DoNRE's & DPI's annual reports	DoNRE & DPI
	<b>MT2</b>	At least 25,000 poor and near poor households (Ben Tre: 10,000; Tra Vinh: 15,000) with increased 30% of adaptive indicator [1] at least	RIMS baseline and completion Thematic survey	PCU
	<b>MT3</b>	At least 20 USD million (BT: 10 USD million; TV: 10 USD million) invested in profitable climate resilient infrastructure, farming systems and enterprises in project communes that show an IRR > 12%.	Project Management Information System (MIS)	PCU, districts, communes

(\*) Gender of the child disaggregated;

(\*\*) Income poverty mentioned here is a measurement of Viet Nam Government for each period; measured and evaluated according to annual evaluation process by MOLISA. It should note that 40% reduction is basically different with 40 points % reduction.

[1] A resilient household is anticipated to exhibit, inter alia, the 5 following characteristics: i) diversified livelihood and income streams; ii) membership in social networks such as CSG, CIG, CG; iii) ability to access credit to invest in adaptive activities; iv) benefits from small scale infrastructure; and (v) direct participation into SEDP process at village/commune levels and decision making process

Narrative Summary	1st level indicators	2nd level indicators	Means of Verification	Main responsibility
<b>COMPONENT 1. BUILDING ADAPTIVE CAPACITY</b>				
A comprehensive agriculture sector CC adaptation management framework operating with participating communities, institutions and provinces	01.1 At least 30,000 people (Ben Tre: 15,000; Tra Vinh: 15,000) trained on climate-informed farming system and technology. (poverty/gender/ethnic)		Project Management Information System (MIS)	PCU, DARD, districts, communes
	01.2 70% of households and agro-businesses in project communes able to articulate climate-informed SEDP. (poverty/gender/ethnic)		Annual survey	PCU, districts, communes
	01.3 At least 70% of farmers and aquaculturists registered with automated salinity monitoring system that use salinity updates for water-use decision making. (poverty/gender/ethnic)		Annual survey (after the salinity monitoring system is in operation)	PCU
	01.4 At least 8 different viable pro-poor climate resilient farming system packages , each adopted by more than 400 poor & near poor households ;		Project Management Information System (MIS)	PCU, districts, communes
<b>Sub-component 1.1: "Climate Change Knowledge Enhancement"</b>				
Output 1.1.1 Participative development of gender sensitive models for farmers & aquaculturists to formally engage in climate resilient, profitable, production.	DR 1.1.1.1 At least 15 climate resilient farming system packages (Ben Tre 7; Tra Vinh 8) tested with suitable scale (based on each proposal of farming system package) with at least 40 farmers each		Project Management Information System (MIS)	PCU, DARD, districts, communes
	DR 1.1.1.2 At least 600 households (TV: 320; BT: 280) participate in the test of 15 climate resilient farming system packages		Project Management Information System (MIS)	PCU, DARD, districts, communes
	DR 1.1.1.3 At least 12 (BT: 6; TV: 6) value chains identified		Annual report	DARD
	DR 1.1.1.4 Number of people trained in value chain, market access, and economic analysis		Annual report	DARD



Output 1.1.2 Sustainable salinity monitoring system with web-based open source database established	DR 1.1.1.5	Number of enterprises/people participating in the value chain development planning process (gender and ethnic minority disaggregated)		Annual report	DARD
	DR 1.1.1.6	The feasibility of climate resilient farming system packages are particularly analyzed in terms of natural, economic and financial conditions	- Research and studies reports - Independent evaluation reports		Research institutions, TAs
	DR 1.2.2.7	Main contents related to DRM/CC identified, then integrated into SEDP	Annual survey		PCU
	DR 1.2.2.8	70 % of trained people are able to apply knowledge to develop value chain development plan	Annual survey		PCU
	DR 1.2.2.9	At least 8 (BT: 4; TV: 4) value chains being implemented effectively	Annual survey		PCU
	DR 1.1.2.1	An automatic water-quality monitoring system invested in each province	Report on the establishment of the water - quality monitoring system		DONRE
	DR 1.1.2.2	At least 1,500 (BT: 1,000; TV: 500 - 1000) households (groups) provided and trained in using the handheld salinity monitoring equipment	Project Management Information System (MIS)		DARD, PCU
	DR 1.1.2.3	Water quality testing equipment for for the laboratory of DONRE (Tra Vinh only)	Project Management Information System (MIS)		DONRE, PCU
	DR 1.1.2.4	Near real time updates from automated salinity monitoring system disseminated across BT and TV	System operation agency's reports		DONRE, PCU
	DR 1.1.2.5	At least 80% of households using the water quality testing equipment for water-use decision making in their production practice	Thematic survey		PCU

<u>Output 1.1.3</u> TraVinh University and institutes in the region implementing an adaptive, climate-informed agricultural and aquaculture varietal research program.	DR 1.1.3.1	At least 25 peer-reviewed scientific papers related to climate change (related to testing models) published (target for both provinces)		Project Management Information System (MIS)	Research institutions
			DR 1.1.3.2	Farming systems tested (in terms of practicality and profitability) and published on scientific magazines	- Research and studies reports - Independent evaluation reports Research unit
<b>Sub-component 1.2: “Climate-Informed Planning”</b>					
<u>Output 1.2.1:</u> Preparation activities to integrate community-based adaptation and disaster risk mitigation into SEDP	DR 1.2.1.1	Number of staff of concerned line agencies and villagers trained in DRM/CC (poverty/gender/ethnic)		Report of implementing agencies	DARD, DONRE
			DR 1.2.1.3	Main contents related to DRM/CC identified, then integrated into SEDP	Annual survey PCU
			DR 1.2.1.4	70% of trained people are able to apply knowledge to develop SEDP	Annual survey PCU
<u>Output 1.2.2:</u> Provincial Departments of Planning & Investment have guidelines and tools for climate-informed SEDP planning and the capacity to independently train district and commune staff.	DR 1.2.2.1	SEDP manual with integration of disaster risk mitigation and climate change concerns developed		Project Management Information System (MIS)	PCU
	DR 1.2.2.2	60 project communes annually develop SEDP with integration of disaster risk mitigation and climate change concerns		Project Management Information System (MIS)	PCU
	DR 1.2.2.3	Number of government staff trained in climate-informed, market oriented SEDP		Report of implementing agencies	DPI, districts, communes
	DR 1.2.2.4	Number of staff/farmers/enterprises participating in the SEDP planning meetings at commune level (poverty/gender/ethnic)		Report of implementing agencies	DPI, districts, communes
	DR 1.2.2.5	DARD's & DonRE's provincial-level CC Action Plans updated & integrated into sectoral priorities for the 2016-2020 SEDP		Report of implementing agencies	DPI, DONRE

Output 1.2.3. Policy dialogues	DR 1.2.2.6	Provincial climate-informed market oriented SEDP's produced for BT and TV for the periods  2016-2020 and 2021-2025		Report of implementing agencies	DPI
	DR 1.2.2.7	70% of staff are knowledgeable about climate-informed market oriented process		Project Management Information System (MIS) Thematic survey	PCU
	DR 1.2.2.8	100% of SEDP ensures the efficiency on elements: (i) disaster risk mitigation, (ii) Adaptation to climate change, (iii) market		Report of implementing agencies	DPI, districts, communes
	DR 1.2.2.9	SEDP at commune level institutionalized throughout the province in 2017		Report of implementing agencies	DPI, districts, communes
	DR 1.2.3.1	CCCO established, staff recruited (Tra Vinh only)		Project Management Information System (MIS)	PCU
	DR 1.2.3.2	CCCO supported office equipment and operational costs (Tra Vinh only)		Project Management Information System (MIS)	PCU
	DR 1.2.3.3	A Climate related database established for CCCO		Report of implementing agencies	CCCO
	DR 1.2.3.4	Number of training to increase capacity of staff of CCCO and of other concerning agencies		Project Management Information System (MIS)	PCU
	DR 1.2.3.5	Number of workshops and policy dialogues about CC organized		Project Management Information System (MIS)	PCU
	DR 1.2.3.6	CC adaptation strategies developed (Ben Tre only)		Report of implementing agencies	CCCO, DONRE
	DR 1.2.3.7	Land use master plans reviewed/adjusted in the context of climate change adaptation (Tra Vinh only)		Report of implementing agencies	CCCO, DONRE

