



Investing in rural people

Republic of the Sudan

Butana Integrated Rural Development Project

Supervision report

Main report and appendices

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Contents

Abbreviations and acronyms	iii
A. Introduction	4
B. Overall assessment of Butana Integrated Rural Development Project implementation	5
C. Outputs and outcomes	6
D. Project implementation progress	18
E. Fiduciary aspects	20
F. Sustainability	24
G. Impact	26
H. Conclusion	26

Appendices

Appendix 1:	Summary of project status and ratings	29
Appendix 2:	Updated logical framework: Progress against objectives, outcomes and outputs	33
Appendix 3:	Summary of key actions to be taken within agreed timeframes	41
Appendix 4:	Physical progress measured against AWP&B, including RIMS indicators (Outputs 2009 –2016)	45
Appendix 5:	Financial: Actual financial performance by financier; by component and disbursements by category	49
Appendix 5A:	Status of 2015 Audit and supervision mission recommendations	53
Appendix 6:	Compliance with legal covenants: Status of implementation	55
Appendix 7:	Knowledge management: Learning and Innovation	57

Abbreviations and acronyms

ABS	Agricultural Bank of Sudan
ABSUMI	Agricultural Bank of Sudan Microfinance Initiative
APO	Associate Programme Officer
ASAP	IFAD Adaptation for Smallholder Agriculture Programme
AWPB	Annual Work-Plan and Budget
BDA	Butana Development Authority
BIRDP	Butana Integrated Rural Development Project
BLMIE	Business and Livestock Market Information Entity
BoD	Board of Directors
CAHWs	Community Animal Health Workers
CBOs	Community Based Organisations
CBS	Central Bank of Sudan / Central Bureau of Statistics
CCI	Community Capability Index
CCU	Central Coordination Unit
CDC	Community Development Centre/Committee; VDC: Village Development Committee
CEAP	Community Environmental Action Plan
CIF	Community Initiative Fund
CPM	Country Programme Manager
CPO	Country Programme Officer
DG	Director General
DTs	Development Teams
ECAW	Enhancing Climate Change Adaptation in Agriculture and Water Resources in the Greater Horn of Africa
EUR	Euro
F	female
FC	Financial Controller
Fe/Male	female, male
Fed	Feddan
FMoAF	Federal Ministry of Agriculture and Forestry
FMoLFR	Federal Ministry of Livestock, Fishery and Rangeland
FNC	Forest National Corporation
FS	Financial Statements
GEF	Global Environmental Facility
GoS	Government of Sudan
HQ	headquarters
ha	hectare
HHs	households
IA	Institutional Advisor
ICARDA	International Center for Agricultural Research in the Dry Areas
ICB	International Competitive Bidding
ICO	IFAD Country Office
ICSP	Integrated Carbon Sequestration Project
IMP	Integrated Pest Management
INGO	International Non-Governmental Organisation
ISA	International Standards of Auditing
KM	knowledge management
LMIS	Livestock Marketing Information System
LMRP	Livestock Marketing and Resilience Programme
LPG	Liquid Petroleum Gas
M	male
M&E	Monitoring and Evaluation
MFIs	Micro Finance Institutions
MoFEP	Ministry of Finance and Economic Planning
MIS	Management Information System
MoAF	Ministry of Agriculture and Forestry

MoIWR	Ministry of Irrigation and Water Resources
MoU	Memorandum of Understanding
MTR	Mid-term Review
PIU	Programme Implementation Unit
PO	Procurement Officer
PP	Procurement Plan
PVC	Poly Vinyl Chloride
QCBS	Quality Cost-Based Selection
RAP	Rural Access Project
RF	Revolving Fund
RFA	Rural Finance Agent
RFO	Rural Finance Officer
RIMS	Results and Impact Management System
SA	Special Account
SCGs	Saving and Credit Groups
SCU	State Coordination Unit
SDG	Sudanese Pound
SM	Supervision Mission
SMDC	Sudanese Microfinance Development Company
SMFU	State Microfinance Units
SROI	Social Return on Investment
SRDC	Sudan Rural Development Company
SWA	State Water Authority
TA	Technical Assistance
TORs	Terms of Reference
ToT	Trainers of Trainers
UNDSS	United Nations Department of Safety and Security

A. Introduction¹

1. The Government of the Sudan and IFAD fielded the eighth supervisory mission (SM) to the Butana Integrated Rural Development Project (BIRDP) from 5 to 25 November 2016. The objectives of the supervision mission are: (i) to review both the technical and fiduciary aspects of BIRDP; (ii) to take stock of the progress made in the implementation of the Project, in particular on aspects and issues highlighted during the latest supervision and implementation support missions; (iii) to provide recommendations on how to improve the implementation and address bottlenecks mainly with special focus on Butana Development Agency (BDA) structure and role, as well as the NRM governance structure; and (iv) conduct implementation support for BDA to implement diligently the additional financing (AF) phase of the project.

2. The mission met the Locality Commissioner of Sharg Aljazeera (Gezira State) and River Atbara (Kassala State); Administrative authorities in Subagh (Gadarif State), and officials of the Ministry of Agriculture of River Nile State. At Federal level, the mission met with the representatives of the MoFEP, FMOAF and FMOl; the Director and Officers of the BDA and the Project Coordination Unit (PCU); the five State Coordination Units (SCUs) and their development teams (DTs). The mission managed to devote two days for each State. Apart from visiting communities² (8), intensive feedback sessions were held with the DTs of River Nile, Kassala and Khartoum State, while at the on-set of the mission presentations were related to 'Introduction of Additional Finance phase', 'BDA strategy', 'BDA five-year business plan', and 'introduction to Integrated Carbon Sequestration Project (ICSP)'. A wrap-up meeting took place at BDA level in Rufaa, and at federal level in Khartoum, on 21 and 24 November 2016, respectively. The latter was chaired by Mr. Musa Makin Kabashi, Acting Director General, International Cooperation Directorate, MoFEP with participation of representatives from FMOFNP, FMOAF, FMOlRF, BDA and the Central Coordination Unit (CCU) of IFAD-financed projects.

3. The mission would like to express its appreciation for the close cooperation and hospitality extended by the BDA and SCU staff and by all Government counterparts met in BIRDP project area and in Khartoum. The communities visited deserve a compliment for receiving and interacting with the mission. A special compliment is hereby extended to the DTs who managed to provide short, attractive and analytical presentations.

B. Overall assessment of Butana Integrated Rural Development Project implementation

4. The overall assessment of the project implementation is **moderately satisfactory (4)**. The project continues to strengthen communities' ability to sustainably and meaningfully contribute to development process. Beyond effectiveness ratings of Communities Based Organisations (CBOs), the mission notes a general qualitative improvement of vibrant community participation, including women, and increased clarity and understanding of project's interventions objectives and implementation modalities; the young professionals (YPs) who live for a longer period in the community contribute substantially to these development dynamics. The emergence of communities' networks in 3 of the 5 states, of Natural Resource (NR) networks and NR cluster, effective utilisation of knowledge products, facilitating NR forums, having only a livestock mortality rate of 1% (River Nile

¹ Mission composition: Ms Lucy Maarse, Mission Leader; Ms Intisar Ali, Forest/NRM Consultant; Mr Elfadul Ishag, Portfolio Support Officer and Mr. Ahmed Gabir Subahi, CPO of Sudan ICO; Mr Hassan Mohammed Ahmed Hamour, Deputy Coordinator of CCU for IFAD Co-financed Projects; Mr Hassan Nageeb Hassan, Development Directorate; and Mr Yousif Abdelrahman Ibrahim, International Cooperation Directorate, MoFEP; Mr Mohamed Abdelmotaleb, and Mr Abdellah Abdeldaeem Mohamed Ahmed of International Cooperation Directorate FMOAF; Mr Yousif Mohammed Gesm Elbari of Federal Ministry of Livestock (FMOl) participated in the entire mission. The following persons participated partially namely Mr Aziz Al-Athwari, IFAD Finance Officer (8 days); Mr Mohamed Abdelgadir, acting CPM (6 days); Ms Lourdes Lim, IFAD Programme Associate (5 days); Mr Yonas Mekonen, APO/Sudan ICO (5 days); and Mr Mohamed SirElkhatim, Coordinator CCU (5 days). Also participated in the mission Mr Swandip Sinha, Microfinance Specialist, conducted his part in October 2015, 10 days.

² Al Rataga village and Al Rataga market in Kassala State; Aledai Alhomour and Al Regai villages in Gadarif State whereby also visiting ICS Project activities in Al Mokharbash reserve forest; El Dalo & Tammama and Wadi Ehaj villages in Khartoum State; Wad Alhamad and Alsagri villages in River Nile State while also meeting the NR network representatives (6 original and 10 new communities); Awlad Gamma village and NR network in Gezira State as well as meeting all members of the Meat Commodity Council and Steering Committee for the public-private Tamboul slaughter house.

State) further add value and are becoming vehicles for scaling-up³. The impressive take off of the rural finance activities in 2015 lost its momentum in 2016, while demands for micro finance are increasing; in every community visited, households and community development committees (CDCs) express their interest in micro financing whereby providing concrete proposals. Unfortunately, the project had serious difficulties in implementing the AWPB 2016 due to funds flow constraints. As much as possible the project prioritised community related activities which were mainly related to consolidation and filling the gaps. Albeit the impressive results at ground level, much more could have been materialised if AWPBs are implemented as planned; it has turned into a historical trend that is not attainable.

5. Enormous efforts have been made to arrive at a BDA Strategy and Five-Year Business Plan; both documents are ready and await approval. Next, the various NR forums conducted have led to an unexpected range of actions at community, locality and even in certain cases at State level. A first draft Natural Resource Governance Framework (NRGF) is in place. Both bottom-up processes have also contributed to cohesion among and within communities; suddenly the need for NR networks is experienced as important, for instance.

6. Considering the tangible progress made in terms of food security, resilience and poverty reduction, but above all in governing and strengthening NRs allowing restoration of fragile ecological zones, which led to a reduction in conflicts over NR. It is advisable to conduct at this stage a comprehensive impact study.

Agreed action	Responsibility	Agreed date
Fulfilling the core condition set prior to withdrawal of funds from the Additional Financing (AF) grant namely 'Receipt from the Government of a report on satisfactory details pertaining to strengthening the BDA's staffing, resources and long-term sustainability'.	MoFEP	ASAP
Commission a comprehensive impact evaluation with due attention to the EFA and Natural Resources.	PCU Coordinator	30/04/2017

C. Outputs and outcomes

7. **Component 1: Policy and Institution Building.** The component main activities include: **1.1)** Legislation for NRM; **1.2)** Policy & Strategy; **1.3)** Institutional Development Building; **1.4)** Knowledge Management; **1.5)** Capacity building of Development Teams (DTs) and Technical Assistance (TA); **1.6)** Studies, Pilots, Research, Assessment; **1.7)** Young Professionals Programme (YPP). The mission assessed this component as **satisfactory (5)**. The component contributes to an enabling governance framework to develop NRM of the Butana. It also relates to institution building, knowledge management, capacity building, studies and strategy development at the level of BDA as well as investing in YPs for securing professional cadre on the longer term and increasing their chances in the labour market.

8. **1.1 Legislation of NRM.** The mission assessed this sub-component as **satisfactory (5)**. The project organized participatory forums for different NR stakeholders/actors in Butana to identify issues pertaining to water, forests, rangelands and fodder, agriculture and farming lands, livestock and gold mining. It has brought up a lot of positive dynamics in the area. These forums were conducted with the purpose of constructive engagement of boundary actors in policy, institutional, and legal issues of common interests and concerns towards establishment of a coherent cost-effective governance framework for sustainable NRM in Butana; i.e. shortly called Natural Resources Governance Framework (NRGF). This process is assisted by identification of collective priorities, desired policies and challenges in NRM. In 2015, 16 community forums were conducted while in 2016; 9 second upper layer/level and 5 third upper layer/level forums at the localities and states were conducted respectively. One hundred thirty-nine (139) grass-root communities and respective government institutions participated in the forums and workshops. Priority issues identified were addressed from legislative, institutions, strategies and instruments perspectives where many policy-related gaps, activities need to be implemented and stakeholders identified. The immediate outcome of these

³ Community Extension Agents Network (CEAN) are defined as the result of more than 2 communities, adjacent or not, taking the initiative to partner and collaborate over issues of common interests.

forums directly led to overview of and clarity on NRM policies, institutional -, regulatory - and legislative system improvement. The awareness of the community on the NRM has grown high and because of that, two community networks established in River Nile state (Al-tasab) and Gezira state (Al-salam), which are strengthened by essential trainings on NR reservation, promotion and protection that associated with strong voluntarily activities. Discussion with the communities and the commissioners in the localities revealed that, the pastoralists are not yet fully integrated in the consultation process due to their continuous movements which indicates some awareness gaps which may negatively affect implementation of many regulatory procedures. An extra NR forum shall be organized with them. Also, there is a remaining layer/level which states and inter-states workshops for scaling up discussions on these issues, including harmonization of policies, legislations and mechanisms expected to be persuaded in addition to the scaling up of the process to the highest federal level of governance as an essential step towards the realization of the envisaged framework.

9. 1.2 Policy and strategy. The mission assessed this sub-component as **satisfactory (5)**. The above-mentioned NR consultative process is at the finalization stage; it has triggered significant inter-communal and inter-state dynamics which built a concrete foundation on the viability of having an effective NRGF. Essential policy issues such as ensuring the sustainability, strengthening of institutions, establishing of new structures, advocacy, promoting by incentives, planning/master plans, enforcement procedures, protection and regulatory frameworks, scaling-up and expansion, integration and inter-state dimensions have been well defined. BDA vision and mission have been formulated to contribute to creating an enabling environment for NRGF implementation (legislations, policies and plans) to ensure a regulated access and use of resources. BDA is underway to take the perceived leading development role as its hardware and software ingredients have been formulated.

10. 1.3 Strengthening the BDA. The mission assessed this sub-component as **moderately satisfactory (4)**. In response to the last supervision mission (SM), BIRDPA recruited an Institutional Advisory team to develop the BDA Strategy and Business Plan including the BDA vision, mission, strategic objectives, implementation arrangements, services, fund raising strategies, business plan, membership, coordination mechanisms and organizational set-up. Now, BDA is at good starting point but without the financial arrangements for kick off (BIRDPA constructed assets will be the starter capital for the BDA). There are evidences that the government will include the needed resources for operationalization of the BDA in the 2017 budget. Community structures (CDCs and Community Networks) are in place to facilitate the BDA connection with the grass root communities. However, inclusion of all stakeholders within the BDA-BoD is to be considered. Full description of the BDA and its business plan are annexed.

11. 1.4 Enhancement of pastoralism. The mission assessed this sub-component as **moderately satisfactory (4)**. Butana is an assemble point for pastoralists from neighboring states as well as from within. Integration of the pastoralists is a crucial element in sustaining peaceful co-existence and strengthening coherence among all socio-ethnic components in Butana. It proved that when pastoralists are excluded from participation in NRM consultation process⁴, this may consequently affect the effectiveness of the framework that can be developed as indicated by the adoption of the law of restriction of farming above the grazing line in Gadarif state. It is observed that in some communities the symbiotic relationship developed between the hosting communities and the pastoralists in terms of cross marriage, fodder trade and flourishing of local markets could add positively to smooth implementation of the NRGF. The process could also be enhanced by filling knowledge capacity gaps, especially, in relation to nature of the pastoral system, mapping and understanding of their problems and priority needs.

12. 1.5 CBOs. The mission assessed this sub-component as **satisfactory (5)**. Remarkably, the project formed 140 CDCs with membership of 1186 males (65%) and 639 females (35%). Not all these development structures have been legalized due to the variation in the registration procedures among the states but the specialized groups and the CDCs key members have been capacitated with the essential skills through variety of training programs. Some CDCs do not have bank accounts due

⁴ It however be noted that a pastoralist leader attended the village gathering at Al Rataga village.

to the absence of banking institutions in some localities. However, the CDCs are taking the driving seat of development in their respective communities and they developed recognizable reconciliation and conflict resolution roles when the community networks established and supported by native administration members. The project has also, through strong support from the Community Extension Agents (CEAs), Locality Extension Teams and the Development Teams (SCUs), mobilized and organized the participating communities in the appropriate development structures such as the specialized groups which include water harvesting (295 males + 2827 females), irrigated vegetable and fruits farms (247 males + 1556 females), women vegetable farms (985 males + 25 females), wadi cultivation (35 males+848 females), individual range reserve (1022 males + 260 females), community range reserve (743 males + 393 females), plantation of tree seedlings (693 males + 2306 females), community forest (663 males + 226 females), community nursery (36 males + 113 females), supplementary feeding (for milk 464 males + 926 females & for birth increase 64 males +157 females), local breed improvement (720 males + 635 females), control of botulism (165 males + 33 females) and control of internal and external parasites (1437 males +978 females).

13. 1.6 Capacity Building. The mission assessed this sub-component as **satisfactory (5)**. The project has conducted different types of trainings that included project staff, government line departments staff and beneficiaries with the goal of ensuring sustainability. In 2016, a total of 43 (25 males +18 females) project staff received training on GIS and remote sensing and Agric. Management Insurance from the categories of the SCUs, line departments, sister projects and YPs. However, previous thematic training programmes have benefited 351 staff (244 males +107 females) trained on GIS and remote sensing, range/plan measurement, water harvest, water and soil conservation, adaptation to climate change (CC). Regarding the beneficiaries and community members, in 2016 several (424) benefited from the training programmes in addition to 8020 (50.3% of them are females) have received training in the past that mainly focusing on NRM, agriculture, participatory approaches, livestock health and feeding, fodder conservations, CC, nurseries, sand blocks making and others.

