

The Republic of Seychelles

Competitive Local Innovations for Small-scale Agriculture Project (CLISSA)

Supervision report

Main report and appendices

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Abbreviations and acronyms

AWPB	Annual Work Plan and Budget
CBS	Central Bank of Seychelles
CLISSA	Competitive Local Innovations for Small-scale Agriculture Project
DBS	Development Bank of Seychelles
GoS	Government of Seychelles
IAs	Implementing Agents
IFAD	International Fund for Agricultural Development
KM	Knowledge Management
M&E	Monitoring and Evaluation
MFTBE	Ministry of Finance, Trade and the Blue Economy
MFA	Ministry of Fisheries and Agriculture
MoU	Memorandum of Understanding
NPSC	National Project Steering Committee
OAG	Office of the Auditor General
ODL	Online Distant Learning
PMU	Project Management Unit
RIMS	Results and Impact Management System
SAA	Seychelles Agriculture Agency
SAHTC	Seychelles Agriculture and Horticulture Training Centre
SCR	Seychelles Rupees
SEnPA	Small Enterprise Promotion Agency
SFA	Seychelles Fishing Authority
STC	Seychelles Trading Company
TOR	Terms of Reference
TWG	Technical Working Group
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
WA	Withdrawal Application
WB	World Bank

A. Introduction¹

1. The fourth joint supervision mission of the Competitive Local Innovations for Small-scale Agriculture Project (CLISSA) took place from 23 October to 05 November 2016. The objectives of the mission were to: (a) review implementation progress and achievement of outputs by component since the project Mid-term review in March 2016; (b) identify implementation constraints and agree on actions to address them; and (c) review the quality of financial and procurement management.
2. The project was approved on 7 April 2013 and its Financing Agreement was signed on 22 May 2013. CLISSA entered into force in November 2013; its completion and closure dates are scheduled on 31 December 2018 and 30 June 2019 respectively. Its total cost is USD 3.741million, with an IFAD ordinary terms loan of USD 3 million (80.2%). The Government's contribution, partners, and beneficiaries were estimated at USD 0.741 million (19.8%).
3. The project's development objective is to promote sustainable and environmentally-friendly agricultural and fishery practices, and to increase and diversify market access for smallholder farmers and fishers. To that end, the project is organized around 4 components: (i) Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers; (ii) Improving Access to Agricultural and Rural Finance; (iii) Strategic capacity strengthening and infrastructure; and (iv) Project Management.
4. At the beginning, the mission met with the Minister of Fisheries and Agriculture, H.E Wallace Cosgrow² and held technical meetings with CLISSA Project Management Unit (PMU) and CLISSA steering committee members. The mission also had specific meetings with representatives of the Ministry of Finance, Trade and Economic Planning (Principal Secretary, Senior Project Accountant, and Comptroller General); the Ministry of Environment, Energy and Climate Change (Principal Secretary, Department of Energy and Climate Change – GEF focal person); the Seychelles Fishing Authority (Fisheries Development Manager); the Seychelles Agricultural Agency (Chief Executive Officer) and the Principal Secretary of the Ministry of Fisheries and Agriculture (MFA). The field mission took place on the islands of Mahe, Praslin and La Digue where the mission team met with vegetable crops farmers, livestock farmers, and leaders of farmers and fishers associations as well as technical staffs of SAA in the respective Islands. In Mahe, the mission held specific meetings with the Seychelles Institute of Agriculture and Horticulture (SIAH), the Seychelles Maritime Academy (SMA) and the Hilton Hotel (Cluster Purchasing Manager).
5. The main conclusions of the mission were discussed and approved at a wrap-up meeting in Victoria, Mahe, chaired by the outgoing Minister of Fisheries and Agriculture, H.E Wallace Cosgrow on 03 November 2016 in the presence of Mr. Michael Nalletamby, Principal Secretary of the Ministry of Fisheries and Agriculture, the Technical Advisor for Fisheries and the Technical Advisor for Agriculture to Minister for Fisheries and Agriculture, CLISSA Project Management Unit (PMU), a Representative of the Ministry in charge of Finance, the Seychelles Agricultural Agency (SAA) and the Seychelles Maritime Academy.
6. The team members are grateful for the support from the MFA and the CLISSA PMU during this mission.

¹ **Mission composition:** For IFAD: Valentine Achancho, Mission Leader, Programme Officer; Guido Rutten, Rural infrastructure Rural infrastructure and Climate Adaptation specialist, IFAD; JelleTas, Agri-business consultant; Lomiri Federica, Monitoring & evaluation and Knowledge management consultant and John Harivero Ramamonjisoa, Financial Management consultant. For GoS: Michael Nalletamby, Principal Secretary of MFA. For CLISSA: Georges Bibi, Coordinator CLISSA, Thembekile Manjengwa, M&E Officer, Jude Barra, Accountant and Charles Elizabeth, Procurement Officer.

² During the mission, the Government cabinet was reorganized. The acting Minister in charge of Agriculture was appointed to the Ministry of Employment, Entrepreneurship Development and Business Innovation.

B. Overall assessment of CLISSA Project implementation

7. CLISSA records 3 years of implementation. Overall, the mission was pleased to note that the level of CLISSA disbursement of IFAD loan has significantly improved moving from 18.71% in February 2016 to 35.79% (USD 0.867 million) in October 2016. With the eighth withdrawal application of about USD 233 000 which is already under preparation and also the amount related to the on-going commitments, the mission is confident that the level of disbursement will reach at least 45% by the end of December 2016.

8. The mission noted with satisfaction that the amount of the GoS counterpart funding so far mobilized is USD 0.126 million representing about 45% of the commitment indicated in the project design document. The estimated beneficiary contribution exceeds USD 0.4 million, mainly a contribution to road infrastructure.

9. The mission noted that the overall level of financial execution of the 2016 AWPB including commitments up to December 2016 stands at 53% (USD 815 040 out of a budget of USD 1.533 million). This average disbursement level is mainly due to the fact that most activities were delayed (MoU preparation and signing with new implementing partners, delay in procurement process etc.). The execution level by component is given in the table below :

2016	Planned AWPB (0,000)	Executed AWPB (0,000)	%
Component 1	499,98	211,80	42%
Component 2	-	-	
Component 3	845,91	529,58	63%
Component 4	187,20	73,66	39%
Total	1 533,09	815,04	53%

10. Overall, the mission noted that, the implementation of activities **for component 1 - Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers** is now progressing according to plan. Scheduled activities related to the identification and assessment of technology packages and communication and promotion campaigns are on-going. Along with the scheduled activities related to market study, capacity assessment of suppliers and the Public Private Partnership (PPP) action plan is progressing. All the related studies and surveys are expected to be finalized by the end of this year. However, progress in training and capacity building is limited, due to low level of participation of beneficiaries and limited number of interested qualified trainers.