	<b>DR</b> <b>1.2.3.8</b>	New policy directives on the integration of climate information into SEDP planning and the application of climate risk analysis on land use zoning adopted by the provincial administration.	Report of implementing agencies	CCCO, DONRE, DPI, DARD
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Narrative Summary	1st level indicators	2nd level indicators	Means of Verification	Main responsibility
<b>COMPONENT 2. INVESTING IN SUSTAINABLE LIVELIHOODS</b>				
Increased and more inclusive financing for market oriented, climate smart agriculture and agri-business investments	<b>O2.1</b> 50% of households (who are in need of credit) in project communes are able to access credit for climate resilient farming activities		RIMS completion	PCU
	<b>O2.2</b> 100 (BT: 50; TV:50) new enterprises/cooperatives at commune level (medium, small, micro) environmental sustainability in project communes remain profit operation after the project completion		Project Management Information System (MIS)	PCU
	<b>O2.3</b> Less than 5% non-performing loans in WU SCG portfolios		Annual report of WU	Hội LHPN
<b>Sub-component 2.1: Rural Finance for Resilient Livelihoods</b>				
<u>Output 2.1.1</u> Savings and Credit Groups established	<b>DR 2.1.1.1</b> At least 1 140 new women's SCGs (Ben Tre: 580; Tra Vinh: 560) established with at least 11 400 (BT: 5 800; TV: 5 600) members (poverty/gender/ethnic)		Report of WU	WU
<u>Output 2.1.2</u> WU Social Funds and/or transformed into viable Micro-Finance Institutions capable of financing private farmers, traders and value chains	<b>DR 2.1.2.1</b> One MFI is establish in each province.		Report of WU	WU
	<b>DR 2.1.2.2</b> Number of members of SCGs receive loans from the Women's Union Social Fund (Tra Vinh only)		Report of WU	WU
<u>Output 2.1.3.</u> Farmers and agribusinesses can more easily access credit from diversified financial service providers.	<b>DR 2.1.3.1</b> At least 50% value of loans of SCGs used for climate-smart farming systems		Annual thematic surveys (implemented in 2017 and 2020)	PCU

Sub-component 2.2: Investing in Climate Change Adaptation				
Output 2.2.1 Climate resilient, risk reducing, small-scale commune works and infrastructure constructed	DR 2.2.1.1	All 60 core project communes have Commune infrastructure project supervision boards capable of supervising, inspecting and maintaining infrastructure projects in their communes by end-PY3	MIS	PCU
	DR 2.2.1.2	Number of works (public works and production works) invested (km road, km irrigation, ...).	Annual report of communes	PCU
	DR 2.2.1.3	8 USD million (BT: 4 USD million; TV: 4 USD million) invested in infrastructure	MIS	PCU
	DR 2.2.1.4	The number of beneficiaries (poverty/gender/ethnic)	MIS	PCU
	DR 2.2.1.5	At least 80% of beneficiaries confirm the relevance & effectiveness of project financed commune works and investments.	Thematic survey and RIMS completion	PCU
	DR 2.2.1.6	At least 0.8 USD million (BT: 0.4 USD million; TV: 0.4 USD million) contributed by beneficiaries	Project Management Information System (MIS)	PCU
	DR 2.2.1.7	Increased area of aquacultural and agricultural production (Tra Vinh)	Annual report	Districts, communes
	DR 2.2.1.8	Area of aquacultural and agricultural production irrigated and protected from salinity intrusion (Ben Tre only)	Annual report	Districts, communes
	DR 2.2.1.9	Productivity and yield increase	Commune's report	PCU, communes
	DR 2.2.1.10	- Increased market access level: + Reduced input costs for production/transport + More traders.	Thematic survey and RIMS completion	PCU

Output 2.2.2 Poor and near poor households can affordably invest in profitable climate adaptation technology	DR 2.2.2.1	At least 3 000 (BT: 1 500; TV: 1 500) households (50% of poor and near poor) co-financed to invest in climate resilient farming system.	MIS	PCU
	DR 2.2.2.2	4.4 USD million (BT: 2.2 USD million; TV: 2.2 USD million) invested in co-financing for climate change adaptation	MIS	PCU
	DR 2.2.2.3	Of 30 000 people trained/improved capacity building related to CCA, 4 000 BT: 2 000; TV: 2 000) people provided with skills on preparing sub-projects/business plans	MIS	PCU
	DR 2.2.2.4	At least 4.4 USD million (BT: 2.2 USD million; TV: 2.2 USD million) contributed by beneficiaries	MIS	PCU
	DR 2.2.2.5	70% people (groups) trained are able to prepare business proposals	Thematic survey	PCU
	DR 2.2.2.6	10 000 (BT: 5 000; TV: 5 000) households replicate CCA model	RIMS at project completion	PCU
Output 2.2.3P-PC funds allocated competitively, enabling SMEs, CIGs & Co-ops to invest in sustainable, climate-sensitive production & raise working standard and opportunities for laborers.	DR 2.2.3.1	1.8 USD million (BT: 0.9 USD million; TV: 0.4 USD million) invested in PPP associating with rural poverty reduction	MIS	PCU
	DR 2.2.3.2	At least 3 600 (BT: 1 800; TV: 1 800) households benefited from PPP models	MIS	PCU
	DR 2.2.3.3	300 (BT: 150; TV: 150) sustainable jobs generated from PPP models	MIS	PCU
	DR 2.2.3.4	Workshops/dialogues to promote local products and create opportunities and PPP	MIS	PCU
	DR 2.2.3.5	At least 50 (BT: 25; TV: 25) traders (each trader provides services for at least 100 households) provided information and market linkage better on the input and output of climate-informed value chains	MIS	PCU

	DR 2.2.3.6	Min 1.84 USD million (BT: 0.94 USD million; TV: 0.9 USD million) [target: USD 3 million(BT: 1.5 USD million; TV: 1.5 USD million)] contributed by firms and banks	MIS	PCU
	DR 2.2.3.7	At least 50% people (poverty/gender/ ethnic) trained in vocational skills having stable jobs (for at least 6 months)	Thematic survey and RIMS completion	PCU
	DR 2.2.3.8	Number of contracts between enterprises and farmers signed after workshops	MIS	PCU