14. 1.7 Community Networks and Community Extension Agents (CEAs). The mission assessed this sub-component as **satisfactory (5)**. Community network is a joint structure that brings a voluntary group of neighbouring communities to put their hands together for NRM. Two examples of these are formed in River Nile State in which Al-tasab network is formed with a group of 16 communities. Another example is formed in Gezira State when 10 communities came together to form Al-salam network. These structures have added positively to the social cohesiveness and NRM as community forests, reserved forests and grazing lands can be well protected from invaded investors and misusers of the resources. They expected to provide a legitimated protective mechanism and ensure access and user rights to land. The network in River Nile recognized as conflict resolution structure due to involvement of the native administration leaders in the membership of the network. The CEAs represent the service first hand that reaches the needy communities on time. Fortunately, they are well-equipped with technical capacities and kits to perform their role effectively. The mission is pleased to see that some of them have been integrated within the government system while they are settled within their communities such as the midwives, the Community Animal Health Workers (CAHWs)/paravets and forest protection agents.

15. 1.8 Knowledge Management (KM). The mission assessed this sub-component as **satisfactory (5)**. In line with BIRDP internal KM strategy, the project has managed a great forward step in incorporating the KM products lessons learned from its experiences in the project daily work. This quality step fits in the project stage of scaling-up and expansion of its activities within the AF framework. Quality KM products have been generated from different interventions, which transformed into instructive result-oriented format that can bring change among the communities when disseminated. The extension staff have received essential trainings on KM production and the mission is acknowledging the great efforts from the coordination teams in reflecting results/outcomes of the project interventions. Currently, the project is in a high position to share its products with others within and outside the country. The project website (www.butanaonline.org) receives more than 45,000 regular visitors, staff are trained, the project strategy is part of the country KM strategy, participated in many KM fair/sharing events internally and abroad, has huge KM products in different formats and

types (see KM Appendix). The mission encourages the project to further promote its products by enhancing the technical capacities of the staff and provide them with appropriate facilities and equipment for KM sharing and/or production.

16. 1.9 Studies and Research. The mission assessed this sub-component as **moderately satisfactory (4)**. Progress in this area needs to be accelerated, especially in relation to the proposed studies on natural resource management, the updating of the ecological zonation study, besides studies and trainings in support of Integrated Carbon Sequestration Project (ICSP) that need to be implemented by BIRD; the mission encourages the project to prioritize these studies and training due to their importance to the ICSP. However, good progress has been achieved regarding extension material production and community studies such as score cards.

17. 1.10 Young Professional Program (YPP). The mission assessed this sub-component as **satisfactory (5)**. Through the project experience of the past years, YPP proved to be great impact in the integration of rural communities in development. Out of the 55 YPs, 51 of them are females (93%) who live with communities and helped in transforming women-related norms and traditional constraints. Communities are appreciating this role as they have been instrument for community mobilization/awareness raising, building of trust, understanding the inner realities of poor HHs, which resulted in increased women participation in development processes. The mission encourages the project to expand this collaborative work with the YPs particularly during the AF phase.

Agreed action	Responsibility	Agreed date
Fine-tuning of descriptions of concepts, mile stones and indicators in Additional Financing proposal, draft Natural Resource Framework, BDA strategy and BDA five-year business plan is required; a common list of terminologies/synonyms used is needed.	Respective Institutional and Policy Consultant	Immediate
Conduct an additional NR forum specifically for Pastoralists	PCU coord., Policy adviser	31/12/2016 ⁵
Organise remaining NR forums namely Inter-State and Federal level	PCU coord., Policy adviser	31/03/2017
Prioritise proposed Integrated Carbon Sequestration Project (ICSP) studies on natural resource management besides studies and trainings in support of that.	Range officer/PCU coordinator/ICSP coordinator	31/01/2017
Further institutionalising the YPs through the development of a curriculum and, building on last year's recommendations, reaching an agreement with ABSUMI on absorbing YPs, through merit based and competitive recruitment process.	Community-Gender Officer	30/06/2017
Peer reviewing by DTs of KP produced.	DTs/M&E Officer	31/03/2017
Develop BIRD Learning Routes specifically for State and Locality professionals of the Butana	DTs	30/09/2017

18. Component 2: Natural Resources Management (water, range, forest, vegetables, fodder and agriculture crops). The mission assessed this component as **satisfactory (5)**. It consists of 3 subcomponents namely **2.1** water infrastructures, **2.2** water harvesting and **2.3** (rural access)/wadi crossings. The drought of 2015 impacted negatively this component.

19. Subcomponent 2.1: Water infrastructure (hafirs, water yards and hand pumps for people and animals), assessed as **moderately satisfactory (4)**. Shortage of water supplies for humans and animals continue to be one of the main causes of rural poverty in Butana. Interventions of the project in 2016 to improve availability of drinking water for human and animals included the rehabilitation and construction of 8 hafirs and 8 water yards in Gedarf and Khartoum States. Of the total communities (120) who identified water supply as their first developmental priority, the interest of 86 communities (83.3%) have been either fully addressed (77 communities) or partially addressed (23 communities), benefiting total of 15,404 HHs. In addition, 9 water hand pumps were installed in River Nile State. One of the good practices in water programme is high commitment and ownership of communities depicted by contribution of 25% of the cost of hafir of water yard⁶. There are still 16 communities with

⁵ Best timing is 3rd Quarter when the mobile households visit Butana. However, 3rd Q, 2017 would delay finalisation of the NRG; henceforth, a round of representatives/leaders is proposed, while next year another forum to involve all.

⁶ In many cases the communities must mobilize resources from other sources such as Zakat, Government or well off individuals to fulfil their obligations.

unsatisfied needs. Major constraint for not supporting these communities on water is the unfavourable geology and poor quality of water in some areas, especially in Khartoum State⁷.

20. The project has trained 39 members of water and development committees (with females receiving preferential treatment in selection for training) on operation, maintenance and accounting during the reporting period. The mission noted that some of these committees have managed to put in place strong systems for proper management and protection of water sources. While all committees have established a fee system to generate resources from water to cover maintenance and running costs, some have managed to generate enough resources to establish additional water harvesting structure (example Aledaid Elhumer community). However, some of these water committees are still weak and need to be coached and strengthened to be able to take full charge of the water supply sources in an economically feasible and sustainable fashion as in the case of Wadi Elhaj and Awald Gamaa villages. Moreover, hygiene of water in hafirs due to inappropriate use is a real concern as indicated by the community in Waddi Elhaj village in Khartoum State.

21. 2.2 Water Harvesting (for forage, forests, fodder, vegetables and crops), assessed as **satisfactory (5)**. The project has succeeded in providing a substantial support in terms of water harvesting for rainfed agriculture (164,799 feddan) and range (19,337 feddan) development since its start. Nevertheless, huge potentialities for water harvesting measures to enhance community adaptability and resilience in such a dry place still exist and could be covered during the up-scaling phase. In 2016, the Project has appropriately focused on promoting terraces for small-scale rainfed sustenance agriculture to avail food for human and fodder for animals. Successful cases are shown in Kassala (Elrataj Elgarbian village) and River Nile states (Wed Elhamad). In 2016, range reseeding to enrich the deteriorating rangelands continues to receive high attention by the project to avail fodder for the dry season (10,050 feddan). Seed broadcasting was practiced by communities in Wadi Elhaj, Khartoum State and Awlad Gamaa, Gezira State in both communal and individual rangelands resulting in reappearance of highly palatable species, including the ones that are either became rare (*Carleria* spp locally known as Safari) or completely disappeared (*Blepharis edulis* locally known as Siha)⁸. About 10,010 kgs. were broadcasted by communities in rangelands. Overall during these years, the project facilitated broadcasting of 59,529 kgs. covering about 20,000 feddan in the five states of Butana. Most of these areas are community range reserves where social fencing is exercised by communities to ensure protection⁹. In 2016, 3,311 feddan were established in Butana as individual range reserves. Gedarif State, which still has vast areas and high potential for range improvement received the highest percentage of reseeding activities (44.4%). In the last three years of project implementation the focus on range seed supply was accorded to Cluster bean (guar) as fodder crop which has proved its viability as reflected by the high level of adoption (3,313 feddan in 2016). This year, where fodder production is abundant, the project has encouraged bailing and storage of fodder in the project area, especially among women as noted by the SM in all visited communities.

22. Irrigated agriculture, founded on flood, matara irrigation and jubraka using different types and devices of irrigation. Area under terrace cultivation in 2016 amounts to 3,653 feddans in all states. River Nile State where irrigated agriculture has high contribution to livelihoods, a total of 796 HHs are engaged in matara cultivation (5,945 feddan). The Tasab Network (16 villages) in the State reported 39% reduction in number of poor families (using locally developed parameters). The yield of sorghum/ feddan increased to about 25 sacks along the Nile compared to low yield of 3 to 4 sacks per feddan before the pump irrigation. However, there is a huge potential for more improvement through

⁷ The SM noted the appreciation and the high value assigned by the communities to the water interventions and the support provided by BIRD and how it has contributed positively to improving the social, economic and environmental situation of their lives.

⁸ In the case of Wadi Elhaj village and surrounding villages in Khartoum State, the reappearance of the *Blepharis* locally known as Siha which one of the important fodder spp for camels, due to reseeding activities is very much appreciated by the communities.

⁹ A remarkable achievement is that the community of ELidaid Attuwal in Gedarif State has decided to expand the community range reserve by adding 10,945 feddans to bring the total land of this reserve to 24,945 feddans confirming the benefits accrued from this reserve & the high interest of community.

introduction of certified full packages of climate smart practices¹⁰ and introduction of cost benefit concepts among farmers. At the farmers' level, cost-benefit analysis, whereby considering HH preferences and ecological features of the area, will help farmers to choose the best options in term of type of crops for the different planting season and the best use of the precious irrigated lands.

23. Forest development. The SM noted with pleasure the level of awareness on the importance of protection and development of NR especially forests and range on the part of communities. This was also depicted by the ongoing processes of declaring and registering community forests by many of the targeted communities in the project areas (currently 63,834 feddan of forests are either under processing or completed registration). The momentum created by the NR forums encouraged many communities to issue internal by-laws and norms to protect the surrounding forests, trees and rangelands. The communities have also taken charge of guarding their forests through appointment of community guards. In River Nile State, the Tasab Network (made of 16 villages) and Bashir network (10 communities) assigned community guard responsibility¹¹. The community protected forests are in much better status than the Government Reserve Forests which suffer the encroachment of the mechanized farming, deforestation, land degradation and mismanagement practices.

24. Given the scarcity of water in most of the project area, seed broadcasting was an appropriate means to improve tree cover rather than producing and transplanting seedlings. Furthermore, to have better germination and in turn better establishment, the broadcasting was either done in declared reserved forests or community woodlots/range reserves. In 2016 a total of 1248 kgs of seeds were broadcasted covering an area 624 feddans, bringing the total area under community forests to 63,834 feddan distributed among states, tree seed broadcasting was also successful in mining areas in As Subagh locality where mining bits serve as water harvesting structures (1500 feddan covered by Acacia Seyal and Nilotica Spp. with the support of adjacent communities). The Project has established 129 HH nurseries which have produced a total of 181,577 seedlings, distributed in all states, since its inception. Despite the high level of awareness on NR protection, the culture¹² of planting trees in households, schools and the surroundings remain weak in the 8 villages visited by the project, except in Awlad Gamaa in Gezira State. The project may wish to consider awareness campaigns at community level to improve tree planting.

25. 2.3 Rural access and wadi crossings. Overall, the performance of the subcomponent is considered **satisfactory (5)**. Follow up on the progress of construction of wadi (seasonal water stream) crossings under BIRDP, 10 wadi crossings are under construction. Nine of them were already completed and provisionally accepted. During the mission, no visits were made to the five sites wadi crossings that were completed. They seem to be well constructed having all seen one good rainy season without suffering from any problems. The approaches to the crossing are reasonably long and manage to divert water properly to the wadi main stream. The tenth crossing (on Alhaseeb wadi, west of Gaili villages) could not be completed because of land tenure problems at the beginning and later because a dam being constructed by the government came on the alignment of the crossing, thus making construction of crossing on the site not possible. Options available to the project are (i) to redesign the crossing and move it to a different location, a scenario that will entail additional expenses both on design and construction costs, as well as time or (ii) cancel the crossing all together. The project should discuss with stakeholders and decide which course of action to follow. As stated in the previous SM, even if completed as per design, crossings will not completely solve problem of access to markets, particularly during the rainy season. This access gap was addressed by launching the RAP project to construct a rural access road to link Central Butana area with main livestock markets. It is therefore felt important to use part of BIRDP funds to complete works on the rural access road (Alsoubagh to Sitta Arab), in a manner to make it passable/functional; ref. to SM report, 2015. This

10 These practices may include as appropriate, improved certified seed varieties, fertilizer micro dosing, soil and water conservation practices, water harvesting, inter cropping and agroforestry, conservation farming, Integrated Pest Management (IPM), irrigation practices. AS per the discussion in Nile State farmers need support as especially in areas recently cultivated under pump irrigation.

11 In River Nile State, the Tasab Network assigned guarding responsibility to the youth and established investments for them as a reward and livelihood project.

12 Culture of tree planting is normally weak among moving communities and would need extra effort to change.

would be possible by engaging competent contractors to complete the required works before completion date of BIRDP Loan financing by end of March 2017.

Agreed action	Responsibility	Agreed date
More efforts needed to develop cost-benefit analysis for cropping considering the agro-ecological zone, climate resilience and cross community support systems ¹³	Range officer/DTs	30/06/2017
The planned up-dating of the ecological zonation study (2015) should be undertaken as soon as possible whereby also covering the livestock units.	Range officer/DTs	31/03/2017
Thematic studies should be undertaken to feed the climate resilience approaches of AF phase.	Range officer/DTs	30/06/2017
Developing water resource maps for Butana jointly with others interested (Gadarif State, ZOA)	BDA	Mid-2017
Tailor-made capacity building for Water User Committees including attention for water quality, while also setting up a system to assess the quality of management water supply systems.	Range Officer/ Com. Dev. Officer/DTs	31/03/2017
Join hands with Livestock Marketing and Resilience Programme (LMRP) in capacity building -based on LAPA manual- for facilitating the development of Climate Resilient Community Village Plan.	Range Officer/ Community Dev. Officer/DTs	31/03/2017

26. Component 3: Livestock development and marketing services. This component is rated **moderately satisfactory (4)**, and consists of five subcomponents namely **3.1** Business and Livestock Markets Information Entities (BLMIE), **3.2** Animal feeding innovations and initiatives, **3.3** Comprehensive extension and vaccination campaigns, **3.4** Animal husbandry and management (large and small stock including indigenous poultry), **3.5** Enhancement of pastoralism and aims at improving animal health, animal productivity and market access. During the reporting period the focus has been on consolidation and 'year around balanced feeding'.

27. 3.1 - Business and Livestock Markets Information Entities (BLMIE). This subcomponent is assessed as **moderately unsatisfactory (3)**. The project supported the construction or rehabilitation of five secondary markets (Abu Deleig, Tamboul, El Rattaga, Soubagh, and El Dammar livestock market) with the purpose of attracting more buyers and traders, enabling producers receiving better prices and training staff to provide reliable market information has primary led to improved collection of market fees benefiting the locality authorities and more business opportunities (restaurants or food shops, hot and cold refreshments -often conducted by women-, trade in fodder, etc.); visiting the market in El Rattaga, the SM learnt that the management has again been contracted out; not to a private agency but to the Popular Committee¹⁴. In some markets the physical infrastructure of the market affected positively¹⁵ the number of animals incoming and outgoing, for example in Tamboul market, for the period January – August 2016 - total number of animal incoming 178,468 heads; - total number sold in the market 132,822 heads; - total number of animals not sold 45,646 heads; - percentage of the animals sold compared to the incoming is 74%. In most markets these basic data of incoming and outgoing animals as well as lowest and highest prices of the various animals are available, but not analysed and compared with previous seasons and years. This is attributed largely to: (i) weak institutional linkages and poor working relationship among stakeholders; (ii) lack of effective collaboration and coordination among various organizations and institutions involved in Livestock Marketing Information System (LMIS); (iii) problems associated with overlaps between the federal, states and localities in responsibilities and execution of LMIS; (iv) lack of a policy framework to integrate and link the various institutions working on LMIS both at different levels; and (v) need for improved outreach/dissemination reports in order to help improve the diffusion of information. The planned reviewing of the contracts whereby also assessing pending construction elements (sanitary facilities for women; veterinary center, etc.), which are the responsibility of the Locality, did not take place. Regarding updating of the annual livestock surveys at community level, it took place in Khartoum State only and data entering and analysis is still pending.

¹³ E.g. ensuring fodder is available for pastoralists who often belong to the same tribe while settled community benefits from their presence. Maximising economic output per given land unit is not necessarily the objective of the community; i.e. prefer to grow fodder while onions would provide a higher economic return.

¹⁴ Reason provided is 'Entering the fee collection in the electronic collection system was experienced as cumbersome'.

¹⁵ These data are provided in the Annual Progress report but no evidence provided that the percentage is higher. In Soubagh market the percentage varies across the different type of animals between 74-76% and the other three markets (Abu Deleig, El Rattaga, and El Dammar) such data are not made available.