11. To further fast track implementation, the Mission discussed the training calendar for 2017 which will emphasize on the commitment of the implementing agencies to participate in CLISSA. *To this end, the mission recommends that SAA and SFA should develop more practical training contents with 1 to 2 days duration. SAA and SFA should also discuss with the MFA the level of incentives to be given to their staff members who are conducting training under CLISSA.* The incentives should be uniformed across the agencies.

12. With regard to **component 2 - Improving Access to Agricultural and Rural Finance**, the mission noted that as recommended by the MTR mission, IFAD has approved the reallocation of the funds tied down in the non-disbursing line of credit of SDR 594,000 to strengthen activities under Sub-Component 3.2 - Public and collective rural infrastructure which are related to equipment for communication Unit; demonstration equipment for Seychelles Institute for Agriculture and Horticulture (SIAH); rehabilitation of nurseries and equipment for research station (hydroponic); small agricultural equipment (mechanization) for research station; kits for quality control (for Livestock unit at Seychelles Agricultural Agency); rehabilitation of training facilities/Lab and workshop at Seychelles Maritime Academy; GIS Server at SAA; investment support for value chain operation and equipment

for improving food safety. The non-lending rural finance activities which are related to capacity building for access to finance both on the supply side for the banks (support to design of cash flow based financial products) and on the demand side for the target groups (on financial education of small scale farmers and artisanal fishers) will now be carried out under component 1 and component 3.

13. **Concerning component 3 - Strategic capacity strengthening and infrastructure.** The mission noted that good progress is being made in terms of infrastructure development (sub-component 3.2), and that finalization of works by the end of 2017 is feasible. For future works, due consideration should be given to getting value for money, building synergies with other project activities, and securing long-term financial viability of maintaining assets. *It was agreed that the PMU will ensure adherence to the technical guidelines set by the MTR, as well as the unit cost ceilings provided for road works.* The mission however noted that institutional capacity building (sub-component 3.1) is still significantly lagging behind schedule because of weak capacities of farmers and fishers associations to develop and submit their project for CLISSA consideration and support. *An increased cooperation of implementing partners and the mobilization of specific technical assistant to support farmers associations is required to achieve the targets set.*

14. Regarding the **project management**, the mission noted that overall; improvement has been made in project planning. However there are still issues on the quality of procurement document so far prepared especially the technical evaluation of works and the respect of bidding advertisement duration. The mission however noted with satisfaction the project procurement officer attended a training organized by IFAD in September 2016. The mission also noted insufficient follow up of activities in the field due to inadequate distribution of workload among the three project technical staffs.

15. *The mission recommended a strict respect of procurement principle, based on the training received. Concerning the workload distribution, the mission recommends that the project procurement officer who is also an infrastructure engineer should also ensure the follow up of component 3 while the follow up of activities under component 1 be distributed between the project coordinator and the M&E officer.*

Agreed action	Responsibility	Agreed date
1. SAA and SFA should develop practical training contents to be given in a reduced number of days (1 to 2 days).	PMU/Coordinator	immediate
2. SAA and SFA should discuss with the MFA the level of incentives to be given to their staff members who are conducting training under CLISSA	PMU/Coordinator	immediate
3. For infrastructure development, ensure adherence to the technical guidelines set by the MTR, as well as the unit cost ceilings provided for road works	PMU/Coordinator	immediate
4. Ensure strict respect of procurement principle based on the training received	Procurement officer with PMU Coordinator oversight	immediate
5. Review the project workload distribution for proper follow up of activities as follows: project procurement officer to follow up component 3 while activities under component 1 should be distributed between the project coordinator and the M&E officer.	PMU/Coordinator	Immediate

C. Outputs and outcomes

Component 1: Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers

16. This component aimed at enabling small farmers, rural micro entrepreneurs and fishers, to effectively respond to market signals through targeted business development, marketing and technical

support services as well as establishing links with the market, and to promote innovative technologies and green value chains. The activities are structured around two subcomponents:

- (a) *Public Private Partnership (PPP) and technology development.* The main activities are capacity building of small farmers and fishers in technology adoption, business development and business management, quality improvement of selected products, and identification, trials and promotion of technologies packages of significant importance to the development of the sector.
- (b) *Food security and productivity development.* This will be enhanced through the promotion of home and community gardens on targeted extensive and intensive horticulture crops (green houses and hydroponic), fruits (banana & papaw), and livestock. The project will also enhance productivity at household level through training and other forms of capacity development.

17. Overall, the mission rates the performance of this component as moderately satisfactory, with the first activities visible in the field, being on farm trials of sweet potato and cassava. Although the component is progressing slower than the other project components it did accelerate in respect to 2015, thanks to the project focus on implementation and the fast track of activities, as agreed in the MTR of March this year. It is expected that the financial progress will be at 42% by the end of the year.

18. **PPP and technology development.** The following activities were planned under the 2016 AWPB: (i) identification and assessment of technology packages; (ii) capacity building of small farmers and fishers in the technology adopted, business development and business management, quality improvement of selected products; (iii) training for small farmers and fishers in business development and entrepreneurship; (iv) communication and promotion campaigns; and (v) market study and assessment of value chain actors, capacity of suppliers and preparation of Public Private Partnership (PPP) action plan.

19. Progress is made with the identification and assessment of technology packages with 10 trials concluded and 4 ongoing. Progress in training is limited, due to the challenges CLISSA continues to face in getting enough participants and qualified trainers. Communication and promotion campaigns are moving according to plan and the farmer profitability analysis study and the CLISSA evaluation was completed and shared with the mission. The first phase of the PPP action plan, the assessment of farmer's /fishers production capacity was finalized and the mission provided detailed comments. Both the PPP plan and the project agriculture implementation survey are expected to be finalized by the end of this year.

20. Concerning the capacity strengthening and training of farmer and fishermen associations, CLISSA is currently assessing the capacity of 8 farmer/fishermen organisations, four more than initially identified and planned. It is expected that this assessment will be completed by the second week of December 2016. The mission agrees that based on the result of this first level of assessment, CLISSA will be able to provide support to - SeyFa, FBOA, Praslin Fishermen Association and the Anse Boileau small farmers association - to develop their project concept notes for CLISSA involvement and further support. Phase 2 will commence immediately after the conclusion of the first assessment using preferably the same consultant.