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

### BEN TRE

Objectives/Expected Results	Indicators		Implementation target					
	RIMS and logframe	Project	Appraisal (Total)	Planned 2014	Achievements (Cumulative)	% (Cumulative)	Achievements (2014)	% (2014)
Component 1: Building adaptive capacity Objective: A comprehensive agriculture sector CC adaptation management framework operating with participating communities, institutions of the province	% of provincial communes and districts have adopted a community- based disaster risk management and adaptation plan		80%	NT	0	0%	0	-
	Number of viable pro-poor climate resilient farming system packages, each adopted by more than 400 poor and near poor households		8	NT	0	0%	0	-
	% of farmers and enterprises in project communes able to articulate their individual and community CBA/DRM strategies (gender and minority people disaggregated)		70%	NT	0	0%	0	-
	% of farmers used salinity updated data for their farming decision making		70%	NT	0	0%	0	-
Sub-Component 1.1: Climate change knowledge enhancement								
Output 1.1.1: Studies/farming models for climate resilient production developed	Number of technologies/climate resilient farming models disseminated and applied		8	NT	0	0%	0	-
	Number of people accessed to project services thanks to participation in studies/ climate resilient models		TBM	NT	0	-	0	-
		Number of technologies/ climate resilient farming models tested with at least 40 farmer households	15	NT	0	0%	0	-

1.1.1.1	Review the available studies and adaptive practices and production models by farmers for selecting for scale-up in adaptive areas and communes; and conduct baseline research to identify the new adaptive products for ADM communes		Evaluation reports and shortlist approved	1	1	0	0%	0	0%
			Number of consultant working months		6	0	-	0	0%
1.1.1.2	Organize the workshops on available applied studies for scaling-up and recommendations for new studies appropriate to ecological areas		Number of workshops organized		1	0	-	0	0%
			Number of participants		100	0	-	0	0%
1.1.1.3	Provide a TA for formulation of adaptive value chains for communes and districts (DBRP communes: review; new AMD commune: survey and selection)		Number of consultant working months		6	0	-	0	0%
Output 1.1.2: A sustainable salinity monitoring system with web-based open source database established		Number of registered users confirm timely receipt of near real time updates from automated salinity monitoring system		NT	TBM	0	-	0	-
		Number of people trained in natural resources/ environment/ climate change management		TBM	NT	0	-	0	-
1.1.2.1	TA to develop the water quality and salinity monitoring investment project (inter-provincial activity, financed by AMD Tra Vinh)		Selected and approved consultants	1	1	0	0%	0	0%
1.1.2.2	Conduct surveys/researches on information and salinity monitoring being practiced by farmers		Number of surveys and reports carried out		1	0	-	0	0%
1.1.2.3	Salinity monitoring manual tools are selected to support farmers and piloted		Number of households/farmer groups granted tools		600	0	-	0	0%
Output 1.1.3: Climate change adaptation knowledge management and dissemination		Number of reports/ scientific papers published on CC adaptation		13	TBM	0	0%	0	-

		Number of people trained in agricultural production		TBM	NT	0	-	0	-
		Number of people trained in natural resources and climate change management		TBM	160	0	-	0	0%
1.1.3.1	Organize workshops to disseminate AMD and analyze project implementation strategy (commune, district and provincial levels)		Number of workshops organized		9	9	-	9	100%
			Number of participants		1000	633	-	633	63%
1.1.3.2	Organize and participate in regional and national workshops/conferences/ events on climate change		Number of workshops organized		2	2	-	2	100%
			Number of participants		60	3	-	3	5%
1.1.3.3	Knowledge management (KM): AMD information dissemination; knowledge dissemination columns on climate change and sustainable livelihoods on local Newspapers and Television		Number of service contracts		2	1	-	1	50%
1.1.3.4	Establish Thematic Ad hoc Group (TAG) on knowledge management		Number of TAGs established	1	1	0	0%	0	0%
1.1.3.5	Analyze training demands suitable to different target groups		Evaluation reports developed		1	0	-	0	0%
1.1.3.6	Provide training for commune staff in CC basic knowledge; training in adaptive value chains; and skills for TAGs and training of trainers (TOT)		Number of training courses		4	0	-	0	0%
			Number of participants		120	0	-	0	0%
1.1.3.7	Conduct regional study tours to learn CC adaptation experience and appropriate production models for all-level key staff		Number of study tours		2	1	-	1	50%
			Number of participants		40	21	-	21	53%
1.1.3.8	Documentation, printing and dissemination of Project implementation guidelines and CC adaptation documents		Number of service contracts		2	1	-	1	50%
			Amount of budget (million VND)		200	77	-	77	39%

1.1.3.9	Develop AMD's Website		Number of service contracts		1	0	-	0	0
Sub-Component 1.2: Climate-informed planning		Number of people trained in policy, planning and community management		TBM	NT	0	-	0	-
Output 1.2.1: Community based adaptation and disaster risk mitigation planning		% competency of staff trained in the community-based CC adaptation plan		70%	TBM	0	0%	0	-
		Number of people trained in community management		TBM	NT	0	-	0	-
Output 1.2.2: Department of Planning and Investment have guidelines and tools to develop climate smart, market-oriented SEDP planning and the capacity to independently train commune and district staff in market-oriented strategic planning			DARD's & DONRE's provincial- level CC Action Plan updated and integrated into provincial SEDP 2016-2020, 2021-2024	4	TBM	0	0%	0	-
			Climate smart market oriented provincial SEDPs produced for the periods 2016-2020 and 2021-2025.	3	TBM	1	33%	1	-
		% competency of government staff trained in the climate smart, market-oriented SEDP		70%	TBM	0	0%	0	-
		% of communes adopted the climate smart, market oriented SEDP planning method		100%	TBM	0	0%	0	-
			Number of people trained in policy and planning	TBM	NT	0	-	0	-
1.2.2.1	TA to implement the sub-component of climate-informed SEDP planning		Number of consultant bid packages		1	0	-	0	0%
			Number of consultant working months		6	0	-	0	0%
1.2.2.2	Organize the provincial workshop on quality of commune and district SEDP planning		Number of workshops organized		2	2	-	2	100%
			Number of participants		200	116	-	116	58%
1.2.2.3	Provide training in CC and SEDP mainstream for TOT groups and commune level key staff		Number of training courses		2	4	-	4	200%
			Number of participants		60	322	-	322	537%
1.2.2.4	Provide trainings in leadership and management for all level key staff; to combine study tours to learn experiences of agriculture		Number of training courses/ study tours		2	0	-	0	0%
			Number of participants		60	0	-	0	0%

	and rural development models and CC								
1.2.2.5	Hold (workshops/meetings) to select adaptive value chains for communes to develop SEDP 2015		Number of participating communes/ persons		30	30 (1,200 participants)	-	30 (1,200 participants)	100 %
1.2.2.6	Formulate communal-level market-oriented and participatory SEDP 2015 in AMD areas (include activities of SEDP formulation in 30 communes of AMD)		30 communes		30	30 (201 meetings, 4,035 participants)	-	30 (201 meetings, 4,035 participants)	100 %
Output 1.2.3: Policy dialogues on pro-poor CC adaptation agricultural and rural development organized		Pro- poor CC adaptation agricultural and rural development policies adopted by the province		NT	TBM	0	-	0	-
			Number of people trained in policy and planning	TBM	NT	0	-	0	-
1.2.3.1	TA for CCCO to develop coordination and adaptation management strategy (review available programs, plans and concretize some scenarios to generate adaptation plans; operation mechanism and new strategic framework are recommended, etc.)		Number of consultant bid packages	1	1	0	0%	0	0%
			Number of consultant working months		6	0	-	0	0%
1.2.3.2	Participate in workshops/conferences in CC adaptation in agriculture and pro-poor economic development policy		Number of workshops/ conferences		2	0	-	0	0%
Component 2: Investing in sustainable livelihoods Objective: Increased sustainability and effectiveness of CC adaptation investments		% non-performing loans in WU SCG portfolios		5%	NT	0	0%	0	-
		% increase in both number and resulting income of rural poor households having wage and non-farm-sector employment (gender & income disaggregated)		30%	NT	0	0%	0	-
		% households in project communes accessing credit for farming activities		50%	NT	0	0%	0	-