28. 3.2 - Animal feeding innovation and initiatives; 3.4 - Animal husbandry and management (large and small stock including indigenous poultry). These subcomponents are assessed as **satisfactory (5)**. The project helped in developing and experimenting with calendars namely numbers and classes of animals present, grazing, fodder and feed availability; identifying critical points; and planning possible solutions. It concerns a first step to arrive at year-around feeding strategies allowing animals to keep a good condition throughout the year; some women in Wadi Ehaj explained that their goat breeding strategies whereby some spread the kidding (2 breeding seasons so as to have milk for a longer period), while others aim at one season so as to obtain a lot of milk in a specific period (onset rainy season); it would also allow HHs to be more strategic in the number of animals to be kept as increase in production¹⁶ by nutrient use efficiency (Clitoria, Guar¹⁷, molasses, Acacia pods, etc. improve digestibility and decrease methane emissions) and fodder conservation (reserving range and forest plots -standing hay- and opening for grazing and browsing as stipulated in their NR governance plan, hand bailing of weeds -women farms, sorghum plots, etc.-, sorghum stover, roadside – and range grasses, etc.; storing crop leftovers, etc.) reduce the risks of losing animals during bad seasons and outbreak of diseases. Adoption rates vary to setting and agro-ecological conditions, but all livestock keeping HHs of the mother communities use mineral licks. Providing attention to strengthening village poultry system is now perceived as normal¹⁸, while goat breeding focus is now concentrating on quality Nubian goat bucks.

29. 3.3 - Comprehensive extension and vaccination campaigns. This subcomponent is assessed as **satisfactory (5)**. An important breakthrough has been the acceptance and enforcement of new veterinary laws which stipulate that livestock keepers should pay for vaccines and Community Animal Health Workers formally accepted in remote areas. For the latter, prescribed Community Animal Health Workers (CAHW) curriculum is ready and covers also village poultry. In the field (Kassala State), communities tend to refuse to vaccinate their animals because of the new policy, but DTs are convinced that with proper sensation livestock keepers would be willing to pay. In one State (River Nile) the dreadful disease Botulism is under control and overall mortality is below 1%. Three simple veterinary services centres were established at the village level (initiated by CAHWs in River Nile State – communities of Guenagari - Abussnon – El Modbab-Um Hatab – Wad Elhammad).

30. 3.4 - Enhancement of pastoralist. This subcomponent is assessed as **moderately satisfactory (4)**. During the rainy season Gadarif SCU conducted several extensions sessions and nomads in their camps around Butana locality, different issues were discussed including the range problems, livestock route, combating diseases and methods of control, their role on the proper utilization of natural resources. These sessions highlighted many positives concepts, willingness and commitments among the nomadic pastoralist towards Natural Resource Management (NRM) such as: (i) willingness to participate in the development of NRs and participating NR forums; (ii) commitment to the tracks their animals within the livestock routes to avoid damage to agriculture areas; and (iii) commitment to report any cases of animal disease. Three of the State Coordination Unit (SCU) presentations also showed links between pastoralist groups and the mother communities while in addition having more information about other mobile livestock groups. BIRDP staff who participate in the latest Learning Route organized in Sudan, were inspired with the co-management of stock routes and the services provided.

Agreed action	Responsibility	Agreed date
On short term, appropriate Technical Assistance (TA) is needed to use relevant methods and approaches in providing data for year around feeding – and grazing plans, feed and fodder assessment, assessing the feasibility of	DTs	Mid 2017

¹⁶ Of all sites visited, HHs explain as well as show how they made changes in nutrient use efficiency and conservation practices; in certain cases, it is small, in another setting individuals open molasses stores, selling balled fodder to pastoralists/others (when there has been a surplus of previous season).

¹⁷ Gadarif SCU arranged for laboratory analysis for the Guar (also called cluster bean (*Cyamopsis Tetragonolobus*)) and the Ghabash (*Shoenefeldia gracilis*) to learn about the nutritive value of these feed and their usefulness as animal fodder; i.e. Crude Protein (CP) and Metabolic Energy (ME) of respectively Guar ranges between 9,80 – 9,98 % and 8,9060 (kcal/kg); regarding Ghabash, the CP% ranges between 5,25 and 5,43, ME (kcal/kg) around 8,18 (kcal/kg).

¹⁸ One lady visited had bought one hen, and managed to get 14 chicks out of 14 eggs hatched, and all survived; she sold two young cocks and remains with 12 hens ready to start laying soon. Poultry rearing is perceived as a step to buy a goat and thus get out of poverty. Other women make money with keeping pigeons.

primary markets, supplying the CR CVPs with the right livestock data, etc.		
Reviewing current contract for Secondary Markets remains pending.	BDA	Mid 2017
Hire a business expert to advice on how best the private set-up of the Tamboul slaughterhouse can be realised; potential shareholders are BDA, Meat Commodity Council and Admin Unit (Tamboul)	DT Gezira, PCU	Asap

Component 4: Community Development, Business Options and Rural Finance

31. The mission assesses the progress of this component¹⁹ as **satisfactory (5)**. The component consists of various subcomponents namely **4.1** CBOs organisation and management training, **4.2** Social skill training, **4.3** Business promotion projects & community development projects, **4.4** Training of trainers community extension agents (CEAs). The outcome of the project intervention is to create empowered and business-oriented community-based groups, which is done through training and capacity building of the CBOs.

32. 4.1 - CBOs and Management Training assessed as **satisfactory (5)**. The project carried out a wide range of crucial decisions affecting interventions at communities as a whole, from assessing and prioritising needs, channelling trainings, selecting location of collective infrastructure, mediating competing interests and conflicts, steering communal investments and compiling monitoring data. 88% of all CDCs are legally registered and 50 community development centres are constructed. **CDCs meetings** are used as a proxy indicator to assess sustainability and effectiveness of CDCs. In 2016, 79% of planned meetings were achieved, with Gedarif State registering the highest achievement, 92%, and Gezira state the lowest, 68%²⁰. Increased YPs' presence, currently numbering 55, is driving CDCs performance upward and, in particular, further enable women participation, as attested from their increased overall participation in CDCs memberships structure (+35%) and representation in leadership roles, including as chairman or treasurer level²¹²².

33. Annual performance assessment of CDCs is made against communities' abilities to manage meetings, distribute roles and responsibilities among members, include women, facilitate communications among stakeholders and mobilise resources. Re-classification results in 2016 shows that 64% of CDCs are in the highest performing quintile²³. However, 13% of CDCs are still considered weak, down from 16% in 2015. The mission expresses concern over these 18 communities to effectively contribute to the scaling-up as mother communities and recommend taking special capacity building measures, including tailored made training, exchange visits to higher performing communities, linkages and peer mentoring with established communities network. Next, the approach for scaling-up is in principle flexible and it is not expected that every mother community will play a key role; in certain cases, it shall be more an NR – or Community Network.

34. 4.2 - Social skills training assessed as **satisfactory (5)**. The project invests in building human capital, in turn supporting communities' mobilisation and the dissemination of extension messages in different subjects. In 2016, 1275 women received adult education and nutrition training. From 2009 to 2015, 7188 persons benefited from first aid trainings. About 13 communities are still expected to be trained in River Nile and Khartoum state²⁴.

¹⁹ It comprises the following key activities: (i) Communities Based Organisations (CBOs) should be capacitated and strengthened to steer and organise project's investment support at the community level; (ii) Natural resources and income generating interventions should be complemented with an improvement of communities' human and social capital, especially women; (iii) Communities should be business oriented and given access to finance; and (iv) specialised local and community extension agents should be train, organise in network and reorient to work as service provider to ensure the sustainability of key crop and livestock interventions.

²⁰ Level of participation from CDCs members is another key indicator.

²¹ In the AF phase, youth membership into communities based structure should be tracked.

²² Field consultations revealed that in numerous cases, treasurers in procurement committees are women.

²³ In those, a total number of 107 Communities procurement committees have been formed, 16 for the current year. At the time of the mission, numerous initiatives were ongoing, thus not being possible for the mission to report on successfully implemented ones.

²⁴ The SCUs in River Nile State is partnering with the Ministry of Health in rolling out of a new health program. The training of the health agents in the *healthy villages initiative* is done with the financial and technical contribution of the SCU until the benefiting village graduates.

35. 4.3 - Business promotion including micro finance²⁵, and community development projects. Business options²⁶ assessed as **moderately satisfactory (4)**. Post mid-term review, the project interventions have also developed business opportunities in relatively new areas such as guar fodder, paravets, terracing and cooking gas supply²⁷. Business initiatives at the community level have increased mainly driven by tiny investments by village savings and credit groups (VSCGs) members in areas as cloth selling, petty trading, cosmetics selling, bread making, vegetable vending and charcoal supply apart from traditional livestock fattening. Some of these women initiated activities has now resulted in the availability of certain goods and services at the village level for which previously community members were forced to travel to outside markets. During the field visits communities as well as individuals shared concrete business plans of which some were already implemented on basis of 100% self-financing; i.e. constructing second hafir, upgrading terraces, molasses and LPG shops, vaccine services, selling fodder bales, operating chopper, community extension agent (CEA) to render service at cost with profit margin to sustain the service -through CIF-, etc. Two SCUs shared the lesson learnt individual investment is more effective and feasible'. Albeit that SM observed a pronounced change namely being more business oriented, further investing in practical oriented business training at staff – and community level is of utmost importance.

36. Micro Finance. The rural finance initiatives of the BIRDP comprise community investment funds (CIFs), VSCGs and partnership with formal microfinance institutions (MFIs). The previous SM recommended a package of urgent actions to facilitate full development and sustainability of these initiatives through additional financing and BDA support. These recommendations included (a) the recruitment of a dedicated rural finance manager (RFM) at PCU level and separate rural finance extension officers (RFOs) at the SCUs; (b) revisiting the MoU with ABSUMI and strategizing its expansion in Abu Dilej and other Localities; (c) rapidly expanding the VSCGs across the project area using community agents; and (d) piloting a community-based apex MFI. The mission observed that over the last year project attention was mainly devoted to financing additional CIFs. Little progress has been achieved in the other areas causing wide gaps in the preparation for rapid implementation through additional financing (AF). The project explained that it would have been premature for it to start implementation of the other recommendations till the approval of the additional financing proposal was confirmed in September 2016.

37. Recruitment of dedicated rural finance staff. A major challenge in the first phase of BIRDP was that the rural financial services were not included in the project design. However, the project realized the need for these services and introduced some rural finance initiatives in the final years, which demonstrated promising results which will be the scope for full development through additional financing. It is the mission opinion that the recruitment of RFM at the PCU level and one RFO in each of the 5 SCUs were critical for implementing the recommendations of the previous mission. Immediately after, the approval of the AF in September, the PCU had requested the CCU to announce the vacancy for the position of the RFM. The processes for the deployment of the State RFOs have not started and the State coordinators are still awaiting PCU directives regarding this. The mission believes this should be a priority activity and should be implemented as quickly as possible.

38. Community Investment Funds (CIF). As at 31 August 2016, BIRDP reported cumulative disbursement of SDG 6.0 million to support 8,183 beneficiaries in 132 communities through various community initiatives. It continued its focus on reducing the number of livestock initiatives and diversifying the activities supported by the CIF²⁸. In an environment of negligible access to any other sources of external finance the CIFs have addressed a critical gap across several project

25 Micro finance concerns a new activity, currently at a piloting stage but planned for the Additional Financing period.

26 At the community level, potential business activities can be classified into three broad categories per ownership (i) Individual/household businesses such as small handicrafts, food products and petty trading (ii) collective/group businesses such as grain storage, farming, transportation and trading; and (iii) community level commercial and social enterprises such as water yards, health clinics and electricity supply.

27 Annex 4, WP 'Rural Finance' also covers a list of businesses noted during the mission and relevant observations made.

28 Thus, the proportion of livestock restocking and poultry initiatives reduced from 42% to 31%. Meanwhile, cooking gas initiatives increased from 22% to 27%. Grain and fodder purchase/storage initiatives increased from 3% to 20% as the poor agricultural season compelled farmers to purchase and store these items. Other CIF activities included support to irrigation units (16%), donkey driven carts (3%) and other investments (3%) such as community storage facility, handicrafts development, paravets and generator services.

communities and is regarded as an important activity with much benefits. However, discussions with the communities revealed several areas that need attention for better management and sustainability of these funds. After receiving full repayment from the first set of beneficiaries some CDCs were found to hold the funds idle in the bank without revolving further to the next group of beneficiaries²⁹. It is advisable that 3 - 4 successive rounds of CIF disbursement by the CDCs to groups of beneficiaries should be planned to prevent idle cash accumulation after repayment of each round. As recommended in the previous mission the apex microfinance model should be piloted in the River Nile state as a mechanism to develop and promote the sustainability of the CIF experiences.

39. Savings and Credit Groups. Based on the strong performance of the VSCGs, the previous SM mission recommended rapid expansion and formation of 160 VSCGs in 40 communities over the next year. However, the numbers of groups have increased only marginally from 30 groups in 10 villages to 40 groups in 18 villages over the 12 months till 31 August 2016. Nevertheless, the general performance of the VSCGs have been remarkable³⁰. Yet, except in the River Nile state, these groups have not been replicated even within the same communities. This is because the PCU and the SCUs have failed to focus the extension officers and the YPs in this direction. In this regard, the above mentioned lacking of RFM and RFOs should be addressed on an emergency basis followed by a strong push to expand the saving and credit groups (SCGs) across the project area through the extension officers, YPs and community extension agents (CEAs).

40. Partnership with microfinance institutions. The project partnership agreements with three micro finance institutions (MFIs) namely ABSUMI in Khartoum State and Sudan Rural Development Company (SRDC) in River Nile State. Partnership agreement has also been signed with the state-owned MFI in the River Nile State but implementation is yet to start.

41. Partnership with ABSUMI. ABSUMI's progress in the Abu Dileig locality has been disappointing since the last SM. The number of loans disbursed increased from 1,615 to only 2,335 over the 12 months till 31 August 2016 and the portfolio size declined from SDG 1.5 million to SDG 0.8 million over the same period. Savings fell from SDG 213,000 to 123,000. Repayment problems emerged with repayment rate of 96% and portfolio at risk greater than 30 days of 9% as at 31 August 2016. The number of credit officers too reduced from 6 to 4. This is attributed partly to the reduction in the number of the credit officers and the inability of the credit officers to reach the communities due to the delays in procurement of the required vehicles³¹. The problems faced by the unit have arisen due to infrastructure and coordination gap between ABSUMI and the project³². It is of utmost importance that the deployment of the new vehicles to the unit should be accelerated pending which the SCU should provide the unit with temporary vehicles and extension staff for loan recovery and portfolio expansion. The SCU should also form and link VSCGs to the unit in the project villages and outside. The project MoU with ABSUMI should be revised to clearly define the targets and commitments by the two parties in concrete terms and reflect the full scope of collaboration between ABSUMI and BIRDP during the additional financing period.

29 One explanation for this was the inability of the next group to deposit the 25% contribution required to access the funds as the group members were impoverished by the poor agricultural season. Surprisingly, in one such village the project has delivered second round of CIF for cooking gas financing, with the beneficiaries contributing 25%, even while the funds from the first round for the same purpose was fully repaid and sat idle in the CDC bank account. The mission also noted that the CIF performance at the community level depend heavily on project support through the extension officers and YPs for follow-up, record keeping guidance, monitoring and performance reporting and alternative mechanisms to continue these functions after the project has not yet developed. Most worryingly, the erosion of the value of the CIF due to inflation threat and its future sustainability.

30 Savings mobilised has increased from SDG 43,765 to 150,460 and average savings per member has increased from SDG 83 to 234. Some groups in the River Nile states have saved as high as SDG 7,000 to 8,000 over a period of only 12 months. The duration of these loans is usually short between 1 to 2 months with profit margin ranging from 10 to 30% for the duration. Very good repayment performance was observed. The CDC members too expressed strong support for the VSCGs and expected them to spread throughout the communities.

31 The lack of vehicles restricted the movement of the credit officers and affected new loan disbursement, repayment collection and reluctance of the ABSUMI head office to supply fresh portfolio funds fearing that these would remain idle.

32 The ABSUMI Head Office believes there is a gap in close interaction by the PCU and ABSUMI is not regularly updated about the status of vehicle procurement and the position of the SCU on supporting the ABSUMI unit till the new vehicles are delivered. ABSUMI's services at the community level is still relevant and highly beneficial in the absence of any other access to external finance. ABSUMI believes that the repayment problems can be addressed and the unit can become profitable within one year if it has access to the committed vehicles from the project.

42. Partnership with SRDC. In 2015 the SRDC branch in Al Damar (River Nile State) disbursed SDG 209,000 for seasonal agriculture to 226 clients in the project communities. Encouraged by 100% repayment rate in 2016 the branch disbursed SDG 2 million to 290 borrowers in 6 project communities for seasonal agriculture and repayment is awaited at harvest. Overall, this is a very positive development and has fulfilled an important requirement of the farmers in the project villages. However, the SRDC branch has limited field staff and lacks vehicles and is heavily dependent on the project to organise groups, arrange transportation for field visit and monitor the loans. The SCU has dedicated one extension officer specifically for field support this initiative. This is not a sustainable arrangement and cannot survive without the project. Secondly, SRDC targets men for farming loans ranging from SDG 4,000 to 5,000 whereas project target group households' requirements start from SDG 500 to 1,000. Thus, the current system does not reach the lower segment of the target group farmers. Finally, the current partnership agreement between the project and SRDC does not clearly define the targets and commitments by the two parties in concrete terms. The mission recommends that SRDC should present a project proposal with its vision and rural outreach targets in the state including staffing plans and infrastructure needs to become fully sustainable. Project support needed to implement this plan should be outlined and the MoU between BIRDIP and SRDC should be revised accordingly. BIRDIP support to SRDC should be extended gradually based on annual target achievement.