21. The identification and assessment of technology packages is progressing with trials being conducted. The mission noted that four technologies had been identified namely: integrated crop management (ICM), drip irrigation, shade house and farm mechanization. Trials for integrated crop management and drip irrigation are being conducted and the shade house trials are planned for February till May 2017. Although some of the trials under ICM and drip irrigation continue, most trials ended in September 2016. As noted in previous missions the assessment of the economic viability needs to be carried out on the identified technologies and presented to CLISSA, so that larger scale promotion can start. For this purpose SAA has developed a template for the economic evaluation of technologies. *SAA was advised to make it more practical and concise.* The mission reiterates the importance to include in the future trials, the priority crops based on the results of the market study

and the production capability assessment. To facilitate this, a single list of priority crops needs to be produced, taking into account the demand, the farm capability and the financial return. Furthermore, on-farm trials have just started and needs to accelerate to ensure the adoption of approved varieties and technologies from research station to farm level. *The mission recommends having a technology adoption plan including rental service ready as soon as the procurement is finalized.* The farm mechanization procurements like shredder, sprayer and trailer appeared to be malfunctioning or unsuitable all together. This can be largely attributed to insufficient control at the moment of handing over. *To avoid this from happening in future procurements, the Project needs to: (i) carefully check the compliance to the specification at delivery; and (ii) withhold a minimum of 10% of the purchase sum as a guarantee to ensure no defaults or defects arise in the first 6 months after hand-over.*

22. CLISSA reported, that it continues to face challenges in contracting trainers and in encouraging farmers and fishermen to attend trainings. These challenges are very prominent for the fishermen trainings. *It was discussed and agreed to evaluate the current training curriculum to be more attractive and relevant for the farmers and fishermen and if possible to be conducted on location.* The Mission was pleased to see the involvement of the Seychelles Maritime Academy (SMA) in offering practical trainings, like the successful safety at sea training, attended by 80 fishermen. The safety at sea training was successful because: (i) it was relevant for the fishermen since a fishing boat accident had happened just before the training; (ii) adequate publicity was given to the training sessions and, (iii) the training provided incentives in the form of first aid kit and life vest. It was agreed that SMA will be the main partner in delivering the 2017 fishermen training activities. *Both SMA and SIAH will provide a detailed planning before the end of the year. Upon receipt of the plans, CLISSA will advance fifty percent of the cost to confirm and guarantee its implementation. The mission also recommends SIAH to request from the Ministry in charge of Finance the opening of a **Grant In Transit Account** dedicated to operations with CLISSA in order to facilitate disbursements.*

23. *Regarding communication and promotion campaign,* the mobile phone messaging continues and is valued by the recipients. Unfortunately, the service is only provided by Airtel operator, therefore covering an estimated 50% of the target farmers, disadvantaging the ones using other networks. In anticipation of SAA finalizing an agreement with Cable & Wireless mobile operator, the Mission recommends CLISSA to use a simple and ready SMS messaging platform to be able to reach out to all farmers. This messaging platform can be used by both CLISSA and SAA. Moreover the messaging platform should also be used in announcing training activities, well in advance. The promotion campaign has progressed very well, since the MTR, with 8 documentary episodes produced. The overview episode was shared during the mission and suggestions for improvement were made by the team.

24. *Concerning the Public Private Partnerships initiatives,* in fisheries, the project has established a partnership between CLISSA and the Fishermen and Boat Owners Association (FBOA). Part of this partnership is Project support for the upgrading of the FBOA fish centre for artisanal fishers at Providence Fishing Port. Contracting for the works is facing delay because the floor plan was not available to the bidders. The tender was finally launched and resulted in two interested companies able and experienced to do the works required. In view of the narrow market in Seychelles' and the technical complexity of the works, the mission discussed and agreed to go ahead with the evaluation of the two bidding companies provided that: (i) the technical survey for the entire site, which will start on the 28th of November 2016, affirms the technical specifications of the work are sufficient and correct; and (ii) the financial evaluation includes a regional benchmark.

25. No progress was made on the potential support of CLISSA to the FBOA 'Hook and line fisherman' branding initiative for sale of fish produce from about 50 artisanal fishers in Mahe (Providence). In this project CLISSA support could include: promotional campaigns for promoting the relationship/partnership and attracting young people towards getting into fishing activities; capacity building for the FBOA towards training of fishers for certification. It was agreed that the support request and concept (including expansion to fishers from Praslin and La Digue) will be sent by FBOA to CLISSA not later than mid-December, in order to be included in the 2017 AWPB. Assistance in finalizing this project concept note is provided under phase 2 of the association assessment,

mentioned above. The project will also support FBOA in the setting up of a provision store through an initial stock of fishing gear and equipment for artisanal fishers. This initial stock will be used as a revolving fund to buy more equipment. The mission supports the idea of FBOA procuring directly the necessary gear and equipment. *To this end, the MoU with FBOA will be amended after which the funds can be transferred. CLISSA will support FBOA with a short term Technical Assistance for the setting up and administration of the revolving fund.*

26. In agriculture, CLISSA is progressing in establishing market linkages with hotels, with the last meeting held with Hilton in October 2016. The activity is still at initial stage of negotiations as no concrete arrangements have been made with the selected hotel. Demand for fresh produce seems not to be the biggest issue, but how to assure a consistent and reliable supply of any product from CLISSA supported farmers is a real challenge. The initial selected farmer / middleman did not further engage after the October meeting. The mission discussed a way forward and agrees with CLISSA proposal to connect with a large scale farmer, Matombe currently supplying Hilton hotel and interested to include produce from small farmers. It is expected that, building on this existing supply relationship, will be a start in bridging the gap between the supply of small farmers and hotel demand. CLISSA will work intensively with Matombe and select, train, connect and coach the small farmers to supply through Matombe who will be the lead farmer in this out grower arrangement. The mission obtained consent with the key partners to continue in this direction. The next step would be to hold a field visit with Hilton visiting Matombe and a selected number of small farmers to exchange ideas and understand one another's challenges. This visit should preferably coincide with the arrival of the new Chef of the Hilton in the second week of December 2016.

27. The PPP action plan is progressing with the first part, the assessment of farmer/fishers production capacity having been carried out. The result of the assessment was shared with the mission and detailed comments were provided. It was agreed that step 2 of the assignment (technical, logistical and financial support to farmers /fishers) and step 3 (support to farmers/fishers in PPPs) will be undertaken in parallel and is expected to be finalised by the end of December. Moreover, the Mission acknowledges that forging of PPPs will need in its initial stages intensive monitoring and coaching to make it a success. It was agreed to amend the current Technical Assistance ToRs to include this coaching. The first CLISSA Agribusiness Forum was held in May 2016 and was regarded as successful. The Mission recommends to hold two fora each year corresponding to the high and low agricultural season and to document the evaluation of the participants.

Agreed action	Responsibility	Agreed date
6. <i>Review training curriculum, training location and incentives, making them more attractive.</i>	SIAH and SMA	5 December 2016
7. <i>Produce list of priority crops for SAA to include in the trials.</i>	PMU	30 November 2016
8. <i>Present trial results, including evaluation of the economic viability of the identified technologies prior to their promotion at a larger scale as recommended by the missions.</i>	SAA	January 2017
9. <i>Develop a 2017 training calendar for farmers and for fishermen</i>	SMA SIAH	18 November 2016 18 November 2016
10. <i>Request from the Ministry in charge of Finance the opening of a Grant In Transit Account for SIAH dedicated to operations with CLISSA in order to facilitate disbursements.</i>	SIAH with support of PMU	Immediate
11. <i>Extend association assessment with a second phase to develop project concept notes for the First 4 concept notes (SeyFa, FBOA, Praslin Fishermen Association and the Anse Boileau small farmers</i>	PMU	31 January 2017

Agreed action	Responsibility	Agreed date
association).		
12. Finalize FBOA Fish Centre tender	FBOA	5 December 2016
13. Amend CLISSA – FBOA MoU and transfer funds for fishing gear	PMU	10 December 2016
14. Assist FBOA with revolving fund Technical Assistance	PMU	10 December 2016
15. Finalize PPP action plan and adjust the TORs	PMU	10 December 2016
16. Finalize Agriculture project implementation Survey	PMU	31 December 2016
17. Continue with on-going collaboration with Hilton to establish PPP arrangement : plan and host field visit at lead farmer	PMU	15 December 2016

28. **Food security and productivity development.** The planned activities for the period under review include: (i) restocking of SAA requisite stores is completed and the store software is currently being tested and will be rolled out to the 5 stores; (ii) promotion and demonstration of backyard farmers and small scale commercial farmers is progressing according to plan.