Sub- component 2.1 Rural finance for resilient livelihoods		Number of people trained in rural finance		TBM	360	0	-	0	0%
Output 2.1.1 New WU's Savings and Credit Groups established			Number of new Savings and Credit Groups established	550	30	0	0%	0	0%
			Number of participating members	10000	210	0	0%	0	0%
2.1.1.1	Review and consolidate the Charter of organizing and operating of the Social Fund run by Women's Union; and develop the strategic plan for implementing rural finance sub-component under WU		Number of plans developed		1	0	-	0	0%
2.1.1.2	Organize rural finance workshops under AMD framework		Number of workshops organized		8	0	-	0	0%
			Number of participants		800	0	-	0	0%
2.1.1.3	Organize trainings for new project communes (outside DBRP's communes) in rural finance for poor and nearly-poor women groups		Number of training courses		3	0	-	0	0%
			Number of participants		300	0	-	0	0%
Output 2.1.2: Current credit network of WU's Social Fund transformed into viable Micro-Finance Institutions capable of financing private farmers, traders and commercial value chains		A provincial MFI established		1	NT	0	0%	0	-
2.1.2.1	Provide TA to develop micro- finance development strategy		Number of consultant working months		4	0	-	0	0%
2.1.2.2	Select micro-finance specialist for development of credit program (capacity building and institution)		Specialist selection result approved by IFAD		1	0	-	0	0%
2.1.2.3	Organize trainings in financial skills for Social Fund's staff (loan appraisal, risk management etc.)		Number of training courses/ study tours		2	1	-	1	50%
			Number of participants		60	3	-	3	5%
2.1.2.4	Organize study tours to learn micro- finance institution management experience in some provinces		Number of study tours		1	1	-	1	100%
			Number of participants		20	9	-	9	45%
Output 2.1.3: Farmers and agribusinesses can more easily access credit from diversified financial service providers through co-financing		Number of agro- finance workshops organized		3	1	0	0%	0	0%
			% disbursement of AMD Credit Category	100%	NT	0	0%	0	0%

for adaptation and value chain investments		Number of loan borrowers of AMD's rural finance program		TBM	NT	0	-	0	0%
2.1.3.1	Sign a lending contracts (between MOF and PPC; PPC and WU)		Credit disbursement conditions completed						
2.1.3.2	Organize the orientation workshop on rural finance sub- component (Ben Tre and Tra Vinh provinces)		Number of workshops		1	0	-	0	0%
			Number of participants		100	0	-	0	0%
Sub-component 2.2 Investing in climate change adaptation		% households being asked confirm the relevance & effectiveness of project financed commune works and investments		80%	NT	0	0%	0	-
Output 2.2.1: Climate resilient, risk mitigation, small-scale commune works and infrastructure constructed		% CIF investment capital disbursed		100%	NT	0	0%	0	-
			% project communes have Commune infrastructure project supervision boards capable of supervising, inspecting and maintaining infrastructure projects in their communes by end-PY3	100%	NT	0	0%	0	-
		Number of people trained in rural infrastructure management		TBM	NT	0	-	0	-
2.2.1.1	Evaluate the current condition of Project communes' infrastructure system		Evaluation reports developed		1	0	-	0	0%
2.2.1.2	Develop the Regulation on Commune Investment Fund		Regulation approved		1	1	-	1	100 %
2.2.1.3	Organize orientation workshop on Commune Investment Fund and Force Account method		Number of workshops		1	0	-	0	0%
			Number of participants		100	0	-	0	0%
2.2.1.4	Organize study tours to learn commune investment and new rural development experiences (between communes in and outside DBRP areas; and between 2 AMD provinces)		Number of study tours		8	0	-	0	0%

Output 2.2.2: Poor and near poor households can affordably invest in profitable climate adaptation technology		Number of poor and near poor households co-financed climate resilient farming system investments	6000	NT	0	0%	0	-
		% proposals approved and financed	70%	NT	0	0%	0	-
		% co-financing fund capital disbursed	100%	NT	0	0%	0	-
2.2.2.1	Develop co-financing fund implementation regulation	Regulation approved		1	1	-	1	100%
2.2.2.2	Organize workshop on guiding co-financing fund implementation charter	Number of workshops		1	0	-	0	0%
		Number of participants		100	0	-	0	0%
Output 2.2.3: P-PP fund allocated competitively, enabling SMEs, CIGs & Co-ops to invest in sustainable, climate-sensitive production & raise working standard and opportunities for laborers		Number of new sustainable commune level enterprises (including cooperatives & SMEs) operating profitably at project completion	100	NT	0	0%	0	-
		Number of enterprises (each SME links at least 100 farmers), are better informed technically and linked to input or output markets associated with climate resilient value chains.	50	NT	0	0%	0	-
		Number of sustainable investments (>USD 500,000 for each) in adaptive value chains invested	2	NT	0	0%	0	-
		% PPP fund capital disbursed	100%	NT	0	0%	0	-
		Number of enterprised trained in marketing/ business development	NT	NT	0	0%	0	-
2.2.3.1	Develop PPP fund regulation	Regulation approved		1	1	-	1	100%
2.2.3.2	Organize workshop on Private- Public Partnership (PPP) fund and PPP models piloting	Number of workshops		1	0	-	0	0%
		Number of participants		100	0	-	0	0%



Output 2.2.4 Lack of production land laborers received vocational training for employment and income		% of people having at least 6- month jobs sustainably after trained	70%	NT	0	-	0	-
		Number of laborers trained (gender and poor disaggregated)						
Output 2.2.5 A center for testing and examination of shrimp seed quality established		The center constructed and operated by PY2	1	NT	0	0%	0	-
Component 3. Project coordination: - Objective: Project activities coordinated and implemented to achieve its objectives and progress; ensure effective financial management, well-conducted procurement and on time reporting		Number of people trained in project management	NT	250	0	-	0	0%
Output 3.1 Project management organization at all levels established		% female project staff at all levels	50%	50%	36%	-	36%	-
3.1.1	Provincial Project Steering Committee established and organized periodic meetings and inter-provincial meetings	Number of meetings		3	2	-	2	67%
3.1.2	AMD coordination structure established at provincial, district and commune levels	Number of project coordination units established at all levels		39	0	-	0	0%
3.1.3	Recruit some professionally qualified staff (CC adaptation coordinator, rural finance specialist, training officer, translator, etc.)	Project staff recruited		3	0	-	0	0%
3.1.4	Establish inter-sectorial thematic ad hoc groups/teams at provincial and district levels	Number of inter- sectorial thematic ad hoc groups established		8	0	-	0	0%
3.1.5	AMD signs Memorandum of Understanding (MoU) with key participating parties (DPI, DONRE, DARD, WU)	Number of MoUs signed	4	4	4	100%	4	100 %
3.1.6	Procure necessary equipment (computers, printers, etc.) for project coordination units at all levels	Number of procurement packages		1	1	-	1	100 %