Agreed action	Responsibility	Agreed date
Deploy the Rural Finance Manager (RFM) at the PCU and the Rural Finance Officers (RFO) at the SCU level on urgent basis	PCU	December 2017
Introduce 'VSCG financing' as a CIF activity and disburse 5 such CIFs per State	PCU	April 2017
Establish the apex microfinance institution in the River Nile state	PCU	September 2017
Replicate VSCGs across the project areas by forming at least 375 VSCGs (5 VSCGs per village in 15 villages per state in 5 States)	PCU	Continuous
The project MoU with ABSUMI should be revised to clearly define the targets and commitments by the two parties in concrete terms and reflect the full scope of collaboration between ABSUMI and BIRDIP during the additional financing period	PCU	Continuous
Provide support to SRDC based on sustainability plan that enables the MFI to implement its activities independently in the project villages.	PCU	April 2017
Invest in practical business training at staff – and community level by hiring relevant TA	PCU/SCUs	Asap

43. 4.4 - Community Extension Agent assessed as satisfactory (5). Extension agents, organised individually, at communities or network level are expected to play a critical role in scaling-up project intervention under the AF, most notably in assisting DTs to mobilise and peer train satellites communities³³. The project has trained 24 Community Animal Health Workers (CAHWs), only 34%³⁴ of the planned targets. CAHWs are especially impactful at the village level and effectively contributing to servicing a total of 6,977 HHs in animal health services and reducing incidence of diseases by 98%. This volume of work translated into increased profitability margin³⁵ and sustainable commercial venture. The CDCs are increasingly funding paravets³⁶ through repayment coming from other projects funded initiatives and linking them with the respective departments for further technical support and official recognition.

44. Integrated pest management (IPM) agents. As of 2014, SCUs staff started administering, in coordination with the crop protection department of the Ministry of Agriculture at State level, IPM training. While no progress was registered in 2015, 53 CEAs were trained in 2016. On the other hand, the project failed to train additional tree seedling production workers, resulting in the slowdown of establishing tree nurseries in neighbouring communities; see footnote³⁴. By the end of 2016,

³³ In 2016, 45 local extension agents from mature communities were actively involved in up-scaling activities.

³⁴ The reason is the slow and delayed fund flow; i.e. it has been planned year after year but only a limited course could be organised.

³⁵ The mission encourages the project to systematically measure and quantify CAHWs key benefits; e.g. average annual income.

³⁶ This may partially explain the very low uptake of veterinary medicines demands under the CIF benefiting only two individuals in acquiring veterinary medicines out of a total available fund of 3,836.

25 midwives will have been trained. Consultations with communities reveal that the presence of skilled midwives within a village has significant implications for women, reducing costs and time to access primary health services as well as providing additional sources of income for the trained midwives. Equally, the first aid workers are appreciated by both men and women.

D. Project implementation progress

45. Project Management. The mission rates Project Management as **moderately satisfactory (4)**. Albeit the fact that the Board of Directors meet as prescribed (fulfils its statutory requirements), there is no evidence that assistance in solving problems has been provided. During consecutive years, many of the SM recommendations are only partially addressed, while 7th SM recommendations (2015) of Fiduciary have not yet been addressed. DTs capacities are in general underestimated leading to centralised management and as there is no Project Implementation Manual (PIM) in place, staff are often confused of what are the roles and procedures.

46. Monitoring and Evaluation. The mission rates M&E as **moderately satisfactory (4)**. While the project's efforts fulfil the satisfactory rating criteria, the mission observed that the draft progress report is seemed to be incomplete in that the corresponding link between the AWPB and the implementation of components is missing and as such not easy to validate if the progress claimed is accurate. Apart from that, with clear lines of accountability, BIRD decentralised M&E system generates progress and impact data through a series of annual assessments, administered either at HHs or communities level³⁷. In 2016, they were complemented by two additional thematic surveys on the gendered impacts of increased water access and women farms viability and profitability, thus demonstrating the project's pro-activeness in capturing emerging benefits of successful pilot interventions and documenting proven ones³⁸. In line with the conditions for disbursement and expected project outreach, the PCU should bring the existing M&E system up to speed before the entry into force of the AF by updating the existing M&E plan³⁹ and further detailing, among others: tools for analysis, samples size, time points for data collection (including and beyond the annual assessment), and responsibilities, thus ensuring continuous quality reporting from the SCUs⁴⁰. Moreover, observing that the project's effort to strengthen the use of geo-information system is fragmented and lack a unified GIS database comprehensively locating project communities and communities network physical infrastructure and referencing communal NR, the mission recommends the PCU to commission technical assistance to obtain better data for results measurement and evidence-based reporting using georeferencing and Google Earth. The system will allow for the project to strengthen monitoring and evaluation, making better planning and support informed scaling-up. The mission urges the PCU to conduct preparatory studies feeding into a larger programmatic impact evaluation⁴¹, with emphasis on the economic and financial analysis (EFA) of the project's profitability. In addition, the mission stresses the importance of undertaking a baseline survey for the AF phase during the first quarter of 2017⁴².

47. Coherence AWPB and implementation. The mission rates coherence between AWPB and implementation as **moderately satisfactory (4)**. For the current reporting period, for instance, it has

³⁷ These include: Status of women in leadership position; Community Score Card (CSC); CDCs effectiveness; community wealthy ranking; effectiveness of community extension agent and vegetation measurements. At different intervals, additional surveys are commissioned; e.g. special and thematic assessments when needed; livestock production and health assessment every two years and more comprehensive assessment such as the Community Capability Index (CCI), impact studies, IFAD Result & Impact Management assessment and baseline/end line surveys at project start-up, MTR and completion.

³⁸ A third study of the project pilot to support to youth group enterprise centre has been planned but not yet implemented. In addition, given the central role shouldered by local extension agents in the scaling-up phases, the mission recommends to additionally undertake an assessment of their capabilities and effectiveness.

³⁹ M&E section in the updated PIM.

⁴⁰ Physical monitoring activities will transition from monthly to quarterly basis as dictated by the quarterly flow of fund.

⁴¹ Key project interventions across the natural resource spectrum should be selected, e.g. efforts to protect and rangeland/forests, water resources protection, rehabilitation and construction & agricultural productivity enhancing technologies interventions. This should be complemented with a focus on the spill overs created by accessing credits, both through the CIF and lending institutions.

⁴² The baseline should specifically focus on newly incorporated communities as well as sample mother communities to assess progress over RIMS third level indicators.

been difficult to find a link between planned activities (AWPB) and the actual implementations (draft Annual Progress report). DTs showed in their appealing and creative presentations that analytical skills are in place; their presentation explained more than reading a 150-page long draft progress report. Percentage of achievement up-to September 2016 is around 60% but considerable variations among components and sub-components. Cumulative achievements by end of 2015 is on average above 100%; highest 140%, lowest 60% (sub-components under component 1 and 3).

48. Gender focus. The mission rates the project achievement on Gender as **satisfactory (5)**. Field visits in the five states confirmed the project continuous progress in positioning women as an integral part of development process, especially among the most conservative communities. The project's gender strategy is two pronged and consist of (i) ensuring women take part in decision-making process; and (ii) materially benefits from their participation in CBOs. Women representation in CDCs amounts to 35% and has grown by 6% in interest group. Women represent 43% in the agricultural group based activities and are particularly attracted by vegetable production at both individuals and group farms. On the other hand, women participation in the range and forest group decreased from 55% to 51% in 2016. Wadi cultivation are benefiting 361 FHHs⁴³. Access to finance through CIF predominantly benefit poor women groups, especially restocking (96%) and gas stoves units (100%). Women participation in communities' network needs to be strengthened to ensure sustainability of the scaling up. Gender is mainstreamed in all training and extension programs but specific gender sensitization is still to be conducted, and would be benefiting 2,246 beneficiaries across 63 communities in 2016. The project regrets that the acquired knowledge in 2014 on gender action and learning system (GALS) has not yet been piloted albeit planned.

49. Youth Focus. The mission rates the project achievement on youth as **satisfactory (5)**. There are however still challenges concerning youth inclusion. The mission notes striking differences among SCUs with regard to tracking youth inclusion; from compiling youth, related participation in River Nile and Kassala to very limited data availability on interest based group composition in Gedarif, Khartoum and Gezira, thus reducing the scope to assess progress against benchmark and make comparison⁴⁴. Two states, River Nile and Khartoum, have piloted funding to youth business initiatives in 4 and 2 communities respectively, benefiting 63 youths in total in two distinct lines of business: rural enterprises (gas refilling centre, blacksmith shop) and natural resources protection streams. For the upcoming AF, the mission stresses the importance of systematically tracking youth participation despite the significant variations of youth population caused by the differentiated of rural youth out-migration across states.

50. Poverty focus is rated as **Satisfactory (5)**. The project's main poverty ranking instrument, the wealth ranking tool was updated in 2016 to assess progress made in reducing poverty in 95% of the communities. The re-classifications of HHs revealed that a combined 44% exited the poorest categories. Per communities', effective pathways with the greatest poverty reduction impacts are the animal restocking through CIF and the provision of supplementary irrigation, especially in Kassala and River Nile, for landless families⁴⁵.

51. Targeting approach is rated as **satisfactory (5)**. Communities showed the progress they had made in terms of poverty reduction; in general about 35.6% of the poor households so far targeted by the project their situation improved and moved from poor to middle and well off levels, whilst 28% of the middle households were transferred to the upper levels. Through scaling-up of Mother communities more and more hamlets (small clusters of households) are covered.

52. Innovation & learning is rated as **satisfactory (5)**. Knowledge Management (KM) in BIRD P has gained more attention since the MTR, including the creation of a website where project abundant

43 Land ownership structure still prevent women from directly benefiting from the terraces interventions.

44 In Kassala, youth are often a majority in interest based groups: 54% of agricultural based groups; 55% in forest and range groups and 47.8% in livestock development group.

45 Land deprived HHs accessed irrigated plots for vegetable production following a benefit sharing model whereby the landowners receive irrigation units from the project upon the condition that a portion of his land will be allocated to landless families to cultivate. In the Alabar community, both interventions are rolled out resulting in the number of poor households decreasing from 108 to 30 between 2012 and 2016.

knowledge products and documents are shared. The extension staff proactively using the generated knowledge and successes in scaling-up activities. A KM strategy is in place while capacities developed⁴⁶. The project is qualified to play greater role in Butana communities transformation through investment on innovative KM products as the development teams established strong ties with communities. Utilization of the YPP has made significant breakthrough in women status. Green education is a new approach in involving the future generation in the NRM. Communities interacted innovatively with the mission in presenting their gains and aspirations with the mission through creative methodologies (Wad Al-hamad community). Open dialogue sessions were facilitated by community moderators. The case of the six 'village cluster'⁴⁷, interest based intra and inter-villages network⁴⁸ offers interesting insights on potential pathways to scaling-up. In terms of innovations, component 3 (Livestock and Marketing Development) is lagging behind.

53. Climate and Environment Focus is rated as **satisfactory (5)**. The Butana region area, ranging from desert to semi-arid, is considered an ecologically vulnerable zone and is sensitive to the impacts of climate change⁴⁹. The mission notes that communities have developed mechanisms to cope with drought. These mechanisms include the establishment of water committees to manage water resources and collect water fees, investments in fodder storages where feed and fodder can be bought in bulk and stored for use during dry periods and the organization of women and men in saving and credit groups where funds can be accumulated and invested in community and individual coping activities; i.e. buying feed and water. The overall approach of the BIRDIP is to increase communities' resilience towards effects of climate change; i.e. core in this regard are the water harvesting activities. To cope with the drought situation, the project has promoted activities like hand hay making of rangeland grass (protected plots), storage of feed and fodder to meet the needs during critical dry periods of the year, growing of leguminous species such as Guar, Philipesara and Clitoria, fodder production as part of crop rotation in irrigation schemes, the construction of shelterbelts in terraces and introduced supplementary irrigation through use of solar energy, the promotion of local breeds in poultry and goat husbandry. The project has also promoted gas units, to decrease the communities' dependence on wood and use of charcoal, the complementary of BIRDIP interventions and the ICSP which contributes to improving the vegetation cover.

E. Fiduciary aspects

54. Financial management. The Financial Management has been rated **moderately satisfactory (4)**.

55. Organization and Staffing. The BDA is an independent agency that was formed by a presidential decree. A review has been conducted for its structure recently and the final outcomes of the review have not been approved yet by GoS. BIRDIP consists of Central PCU at BDA and five states coordination unit (SCUs). There has been a turnover in the Financial Controller (FC) position in 2016 with the departure of the ex-FC on 1 March 2016. His replacement joined the project starting 1 October 2016. During the recruitment period of the new FC position, the Assistant of Financial Controller was the Officer in Charge. **The mission recommends that the newly appointed FC to take IFAD on-line course on FM guidelines and procedures.**

56. Budgeting. BIRDIP AWPB preparation continues to follows bottom up approach in line with beneficiaries needs-based on theoretically best estimates. The consolidated AWPB is discussed

46 The project has organized trainings for DTs in knowledge production, communication skills, formulation and preparation of successful stories, data collection and analysis, GIS systems, photography, video skills and production and dissemination of knowledge products. The supervision mission is pleased to learn that the DTs have started to use their skills in video production by producing short videos on project activities.

47 These clusters of networked villages foster cross learning and exchanges of experiences on common issues. They also pull financial resource to undertake larger public goods such as the construction of water yard.

48 Referring to Local Extension Networks, networks of CDCs, networks of forest guards, etc.

49 Environmental degradation is wide spread due to: (i) the use of the wide level disc in cultivating vast areas without any control, (ii) expansion of mechanized rainfed farming, (iii) trees cutting (charcoal production) and burning of grasses, (iv) excessive gold mining, over grazing, uncontrolled extraction of building materials, etc. Even the expansion of irrigated schemes contributes to it; stagnant water increase water- and vector-borne diseases (Malaria, Bilharzia, Tick borne diseases), carcasses floating in canals, extensive use of fertilizers, insecticides and pesticides, etc.

between BDA and SCUs and final version is presented to the BDA Board of Directors (BoD) for approval. Subsequently, the approved AWPB by BDA-BoD is discussed with MoFNE with primary focus on the counterpart fund contribution. Finally, the approved AWPB by MoFNE is submitted to IFAD for review and concurrence. The first version of 2016 AWPB was submitted again with delays to IFAD in March 2016. The actual expenditures as at 30 September 2016 excluding beneficiaries in kind contribution are equivalent to 36% and 34% of the year to date budget and full year budget respectively. The historical trend continues to show frequent low spending rate against approved AWPBs. This reveals the weak budgetary control by management. **The Mission recommends that the project adhered to previous year mission recommendations with regard to budgetary controls measures.**

57. Funds flow and Disbursement Arrangements. No changes in the flow of funds channelled were noted with exception that the bank where the sub-operating account of SCU Khartoum is held was moved from Abu Deleig to Khartoum. The project did not implement last year supervision mission recommendation with regard to transfers of fund to SCUs on quarterly basis and continued to make monthly transfers. This caused delays in paying suppliers and contractors. The mission noted the project received funds from another IFAD-funded project in the country in a form of a temporary advance/cross financing which was paid back at later date. The beneficiaries' cash contributions to Community Initiative Funds (CIFs) are deposited in advance to the relevant operating/sub-operating accounts and project pays 100% of the costs to suppliers. **The mission recommends: (i) transfer of funds to SCUs sub-operating accounts is to be made on quarterly basis against approved QWBPs⁵⁰ of each of the SCUs and any unspent funds from the preceding quarter to be deducted from the following quarter transfer, (ii) submit WA before three months period should there be a justification for that and (iii) stop cross financing with other projects funds.**

58. Internal Controls. The mission noted that segregation of duties exists with regard to preparing, reviewing and authoring transactions at BDA and SCUs levels. However, the internal controls currently in place are informal in the absence of an operational Project implementation manual (PIM). The project will hire a consultant to prepare the PIM which is a disbursement condition for the additional financing. Fixed assets register has not been updated and no physical count was carried out in 2015. **The mission recommends updating the fixed asset registers, tagging the assets and forming a committee to carry the physical count by the year end for 2016 external audit.**

59. Accounting. Accounts are maintained on cash basis and the financial statements are prepared on the same basis too. The approved annual budget is entered the system and upon which the entry of expenditures transactions begins. The system is designed to allocate costs and expenses to already defined costs centers and allocation percentage based on financing percentage as per different financier share and counterparts' contribution. The mission noted that expenditure transactions entries for the first quarter of the 2016 were only entered until later period due to delays in preparing the annual budget. The system requires a regular maintenance and intervention from the developer to fix the bugs to enable generating accurate reports however this is not sustainable solution. **The Mission recommends (i) the Financial Management team to take proper training including troubleshooting on the accounting system and be less dependent on the developer, (ii) to verify and carry out proper reconciliation of the pre-financing amount from IFAD loan and communicate the result with MoFEP and IFAD and (iii) fast track the upgrade of the accounting system to accommodate for the additional financing including revised structure and incorporation of ICSP as a new implementing unit.**

60. Financial Reporting and Monitoring. Financial Reports are available from the system and can be customized to a great degree. The beneficiaries' in kind contribution is recorded based on the best estimated value, and is part of the financial statements (FS) generated by the system. FC verified the FS before issuance to ensure the accurateness and reliability of the information. **The in-kind beneficiaries' contribution has been reflected in a note to the financial statements of 2015.** The

50 Quarterly Work Plan and Budget (QWPB).

semi-annual reports are prepared by the project but are not submitted to IFAD, however it can be submitted upon request.

61. Internal Audit. The project does not have an internal audit function as it was not envisioned for the Project. However, in line with MoFNE new strategies, an internal auditor is expected to be deployed to the project in 2017.

62. The mission noted that project did not implement any of the previous year SM recommendations and henceforth remain pending; referring to Appendix 5A 'Supervision Mission and Audit Recommendations of 2015'. The reason provided concern change of FC and limited funds.