29. The mission noted that the training of backyard farmers and small scale commercial farmers in agricultural and modern farming techniques is progressing and is well received by the participants. It is expected that by the end of this year more than 200 farmers will be trained, surpassing the 2016 target. The mission noted that some backyard farmers are selling their excess produce back to lead farmers from whom they bought the seedlings. This commercial relationship needs to be taken into consideration for scaling up by CLISSA and could be a good example to include in the training material. Little progress was made in the area of livestock demonstration, partly due to human resource constraints in SAA. With a new livestock officer on board it is expected that these activities will start before the end of this year.

Component 2: Improving Access to Agricultural and Rural Finance

30. The objective of this component is to provide the financial services required for transforming the ailing agricultural sector and removing access constraints for smaller farmers, producers, fishers and rural micro entrepreneurs to finance.

31. The activities are structured around two subcomponents:

- (a) *Sub-component 2.1 – refinancing fund.* This was to introduce a line of credit to provide refinancing to agricultural, fisheries and rural micro enterprise. This sub-component was to be implemented with two banks with a strategic view on agricultural revival and adequate experience in rural development financing.
- (b) *Sub-component 2.2 – complementary support to participating banks.* Through activities under this subcomponent, the necessary training and management development support will be provided in order to make the agricultural revival a viable proposition for banks in the Seychelles.

32. In October 2015, the Ministry of Fisheries and Agriculture of Seychelles wrote to IFAD to consider the possibility of cancelling Component 2 of CLISSA project – Improving Access to Agricultural and Rural Finance - and reallocating the funds to the other two technical components since CLISSA credit facility (SDR 594,000) could not be disbursed due to the availability of cheaper and subsidized credit options supported by Seychelles government.

33. On the basis of the above request, a follow up mission was conducted in Seychelles from 23 to 28 November 2015 to discuss with the Government authorities and partners involved, the major issues affecting the implementation of CLISSA credit facility scheme and assess the possible risk of the Government of Seychelles proposal on CLISSA overall goal and objectives. The follow up mission

concluded that CLISSA line of credit is not justified in the current context of Seychelles financial sector which is characterized by subsidized credit options accessible by small scaled farmers and fishers. The mission recommended that the resources tied down in the non-disbursing line of credit be reallocated to more disbursing activities such as infrastructure and capacity development.

34. The mid-term review mission carried out in March 2016 concluded that the cancellation of CLISSA credit line will not jeopardize CLISSA results and objectives. On this basis IFAD management approved the reallocation of funds as proposed by the MTR mission. However, the non-lending rural finance activities - capacity building to support the banks to design cash flow based financial products and financial education of small scale farmers and artisanal fishers - will now be carried out under component 1 and component 3.

Component 3: Strategic capacity strengthening and infrastructure

35. The objective of this component is to: (i) provide the necessary and complementary public goods that will enable the implementation of component 1; and (ii) prepare the exit strategy of the project in terms of institutional continuity. The strategy is to strengthen public sector institutions and build infrastructure for delivering the required public goods and meet the requirements of promoted agricultural and fishing activities. The main activities include: (i) strategic capacity strengthening of relevant institutions through human resource capacity building, equipment and small infrastructure; and (ii) financing public rural infrastructure.

36. **Strategic capacity of selected public sector institutions strengthened.** During the period under review, the following priority activities were planned: (i) training of PMU staff; (ii) provision of a GIS server to SAA; (iii) support to setting up a fish auction centre and a cold storage facility; (iv) conduct an audit of farmers organizations; (v) organize a workshop for bank managers; (vi) support SMA with a laboratory, a training shed and a store room; (vii) strengthen research stations; and (viii) support SIAH and SeyFA.

37. The overall progress of this sub-component is rated as moderately unsatisfactory. The delivery of training, equipment and small infrastructure continues to incur delays, for an important part attributable to the limited responsiveness of project implementing partners. There are however good prospects for accelerated implementation over the coming months, as various training events are scheduled for November, the audit of farmer organizations is about to start, the SMA laboratory works are nearly completed and requests for quotations for various equipment have been sent out.

38. A GIS server has been procured and installed, and training of SAA and PMU staff is scheduled for November 2016. While PMU staff may be trained to achieve a basic understanding of the GIS software and potentially elementary geo-referenced monitoring of project impact, it is important that significant on-the-job training is provided to SAA staff who need to use GIS to study and design investments. Such higher-complexity tasks may require further, dedicated technical assistance, which the project can continue to support in 2017. Collaboration with the Ministry of Environment, who has an experienced cadre of GIS professionals, may be sought.

39. Further capacity building of SAA on the topics of irrigation management, as recommended by the MTR, has not materialized. *It is agreed that this training will be included in the 2017 AWPB, focusing on irrigation water distribution and sustainable financial management of irrigation assets including water price setting, payment and monitoring techniques and reducing non-revenue water.*

40. **Public and collective rural infrastructure.** During the period under review the following activities were planned: (i) construct the road segment at Helvetia, a reservoir at Cap Samy and two requisite stores; (ii) design two more road segments; and (iii) design the upgrading of irrigation schemes.

41. The *overall* progress of this sub-component is assessed as satisfactory. While achievement of physical outputs is substantial and infrastructure development is on track to be completed in 2017, there is a need to improve the strategic elements of investing in infrastructure as noted in the MTR:

prioritizing value for money, synergies with other project activities, and long-term financial viability of maintaining assets.