3.1.7	Procure necessary working facilities (desks, chairs, cabinet, etc.) for project coordination units at all levels		Number of procurement packages		1	1	-	1	100 %
3.1.8	3.1.8 Design and install the AMD inter-provincial financial management software		Number of procurement packages	1	1	1	100%	1	100 %
3.1.9	3.1.9 Develop project implementation guidelines (PIM, FMM)		PIM and FMM approved		2	2	-	2	100 %
3.1.10	Organize workshops to collect feedback and comments to finalise project implementation guidelines (PIM & FMM) and workshops to disseminate PIM and FMM		Number of workshops		2	0	-	0	0%
			Number of participants		200	0	-	0	0%
Output 3.2 Capacity of project management staff developed and enhanced		% of project staff and line agency officers have a good understanding about the project and its approach		70%	TBM		-	-	
		% project staff at all levels satisfied the job requirements		100%	TBM		-	-	
3.2.1	Organize project start-up workshops at all levels		Number of workshops	9	1	0	0%	0	0%
3.2.2	Participate in workshops/events organized by IFAD within and outside the country		Number of events		2	2	-	2	100 %
3.2.3	Organize and participate in events exchanged experiences between IFAD projects		Number of events		2	0	-	0	0%
3.2.4	Organize workshops to collect feedback on project inter- provincial implementation approach and strategy		Number of workshops		1	1	-	1	100 %
			Number of participants		100	28	-	28	28%

3.2.5	Trainings in project management (project coordination skills, leadership, management skill; financial management, accounting, gender issues, etc.)		Number of training courses		3	3	-	3	100 %
			Number of participants		150	53	-	53	35%
Output 3.3 The M&E system established and effectively operated			% M&E reports timely developed	100%	100%	100%	-	100%	-
3.3.1	Review and finalise the Logframe and baseline survey guideline (inter-provincial activity financed by AMD Tra Vinh)		Logframe specified			done	-	done	-
3.3.2	Organize workshop to collect feedback to finalised AMD Logframe		Number of workshops		1	0	-	0	0%
			Number of participants		100	0	-	0	0%
3.3.3	Conduct baseline survey		Number of surveys		1	1	-	1	100 %
			Number of consultant working months		2		-	0	0%
3.3.4	Organize training course for M&E staff at all levels		Number of training courses		2	1	-	1	50%
			Number of participants		100	15	-	15	15%
Output 3.4 Internal and independent auditing in line with IFAD requirements		% project communes having satisfactory financial statements		100%		-	-	-	-
			Number of independent audit reports satisfied	6	NT	-	-	-	-
3.4.1	Establish the internal audit group		Internal control group established		1	1	-	1	100 %
Output 3.5 Operation cost of project coordination units at all levels		% of project management units at all levels timely settle the recurrent cost		90%	NT	-	-	-	-
	Salaries and allowances for project staff at all levels		Total amount (million VND)		3500	20.7	-	20.7	1%
	Recurrent cost at all levels		Total amount (million VND)		1000	43.4	-	43.4	4%

## TRA VINH

Objectives/Expected results		Indicators		Implementation Objectives					
		RIMS	Project	Approval total	AWPB 2014	Results Accumulated	% (Accumulation)	Results AWPB 2014	% (2014)
<b>Component 1: Building Adaptive Capacity</b> <b>Objective: A comprehensive agriculture sector CC adaptation management framework operating with participating communities, institutions and provinces.</b>		At least 30,000 people (Ben Tre: 15,000; Tra Vinh: 15,000) trained on climate-informed farming system and technology. (poverty/gender/ethnic)(**)		NT	NT	0	0%	0	-
			70% of households and agro-businesses in project communes able to articulate climate-informed SEDP. (poverty/gender/ethnic).(**)	NT	NT	0	0%	0	-
			At least 70% of farmers and aquaculturists registered with automated salinity monitoring system that use salinity updates for water-use decision making. (poverty/gender/ethnic).(**)	NT	NT	0	0%	0	-
			At least 8 different viable pro-poor climate resilient farming system packages , each adopted by more than 400 poor & near poor households	NT	NT	0	0%	0	-
<b>Subcomponent 1.1. Climate Change Knowledge Enhancement</b>									
<b>Output 1.1.1: Participative development of gender sensitive models for farmers &amp; aquaculturists to formally engage in climate resilient, profitable, production.</b>									
1.1.1.1	List indigenous models: farm, non-farm and aquaculture,...	List of models identified by line agencies and research institutions in the province and in the region		1	1	1	100%	1	100%

1.1.1.2	List topics which have been studying and researching : agriculture and aquaculture...	List of models identified by line agencies and research institutions in the province and in the region		NT	1	1	100%	1	100%
1.1.1.3	Workshop to select models and topics that are climate resilient		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	80	62	77%	62	77%
1.1.1.4	Contract TA to provide training in PAR, the micronarrative tool			NT	1	1	100%	1	100%
1.1.1.5	Training in PAR		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	36	57	158%	57	158%
1.1.1.6	Training in the micronarrative tool		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	40	54	135%	54	135%
1.1.1.1 (AWPB 2015)	Consult communities using PAR tools		Nr of workshop organized	NT	21	7	33%	7	33%
			Nr of participants	NT	630	601	95%	601	95%
Output 1.1.2: Develop the automated salinity monitoring stations and the multifunctional data platform				NT	TBM	0	-	0	-
Output 1.1.3: Knowledge management and dissemination									
1.1.3.1	Technical start-up workshop		Nr of workshop organized	1	1	1	100%	1	100%
			Nr of participants	1	NT	102	-	102	-
1.1.3.2	Project updates on the local television			NT	1	1	100%	1	100%
1.1.1.4 Value chain development planning, market accessing, economic analysing for integrating into SEDPs									
1.1.4.1	Identify project target groups		Project and local governments reach some businesses	NT	TBM	-	-	-	-

Sub-component 1.2: Climate informed SEDP planning									
Output 1.2.1: Preparation activities to integrate disaster risk reduction and community based adaptation into SEDPs									
1.2.1.1 (AWPB 2015)	Provide ToT training to increase awareness about community based disaster risk management		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	40	37	78%	37	78%
Output 1.2.2: The Provincial Department of Planning & Investment have guidelines and tools for market oriented, climate smart SEDP planning and the capacity to independently train district and commune staff in market oriented strategic planning									
1.2.2.1	Establish the TAG on SEDP CC integration	Nr of TAGs established and their action plans developed		2	1	1	50%	1	50%
1.2.2.2	Establish the provincial CCCO		The provincial CCCO established	1	1	1	100%	1	100%
1.2.2.3	Training in disaster risks management and CC adaptation for key staff and planning staff at all levels		Nr of workshop organized	NT	8	8	100%	8	100%
			Nr of participants	NT	320	291	91%	291	91%
1.2.2.4	Procure facilities and equipment for the CCCO		The CCCO provided equipment and facilities to function	1	1	1	100%	1	100%
1.2.2.5	Cover salaries and allowances of CCCO's staff		"The extent of availability of AMD's support to ensure the smooth operation of the CCCO "	NT	100%	-	29%	-	29%
1.2.2.6	Cover the operation costs for the CCCO		"The extent of availability of AMD's support to ensure the smooth operation of the CCCO "	NT	100%	-	33%	-	33%

<b>Component 2: Investing in Sustainable Livelihoods - Objective: Increased and more inclusive financing for market oriented, climate smart agriculture and agri-business investments.</b>		"50% of households (who are in need of credit) in project communes are able to access credit for climate resilient farming activities "							
		100 (BT: 50; TV:50) new enterprises/cooperatives at commune level (medium, small, micro) environmental sustainability in project communes remain profit operation after the project completion							
		Less than 5% non-performing loans in WU SCG portfolios							
<b>Sub-component 2.1: Rural finance for Resilient Livelihoods</b>									
<b>Output 2.1.1 Savings and Credit Groups established</b>									
2.1.1.1	Provide TOT training in group and cluster forming, books and members management		Nr of training conducted	NT	1	1	100%	1	100%
			Nr of participants	NT	30	41	137%	41	137%
<b>Output 2.1.2: Women's Union Social Funds and/or transformed into viable Micro-Finance Institutions capable of financing private farmers, traders and commercial value chains</b>									
2.1.2.1	Develop and approve the operation guidelines for the women support fund (WSF)		The guidelines approved	NT	1	1	100%	1	100%
	Workshops to finalize the Fund's operation guidelines and SCG establishment manual		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	NT	69	-	69	-