63. Disbursement. Disbursement is rated as **moderately unsatisfactory (3)**. Since the last supervision mission in October 2015, 6 withdrawal applications have been submitted and processed by IFAD as per the table below:

WA No.	Value date	WA Amount				Disbursement Method
		(Euro)	(USD)	Equivalent (USD)	Equivalent (SDR)	
54	17/02/2016	544 296		606 131	434 082	Replenishment
56	26/04/2016	525 754		593 420	421 436	Replenishment
57	07/06/2016	330 034		374 522	264 728	Replenishment
58	08/06/2016	-	310 705	310 705	219 445	Direct payment
59	06/09/2016	211 948		236 512	169 244	Direct payment
60	05/09/2016	707 570		791 984	566 881	Replenishment
Total		2 319 602	310 705	2 913 274	2 075 817	

64. The **disbursement percentage**, including and excluding the authorised allocation to the Special Account were 77% and 70% respectively. The recovery of the authorised allocation will start six months before the completion date of the project.

65. Use of SOE and adequacy of supporting documentation. The mission examined on a sample basis some of the expenditures claimed amount under SOE since the last year SM. Examination took place at BDA, Jazeera SCU and Khartoum SCU. The mission noted that: (i) expenditures are duly authorised and entered in the accounting system; and (ii) supporting documents are filed adequately and easily retrievable. However, the supporting documents for some payments were not complete and those related to civil work and community infrastructure. **The mission recommends that FC to develop checklist of supporting documents of the different types of project expenditures and share with the team. Regarding salaries, no scale exists and budgeted amount in the appraisal have been used as a basis. The mission recommends a salary scale is to be developed by the project for the approval of the BOD and annexed to the project staff by-law.**

66. Counterpart funds. The counterpart fund contribution is rated **unsatisfactory (2)**. The GoS counterpart contribution had a carried forward deficit of EUR 228,000 from last year of 2015; this deficit has been advanced by the project from IFAD loan proceeds. This has impacted the actual liquidity available for the project from IFAD loan which is not acceptable. During the period Jan - Sept 2016, an amount of SDG 2.7 million has been transferred to the project account, against an actual expenditure for the same period equal to SDG 3.1 million leaving an accumulated deficit of approximately EUR 400,000 equivalent by end of Sept 2016. The deficit is increasing as time goes on because the government is not transferring its commitment towards the project. **The mission recommends an immediate refund of the deficit and the project management and GOS to ensure timely transfer of the counterpart contribution to the project account to avoid the recurrent situation in the future.** The project continues to be unable to include the amounts paid directly by the MoFEP against customs exemption, in addition the project did not capture the States contributions covering seconded staff salaries and office running costs of the SCUs and in kind contribution to activities.

67. Compliance with loan covenants. Compliance with loan covenants has been rated as **moderately satisfactory, (4)**. The project is in compliance with Financing Agreement legal covenant with exception of (i) semi-annual narrative and financial reports are submitted to IFAD with delays; (ii) untimely flow of the counterpart contribution; (iii) delays in submission of AWPB for 2016; and (iv) revised PIM to cater for the AF is not finalised yet. A list of key covenants and the compliance therewith is compiled in Appendix 6.

68. Procurement. Overall, the project performance on procurement is **moderately unsatisfactory (3)**. Procurement processes continues to follow the same approach envisioned at project design where the CCU carries out all large procurement transactions that use National Competitive Bidding (NCB), International Competitive Bidding (ICB), and Quality and Cost Based Selection methods. Other procurement methods are managed at the PCU, SCUs and community levels. The project is also responsible for the preparation and update of the procurement plan. The BIRDP procurement plan for FY 2016 includes four procurement transactions to be carried out under ICB and NCB methods. Two transactions (rolling down from previous year's plan) have been processed through CCU. One procurement of vehicles, along with other projects' vehicles, which was exceptionally made from UNWFP, due to weak market response and lengthy procedures. The respective contract was concluded, goods shipped port of destination, but delivery is not yet effected, due to government customs clearance procedure. The other transaction under NCB, is for construction of a slaughter house at Tamboul town, where contract was concluded but construction work is not yet competed. The one transaction (for purchase of hafir fencing materials) is to be processed before the end of the year and fourth ((for construction water yard) is postponed to next year. third transaction has been postponed to be implemented in the coming year. The mission has also noticed that the project has concluded contracts on SSS basis without obtaining IFAD approval. **The mission recommends the project to follow up and (i) expedite delivery of the vehicles to destination and (ii) complete the construction of the slaughter house at Tamboul.**

69. Procurement at the project level. Procurement methods applied for project level purchases are local shopping (LS), procurement with community participation (CP) and single source selection (SSS). The larger part of procurement activities during this year, the project level, was carried out at SCUs/community level. While the project continues to comply with procurement Guidelines procurement methods, procedures and review thresholds, weaknesses are still evident at SCUs and PCU levels. This includes inadequate implementation capacity, improper documentation of evaluation process, etc. **The mission strongly, recommends that project management should work towards improving capacity enhancing documentation of procurement processes.**

70. Procurement Planning. The project prepared/submitted the FY 2016 procurement plan (PP) in March 2016 with substantial delay. The procurement plan was found to meet the basic requirements. However, the mission post review process has noted that the PP has not been updated to reflect the status of implementation or upgraded to incorporate items not initially planned. The project should also review to eliminate activities that are carried forward for next year or cancelled altogether. **The mission recommends that (i) PP plan should be submitted along with AWPB for IFAD approval well before beginning of the year and (ii) regularly update/revise PP and obtain approval of revised PP before implementation of activities.**

71. Contract Register. The mission reviewed the project register of contracts prepared the project and noticed that: (i) the register is kept in format that is not compatible with the template used by other IFAD financed project (a copy thereof is now provided the mission to the project) and in Arabic language; (ii) the register of contracts does not include purchase orders (PO); and (iii) description of procurement activities is not clearly spelt out the contract register. **The mission recommends that the project should (i) adopt the template provided by the mission, (ii) include POs in addition to contracts and (iii) clearly spell out description of goods, works or service provided under individual contracts and purchase orders.**

72. The procurement filing system. The mission has reviewed the filing system and the PCU and three of the SCUs, viz. Khartoum SCU, Gadarif SCU and Gezira SCU. The Gadarif SCU and

Gezira SCU are not keeping separate files for procurement. The PCU and Khartoum SCU are both keeping separate procurement files. The mission found the files to be incomplete and requested that files are to be maintained at all project units. **The mission therefore, recommends that the procurement files should be updated with documentation of the process from procurement request through to confirmation of receipt of good/or services to the final beneficiary.**

73. Procurement post review was conducted on sample basis for procurement transactions carried out during year 2016. Twenty contracts and purchase orders were included in the post review. Annex 2 provides the details of the post review process. Based on the findings of the post review, the PCU should focus on the following: (i) **avoid use of direct contracting/SSS unless explicitly mentioned in the procurement plan and cleared in advance by IFAD**, (ii) **procurement methods and review requirements on the PP should abide by FA/LTB provisions and (iii) procurement methods/review requirements in the procurement plan should be followed strictly.**

Agreed action	Responsibility	Agreed date
Improve implementation capacity on procurement at PCU/SUCs level	PM/PO/SCUs	Immediately/on-going
Provide justification/seek ex-post approval of SSS and unplanned procurements and avoid similar practices in future	PM/PO	Immediately/on-going
Finalise PP before beginning of year, update/revise as needed and obtain approval before implementing revised activities	PM/PO	Continuous
Adopt the template register of contracts used by IFAD financed project in Sudan and include all contracts and POs concluded	PO	Immediately/on-going
Clearly spell out description of goods, works or services on register of contracts.	PO	Continuous
Maintain separate procurement files updated with complete documentation of the procurement process	PO at PCU/SCUs	Immediately/on-going
Adhere to FA/LTB provisions in determining procurement methods and review requirements on the PP and adhere to methods/review requirements set in the PP	PPC/PO	Continuous

74. Quality and timeliness of audit. Quality and Timeliness of Audit is rated as **satisfactory (5)**. Financial statements for 2015 have been audited by National Audit Chamber of Sudan. The auditors conducted their audit in line with International Standards of Auditing (ISA). The audit report and management letter were received by the due date of 30 June 2016. Auditors expressed an unqualified opinion on the financial statements but not on the designated account and eligibility of SOE. The auditors and financial statement were rated satisfactory.

Agreed action	Responsibility	Agreed date
Timely submission of AWPB as per FA	BIRDP Mng.	1 Nov of each year
Strengthening budget controls by regular review of the actuals versus budget	BIRDP Mng.	Continuous
Timely submission of WA to IFAD and transfer funds to SCUs on quarterly basis based on the approved AWPB	BIRDP Mng. / FC	Continuous
New FC to take the on-line training course on IFAD FM guidelines and Procedures.	FC	31 Dec 2016
Accounting system to be upgraded to include the additional finance and developer to train FM staff properly on the system and trouble shooting	FC	31 Dec 2016
Update fixed asset register regularly; perform physical count and tagging for fixed assets.	Procurement Officers	25 December 2016
Immediate refund of the deficit in the counterpart contribution that was covered from the loan proceed	GOS / BIRDP Mng.	Immediately and continuous
Update of the PIM and sent to IFAD for no objection	BIRDP Mng.	31 January 2016
Stop cross-financing between same projects financing sources and/or with other projects in the country	BIRDP Mng. / FC	Immediately and continuous
FC to develop a checklist of the mandatory supporting document for the different types of payments and share with FM team	FC	31 December 2016
Salary scale is to be developed by the project for the approval of the BOD and annexed to the project staff bylaw	BIRDP Mng. / BOD	31 December 2016

F. Sustainability

75. The mission rates the overall sustainability as **satisfactory (5)**. **Institutional sustainability.** Notwithstanding that most CDCs are functioning up-to-the mark, NR clusters and networks turning

reality, CEAs gradually providing services against a fee, the core actor for long term sustainability concerns a functional BDA; this can be achieved during the AF phase.

76. Environment sustainability. The bulk of the NR related activities contribute to climate resilience; protecting and rehabilitating range and forest land; water management measures favouring resilience through increased water retention (terraces, drip irrigation, etc.), decreasing evaporation (shelter belts around agriculture plots, trees around hafirs), preventing soil erosion (agro-forestry and silvi-pasture plots), preventing over-grazing and over-browsing in dry seasons by using the fodder stock build up during harvesting season, etc. With the introduction of Climate Resilient Community Village Plans (CR-CVP) covering Mother communities (140) and satellite communities (400), the interventions and related outputs shall be more systematic allowing systemic and measurable chances favouring CR.

77. Sustainability at community and household level. That women manage to contribute (i) to household wellbeing in terms of more varied meals and attention for nutritious post weaning meals for toddlers (nutritional classes; home gardens and women farms; more milk of goats kept); (ii) household income (VSCGs, small business, etc.); and (iii) are represented in CDCs including leadership positions substantially influence to being valued by the male HH members. Henceforth, the current evolving household dynamics lead to long lasting transformation enabling households and communities to prevent falling back into poverty.

78. The above mentioned sustainability issues discussed clearly portray that communities turn more and more empowered (rating is **satisfactory, 5**), quality of beneficiaries is up-to-the mark (rating is **satisfactory, 5**) and responsiveness of service providers remains challenging but is currently assessed as **satisfactory, 5**.

79. Exit Strategy. (Rating is **satisfactory, 5**) From mid-term, onwards, 'exit' has been high on the agenda starting with practical actions such as increasing the contribution of the communities, gradually removing subsidies, ensuring registration of NR (forest, range) and CDCs, facilitating linkage building with other institutions, etc. Currently, the exit strategy has three levels namely **(i) functioning and independent Institutions** (BDA functional, CDCs operational, Partnerships Rural Micro Finance functional, NRGF operational and CEAs effective; **(ii) capacities and knowledge used in scaling-up and dissemination beyond project life** (Development Teams -DTs- at state and locality level, YPs, staff of PCU & BDA, overall human resource management); and **(iii) assets** (ownership, operation and maintenance, different levels: - community, locality, state and BDA). The preparedness for scaling-up (para 80, page 21) is a valid indicator that the exit is on track. Approving and implementing the BDA strategy and five-year business plan is furthermore a condition set prior to withdrawal of funds from the AF phase.

80. Scaling up - additional financing (AF) phase. Scaling up and replication is rated as **satisfactory (5)**. The preparedness for scaling-up at mother community level is impressive; during the SM, all communities and NR network provided many concrete and even innovative examples how they could contribute and/or lead the reaching out to neighbouring communities; they have clarity in mind namely they are the drivers for reaching out whereby not expecting similar financial inputs of BIRDPA as they themselves received. Women too would express that they can visit the neighbouring communities and work on sensitisation, providing on-the-job training, etc. Many communities realise that for effective NR networks, NR governance, initiating a primary market, etc. they need their neighbouring communities. In this regard, the NR forums of 2015-2016 and the increase in exchange visits have been constructive.

81. At SCU level inventories of potential interest⁵¹ of non-BIRD communities were presented, while the intensification of producing different KM products showed their understanding of the importance of these KM products in scaling-up process. The implementation of the to-be approved Natural Resource Governance Framework (NRGF) namely frequently conducting NR forums to check the progress made in activities and responsibilities spelt out for different actors at community, locality, community, state and inter-state levels is perceived as a key enabling factor for scaling-up.

82. Investing in capacity building in facilitating the development of CR CVP is taken as top priority at PCU level, while speeding up the pending consolidation activities including infrastructure work is perceived as urgent. In addition, there is now a firm understanding that all measures should be put in place to arrive at a functional BDA.

83. Cooperation & synergies. As mentioned in relevant sections above, formal cooperation - MoU established- with ICARDA⁵², ABSUMI, ICSP, and SRDC remain valid. During the current SM the following linkages were more pronounced and led to outputs: (i) involvement locality authorities and locality teams by communities and networks (e.g. service provision); (ii) communities and networks able to attract other resources (e.g. investing in water sources and water management); (iii) arriving at agreements on specific NR governance within, among communities and NR networks and localities; (iv) primary market committee arriving at agreement with localities to use fees collected in the NR network; (v) formation of Meat Commodity Council (Tamboul), etc.

G. Impact

84. The project impact is manifested in the following: **(i)** has directly reached more than 87,000 people (about 217% of target) in 140 communities (100% of the target). It has made some tangible progress in terms of **food security** (rated as **satisfactory, 5**), resilience and poverty reduction; **(ii)** cases of dispute over natural resources have decreased markedly (50% of target at the mid-term review (MTR)); **(iii)** the percentage of men with access to markets has increased (77% of target at MTR), while certain communities (Tasab networks) took own initiative to establish primary market, which implies female access to nearby markets. In addition, butchers at Tamboul market organized themselves with the aim to run the slaughterhouse currently under construction; **(iv)** the Community Capability Index has reached 78%, compared with 62% at appraisal (70% of target at MTR) -henceforth, **physical / financial assets** is assessed as **satisfactory, 5**; **(v)** 20,375 beneficiaries are accessing technologies adopted by the project (131% of target at MTR). This has culminated in stronger community development committees (CDCs), which are now able to steer NR governance at the local level much more effectively; and collective endeavours are fostering solidarity, cooperation and collaboration; **(vi)** at the individual level, HHs have increased their resilience to drought and developed innovative coping mechanisms. The project's interventions in *jubra* (or home garden) and communal women farms, goat feeding and stratified goat breeding are diversifying diets: in some communities, consumption of vegetables has multiplied fivefold; **(vii)** the expansion of rehabilitated terraces and sustainable intensification of sorghum – supported by the project with quality seeds and leguminous fodder varieties – are all contributing to improving food and nutritional security of both people and their animals. The quality of natural asset improvement and climate resilience⁵³ is rated as

51 For instance, current scaling-up in Gadarif State already covers: - GUWAR fodder; - water harvesting for drinking (human and animals) and supplementary irrigation for vegetable gardens; - capacity building for paravets and other community extension agents; - establishment and improvement of women gardens; - increasing the CIF and VSCGs and looking for other financing bodies; - starting-up of registration of community forests. Regarding inventories of potential interests in non-BIRD communities, the example of Kassala State showed that 22 communities request for 'Water harvesting', 9 for Jubraka's (individual home gardens), 11 for Acacia plantations in terraces, 16 for home tree nurseries, 11 for chopper, and 20 for Community Animal Health Workers; requests were received through mobile. The same SCU team did identify drivers for scaling-up such as 'full payment of terrace improvements', 'steady growth in adoption of chopped sorghum stover treated with molasses', 'steady increase in trees available in home stead – from pre-project until Sept. 2016 for respectively different communities from 70 – 521, 7 – 285, 65 – 498, 11 – 166, 1 – 48 trees', 'CAHWs serving neighboring villages', etc.

52 With assistance of sister project 'ICARDA', BIRD has managed to introduce in Nahr El Nil different irrigation systems in addition to *mitras* like sprinkler which have realized good benefit to the communities who in turn enabled them to improve their revenue by diversifying crops to include vegetable, cereals (sorghum and wheat), fruits as well as fodder crops like Lucerne and Clitoria.

53 Referring to para 53 and 76.

satisfactory, 5. The number of households with **improved food security** has reached 25,572; **(viii)** the project approach has been spread throughout the Butana region; several none-participating communities expressed interest in joining some of the network established by the participating communities; e.g. Tasab network in River Nile and Bashair in Gezira. The mission believes the leaders of these networks represent real champions for the upscale of the project approach and interventions; and **(ix)** field visits revealed that there might be less rural urban migration; during the design (2006) one would hardly observe men at the heart of Butana; this will be verified through the recommended impact study.

H. Conclusion

85. The project has made considerable progress in terms of food security, resilience and poverty reduction, but above all in governing and strengthening natural resources allowing restoration of fragile ecological zones which led to a reduction in conflicts over them. Moreover, the communities are well prepared for the start of activities under the additional financing (AF) phase for the next three years. The mission urged the project to expedite the process of fulfilling the conditions for the withdrawal of funds under AF. These include: updating the Project implementation manual (PIM), the configuration of the accounting systems and submission of satisfactory details pertaining to strengthening of the BDA's staffing, resources and long-term sustainability (the Strategy and the five-year Business Plan). All this set of pre-conditions prior to withdrawal of additional financing grant should be met as quickly as possible.