42. The mission has visited the site of ongoing road construction at Helvetia – Mahe. Construction of the road is 35% completed and the mission noted the significant amounts of co-financing contributed by one of the beneficiaries. At the same time, the road is being constructed to specifications beyond those necessary for purely agricultural logistics, which is one of the reasons the unit cost per kilometre is high. Currently a limited number of farmers are accessing the road, but future improvements in impact are expected as the road will open up new possibilities for farmers who have already been assigned plots along the road. The contract for the engineering designs of two more road segments, one at Val d'Andor and one at La Gogue, has been awarded. *It is agreed that the PMU will ensure that these road designs will adhere to the standards determined in the MTR, and that the established cost ceiling of USD 40,000/km based on international experience and evaluation made during MTR will be maintained. Works tender documents exceeding this limit will not receive no-objection from IFAD.*

43. The tender for the design and supervision of the upgrading of irrigation schemes has been advertised as one package with several lots, as recommended by the MTR. The design should be completed by February 2017, which would allow works to start by May 2107 after procurement of the contractor. In this timeline, works will be completed by October 2017. It is important that the consultant proposes several alternatives based on an elementary cost-benefit analysis, comparing different alternatives in terms of water storage, upgrading of the network and scenarios for crop water demand. The consultant should also provide an estimate of the maintenance costs for each of the different alternatives, enabling the SAA to move to a more strategic management of their irrigation assets and providing a foundation for the eventual setting of volume-based water tariffs as opposed to the current flat fee model. Farmers consulted during the site visit also confirmed their interest in a pay-per-use model for water.

44. The rehabilitation and reconstruction of requisite stores is underway, with one store at Union Vale completed and another store at Grand Anse to be completed by December 2016. The project is also supporting the installation of a pipeline at La Gogue, which is however not supported by documentation of technical feasibility or expected impact. Recalling the MTR recommendation to carry out cost-benefit analysis of investments and to cluster investments in three districts, *it is agreed that the PMU will, even for small investments, ensure that basic supporting documents are developed.* Furthermore, it is noted that the PMU does not have copies of all the legal requirements for infrastructure development such as Environmental Authorizations as they may have been sent only to the consulting engineer. *It is agreed that, both in the future and retroactively for past investments, the PMU will keep a register with copies of all documentation legally required for infrastructure development.*

Agreed action	Responsibility	Agreed date
18. Include water management training for SAA in AWPB 2017	PMU	November 2016
19. Ensure road engineering designs do not exceed USD 40.000/km	PMU	Before submission of NO request
20. Maintain register of all legally required documentation for construction activities, both new and completed, and develop basic supporting documents for small investments	PMU	Immediate for completed investments; and ongoing

D. CLISSA Project implementation progress

Project management

45. **Technical Working group.** Meetings were held in the period after the MTR, four for agriculture and two for fisheries, responding to the agreed action of the MTR. The TWG have discussed and approved the activities to be done in the remainder of the year and from the meeting minutes the mission is pleased to see the TWG are functioning and serious. *The mission suggests for the next TWG meeting agenda to include validation of the list of key crops based on market survey to be included in the trials.*

46. **Steering committee.** The mission noted a steering committee meeting was organized in April 2016 to approve the revised AWPB prepared after the MTR. The mission learnt some institutional members of the steering committee do not always attend the meeting. *The mission draws the attention of the MAF on this situation and recommends their replacement by interested and more active partners.*

47. **Performance of CLISSA implementing partners.** The key implementing partners and their subsequent institutions are SAA with SIAH, SFA and SMA. The mission has not identified major capacity gaps hindering the implementation performance. However, in certain areas there is a resource constraint within SAA and SFA. To address this, the mission agrees for the implementing partners to outsource directly with CLISSA support. Another area for improvement is the involvement of the implementing partners into the Project planning.

48. **Project staff performance.** Staff performances are evaluated on annual basis by the MFA. The mission noted staff capacity in managing the project activities has significantly improved particularly in project planning and preparation of technical documents. *However, as indicated in Para. 15 above, the PMU need to balance its work load distribution among its staff in order to improve the efficiency and accountability in results.*

49. **Staff remuneration.** The mission noted that the salary levels of the privately recruited staffs were not adjusted as recommended by the MTR. The mission discussed this matter with Representative of the Ministry in charge of finance and the MAF. The Ministry in charge of finance indicated that CLISSA financing being a loan, all salaries and DSA rates should be aligned to the government scale. The mission team and the Ministry of Agriculture and Fisheries were however not in agreement with this because staffs under private contract for one year (although renewable) do not have other benefits such as paid leave, separation package and retirement benefits. On this basis, the mission reiterates the MTR recommendation that the salary level and DSA rates applicable during duty travel under CLISSA should be re-examined to match with the rates applied for other privately recruited PMU staffs working under the National Implementation Modalities (NIM) for similar donors funded project such as UNDP. *The Ministry in charge of finance agreed to re-examine this matter and make proposals in collaboration with the MFA for IFAD consideration and no objection, taking into consideration performance criteria.*

Monitoring and Evaluation

50. As already noted by the previous supervision mission report (April 2015) and the MTR (February 2016), the M&E system has significantly improved since the new M&E Officer has entered into service in January 2015. At that time, the monitoring and evaluation system was not yet in place and only one baseline study had been carried out, the *Impact survey assessment of small scale commercial farmers and backyard gardeners*. The *Baseline survey for artisanal fishers on Mahé, Praslin and La Digue* was finalized in June 2015. Different types of templates/forms were developed by the M&E for tracking and reporting purposes by implementing agencies, partners and consultants giving trainings to Project beneficiaries, as well as evaluation forms for reviewing the quality of the trainings delivered.

51. In terms of reporting requirements, the M&E regularly prepare and deliver quarterly reports for the MFA, half-year reports for IFAD, and contribute to the preparation of the annual Project Status

Report. So far, no impact assessments have been carried out. *The mission recommends that evidence-based assessments and relevant case studies should be included in the 2017 AWPB.*

52. The MTR mission highlighted the fact that indicators were not disaggregated by gender. Actually, gender sensitive indicators should have been included in the logical framework during the project design phase, while neither of the two log frames (the original one and the revised one) includes those indicators. It should be noted that the current M&E system is actually keeping records of gender-disaggregated output data, even if the gender-disaggregated analysis is still to come. The MTR mission also reported that there was no reporting on outcomes. With regard to that, it should be first of all recalled that the project implementation schedule has suffered from general delays in execution of activities which has also affected the realization of expected outcomes. For this reason, even if the desired behavioural change in project's beneficiaries can't be identified at this stage, this doesn't mean that it is not possible to assess and report on immediate and intermediate outcomes directly linked to the activities that the project has already carried out. Most likely these types of outcomes have simply not yet been captured at monitoring level.

53. For example, an evaluation of CLISSA progress has been commissioned by the PMU to an external consultant and has been finalized in June 2016. The evaluation has been based on surveys of samples of about 10% of targeted beneficiaries and has focused on the perceived results of the various activities implemented by the project, in particular infrastructural developments and training. Many results of this evaluation already pertain to the project outcome category and can be therefore considered as a first level of outcome reporting.

54. *The mission reiterate the need to insert gender disaggregation in the log frame as a requirement of the Financing Agreement.*

55. *In order to continue to support the M&E system in pursuing this goal, the mission recommends to identify a national consultant contracted on a retained basis to carry out focused surveys on a sample basis at regular intervals on backyard gardeners, small-farmers and fishers, to capture this intermediate-level outcomes. The tools to be used could vary from direct observations, interviews, small focus groups, self-completion tools. The same consultant could also be employed to develop specific indicators to capture and track specific gender-related outcomes.*

56. The technical support and backstopping for the M&E Officer that had been recommended by supervision mission of April 2015 has not been provided. However, an online course in Monitoring and Evaluation provided by PM4DEV (Project Management for Development Organizations³) has been attended by the M&E Officer.