2.1.2.2	Provide ToT training in basic microfinance and strategic plans		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	NT	26	-	26	-
2.1.2.3	Provide TOT training in WSF operation guidelines and the SCG establishment manual		Nr of workshop organized	NT	1	1	-	1	100%
			Nr of participants	NT	NT	26	-	26	-
2.1.2.4	Provide TOT training in financial management skills		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	NT	26	-	26	-
2.1.2.5	Develop the strategic plan and the detailed business plan to 2017 for the WSF		WSF's business plan and detailed operation plan approved	1	1	1	100%	1	100%
	National TA			1	1	1	100%	1	100%
2.1.2.6	Procure facilities and equipment for the WSF			1	1	1	100%	1	100%
2.1.2.7	The Start-up workshop for Tra Vinh's WSF		Nr of workshop organized	1	1	1	100%	1	100%
			Nr of participants	1	NT	92	100%	92	100%
2.1.2.8	Study tours to other provinces			NT	3	2	66%	2	66%
2.1.2.9	Technical workshop (IFAD Country Office supported)			NT	1	1	100%	1	100%
2.1.2.1 (AWPB 2015)	Study tour to Ben Tre WDF to share experience in WDF operation		Nr of events conducted	NT	1	1	100%	1	100%
			Nr of people trained	NT	18	19	105%	19	105%
Output 2.1.3. Farmers and agribusinesses can more easily access credit from diversified financial service									
Sub-component 2.2: Investing in Climate Change Adaptation									
Output 2.2.1: Climate resilient, risk reducing, small-scale commune works and infrastructure constructed									
2.2.1.1	Develop the procurement guidelines for AMD Tra Vinh		Nr of workshop organized	1	1	1	100%	1	100%
			Nr of participants	NT	NT	57	100%	57	100%



<b>Output 2.2.2: Poor and near poor households can affordably invest in profitable climate adaptation technology</b>									
<b>Output 2.2.3: P-PP funds allocated competitively, enabling SMEs, CIGs &amp; Co-ops to invest in sustainable, climate smart production &amp; raise working standard and opportunities for labourers</b>									
<b>Component 3. Project Coordination: - Objective: Project activities being coordinated and implemented to achieve the its objectives and expected progress; ensure effective and efficient financial management; procure facilities and equipment in line with IFAD regulations; and maintain on-time reporting system</b>									
<b>Output 3.1.1: The project management system at all levels established</b>									
3.1.1.1	Establish the management boards at all levels		PSC and PCU established and staffed	1	1	1	100%	1	100%
3.1.1.2	Recruit project staff for all levels		Qualified staff recruited for vacant positions	1	25	39	120%	39	120%
3.1.1.3	The start-up workshop		Nr of workshop organized	1	1	1	100%	1	100%
			Nr of participants	NT	NT	112	100%	112	100%
3.1.1.4	Project orientation workshops at provincial level		Nr of workshop organized	1	1	1	100%	1	100%
			Nr of participants	NT	NT	122	100%	122	100%
3.1.1.5	Develop and publish project management regulations and guidelines,...			NT	NT	4	100%	4	100%
3.1.1.6	"Other activities concerning project administration namely design of project logo, email registering, etc.			NT	NT	1	100%	1	100%
3.1.1.7	Participate in training and workshops organized by IFAD and others			NT	TBM	18	100%	18	100%
3.1.1.8	Translation service costs			NT	200000	7650	4%	7650	4%

3.1.1 (AWPB 2015)	Workshop to cognitive enhance of project		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	NT	63	100%	63	100%
<b>Output 3.1.2: Necessary facilities and equipment for project management and implementation procured</b>									
3.1.2.2	"Procure facilities and equipment for project coordination and management units at all levels "		% of procurement packages in compliance with IFAD regulations and expected progress	NT	27	4	14%	4	14%
3.1.3	<b>Output 3.1.3: The M&amp;E system and reporting ensured in line with IFAD requirement</b>								
3.1.3.1	National TA to refine the project Logframe and M&E guidelines, and develop the RIM+ questionnaire		The project Logframe updated and the M&E guidelines finalized	NT	1	0.5	50%	0.5	50%
3.1.3.2	Baseline survey	% staff equipped with skills and knowledge to ensure the smooth implementation of M&E tasks	Nr of workshop organized	1	1	1	100%	1	100%
			Nr of participants	NT	NT	41	-	41	
<b>Output 3.1.4: Lessons learned, success cases and best practices shared and replicated</b>									
3.1.4.1	Install and provide training in utilizing M-Office	% staff being able to use M-Office to increase their work efficiency	Nr of workshop organized	NT	1	2	200%	2	200%
			Nr of participants	NT	NT	51	-	51	-
3.1.4.2	Knowledge sharing events		Nr of projects and provinces visiting AMD for knowledge sharing	NT	0	4	400%	4	400%
3.1.4.3	Take part in IFAD's annual Country Program Review Workshop		Lessons learned for the CPR applied in the project context	NT	1	1	100%	1	100%
3.1.4.4	Training in writing and photo taking skills for project staff	% staff being able to applied skills and knowledge from the training into their practice	Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	NT	46	-	46	-
3.1.4.5	Project newsletters			NT	NT	1	100%	1	100%

3.1.4.1 (AWPB 2015)	Provide training in archives for project staff		Nr of workshop organized	NT	1	1	100%	1	100%
			Nr of participants	NT	50	49	98%	49	98%
Output 3.1.5: Effective financial management, internal and independent auditing satisfactory to donor's requirements									
3.1.5.1	Training in financial management for project accounting staff	% accounting staff at all levels being able to well undertake the assigned tasks	Nr of workshop organized	NT	1	5	500%	5	500%
			Nr of participants	NT	NT	210	-	210	-



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

Supervision Mission 2015 was the first one for the AMD, Appendix 4 will be included in the coming Supervision Mission Reports.



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

### BEN TRE and TRA VINH

Table 5A: Financial performance by financier (USD'000) as at 28/02/2015			
Financier	Approval (USD'000)	Disbursements (USD '000)	Percent disbursed (%)
IFAD loan	22,060	444.9	2.02%
IFAD grant	12,035	101.47	0.84%
GOV	7,644	194.13	2.54%
Beneficiaries	7,768	0.0	0.00%
<b>Total</b>	<b>49,507</b>	<b>740.5</b>	<b>1.5%</b>

### BEN TRE

Table 5A: Financial performance by financier (USD'000) as at 28/02/2015			
Financier	Approval (USD'000)	Disbursements (USD '000)	Percent disbursed (%)
IFAD loan	10,930	157.1	1.44%
IFAD grant	6,002	51.7	0.86%
Government of Vietnam	3,844	6.8	0.18%
Beneficiaries	3,884	0.0	0.00%
<b>Total</b>	<b>24,660</b>	<b>216</b>	<b>0.87%</b>

**Table 5B: Financial performance by financier by component (USD '000) - as at 28/02/2015**

	IFAD loan			IFAD grant			Government			Beneficiaries			Total		
Component	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
I	808.0	0.0	0.0	4,525.0	44.86	1.0	1,030.0	0.4	0.0				6,363	45.3	0.71%
II	7,730.0	12.2	0.2	679.0	-	0.0	1,596.0	0.6	0.0	3,510.0			13,515	12.7	0.09%
III	1,307.0	144.9	11.1	196.0	6.86	3.5	675.0	5.8	0.9	374.0			2,552	157.6	6.18%
Unallocated	1,085.00		-	602.0		0.0	543.00	-	-	-	-	-	2,230.00		
<b>Total</b>	<b>10,930.0</b>	<b>157.1</b>	<b>1.44%</b>	<b>6,002.0</b>	<b>51.7</b>	<b>0.86%</b>	<b>3,844</b>	<b>6.8</b>	<b>0.18%</b>	<b>3,884</b>	<b>0</b>	<b>0.0</b>	<b>24,660</b>	<b>216</b>	<b>0.87%</b>