86. In order to ensure a smooth implementation of the BDA strategy and business plan, the project should contract the Institutional Support team for coaching and advising the development of BDA.

87. The government has faced difficulties in providing its counterpart contributions. This represents a serious violation to the loan covenants and has impacted the actual liquidity available for the project from IFAD loan. The mission calls for immediate refund of the deficit, and the project management and GOS should ensure timely transfer of the counterpart contribution to the project account.

88. BIRDP should make serious efforts to timely utilise the remaining balance - to be disbursed under the original loan, which is approximately US\$5.6 million to finance a range of pending infrastructure works (roads, community infrastructure, water supply systems, etc.), various demands for technical assistance to conduct thematic, impact, and other studies, transport needs, furnishing and equipping locality units, back-log in Community Extension Agent training, and staff training, etc.

89. IFAD and the Government of Republic of the Sudan endorse the findings of the supervision mission.

Appendix 1: Summary of project status and ratings

Project 1332 [1100001332] Butana Integrated Rural Development Project - Draft

Basic Facts

Country	Sudan	Project ID	1332 [1100001332]	Loan/DSF/Grant/ASAP FI No.	1000002751
Project	Butana Integrated Rural Development Project			Top-up Loan/DSF/Grant/ASAP FI No.	2000001462, 2000001633, 2000001634
Date of Update	01-Dec-2016				
Supervising Inst.	IFAD				
No. of Supervisions	8	No. of Implementation Support/Follow-up missions	9		
Last Supervision	25-Nov-2016	Last Implementation Support/Follow-up mission	28-Apr-2016		

USD million Disb. rate %

Approval	14-Dec-2006			Total financing	46.69	
Agreement	16-Feb-2007	Effectiveness lag	19.0	IFAD Total	38.10	
Entry into force	07-Jul-2008	PAR value	-----	IFAD loan	24.80	77
First disbursement	28-Nov-2008			DSF grant	10.30	0
MTR	26-Sep-2012	Last amendment	22-Jul-2016	IFAD grant		
Original completion	30-Sep-2016	Last audit		ASAP grant	3.00	0
Current completion	30-Mar-2017			Domestic Total	8.21	
Current closing	30-Sep-2017			Beneficiaries	0.77	8
No. of extensions	1			Local Gov	1.06	15
				National Govern	3.23	60
				Benefic add	0.98	0
				National Govern	2.17	0
				External Cofinancing Total	0.38	
				Italy	0.38	0

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	4	4	1. Quality of project management	4	4
2. Acceptable disbursement rate	4	3	2. Performance of M&E	4	4
3. Counterpart funds	2	2	3. Coherence between AWPB & implementation	4	4
4. Compliance with financing covenants	4	4	4. Gender focus	5	5
5. Compliance with procurement	4	3	5. Poverty focus	4	5
6. Quality and timeliness of audits	5	5	6. Effectiveness of targeting approach	4	5
			7. Innovation and learning	5	5
			8. Climate and environment focus	4	5
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Community development & Business options	5	5	1. Institution building (organizations, etc.)	4	5
2. Animal Resources	4	4	2. Empowerment	5	5
3. Natural Resources Management (water, range, forest)	5	5	3. Quality of beneficiary participation	5	5
4. Policy & Institution Building	4	5	4. Responsiveness of service providers	4	5
			5. Exit strategy (readiness and quality)	4	5
			6. Potential for scaling up and replication	5	5

B.5 Justification of ratings

Counterpart funds down-grading with one to 2 as the counterpart deficit is increasing as time goes on because the government is not transferring its commitment towards the project. In addition, the project continues to be unable to include the amounts paid directly by the MoFEP against customs exemption, States contributions covering seconded staff salaries and office running costs of the SCUs and in kind contribution to activities not yet captured. B.2., 8. Climate and environment focus up-graded with one point to 5; the resilience is much shown by the fact that the drought of 2015 did not lead to falling back into poverty due to in particular fodder conservation and reserves (range, forest). B.3., 1. Policy and Institutional Building up-graded with one as both the BDA draft Strategy and five year Business plan as well as the Natural Resource Governance Framework (NRGF) are in final stage; enormous progress made. B.4., 1. Institution building (organizations, etc.) and 2. Empowerment, each up-graded with one point to 5; that BDA (strategy and business plan developed; commitment GoS) comes into existence is the main reason for 1.) and regarding 2.) empowerment, the involvement of women is herewith acknowledged. HHs show commitment to development whereby not relying on subsidies of BIRDP but exploring micro finance facilities, etc. 5. Exit Strategy, graded with one point up to 5; there is clarity and three levels are acknowledged namely 1.) Functioning and Independent Institutions, 2.) Capacities and Knowledge and 3.) Assets (ownership, operation and maintenance, different levels: - community, Locality, State and BDA).

Overall Assessment and Risk Profile

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

Rationale for implementation progress rating

No up-grading considered but impact study proposed to verify the positive findings with regard to poverty reduction, food security and resilience to CC. Implementation progress remains 4, as more could have been done in case fund flow would have been up-to the mark. In addition the double function director BDA and BIRDP coordinator is not working but currently sorted out by GoS.

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

In principle, the DO have been achieved as was shown by the communities themselves; i.e. showing bars explaining the number of HHs which moved out of poverty; sheets showing their development plans, etc. The project approach has been spread throughout the Butana region; i.e. various of the none-participating communities expressed interest in joining some of the network established by the participating communities; e.g. Tasab network in River Nile and Bashair in Gezira; the emergence of communities' networks, Natural Resource (NR) networks/cluster, effective utilisation of Knowledge Products, facilitating NR forums, having only a livestock mortality rate of 1% (River Nile State) further add value and are becoming vehicles for scaling-up and provide the enabling environment for development of Butana.

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

Fiduciary aspects	The serious delays in transfer of government contribution is a major risk. Community procurement took off slowly but currently perceived as successful and deserves further attention. It has led to communities being more serious on their own CDC finances.
Project implementation progress	A range of pending activities: i) infrastructure works (roads, community infrastructure, water supply systems, etc.), ii) various demands for Technical Assistance to conduct thematic, impact, and other studies, iii) transport needs, furnishing and equipping locality units, iv.) back-lock in Community Extension Agent training, and Staff training, etc.
Outputs and outcomes	In order to ensure a smooth implementation of the BDA strategy and business plan, the mission recommends the project to contract the Institutional Support team for coaching and advising the development of BDA.
Sustainability	Further delays in micro finance provisions; both in current and new communities, HHs are geared towards small lending as BIRDP is no longer subsidizing activities.

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
Pre-conditions prior to withdrawal of Additional Finance grant, still to be fulfilled	Updating/finalising Project Implementation Manual (PIM), configuration of the accounting systems & submission of satisfactory details pertaining to strengthening the BDA's staffing, resources and long-term sustainability (the Strategy and the five-year Business Plan)	Immediately	start made
Cooperation with ISCP	Top attention to be provided to the coordination between the BIRDP and ICSP (selection of areas, coordinating activities, studies, etc.)	Immediately	start made
counterpart contribution	Immediate refund of the deficit in the counterpart contribution that was covered from the loan proceeds	Immediately	did not start yet
Sub-optimal management	Decentralization of tasks and quarterly planning and fund flow of PCU to SCUs; first preparations however made; DTs show commitment and have capacities.	Immediately	start made

Additional observations

- During the previous reporting period (2015), the uptake of the pilot Micro Finance activities has been impressive and this showed that the right momentum is in place for investing in Micro Financing. Unfortunately, BIRDP did not follow up recommendations made (esp. recruitment RFM and State Finance Officers); these staff should be put on board as quickly as possible.
- The time is mature to commission a quality impact study, updating ecological zonation studies and other pending studies.
- BIRDP should make better use of Technical Assistance as DTs are motivated and in need.

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

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
Goal: Improve in a sustainable manner the livelihoods and resilience to drought of the poor rural households	Number of households that have improved food	HH	20,000	25,572	
	Decrease in child malnutrition, among boys and girls (RIMS)102				
	- Acute malnourished children - weight for height	% G, % B	25%G, 25%B	25%G, 25%B	
	- Chronic malnourished children - height for age	% G, % B	28%G, 29%B	28%G, 29%B	
	- Weight for age	% G, % B	12%G, 14%B	12%G, 14%B	
	Increase in household asset base, by type of household (RIMS)				
	- Poor HH	%	65%	49%	
	- Middle-poor HH	%	26%	32%	
	- Well off HH	%	9%	19%	
	Number of persons receiving project services by gender (Target: 40,000 persons).	Pers.	40,000	68,869	Direct and indirect
	- Persons receiving project services	Male	20,000	41,869	" " "
	- Persons receiving project services	Female	20,000	27,000	" " "
Development Specific Objectives:					
1. Establishing a coherent and cost effective governance framework that ensures a regulated access to land and water resources of the Butana;	- Legislations, laws and by-laws enacted and enforced	NO	10	4	
	Number of communities with registered community range/forest/pasture/water resources committees				
	- Communities with registered community range/forest/pasture	Community	100	97	Total area of 62,970 feddan
	- Communities with registered water resources committees	Committee	102	98	48 Hafirs + 50 Water Yards
	- Decrease of dispute cases over natural resources solved at community organizations	Case	50	25	
2. Improving the access and bargaining position of women and men in the marketing;	Decrease in transportation time and cost to market and social services	NB livestock markets established do not influence bargaining position of wo/men, but increase fee collection for Localities. Only in the more isolated markets it attracts more traders.			
	- Increase in animal off take (livestock markets)	Head	5000 Head/season	8909	Average inflow= 232,501, average off take=171,795 (In two livestock markets).
	- Increase in the No of traders (livestock)	Producer/ trader	250	138	
3. Developing the capacity of community-based organizations to engage in environmentally sound, socially and gender equitable development initiatives and	- % of women and men who have access to the markets	%	40	31	
	- Increasing CCI value	%	85	78%	CCI in 2005 was 62%
	- % of women participating in decision making structures	%	30	29%	

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
management of natural resources	- No of HHs benefitting from the CIF and ability to manage the revolving funds and business options	HH	5,000	6,977	Only 4 men, 41% of the HHs for gas units, 31% animal restocking 29% other CIF (irrigation units, grain storage, fodder storage)
Component 1. Policy and Institution Building					
Outcome: An enabling governance framework is developed for natural resources management in Butana	- Policies, Strategy, Laws, By-laws established and enforced.	No	5	4	Activating the law, which forbids the practice of any agricultural activities North the range line in Gedarf State+ activation of three local laws/norms regulating the use of NR
	- No of interstate partnership/agreement established for NRM management	No.	3	1	
	- Effectiveness of NRM Conservation Plans	%	80%	75%	1- Farmers built sound results and beneficial impacts by their own practices for natural resources management 2- High rate of scaling up of individual range reserves was reported amongst HHs 3- Some farmers are being relied on their resource in introducing different crops and fodders such
	- Likelihood of Sustainability of Market facilities	%	80%	50%	1- Acceptable use of markets in the monitoring and collection and inventory of animals in one place (inventory the numbers of in-coming and sold.) 2- Poor maintenance, rehabilitation and development of the markets facilities. 3- Some markets managed by
Component 2. Natural Resources Management (Water, Range, Forest, Vegetable, Fodder and Agriculture Crops)					
Outcome	1- Effectiveness and sustainability of water	Source	80	75	1-Application of water fees/rates

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
Improved Natural Resources management (range, forest, vegetables, crops)	infrastructure (drinking water for people, animals)				by use of duplicates/coupons & acceptance of it by the majority of each community members. 2- Existence and recognition of water functional subcommittee & to work under the umbrella of the legal mother committee (the Community Development Committee). 3- The enthusiasm and readiness of communities to contribute in kind & in cash. 4- Use of excess/surplus water in production (home
	2- Savings in SDG for the poorer households' purchase of portable water.	SDG/HH/Day	1.5	0.8	
	3- Saving in time spent for water collection for women (Per Household)	minutes/HH	60	45	
	4- Amount of money invested (by community) in repair and maintenance and development of domestic water facilities	SDG	1,075,000	414,866	Equal to about US\$26,958
	6- Effectiveness of NRM plans	Plan	140	140	
	7- Increased carrying capacity of the range	TAU/Ha/Yr	0.1	NA	
	8- Savings in SDG on smallholders' purchase of feed in the dry season	SDG	25,000	21,000	As no rains, high costs on purchasing feed this year.
	9- % of decrease in time and frequency of tracking animals outside the area (open Butana grazing, irrigated areas along Atbara river and Kassala area)	%	40%	30%	The establishment of the community and individual range helped communities in control of its NR and tracking animals
	10- Number of women and men adopting technology recommended by the project (i.e. beyond demonstration/beyond outcome); area covered, amount invested, etc.	Person	15,500	21,721	Water harvesting, animal production, etc. Scaling-up happening.
Component 3. Livestock and marketing development					
Outcome	1- Rates of calving/lambing/kidding (large and small ruminants)	%	25	13.5	Using of Guar reduces the mortality and increased the proportion of births and twins in goat keeping. Hay making and fodder storage too.
Improved animal health and animal productivity	2- % decrease in (cattle, shoats) animal mortality rate (young stock, adult)	%	10	16.8	
	3- % decrease in mortality rate traditional poultry systems	%	40	30	Some communities have adopted breeding of traditional poultry which showed good results. Livestock survey for 2014

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
	4- Decrease in market transportation costs during the rainy season	SDG	100	65	The establishment of rural roads has already contributed in reducing the cost; NB road however still under construction
Component 4. Community Development & Business Option					
Outcome	1- Effectiveness/Sustainability of CDC groups	%	75%	80%	1- CDCs good knowledge to management the NRs and development activities. 2- Some improvements in CDCs effectiveness comparing with previous years (12%
Community-based groups are empowered and business- oriented	2- Effectiveness/sustainability of service	%	75%	60%	
	3- Rate of implementation of the community development plans	%	75%	54%	
Component 1. Policy and Institution Building; Activities (Outputs)					
1.1. Legislation for NRM	- Gaps in existing laws and by-laws identified and addressed	laws and by-laws	5	2	Activating the law, which forbids the practice of any agricultural activities north the range line in Gedarif State+ activation of three local laws/norms regulating the use of NR
1.2. Policy & Strategy	- Number of Environmental Plans formulated	Plan	140	140	Annual review
1.3. Institutional Development building	- Area (Feddan) of land under improved management practices (range, forest; individual and communal areas)	Ha	11,598	508,942	Include=Traditional Terrace, Wadi/Depression Cultivation, community based forest, Individual and Community range reserves, Range-land protected by the belts of fire lines grids
- BDA	- No of local NRM regulations and by-laws established at community level.	regulations and by- laws	20	12	Activation of local orders, establishment of community-based orders for the management of natural resources
	- Additional funding mobilized by BDA	US\$ (000)	100	58	Loans for 404 household in Khartoum State in cooperation with the Agricultural Bank of Sudan Microfinance Initiative
- Markets	- No of cost-recovery based services provided to communities by BDA and earning generated	No	100	42	Traditional Terrace services, some of community extension agent service
- Others (e.g. Govt. partners)	- No of CBOs partnerships established	Partnerships	30	19	Establishment of partnerships with financial insinuations, NGOs
	- Number of markets rehabilitated/constructed fully functional	Market	5	5	
	- No Market services established	Services	5	4	
	- Number of performance based contracts with market operators	contract	5	1	Annually renewal of contracts in 3 Market, 2 Markets managed by

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
					localities
1.4 Knowledge Management					
Capacity building106 (Development Teams), Technical assistance, Studies, Pilots, Research, Young Professionals Programme, etc.)	- Simple BDA KM strategy developed	Strategy	1	1	
	- Number of locality staff and private operators trained	person	130	184	
	- No of studies/research undertaken on NRM	studies/research	16	01	
	- No of young professionals successfully benefiting from young professional programme	person	100	129	
	- No of innovations, learning process, pilots/trials documented by the Project	innovations	20	75	
	- Extension materials and handbooks produced	materials/handbooks	04	19	
	- Visitors to BIRDP websites (frequency of downloading info)	Visitor	116,000	135,126	
	- No of items postings in MENA knowledge base and IFAD website	Article/Item	120	41	Different topics including success stories, reports, success practices etc.,
Component 2. Natural Resources Management (Water, Range, Forest, Vegetable, Fodder and Agriculture Crops): Activities (Outputs)					
2.1 Water Infrastructures (Hafirs, water yards for people and animals).	- No of Drinking Water Systems constructed/rehabilitated (Water yards, Hafirs, Cisterns, Dams)	Source	102	134	
	- People trained in water infrastructures management	Person	603	330	
2.2 Water harvesting per Agro-ecological zone for forage, forest, fodder, vegetables and crops.	- Land under improved management practices	Ha	145,800	109,948	Individual and community reserves + community forest+ scaling up of Guar cultivation.
	- Area under modified traditional terrace cultivated	Feddan	35,560	88,997	
	- Area under improved depression cultivation	Feddan	130,600	23,310	
	- Area under contour ploughing	Feddan	3,000	3,647	
	- Type of irrigation system installed and commanded area (incl. women gardens/farms)	System	111	293	
	- Community irrigated shelterbelts & woodlots	Feddan	300	157	
	- Area under sand dune fixation	Feddan	105	134	
	- Area under improved range and forest management including protection	Ha	145,800	109,948	Individual and community reserves + community forest+ scaling up of Guar cultivation
	- People trained in water harvesting and related plant and land management (regarding above	Person	7,112	6,347	Persons trained on subject matters pertained to NRM