Targeting

57. According to the MTR recommendations, project targeting has been revised to consider 40% of the original beneficiaries population for each target group, and therefore: 261 market oriented small farmers; 532 artisanal fishers and 3200 backyard gardeners. The AWPB for the second half of 2016 has been updated accordingly. Considering that female farmers represent 17% of the total farmers (*Seychelles Census of Agriculture 2011*), CLISSA will target 15% of females for the agricultural activities, 60% of female backyard gardeners and 5% of female fishers.

Gender

58. The M&E Officer is also the CLISSA gender focal point. In this function, she had been requested by the supervision mission of April 2015 to prepare a note on gender-specific issues emerging from the baseline study. The note has been actually prepared and entails the collection and analysis of gender and age disaggregated data and results.

59. With regard to women's attendance rate in trainings, the MTR had recommended that their level of participation would be increased. Even if no specific strategy has been put in place so far for

³ PM4DEV is a company created in 2005 with the goal to provide project management consulting services to international development organizations.

encouraging women and youth participation in project implementation activities, the database of beneficiaries trained (which includes data disaggregated by the type of training and the gender of beneficiaries) shows a total of 819 beneficiaries trained, out of which 352 are women (43%). This percentage can be considered quite satisfactory, considering also the low percentage of women employed in agriculture in Seychelles (17%), but there is still room for improvement. In this respect, the M&E Officer has already envisaged some training specifically tailored to the needs of women farmers, like post-harvest handling of crop and processing techniques, as well as agricultural infrastructures management. CLISSA outreach to young people has not been tracked so far. *The mission recommends taking action in this respect starting from the end of this year.*

60. The MTR had made a similar recommendation with regard to women's participation in CLISSA Technical Working Groups, which appears to be quite low. As of October 2016, the TWG on Agriculture has 2 women members out of 12 (16%), while the TWG on Fisheries has 4 women members out of 14 (28%).

61. *The mission recommends advocating with SAA and SFA for enhancing participation of their women staff members in those groups.*

62. It should be noted that no trainings have been conducted so far for enhancing SAA and SFA gender awareness and sensitivity, as envisaged in the gender note.

Knowledge Management

63. According to the project design document, a communication unit should have been strengthened at the level of the MFA in order to enhance visibility of CLISSA and its knowledge management activities. A communication officer in charge of supporting the project in implementing this work stream was not available. In order to proceed with the communication activities already planned, the project has outsourced the realization of eight (8) videos of about 26 minutes each to a producer. The storyline has been conceived by the PMU. The aim of the videos is to promote and disseminate CLISSA goal, mission, activities and results within the Seychellois audience. At the moment of the supervision mission, the producer was finalizing the videos by grouping them by thematic areas. The realization and future broadcasting of those videos, which are of high quality for both the content and the layout, can certainly be considered a significant achievement made in CLISSA knowledge management work stream.

64. In addition to that, it is worth mentioning that the project has produced two sets of pamphlets for SAA Research and Livestock section as follows: 4 types of pamphlets (100 for each type for a total of 400 copies) printed and distributed at the National agricultural Show in June 2016, and 6 types of pamphlets (50 for each type for a total of 300 copies) printed and distributed for the Food Week in October 2016.

65. With regard to the recommendation made by the MTR to mobilize a communication specialist to capture the knowledge generated in the PPPP initiative for dissemination and scaling up, the present mission, in consultation with the PMU and the value chain specialist, proposed to update the TOR already approved for the "*Assessment of farmers/fishers livestock/crop/fish production capacity and preparation of production plan to meet the targeted market demand*", by adding knowledge management and learning activities to be put in place at every stage of the partnership building process. The related *Action Plan for support to small farmers, rural micro entrepreneurs and fishers, to develop structured market links with buyers*, currently articulated in three main steps, will be revised and updated by the PMU and the consultant accordingly. This decision is justified by the opportunity to maximize the experience already gained by the consultant engaged in the PPPP process from its beginning. Given the fact that a PPP is also made through a process that involves building trust and confidence among the different actors, the decision to assign the task of capturing lessons out of this pilot approach to an external person could expose CLISSA to the risk of losing important pieces of the knowledge already gained and generated. The tools for ensuring that best practices and lessons are captured and disseminated at the right moment and in the most effective way is provided through a *Knowledge Management Toolkit* attached to this supervision mission Report.

66. Finally, it should be noted that some lack of clarity about the respective roles and responsibilities of the MFA and the implementing partners and the relationship between MAF and CLISSA has emerged during some interviews in the field. *The mission recommends the PMU a continued and enhanced effort in ensuring that project beneficiaries clearly understand that CLISSA is a tool at MFA disposal to be used for enhancing the effectiveness of SAA and SFA service delivery.*

Agreed action	Responsibility	Agreed date
21. <i>Include in the next TWG meeting agenda, the validation of the list of key crops to undergo trials based on market survey.</i>	PMU	15 December 2016
22. <i>MFA to take action for replacement of non-active steering committee members.</i>	MFA	Immediate
23. <i>Re-examine the salary level of CLISSA privately recruited staffs and make proposals in collaboration with the MFA for IFAD consideration and no objection taking into consideration performance criteria.</i>	Ministry in charge with follow up by MFA	Immediate
24. <i>Include in the 2017 AWPB, evidence-based assessments and relevant case studies to capture the project impact.</i>	M&E with follow of by Coordinator	15 December 2016
25. <i>Insert gender disaggregation in the log frame as a requirement of the Financing Agreement</i>	M&E with follow of by Coordinator	Immediate
26. <i>Recruit a national consultant on a retained basis to carry out focused surveys on a sample at regular intervals on backyard gardeners, small-farmers and fishers, to capture these intermediate-level outcomes.</i>	M&E with follow of by Coordinator	31 January 2016
27. <i>Ensure farmers training programme include some trainings specifically tailored to the needs of women farmers and advocate with SAA and SFA for enhancing participation of their women staff members in the TWG</i>	M&E with follow of by Coordinator	Immediate
28. <i>Update the TOR already approved for the “Assessment of farmers/fishers livestock/crop/fish production capacity and production plan to meet the targeted market demand” by adding knowledge management and learning activities.</i>	PMU	Immediate

E. Fiduciary aspects

67. **Financial management.** The mission rates the overall financial management function of the Project as satisfactory. All recommendations of last MTR mission and 2015 supervision mission have been implemented: the tracking system have been maintained to monitor payment; the project has implemented the Visual Accounting Mate (VAM) accounting software; the accountant has access to information for reconciliations of the VAM accounting system; Procurement and contract management have been strengthened by the use of tools recommended (Guarantees, contract register and procurement monitoring forms) and the procurement specialist has attended training related to IFAD procurement guidelines, manual and best practices. However, some improvements are needed to fully meet IFAD requirements such as the integration of AWPB directly into the system; the production of key reports automatically for budget execution and for withdrawal application. The project prepared an asset register, coded the assets, and prepared an asset schedule for inclusion into the end of year financial statements. Financial management function remains as data record and control instead of being as a management tool to follow up the activities implementation and to make decisions.