**Table 5C: IFAD loan disbursements (SDR, as at 28/2/2015)**

Category	Category description	Original (SDR)	Disbursement (SDR)	W/A pending (SDR)	Balance (SDR)	Percent disbursed (%)
		Allocation				
I	Work	1,330,000			1,330,000	0.00%
II	Equipment and Material	260,000	37,488		222,512	14.42%
III	Consultancies	430,000	23,561		406,439	5.48%
IV	Training	800,000	11,867		788,133	1.48%
V	Credit, Guarantee Funds	1,050,000			1,050,000	0.00%
VI.A	Grants and Subsidies A (Co-financing fund for adaptation)	1,010,000			1,010,000	0.00%
VI.B	Grants and subsidies B	580,000			580,000	0.00%
VII	Operating Costs	380,000	4,485		375,515	1.18%
VIII	Salary and Allowances	560,000	24,725		535,275	4.42%
	Unallocated	700,000			700,000	0.00%
	<b>Total</b>	<b>7,100,000.0</b>	<b>102,126.1</b>	<b>0.0</b>	<b>6,997,873.9</b>	<b>1.44%</b>



**Table 5C: IFAD Grant disbursements (SDR, as at 28/2/2015)**

Category	Category description	Original (SDR)	Disbursement (SDR)	W/A pending (SDR)	Balance (SDR)	Percent disbursed (%)
		Allocation				
II	Equipment and Material	300,000			300,000	0.00%
III	Consultancy	1,010,000	3,980		1,006,020	0.39%
IV	Training	1,610,000	29,606		1,580,394	1.84%
VI.A	Grants and Subsidies A (Co-financing fund for adaptation)	440,000			440,000	0.00%
VII	Operating Costs	140,000			140,000	0.00%
	Unallocated	390,000			390,000	0.00%
	<b>Total</b>	<b>3,890,000.0</b>	<b>33,585</b>	<b>0.0</b>	<b>3,856,414.6</b>	<b>0.86%</b>

## TRA VINH

**Table 5A: Financial: Actual financial performance by financier**

Financier	Approval (USD '000)	Disbursements (USD '000)	Percent disbursed (%)
IFAD loan	11,130	287.80	2.6%
ASAP grant	6,033	49.77	0.8%
Government Viet Nam	3,800	187.33	4.9%
Beneficiaries	3,884		0
<b>Total</b>	<b>24,848</b>	<b>524.89</b>	<b>2.1%</b>

**Table 5B: Financial performance by financier by component (USD '000) At 28/02/2015**

Component	IFAD loan			IFAD grant			Government Viet Nam			Beneficiaries			Total		
	Approval (TV)	Actual	%	Approval (TV)	Actual	%	Approval (TV)	Actual	%	Approval (TV)	Actual	%	Approval	Actual	%
I	2,057						1,027			364			3,448		
II	399	90.00	23.2%	461	9.75	2.2%	86	6.92	8.1%				946	106.66	11.3%
III	660	7.77	1.2%	1,551	13.27	0.9%	221	2.69	1.2%				2,432	23.72	1.0%
IV	1,336	32.72	2.5%	2,472	24.98	1.0%	380	3.96	1.0%				4,188	61.66	1.5%
V	1,612						100						1,712		
VI-A	1,566			675						897			3,138		
VI-B	906									2,623			3,529		
VII	537	66.90	12.8%	215	0.69	0.3%	84	26.55	31.5%				837	94.14	11.3%
VIII	983	90.41	9.5%	46	1.08	2.4%	1,901	147.20	7.7%				2,930	238.70	8.1%
Unallocated	1,075			614									1,689		
<b>Total</b>	<b>11,130</b>	<b>287.80</b>	<b>2.6%</b>	<b>6,033</b>	<b>49.77</b>	<b>0.8%</b>	<b>3,800</b>	<b>187.33</b>	<b>4.9%</b>	<b>3,884</b>			<b>24,848</b>	<b>524.89</b>	<b>2.1%</b>

**Table 5C: IFAD loan disbursements (SDR'000 at 28/02/2015)**

Category	Category description	Original Allocation	Disbursement	WA Pending	Balance	Percent disbursed
I	Works	1,340.00			1,340.00	
II	Equipment and Material	260.00	60.36		199.64	23.2%
III	Consultancies	430.00	5.21		424.79	1.2%
IV	Training	870.00	21.94		848.06	2.5%
V	Credit, Guarantee Funds	1,050.00			1,050.00	
VI-A	Grants and Subsidies - A	1,020.00			1,020.00	
VI-B	Grants and Subsidies - B	590.00			590.00	
VII	Operating Costs	350.00	44.87		305.13	12.8%
VIII	Salaries and Allowances	640.00	60.64		579.36	9.5%
	Unallocated	700.00			700.00	
	<b>Total</b>	7,250.00	193.02	0.00	7,056.98	2.66%

**Table 5C: ASAP grand disbursements (SDR'000 at 28/02/2015)**

Category	Category description	Original Allocation	Disbursement	WA Pending	Balance	Percent disbursed
I	Works					
II	Equipment and Material	300.00	6.54		293.46	2.2%
III	Consultancies	1,010.00	8.90		1,001.10	0.9%
IV	Training	1,610.00	16.75		1,593.25	1.0%
VI-A	Grants and Subsidies - A	440.00			440.00	
VII	Operating Costs	140.00	0.46		139.54	0.3%
VIII	Salaries and Allowances	30.00	0.73		29.27	2.4%
	Unallocated	400.00			400.00	
	<b>Total</b>	3,930.00	33.38		3,896.62	0.8%

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

Section	Covenants	Target/ Action due date	Status	Remarks
Financing Agreement. Section B.7 a	<b>Designated account:</b> ) In each Province of the Project Area, there shall be two (2) designated accounts (DAs) (collectively referred to as the “Designated Accounts”), opened and operated by the Ministry of Finance (MOF) of the Borrower/Recipient in accordance with Section 4.04(d) of the General Conditions in a bank acceptable to the Fund, for receiving and holding the Loan and Grant proceeds in USD. All accounts shall be protected against set-off, seizure or attachment on terms and conditions proposed by the Borrower/Recipient and accepted by the Fund		Complied	TV has opened two bank accounts for receiving the IFAD Loan and ASAP grant proceeds denominated in USD. These accounts are under MoF’s administration.  BT has opened two bank accounts for receiving the IFAD Loan and ASAP grant proceeds denominated in USD. These accounts are under MoF’s administration.
Financing Agreement. Section B.7 b	Project Accounts shall be opened and maintained in local currency to receive and hold financing transferred from the Designated Accounts at the same provincial commercial bank for the Project operation. The Project Accounts shall be operated by each PCU.		Complied	Project accounts have been opened at State Treasury
Letter to the borrower. Para 24	Procurement methods will depend on the nature of the expenditure and the estimated value of the related contract. The following are the methods for work and goods packages: (i) National competitive bidding applied for packages with estimated cost equivalent or exceeding USD 60,000; (ii) Local competitive bidding applied for packages with estimated cost less than USD 60,000; (iii) Procurement with community participation or Force Account applied for infrastructure schemes that can use intensive un-skilled labour and simple techniques such as concrete roads, lined canals, storages, etc. with the estimated cost less than USD 30,000; (iv) Direct contracting could be applied for very small packages with estimated cost less than USD 5,000.		Complied	
Letter to the borrower. Para 25	Methods for selecting consultants under the AMD include (i) Quality and Cost Based Selection applied for service packages with estimated cost equivalent to or exceeding USD 30,000; (ii) Select Based on Consultants’ Qualifications applied for service packages with estimated cost less than USD 30,000; (iii) Single Source Selection could be applied only in exceptional circumstances and shall be approved by IFAD in the procurement plan.		Complied	