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
	mentioned 1- 7)				
	- Increased contribution of locality/state/communities to fire line construction (i.e. 4000 km / annum)	Km	3,000	679	
	- Length of fire lines (km) and area protected (feddan)	Km	11,750	14,271	
	Area protected by fire lines constructed	Ha	399,500	225,715	Fire line for this season not started yet
2.3 Wadi crossings	- Other productive infrastructures constructed(Wadi Crossings)	Crossing	10	10	
Component 3. Livestock and marketing development; Activities (Outputs)					
3.1 Business and livestock markets information entities (BLMIE)	- No. of business and livestock market information entities established, operational and financially sustainable	Entities	15	10	
	- No of facilities/services available in market places (including for women)	Facility	15	12	Toilets, food and tea services, veterinary pharmacies and veterinary services centers
	- No of producers and traders benefitting from LIMS	Person	100	78	Producers and traders working on livestock export
3.2 Animal feeding innovations and initiatives	- No people trained in livestock production technology	Person	1,000	1164	
3.3. Comprehensive extension and vaccination campaigns	- No. of women and men accessing (livestock) extension services	Person	17,000	16,143	
3.5 Enhancement of Pastoralism	No of pastoralist HH reached	HH	4,800	4,094	
Component 4. Community Development & Business Option; Activities (Outputs)					
4.1 CBOs Organization and Management Training	- Number of CD groups formed	Group	140	140	
	- Number of NRM groups formed	Group	500	685	
	- Number of groups with women in leadership position	Group	420	130	
	- Number of women and men members of the CD groups.	Men & Women	2,100	1,834	55% women
	- Number of community organizations registered	Organization	140	116	72% registered
	- Community trained in Score Cards and used it as an evaluation tool	Community	25	12	
	- No of meetings held by CDCs and decisions taken	Meetings	5,640	5683	
	- Number of women and men belonging to groups	Men & Women	12,100	11,961	
	- No of Community Village Plans formulated	Plan	140	140	
	- No. of gender empowerment training delivered	Session	560	596	

Narrative	Indicators –gender and HH disaggregated	Unit	MTR Target	Progress to date (Oct. 2016)	Remarks
4.2 Social Skill Training	- No of social infrastructures constructed/rehabilitated (health centers, schools, storage, etc.)	Infrastructure	120	47	
	- No of pers. receiving social skill trainings	Person	20,000	17,133	
	- No. of communities and participants involved in the repair, maintenance and development of Hafirs/dams/water yards	Community	120	88	
	- No of local and national NGOs involved in up- scaling activities	NGO	15	13	
4.3 Business promotion projects Community Development projects	- Number of women and men trained in income generating activities.	Person	1,008	472	
	- Rate of disbursement of CIF	%	100	53	
4.4 Training of Trainers Community based extension workers (Development Community- based extension cadre: CBAWs, Water Committee's, range – and other local extension agents)	- No. of TOT training	No.	10	6	
	- No new CAHWs trained	No	280	442	
	- No of CAHWs received activity and advanced training (business, CARDA manual, etc.)	No	140	69	
	- Average increase in revenue generated by women and men CAHWs	No	25	12	
	- No of Integrated Pest Management Agents	No	280	378	
	- No of community initiatives implemented	No	280	271	
	- No of community agents of mature communities actively involved in up-scaling activities	Agent	280	225	
	- No of people trained in post-production, processing and marketing	No	14,200	17,026	
	- No households receiving animal health services (RIMS) facilitated by the project	No	5000	6977	

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

(revised during the follow-up mission) Status as per October 2016

Agreed action	Responsibility	Agreed date	Actions Taken up-date as per 20/04/2016
1. In line with the Government structure, technical teams at locality levels should be deployed	Locality Commissioner and respective State Ministries	ASAP	On-going: 1. A formal letter (Jan. 2016) issued to Commissioners requesting to complete the shortage of the technical staff at their locality, 2. This issue is on the agenda of the next BoD meeting (May, 2016); commissioners are now co-opted members, 3. It will also be taken up in the Inter-State W/shop (2 nd Q) as part of on-going Policy Work (Framework of good governance of NRs),
2. It is important to provide first priority to the establishment of the BDA	BDA, BoD, MoFNP Immediately	Immediately	On-going 4. The project contracted consultant to provide institutional support in the establishment of the BDA (support on financial, business development, gender and community development...etc). The initial draft of the reports were completed, the final version not received to date. 5. The report of committee established by MoFNP not yet out
3. A comprehensive exit strategy should be developed BDA, SCUs, other stakeholders		March 2016	On-going. Steps undertaken reflecting exit readiness: 6. MoU between BDA and Sudanese Rural Development Company (SRDC) signed; lending started with some communities in River Nile State, but commitment made to cover all the State, 7. First Refresher training/workshops for CEA done, 8. Planning of tailor made support to Weaker Communities done (wealth ranking as indicator used) full package of wealth ranking was completed 9. The Approach of linking 'CEA and their networks' to Locality Technical staff/Unit developed, and promoted, 10. Right positioning of YPs; there where needed, 11. Support to networking amongst nearby villages is in place.
4. In recognition of the enormous volume of work with regard to. Development of a Framework for Governance of NR, to be completed in 2016, it is recommended that the Policy and Strategy Advisor is to be helped by 2 temporary assistants, a support person and a planning and coordination assistant.	BDA, Policy Advisor	Immediately	On-going NB 2 temporary assistance was not hired. Thus, it is no!
5. Complete the recruitment process of the institutional advisor and supporting technical team	BDA	10 November 2015	On-going: see item ii-5
6. Recommendations of the committee are made available to the BDA and institutional advisor and action taking accordingly.	MoFNP	15 November 2015	Not yet; see item ii-5

Agreed action	Responsibility	Agreed date	Actions Taken up-date as per 20/04/2016
7. Finalization of documents that lists BDA vision and strategic framework BDA Director; Institutional Advisor, Policy Advisor;	BoD	November 2015	On-going. Final versions of BDA strategy and five-year plan in place and pending approval.
8. Development of five-year business plan BDA Director; Institutional Advisor, Policy Advisor	BoD to approve	December 2015	On-going. Final versions of BDA strategy and five-year plan in place and pending approval.
9. Revisit BoD membership and BDA structure to include the local government, the communities, others BDA Director; Institutional Advisor, Policy Advisor; BoD;	BDA Director; Institutional Advisor, Policy Advisor; BoD; MoFNP	MoFNP June 2016	Not yet; see item ii-5 12. Commissioners co-opted members of BoD
10. Develop bylaws, organizational structure and job descriptions for key posts	BDA Director; Institutional Advisor; BoD	January 2016	On-going as integrated part of BDA strategy.
11. Re-look at BIRDP versus organizational structure of BDA	BDA Director; Institutional development advisor	February 2016	On-going as integrated part of BDA strategy.
12. Raise awareness of key stakeholders with BDA through holding consultations	BDA Director; Institutional development advisor		Workshop with a large number of stakeholders held in August 2016 as input for BDA strategy and five-year Business Plan
13. Launch of pilot activities to test implementation of business options and financial services: 14. (i) Establishment of apex MF institution in RN State 15. (ii) Identification and implementation of 1-3 pilot businesses 16. (iii) Development and registration of business arm	BDA Director; Institutional advisor; business consultants	June 2016 June 2016 Sep 2016	On-going and forms integrated part of the BDA five year business plan.
17. Organize National launch of reformed BDA, signing of MoUs between BDA and all states involved	MoFNP/CCU/BDA Director	Immediately/ continuous	Not yet; see item ii-5
18. Take the proper actions to secure fund to cover the financing gap of RAP contracts.	BDA	Immediately	On-going: 13. Budget reallocation not yet processed; as per CPM advice to be done immediately. <u>Deadline: 25/04/2016</u> 14. Seeking permission of GoS done. No answer yet. 15. Downsizing of activities in 2016 understood; to be continued under Add. Financing
19. Initiate transformation of CIFs to village level association of SCGs in 20 communities	BIRDP	Sep 16	Not yet; see item xxii-23-25,
20. Initiate the formation and capitalization of community microfinance apex	BIRDP	Sep 16	Not yet; see item xxii-23-25,
21. Limit new CIF disbursement to few	BIRDP	Sep 16	16. Invalid recommendation. See Follow-up Mission report of Consultant L. Maarse (April 2016) for details. PS place the new recommendations.
22. Refresher training on SCGs basics and enterprise promotion for relevant staff and YPs	BIRDP	Jan 16	17. Not yet
23. Implement SCGs in at least 40 communities with at least 4 SCGs per community	BIRDP	Sep 16	Not yet; see item xxii-23-25,
24. Adopt the Rural Finance Agent model to develop SCGs and train 80 (RFAs)	BIRDP	Feb 16	Not yet; see item xxii-23-25,
25. Recruit Rural Finance Manager (1) at PCU level and Rural Finance Officers (5) (on deputation) at SCU level	BIRDP	Feb 16	18. The process of recruitment was started with CCU, advertisement was done 19. No Rural Finance Officer at SCU level yet.

Agreed action	Responsibility	Agreed date	Actions Taken up-date as per 20/04/2016
26. MoU between BIRDP and ABS for Abu Dileig Unit should be updated	BIRDP/ABS	Dec 16	Not yet
27. Supply three new vehicles to the Abu Dileig Unit according to commitment in MoU	BIRDP	Feb 16	On-going
28. Consider ABSUMI expansion through merit based recruitment of YPs	ABSUMI	Continuous	20. Under purchase Not yet
29. Expedite the establishment of the ABSUMI unit in Kassala State	BIRDP/ABS/SDP	Jan 16	Not yet
30. Emphasis on enterprise development training at project and community levels	BIRDP	Continuous	On-going
31. Involve ABSUMI/Banks as TA providers in demonstrations	BIRDP	Sep 16	Not yet
32. Take the proper actions to secure fund to cover the financing gap of RAP contracts	BDA	Immediately	On-going
33. Timely submission of AWBP as per FA	BDA	1st Nov. each year	On-going
34. Increase the authorized allocation of IFAD grant to 2 million EUR	IFAD	31 Oct. 2015	Done
35. Transfer funds to SCUs on quarterly basis based on the approved AWBP	BDA	1st Jan. 2016	Done According to financial flows received from IFAD
36. Developer to fix loopholes in the accounting system and HR module	FC 15	Nov. 2015	On-going
37. Update fixed asset register regularly; perform physical count and tagging for fixed assets.	POs	25 Dec. 2015	Done
38. Immediate refund of the deficit in the counterpart contribution that was covered from the loan proceed	GOS / BDA	Immediately	On-going
39. Finalization of the PIM	BDA	25 Dec. 2015	Done
40. The procurement plan to be constantly updated.	BDA	Continuously	Done
41. Maintain a complete procurement centralized files.	BDA /	CCU Dec. 2015	Done
42. Update the register of contracts to contain information on the paid and remaining balance.	BDA	Jan. 2016	Done
43. Standard Bidding Document for shopping should be developed and used for the local shopping transactions	BDA / SCUs	Immediately	Done
44. Recruit a consultant to support procurement activities at the SCU and carry out refresher on-the-job training for project staff at the BDA/SCUs level.	BDA	Nov. 2015	Done
45. The IFAD Arabic newly issued handbook for procurement should be fully utilized by the project.	BDA / IFAD	Immediately	Done
46. Transfer of funds to SCUs sub-operating accounts is to be made on quarterly basis against approved AWBPs of each of the SCUs and any unspent funds from the preceding quarter to be deducted from the following quarter transfer.	BDA / SCUs	1st January 2016 onwards	Done According to financial flows received from IFAD

Appendix 4: Physical progress measured against AWP&B, including RIMS indicators (Outputs 2009 –2016)

#	Output	Unit	Project target	Y 2016			Achieved to date (2009 – Oct.2016)		Remarks
				Planned	Achieved	%	Achieved	%	
	Component 1. Policy and Institution Building								
1	Gaps in existing laws and by-laws identified and addressed	laws/by-laws	5	1	-	-	4	80	Some communities developed and have local legislation and norms for NRM
2	Environmental Plans formulated	Plan	140	140	140	140	140	100	Annual review for community plans
3	Area (Ha) of land under improved management practices (range, forest; & communal areas)	Ha	333,060	3044	35,161	115	508,942	152	Individual and community range land and forest
4	Local NRM regulations and by-laws established at community level.	Regul./ by-laws	20	2	1	50	15	75	
5	Share of federal budgets allocated to BDA	US\$ (000)	3,233	1353	na	-	2,714	84	
6	Additional funding mobilized by BDA	US\$ (000)	200	0	-	-	58	29	
7	Cost-recovery based services provided to communities by BDA and earning generated	Services	100	25	5	20	42	42	Paying of full cost of terrace rehabilitation, livestock services
8	CBOs partnerships established	Partnership	30	10	8	80	19	90	establishment of partnerships with financial insinuations, NGOs
9	Markets rehabilitated/constructed fully functional	Markets	5	0	-	-	5	100	Constructed but not all functioning up-to-the mark.
10	Market services established	Services	5	0	-	-	5	100	
11	Performance based contracts with market operators	Contracts	5	2	2	100	5	100	Annually renewal of contracts in 3 Market, 2 Markets managed by localities.
12	Simple BDA KM strategy developed	Strategy	1	0	-	-	1	100	
13	Locality staff and private operators trained	Person	130	0	-	-	185	142	
14	Studies/research undertaken on NRM	Studies/Research	16	3	-	-	10	63	
15	Young professionals successfully benefiting from young professional programme	Person	100	68	55	81	129	129	See Appendix 7, AM Oct-Nov 2015
16	Innovations, learning process, pilots/trials documented by the Project	Innovations	20	5	6	120	15	75	
17	Extension materials and handbooks produced	Material/ Handbooks	15	5	6	110	19	126	
18	Visitors to BIRDP websites (frequency of downloading info)	Visitor	136,000	95000	135,126	142	135126	99	
19	Items postings in MENA knowledge base and IFAD website	Article/Item	120	5	3	90	41	34	
20	Effectiveness and sustainability of water	Source	102	35	27	77	134	132	

#	Output	Unit	Project target	Y 2016			Achieved to date (2009 – Oct.2016)		Remarks
				Planned	Achieved	%	Achieved	%	
	infrastructure (drinking water for people, animals)								
21	Savings in SDG (AVG) for the poorer households' purchase of portable water.	SDG/HH/Day	5	6	5	83	7	135	
22	Saving in time spent for water collection for women (Per Household)	Minutes/HH	60	0	-	-	180	300	The presence of water source in the village, in some cases, water supply networks in the home reduced the time it takes to fetch water, and take advantage of the time available in other activities especially for women
23	Amount of money invested (by community) in repair and maintenance and development of domestic water facilities	SDG	1,075,000	98000	85008	86	414,866	38	
24	Increase in productivity sorghum	Kg/Feddan	700	675	na	na	898	128	<i>The use of water harvesting techniques and improved seeds increased productivity, in some areas productivity reached more than 900 kg / Feddan (season of 2014)</i>
25	Increase in productivity vegetable	Kg/Feddan	2,000	2000	na	na	1,865	93	
26	Increase in productivity fodder	Kg/Feddan	3,000	2000	na	na	1,726	58	
27	Increase in water utilization per household/day	liter/day	140	175	177	101	172	123	
28	Effectiveness of NRM plans	Plan	100	90	100	111	81	81	
29	Area under improved depression cultivation	Feddan	130,600	0	-	-	123,310	94	
30	Area under contour ploughing	Feddan	3,000	0	-	-	3,647	122	
31	Type of irrigation system installed and commanded area (incl. women gardens/farms)	System	300	5	5	100	291	98	
32	Community irrigated shelterbelts & woodlots	Feddan	300	20	10	50	157	52	
33	Area under sand dune fixation	Ha	105	-	-	-	134	128	
34	Area under improved range and forest management including protection	Ha	145,800	7500	8792	117	109,948	75	<i>Individual and community reserves + community forest + scaling up of Guar cultivation</i>
35	People trained in water harvesting and related plant and land management	Person	7,112	200	336	168	6347	89	Water harvesting, nursery establishment and tree seedling production techniques
36	Contribution of locality/state/communities to fire line construction (i.e. 4000 km/annum)	Km	3,000	25	Na	Na	679	23	<i>Construction of fire line start in November 2016</i>
37	Fire lines constructed	Km	11,750	5	Na	Na	14,271	121	

#	Output	Unit	Project target	Y 2016			Achieved to date (2009 – Oct.2016)		Remarks
				Planned	Achieved	%	Achieved	%	
38	Area protected by fire lines constructed	Ha	399,500	160	Na	Na	225,715	56	
39	Productive infrastructures constructed(Wadi Crossings)	Crossing	10	10	10	10	10	100	
40	People trained in livestock production technology	Person	1,000	280	286	102	1164	116	
41	Women and men accessing (livestock) extension services	Person	17,000	800	1003	125	16,143	94	52% women
42	Business and livestock market information entities established, operational and financially sustainable	Entities	15	0	-	-	10	67	
43	Producers and traders benefiting from LIMS	Person	100	12	15	125	78	93	
44	Facilities/services available in market places (including for women)	facilities/services	15	4	3	75	12	80	
45	No of pastoralist HH reached	HH	4,800	0	-	-	4,094	85	
46	CD groups formed/Reviewed	Group	140	0	-	-	140	100	
47	NRM groups formed/Reviewed	Group	700	0	-	-	685	98	
48	Groups with women in leadership position	Group	200	20	15	75	130	65	
49	Women members of the CD groups.	Person(women)	840	100	98	98	745	88	
50	Men members of the CD groups.	Person(men)	1,260	0	-	-	1,187	94	
51	Community organizations registered	Organization	140	78	Na	-	116	83	In 2015 , 7 organizations underway (waiting certificates)
52	Community trained in Score Cards and used it as an evaluation tool	Community	25	5	3		12	48	
53	Meetings held by CDCs and decisions taken	Meeting	5,640	280	853	305%	5,683	101%	
54	Women and men belonging to groups	No.	12,100	800	786	98%	11,961	99%	In 2015 56% women
55	Community Village Plans formulated/reviewed	Village Plan	140	140	140	100%	14	100%	Review community village plans formulated
56	TOT training	Training	10	3	-	0%	6	60%	
57	Gender empowerment training sessions delivered	Session	560	140	115	82%	596	106%	
58	Women and men trained in income	No.	1,00	169	176	104%	472	47%	On the job training