Periodical situations (Monthly, quarterly basis) have to be established by the accountant from the financial management system to help the PMU to address the relevant actions to achieve AWPB objectives.

68. Accounting/Financial management Software. The project uses the “cash basis” accounting method which recognizes revenues and expenses at the time physical cash is actually received or paid out. The Programme uses VAM accounting software to keep the data and EXCEL spread sheets to produce financial information. The historical financial data from the beginning of the programme is being captured into the VAM system. The PMU is proficient in the use of the system, and it has a clear audit trail to the supporting documents in the form of payment vouchers. PMU staffs are able to track and report on flexible reporting cycles, such as actual expenditure by category/component/activity/financier. However, The Programme will need support from an IT Specialist or a VAM specialist to expand and update the software to use the customized report columns and rows to produce professional reports that suit stakeholder requirements such as compared with the budget allocations, IFAD standard reports, Smart SOEs, progress reports, and the preparation of the WAs.

69. IFAD loan disbursement. As of, 27th October 2016, the disbursement rate under IFAD Loan stands at 35.79% including the initial deposit of USD 400.000. The disbursement per Category are as follow: (i) Category I “Civil works and infrastructure” stands at 31.74%; (ii) Category II “Vehicles⁴ and equipments” stands at 0.03%; (iii) Category III “Technical assistance and Training” stands at 24.40%; (iv) Category IV “Recurrent cost salaries and allowances” stands at 54.30%; (v) Category V “Recurrent cost operation and maintenance” stands at 23.03%. The disbursement is rated unsatisfactory.

70. Counterpart funds. Government of Seychelles counterpart funding so far released amounts to USD 126 100 representing about 45% of the commitment at initial design. These include the cost for the PMU Staff, recurrent cost and foregone taxes. Other cost such as the office premises and utilities provided by the government are still to be evaluated. The Government counterpart funds are rated satisfactory.

71. Execution of the AWPB 2016: As of, 27th October 2016, the overall financial execution of the AWPB 2016 stands at 21%. The overall financial execution of the AWPB including commitments up to December 2016 stands at 53% (USD 815 040 out of a budget of USD 1.533 million). This performance is rated moderately unsatisfactory. For each component, the financial execution rate is as follows: 42% for component 1: Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers, 63% for component 3: Strategic capacity strengthening and infrastructure, and 39% for component 4: Project Management.

72. Statement of Expenditures review. The mission reviewed 80% of SOEs under the WA N°5,6 and 7 and confirms that expenditures are properly supported and are eligible for IFAD, in accordance with respective legal agreements.

73. Reconciliation of the Designated Account. As of 27th October 2016, CLISSA's bank statement reconciliation was presented in the table below: The reconciliation of the designated account was done correctly at 31st October 2016.

No.	Description	Value (USD)
a	Authorized Allocation	400 000,00
b	Balance in the Designated Account	154 965,69
c	Expenditures yet to be claimed	233 047,17
d	Total (b + c)	388 012,86

⁴ At the beginning of the project the Ministry in charge of Agriculture indicated that there was need to purchase a new vehicle as the Ministry would make available the same to the PMU and that the funds for this should be put into the project for more direct benefit of the beneficiaries.

e	Differences (a – d) = (f + g)	11 987,14
f	Pre-financed VAT to be refunded by Counterpart	-11 738,42
g	Bank commission/charges on overseas swift transfer to be refunded by GoS counterpart fund	-248,72
h	Un-reconciled balance	0,00

74. During the 2015 supervision mission, it was agreed with the Ministry of Finance that the pre-financed VAT to be refunded in the loans account by the counterpart of USD 11 738.42 will be done on a quarterly basis or when the ceiling of USD 10,000 is reached. On this basis, the VAT refund has to be done at least at the end of this year.

75. **Withdrawal Applications.** Since the start of the programme 7 Withdrawal applications were processed to the designated account for a total amount of USD 1 025 424.92 including the initial advances of USD 400 000. The eighth WA is under preparation and will be submitted to IFAD, by mid November 2016. In 2016, three WA for replenishment was sent by the PMU. The rhythm of sending WA is acceptable. However, for better cash flow management, the mission recommends presenting WA whenever the thresholds indicated in the letter to the borrower has reached 30% of the initial deposit or three months of activities.

76. **Internal control/Internal audit.** Since 2015, the Internal Audit was held by an independent firm. Recommendations were addressed to the PMU and were fully implemented before the audit of financial year 2015. The mission noted an acceptable level of internal audit. The mission recommends to the PMU to continue the current modalities of internal audit and request the internal auditor to *submit annual reports*. The programme should monitor the status of recommendations made by the internal auditor.

77. **Compliance with loan covenants.** The mission notes that there is no contravention with respect to compliance with the financing agreement covenants. The status of compliance with key covenants is provided in appendix 4.

78. **Procurement.** Procurement planning for 2016 is in line with the Annual Work Plan and Budget for 2016 and Project has been reporting of actual progress against the Procurement Plan. The compliance with procurement is rated moderately unsatisfactory due notably to the delays within the procurement process. On the basis of the procurement plan, Project has expected to procure the following items: 10 items for about 245 387 USD as procurement of goods, 8 items for about 426 188 USD as procurement of works: 25 items for about 333 597 USD as procurement of consultancy.

79. The mission noted that the procurement function remains a major area of concern for effective implementation of the Project. To date, 20% of the 2016 procurement plan is contracted. 35% of the procurement plan is in progress, and finally 46% are not yet started. The mission noted however that delay in the initiation of the procurement process is still important. There are a number of areas in the development of statements of requirements and specifications that cause problem during tendering and which can cause tendering to be cancelled, delayed or restarted. Most commonly these are: delays on the preparation of technical specifications, lack of competitors so absence of competition, Unavailability of local candidates due to the context. These delays affect the effective implementation of activities. The mission recommends the PMU to engage the preparation of procurement document far in advance to avoid delays in implementation, given the time needed for procurement. The mission also recommends the project to update the procurement plan and the contract register and to use the Contract monitoring form (CMF) for a monthly follow up within the PMU.

80. **Contract management.** The contracts register is updated. A contract register is available and 30 contracts have been signed in 2016. Contracts have individual files with supporting documentation.

Procurement procedures are in line with IFAD Guidelines and the Seychelles Procurement act of 2008.

81. **Audit.** The audit exercise of the project books for the 2015 financial year was made by the office of the Auditor General. Audit report for financial year ended on 31st December 2015 has been received by IFAD on time and adhered to applicable guidelines and standards. The result of the Audit was unqualified opinion. Internal control system recommendations were raised as: Calculation errors in two invoices that have been regularized, Non-performance of periodical verification of asset. The Project should monitor the status of recommendations made by the auditor.