Section	Covenants	Target/ Action due date	Status	Remarks
Letter to the borrower. Para 26	For the purposes of IFAD's Project Procurement Guidelines, the following shall be subject to prior review by the Fund: (a) Award of any contract for goods and work estimated to cost USD 60 000 or more; (b) Award of any contract for consulting services estimated to cost USD 30 000 or more.		Complied	
Letter to the borrower. Para 28	All contracts, with or without prior IFAD approval, shall be listed in the Register of Contracts with the dates of approval. The Register shall be updated and submitted to the IFAD on a six-monthly basis		Complied	
Financing Agreement. Section B.8	Counterpart financing: The Borrower/Recipient shall cause the Lead Project Agencies to provide counterpart financing for the Project.		Complied	
Financing Agreement. Section B.9	Procurement of goods, works and consulting services financed by the Financing shall be carried out in accordance with the provisions of the Fund's "Procurement Guidelines" approved by the Fund's Executive Board in September 2010, ("The Procurement Guidelines").		complied	
Financing Agreement. Section E.2.a	The PCUs shall have been duly established		Complied	
Financing Agreement. Section E.2.b	The Project Implementation Manual shall have been developed by each PCU and adopted by the PPC and is acceptable to the Fund		Complied	
Financing Agreement. Section E.2.c	The Project Steering Committees (PSCs) shall have been duly established in Ben Tre and Tra Vinh Provinces.		Complied	
Financing Agreement. Section E.2.d	The Project Directors and Project Accountants shall have been duly appointed.		Complied	
Financing Agreement. Section E.2.g	A computerized Accounting System has been identified for the Project by the PCUs.		Complied	

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
<b>Section 4.02</b>	PCU to open and maintain a Project Account (in ...); GO? to make an initial deposit equivalent to USD ??????			
<b>Section 4.02</b>	GO? to replenish Project Account quarterly in advance			
<b>Section 4.03</b>	Procurement of goods, works and services carried out in accordance with the procedures laid down in Schedule 3			
<b>Section 4.04</b>	Insurance of vehicles, equipment and civil works financed from the loan proceeds to be consistent with sound commercial practice.			
<b>Section 4.05, section 11.10(b)</b>	Audit report submitted to IFAD.			
<b>Section 4.06</b>	Progress reports to be submitted to IFAD on a quarterly basis.			
<b>Schedule 4, para 7</b>	AWPB to be submitted to the Fund, for its review and comments			
<b>Schedule 4, para 8(a)</b>	A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD.			
<b>Schedule 4, para 16</b>	Project to be exempted from all import duties, excise taxes and value added tax (VAT) on investment expenditures			





## Appendix 7: Knowledge management: Learning and Innovation

**Learning: What has worked particularly well in this project during this period? What have been the reasons for this?**

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### Initial AMD support in Development of the Women's Development Fund (WDF) in Ben Tre:

The Women's Union in Ben Tre has a long history in rural finance-related operations in the province. Originally, the WU acted as an agent for the credit delivery of the government-owned Vietnam Bank of Social Policies (VBSP) in its subsidised lending to low-income women. In these operations, the role of the WU was mobilising women in borrowing groups and assisting in recording and group management against a commission, while all the actual financing activities were carried out by the bank. These operations are still on-going on a large scale, with practically all "poor" households and nearly 50% of the "near-poor" households borrowing on a continuous basis from VBSP, with mass organisations such as the WU acting as agents for the VBSP.

The more direct involvement of the WU in rural finance started in 2007, when Terdeshommes, a Swiss NGO, started to support the establishment of the WU's "own" network of savings and credit groups, initially in one and later in three communes. Importantly, the WU staff in the province, communes and districts managed the actual savings and credit activities and controlled the related on-lending capital. In 2008, another donor, Unilever started to co-operate with the WU, which made it possible to expand the operations to four more communes and increase the total outreach and lending volumes.

Support from IFAD to the WU's group-based savings and credit operations started in 2012 under the DBRP project. This support was on a much larger scale than the two earlier partnership, including in addition to technical assistance and capacity building, also substantial amounts of capital for initial lending operations with the savings and credit groups. With this support, the WU managed and financed rural finance operations expanded to over communes in Ben Tre province.

The current Vietnamese regulations require that the above type of networks of savings and credit groups should be gradually organised under a more formal institutional arrangement that would ensure an appropriate supervision of these small financial institutions and create a sound and safe organisational framework for their institutional growth. In the case of the WU-managed SCGs in Ben Tre, the law requires that this network should be initially registered as a Social Fund to be supervised by the provincial State Bank of Viet Nam (SBV). Later, when adequate capacities have been developed and a full financial sustainability has been reached, the Social Fund could be converted into a fully independent MFI, registered and supervised by the SBV.

Consequently, the Provincial People's Committee of Ben Tre decided on 28 June 2013 to establish a Social Fund called "the Women's Development Fund", which would take over all the WU-managed savings and credit operations in the province. The WDF became operational in April 2014. Following the Charter of the WDF, the objective is to develop its operations in a manner that the Fund is ready to apply for a full MFI license from the SBV in 2020.

Concerning the AMD support to the new Fund, a Memorandum of Understanding between the PCU of AMD and the WDF (an independent legal entity) was signed in January 2015, defining the overall level, terms and conditions of the this assistance and co-operation. A major part of this support consists of new investment capital to the WDF, to be on-lent to both new and already existing SCGs. This will be in the form of a loan (around USD 1.63 Million) on IFAD's lending terms first from the MoF to the PPC and then through a subsidiary loan agreement from the PPC to the WDF. This loan package has been negotiated and is currently under final review in the MoF. The sub-subsidiary loan is expected to be signed and ready for disbursement by early April 2015.

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**Learning: What has not worked so well? What have been the reasons?**

**Financial analysis of Climate Change Adaptation (CCA) models.** The two AMD provinces have initiated identification and analysis processes for adequate CCA models for sustainable livelihood in the context of increased salinity levels and disaster risks in the Mekong Delta. Both provinces have signed MoUs between PCUs and DARDs, assigning DARD as the lead agency in identification of CCA farming models, and a task force has been established accordingly. Tra Vinh, in addition, has initiated long-listing and screening of existing models.

The strategy is to assess existing models first, and subsequently initiate replication processes during the PY2. This work should be done urgently, to enable well justified investments in the second and third project years. The project in both provinces has engaged DARD as the main implementer of this work due to its long experience in agricultural technology transfer, however DARD is observed to have limited capacity to assess the market opportunities and financial profitability of the models. The supervision mission has proposed to engage actors beyond DARD as implementing partners for the process of CCA model identification and assessment.

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**Innovation: Describe any interesting innovation noted during supervision**

**Process in CCA Model Identification and Assessment.** A guiding graph was prepared by the supervision mission for the AMD project, for easy facilitation of the CCA model identification, assessment and replication processes in the two provinces. The provided note hereby:

## MODEL IDENTIFICATION AND REPLICATION