#	Output	Unit	Project target	Y 2016			Achieved to date (2009 – Oct.2016)		Remarks
				Planned	Achieved	%	Achieved	%	
	generating activities.		8						
59	People trained in post-production, processing and marketing	No.	14,200	490	588	120%	17,028	120%	Nutrition food processing
60	Social infrastructures constructed/rehabilitated (health centers, schools, storage, community center...etc.)	infrastructure	120	28	5	18%	47	39%	Community centers; good progress in 2015
61	Households receiving animal health services (RIMS) facilitated by the project	HH	3,600	300	312	104%	3,365	93%	Direct benefited from animal health worker services
62	Pers. receiving social skill trainings	No.	20,000	2,500	687	27%	17,133	86%	Adult Education, First Aids (14% men)
63	Rate of disbursement of CIF	%	100	75	Na	-	-	53	
64	Community involved in the repair, maintenance and development of Hafirs/dams/water yards	Community	120	50	35	70%	88	73%	
65	Persons involved in the repair, maintenance and development of Hafirs/dams/water yards	Community	164	100	105	105%	330	201%	The programme of on the job training increased the number of trainees (training at water source in villages)
66	Community agents of mature communities actively involved in up-scaling activities	Persons	492	50	45	90%	171	35%	
67	Local and national NGOs involved in up-scaling activities	NGO	15	3	3	100%	13	87%	
68	New CAHWs trained	No.	280	80	22	28%	242	86%	
69	CAHWs received activity and advanced training (business, CARDA manual, etc.)	No.	140	-	-		69	49	
70	Average increase in revenue generated by women and men CAHWs	%	140	-	-		-	0	
71	Integrated Pest Management Agents	Agent	280	40	53	133%	278	99	
72	Community initiatives implemented	Initiative	280	102	73	72%	271	96	
73	Community networks formed	Network	8	2	1	50%	4	50	
74	Households benefiting from CIF	HH	5000	1500	2,359	157	6,977	139	
75	Community radio listening group formed	Group	30	-	-	-	13	43	

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

Table 5A: Financial performance by financier (USD '000) as at 30/09/2016

Financier	Appraisal	Revised Appraisal	Actual	Signed and Committed	Total disbursed (Actual + Commitments)	%
IFAD Loan	24 799 233	24 799 233	18 329 198	605 646	18 934 844	76%
Federal Government	3 233 377	7 333 377	3 772 069	28 574	3 800 644	52%
State Governments	1 055 906	2 855 906	193 178	-	193 178	7%
Beneficiaries	766 462	1 666 462	383 918	-	383 918	23%
Total	29 854 978	36 654 978	22 678 363	634 221	23 312 584	64%
Note:						
Actual expenditure under IFAD Loan represents actual withdrawals disburse in USD as per IFAD records + actual expenditure not yet claimed.						

Table 5B: Financial performance by financier by component (USD '000) as at 30/09/2016

Category	IFAD			Federal Government			State Governments		
	Revised Appraisal	Actual	%	Revised Appraisal	Actual	%	Revised Appraisal	Actual	%
Civil Work	8 030 228	6 977 922	87%	2 131 222	1 020 798	48%	651 355.00	193 178	30%
Vehicles & Equipment	2 686 584	2 803 089	104%	1 106 344	533 799	48%	11 611.00	-	0%
Technical Assistance	8 340 218	4 267 364	51%	1 231 686	629 088	51%	-	-	0%
Grant	1 948 511	881 289	45%	-	2 794	0%	-	-	0%
Salaries & allowances	2 096 126	1 963 715	94%	778 030	1 331 947	171%	1 943 760.00		0%
Operation & maintenance	1 697 567	1 435 819	85%	2 086 095	253 644	12%	249 180.00		0%
Totals	24 799 233	18 329 198	74%	7 333 377	3 772 069	51%	2 855 906.00	193 178	7%

Table 5C: Financial performance including commitments by financier by component (USD) as at 30/09/2016

Component	IFAD				Federal Government				State Governments				Beneficiary				Total			
	Revised Appraisal	Actual	Signed and Committed	%	Revised Appraisal	Actual	Signed and Committed	%	Revised Appraisal	Actual	Signed and Committed	%	Revised Appraisal	Actual	Signed and Committed	%	Revised Appraisal	Actual	Signed and Committed	%
Policy and Institutional Support	6 217 779	7 672 225	157 982	126%	3 133 834	2 817 046	-	90%	2 226 377	31 388	-	1.41%	-	51 593	-	0%	11 577 990	10 572 251	157 982	93%
Natural Resources Development	11 744 405	7 297 395	447 665	66%	2 939 132	355 353	28 574	13%		28 210	-	0.00%	300 000	96 140	-	32%	14 983 537	7 777 097	476 239	55%
Animal Resources Development	3 557 473	1 362 319	-	38%	1 148 389	89 995	-	8%	629 529	87 980	-	13.98%	-	27 613	-	0%	5 335 391	1 567 908	-	29%
Community Development and Business Options	3 279 576	1 997 259	-	61%	112 022	509 675	-	455%		45 600	-	0.00%	1 366 462	208 572	-	15%	4 758 060	2 761 106	-	58%
Totals	24 799 233	18 329 198	605 646	76%	7 333 377	3 772 069	28 574	52%	2 855 906	193 178	-	6.76%	1 666 462	383 918	-	23%	36 654 978	22 678 363	634 221	64%

Table 5D: Actuals versus AWPB by component (SDG) as at 30/09/2016

Component	Budget YTD Sep 2016	Actual YTD Sep 2016	Variance	%	Budget Full Year 2016	Actual YTD Sep 2016	Variance	%
Policy and Institutional Support ^{Note 1}	16 175 345	9 571 158	6 604 187	59%	18 555 827	9 571 158	8 984 669	51.6%
Natural Resources Development ^{Note 2}	24 268 941	5 932 305	18 336 636	24%	24 629 141	5 932 305	18 696 836	24.1%
Animal Resources Development	1 858 483	106 816	1 751 667	6%	1 866 583	106 816	1 759 767	5.7%
Community Development and Business options	10 679 945	3 612 878	7 067 067	34%	11 051 345	3 612 878	7 438 467	32.7%
Total	52 982 714	19 223 157	33 759 557	36%	56 102 896	19 223 157	36 879 739	34.3%
Note 1:	The expenditure including cost of 7 vehicles paid from IFAD (Direct Payment) amount (USD 310,705.37 Equivalent SDG 1,888,187.60) as rate <u>6.0771</u>							
Note 2:	The expenditure including WA 59 paid from IFAD (Direct Payment) to contractor on construction of ten crossings an amount (SDG 1,525,791.48)							

Appendix 5A: Status of 2015 Audit and supervision mission recommendations

N o	Recommendation	Action Status	Remarks
1	The project should scale up the implementation of activities as planned in AWPB,,	Pending	To scale up the implementation a quarterly rather than monthly transfer of fund to SCUs is required. In addition, to strengthening the control and monitoring of budget versus actual on regular basis by the BIRD DP management.
2	Some purchases paid without final invoices	Completed	The SCUs procurement/accountant staff were made aware to avoid occurrence of this in the future
3	The Government should pay its contribution in full	Pending	This requires rigorous follow up by Financial Controller and Project Director with MoF
4	There is no segregation of duties where the financial assistance performs the roles and duties of the treasurer as well	Pending	This was not envisage in the Project design and it requires additional budget.
5	The insurance of the car no. 2KH 10685 ENDED ON 31/1/2015 had not been renewed for the next insurance period.	Completed	
6	Protection of building and the assets from fire through procuring fire extinguishers	Pending	
7	The coordinator position of Gadarif SCU is vacant post and to be filled	Pending	
8	Project should strengthen the follow up with community development committee to avoid materials lose in the field	Completed	Secured and security measures is now implemented
9	Cancelled cheques should be scraped and identified by writing the word cancelled	Completed and on-going	This happened only once, will be considered

Status of 2015 Supervision mission recommendations

N o	Recommendations and Agreed Actions	Responsibility	Action Status
1	Timely submission of AWBP as per FA	BIRDP	Pending
2	Increase the authorized allocation of IFAD grant to 2 million EUR	IFAD	Pending. It requires amendment to the original FA
3	Transfer funds to SCUs on quarterly basis based on the approved QWBP (Quarterly Work plan and Budget)	BIRDP	Pending. It will be implemented starting 2017
4	Developer to fix loopholes in the accounting system and HR module	FC	Pending. The Accounting package is tailor made system, a discussion is ongoing with the developer to fix/upgrade the system
5	Update fixed asset register regularly; perform physical count and tagging for fixed assets.	Procurement Officers	Pending. It is planned to be carried out by end of 2016
6	Immediate refund of the deficit in the counterpart contribution that was covered from the loan proceed	GOS/BIRDP	Pending. GOS refunded the pre-financed amount of last year but the deficit continues to exist during year 2016
7	Finalisation of the PIM	BIRDP	Pending

Appendix 6: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section 3.03-a	Lead Project Agency (LPA) shall open and maintain a Project Account.	Before project inception	Complied with	Project Account opened before loan effectiveness
Section 3.05-b	The Borrower shall deposit counterpart funds in an Initial amount of Euro 240,000 and shall replenish BDA project account quarterly in advance to fund AWPB.	Before project inception/continued	Partially complied with	GoS transferred the initial amount to the project account at project inception. The replenishment is not happening on quarterly basis. As of 30.09.2016 there is a reported deficit in GoS counterpart contribution of around 400 000 EUR equivalent
Section 3.06	The LPA and each other project party shall procure all items financed by the loan in accordance with shedule-4	Immediately/continued	Partially complied with	Procurement practices are in line with the FA, with exception of few cases where the BDA deviated from the prescribed procurement method due to the field circumstances and difficultly to apply the mentioned method.
Schedule-3A, 4	The Borrower shall ensure that all vehicles procured under the project are insured and used for project implementation	Immediately/continued	Complied with	All projects vehicles are fully insured.
Section 5.02-b	The Borrower shall have the financial statements (FS) relating to the project audited each fiscal year and shall submit certified audit reports to the Fund no later than 6 months after year end	Annually	Complied with	Audit reports submitted to IFAD annually, 2015 audit report was submitted by the deadline.
Section 4.02	The Borrower through the LPA shall submit to the Fund semi-annual and consolidated annual progress reports	Annually	Partially complied with	Progress reports are submitted to IFAD but with some delays.
Section 3.02-b	Draft AWPB to be submitted to the Fund for its comments and approval not later than 60 days before the beginning of the relevant project year	Annually	Not complied with	The first version of AWPB for FY 2016 was submitted in March 2016.
Section 4.03	A mid-term review to be carried jointly by the borrower and the Fund during the fourth project year	4 th anniversary of the project	Complied with	A mid-term review was done jointly by IFAD and GoS in September 2012
Schedule-3. B. 1.1	Project Implementation Manual to be prepared not later than 90 days after the effective date	90 days after project effectiveness	Not complied with	The Lead Project Agency prepared a draft PIM but has not been finalized. The project will hire a consultant to prepare the PIM for IFAD concurrence. The update of the PIM is a disbursement condition for disbursement on additional financing.

Appendix 7: Knowledge management: Learning and Innovation

- I. **Learning:** Review of KM Products, Innovations and Lessons Learnt, SM, BIRDP, 2016
- II. **Innovations:** Vertical intensification and expansion
- III. **Lessons learnt:** Ensures sustainability

Strengthening knowledge-sharing and learning processes in BIRDP has established more supportive knowledge-sharing and learning infrastructure to fostering partnerships with different stakeholders through broader knowledge-sharing and learning. BIRDP has moved a recognizable forward step in KM as development behavioural changing tool when incorporating the lessons learned from the successful experiences and practices. This quality step fits in the project maturation stage of scaling-up and expansion to ensure sustainability within the additional financing framework. Standard KM products have been generated from different project interventions.

No.	KM Product	Supervision Mission observations, 2016
1.	Development of KM strategy	<ul style="list-style-type: none"> - The strategy aimed at sustaining the livelihoods and resilience to drought of the affected poor rural households as well as achieving the project development objectives. - The strategy fits with Country KM Strategy which developed via strong support from the ICO and interactive involvement of other projects. The country strategy encouraged the project to establish KM core groups, conceptualization of the KM roles and impact. - BIRDP is a significant contributor in the country KM dynamics through its long involvement in the KM events in and outside the country and an accumulated experience is built.
2.	Establishment of project web page www.butanaonline.org .	<ul style="list-style-type: none"> - Established since 2013 on Kenana on line portal. - receives more than 45,000 regular visitors from to-date. - Forms a KM sharing window by enabling the project staff timely, uploading KM products.
3.	Production of video films/documentary films and TV sessions	<ul style="list-style-type: none"> - More than twenty short films have been produced on different thematic issues/impacts and documentation. - Extension staff technically has been capacitated on films production. - The quality of films is really good and the extension staff are open for further improvement of their products through additional quality assurance trainings. - Project organized 22 TV sessions and the National TV and Gezira local TV. - Eleven documentary films have produced on project interventions with high standards, using Arabic and English languages. - The project produced short documentary reports (3+) that delivered through the National TV and Ashorouq channel
4.	Radio sessions/radio listening groups/radio extension sessions	<ul style="list-style-type: none"> - almost one hundred sessions (63+6+31for radio sessions, listening groups and extension session conducted respectively) and even more. - a lot of scientific information disseminated on productivity enhancement, drought resilience, animal feeding/nutrition, animal health/husbandry, land preparation, terrace cultivation, NRM and community organization/networks. - These sessions benefited huge number of lay participants distributed in Butana and surrounding areas.
5.	Participation in International learning Routes/workshops.	<ul style="list-style-type: none"> - ten staff participated in learning route/workshop events in countries including Kenya, Uganda, Ethiopia, Egypt, Turkish, German and Morocco on issues covered livestock, NRM, water management, integrated pest management, gender and microfinance and gender development. - Adoption of one of the exposed ideas from Kenya assisted the project to construct a slaughter house in one of the biggest livestock marketing in Butana (Tamboul) which is appreciated by the beneficiaries as an innovative solution to meat marketing in the area.

No.	KM Product	Supervision Mission observations, 2016
6.	Production of knowledge materials (standing plates, brochures and success stories) and designing of extension materials	<ul style="list-style-type: none"> - More than sixteen standing plates and thirteen brochures produced which contain writing materials and plenty of documentary pictures) in addition to nine extension material being designed. - These products give wide exposure to successful project interventions.
7.	Community/development teams/SCUs exchange visits	<ul style="list-style-type: none"> - Twenty three exchange visits organized which enhanced experience sharing and exposure to good practices and successful stories. - Stakeholders recognized the appropriateness of the project interventions.
8.	Village days/specialized seminars and lectures	<ul style="list-style-type: none"> - Ten educational events organized and involved considerable number of participants. - They addressed animals supplementary feeding by quar which increased milk production and number of births, besides other productivity increment scientific guidelines.
10.	Conducting community and locality NRM forums (NRM conferences)	<ul style="list-style-type: none"> - Seventeen community NRM conferences/forums conducted in which NRM pressing issues identified and policy/structures reforms/gabs recognized. - Provided constructive atmosphere for dialogue and space for voicing concerns and building consensus on NRM related issues. - The forums generated popular dynamics among communities and their respective organizations.
11.	Participation in KM fairs, Agricultural fair and flowers annual exhibitions	<ul style="list-style-type: none"> - Project technical staff shared the project experience with broad spectrum of audience at the national level. - Project beneficiaries being exposed to good practices of flowers production which validate individual efforts for quality production and feasible opportunities for generating incomes.

Learning

1. The youth integration in development processes accelerates behavioural changes within rural communities as indicated by the young professional programme and involvement of youth in the protection and management of the natural resources.
2. Women economic and organizational empowerment has positive effect on gender relationships. Exposure of school children to female service providers during classes will assist in their growing up with strong belief in women abilities in change as a normal feature of society.
3. Technical suitability of project interventions and researches programme and communication with beneficiaries increases the scaling-up and expansion of success stories and practices.
4. Involvement of all stakeholders in Natural Resource Management in Butana paved the way for the development of good NRM governance framework.

Innovation: Describe any interesting innovation noted during supervision

- (a) Guar Fodder/forages: adoption of this intervention brought a significant improvement of livestock productivity (milk, meat and births) in addition to the marketability of the fodder (storage is a market advantage) and generating income for the family.
- (b) Women farms/Fenced-off gardens: becoming women empowerment tool as women educated, organized, mobilized and supported to explore their economic abilities and collective power.
- (c) Use of solar energy: Introduction of solar energy to operate the supplementary irrigation system in the women gardens may provide other clean sources of power and sustaining of the farms production.
- (d) Young Professional Programme: Butana cultural context is unfavourable to women integration in the development processes. Planting young female professional within the communities of Butana has made a great breakthrough in this cultural barrier when communities mobilized and enlightened through different approach.
- (e) Youth integration: involvement of youth in NRM and protection through environmentally sound incoming generating projects is encouraging the youth to settle in the rural areas and to taste the fruits of development.
- (f) Community Networking: Community Networks is the new collective strength of rural communities to manage their natural resources, maintaining peaceful co-existence/ supporting the social cohesiveness and availing of services which beyond the capacity of one community i.e. the collective power of rural people to safeguard livelihood and rights in remote neglected areas.
- (g) Green education: Promoted "green education" program is an investment in formal education, mass media, social and political movements in the project area.