Agreed action	Responsibility	Agreed date
29. <i>Integrate directly into the VAM software the budget figures</i>	Accountant	Immediate
30. <i>Produce key reports automatically with the WAM Accounting software</i>	Accountant, ICT of the Ministry of Finances	31 December 2016
31. <i>Submit WA whenever the thresholds indicated in the letter to the borrower has reached 30% of the initial deposit or three months of activities.</i>	Accountant, PMU	Continuously
32. <i>Engage the preparation of procurement document far in advance to avoid delays in implementation</i>	Procurement Officer	Continuously
33. <i>Update the procurement plan and the contract register and use the Contract monitoring form (CMF) for monthly follow up</i>	Procurement Officer, PMU	Monthly

F. Sustainability

82. As indicated in the MTR, CLISSA is fully embedded in the MAF with its main implementing partners (SAA and SFA) being government institution who have the mandate of providing technical support and the investments needed for farmers to carry out their activities in the agriculture and fisheries sector, its exit strategy is already ensured through its institutional set up.

83. The sustainability of infrastructure developments is satisfactory from a technical point of view, with all construction adhering to environmental standards and being designed to be climate resilient. For the irrigation infrastructure, *SAA in collaboration with the Ministry in charge of finance will need to develop a strategy to also guarantee their financial sustainability, i.e. collecting and availing the necessary funds to carry out preventive maintenance and avoid system failure.* This is however beyond the scope of the current project, and will be taken up in the design of the next project.

G. Other

84. **Possible collaborations/synergies.** Collaboration with the GIS section at the Ministry in charge of Environment will be beneficial for the SAA, to share data such as watershed characteristics and farmland registers, and to receive on the job training in the practical use of GIS systems. The Project is encouraged to facilitate these linkages.

85. **Climate change.** The activities supported by CLISSA contribute to building capacity to adapt to climate change, specifically by supporting the trials of new varieties and agronomic practices, and by supporting water-efficient irrigation systems. Increasing local production and reducing imports furthermore reduces the carbon footprint of food consumption. Engineering designs are found to be adequate to resist potential future increases in heavy rainfall events.

H. Conclusion

86. CLISSA project is now at its full deployment phase. There is need to densify the planning of activities in the field in order to catch up the delay encountered at the beginning of the project. A

proper distribution of workload among the project staff and proactivity to mobilize the project implementing partners in the field are required as key for success.

87. The mission agreed that the next supervision mission is scheduled for May2017.

88. IFAD and the Government of Seychelles endorse the findings of the supervision mission.

Appendix 1: Summary of project status and ratings

Basic Facts

Country	Seychelles	Project ID	1560 [1100001560]	Loan/DSF/Grant/AS AP FI No.	200000006 1
Project	Competitive Local Innovations for Small-scale Agriculture Project			Top-up Loan/DSF/Grant/AS AP FI No.	
Date of Update	05 Nov. 2016				
Supervising Inst.	IFAD				
No. of Supervisions	4	No. of Implementation Support/Follow-up missions	3		
Mid-Term review	11 March 2016	Last Implementation Support/Follow-up mission	30-Nov-2015		
Last Supervision	05 Nov 2016				

USD million Disb. rate %

Approval	07-Apr-2013			Total financing	3.74	
Agreement	22-May-2013	Effectiveness lag	7.4	IFAD Total	3.00	
Entry into force	14-Nov-2013	PAR value	-----	IFAD loan	3.00	35.79
First disbursement	07-Feb-2014			DSF grant		
MTR	12-Mar-2016	Last amendment		IFAD grant		
Original completion	31-Dec-2018	Last audit	27-Jun-2016	ASAP grant	0.00	0
Current completion	31-Dec-2018			Domestic Total	0.74	
Current closing	30-Jun-2019			Beneficiaries	0.09	/
No. of extensions	0			National Govern	0.28	45
				Other Domestic	0.25	0
				Local private	0.12	0
				External Co-financing Total		

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	4	4	1. Quality of project management	4	4
2. Acceptable disbursement rate	3	3	2. Performance of M&E	4	4
3. Counterpart funds	5	5	3. Coherence between AWPB & implementation	3	3
4. Compliance with financing covenants	6	6	4. Gender focus	4	4
5. Compliance with procurement	4	3	5. Poverty focus	4	4
6. Quality and timeliness of audits	3	4	6. Effectiveness of targeting approach	4	5
			7. Innovation and learning	4	4
			8. Climate and environment focus	4	4
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Enhancing business arrangements through capacity d	3	4	1. Institution building (organizations, etc.)	4	4
2. Improving Access to Agricultural and Rural Finance	4	4	2. Empowerment	4	4
3. Strategic Capacity Strengthening and Infrastructure	4	5	3. Quality of beneficiary participation	4	4

4. Responsiveness of service providers	4	4
5. Exit strategy (readiness and quality)	4	4
6. Potential for scaling up and replication	4	4

B.5 Justification of ratings

For component 1, activities related to the identification and assessment of technology packages and communication and promotion campaigns are on-going. Along with the scheduled activities related to market study, capacity assessment of suppliers and the Public Private Partnership (PPP) action plan is progressing. All the related studies and surveys are expected to be finalized by the end of this year. However, progress in training and capacity building is limited, due to the challenges CLISSA continues to face in getting enough participants and qualified trainers. In order to fast track implementation, of training activities, the Mission recommends that SAA and SFA request a letter from MFA to allow them to provide incentives for their staff conducting training under CLISSA. **Concerning component 2**, the recommendation of the MTR mission to reallocate the funds tied down in the non-disbursing line of credit of SDR 594,000 to strengthen activities under Sub-Component 3.2 - Public and collective rural infrastructure has been approved by IFAD. The non-lending rural finance activities (support to design of cash flow based financial products for the Banks and financial education of small scale farmers and artisanal fishers) are now planned under component 1 and component 3. Although with some delay due to procurement readiness, **Component 3** is performing fully. Good progress is being made in terms of infrastructure development (sub-component 3.2), and the finalization of works by the end of 2017 is feasible. For future works, due consideration should be given to getting value for money, building synergies with other project activities, and securing long-term financial viability of maintaining assets. Capacity building (sub-component 3.1) is however still significantly lagging behind schedule because of weak capacities of farmers and fishers associations to develop and submit their project to CLISSA. An increased cooperation of implementing partners is required to achieve the targets set.

Overall Assessment and Risk Profile

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

Rationale for implementation progress rating

For component 1, Significant progress is made with the identification and assessment of technology packages (10 trials concluded and 4 ongoing). Training activities are still limited, due to the challenges CLISSA continues to face in getting enough participants and qualified trainers. Seychelles Maritime Academy (SMA) however offered very successful and practical trainings for fishermen, in the area of safety at sea. This was attended by 80 fishers. Communication and promotion campaigns are moving according to plan. Farmer profitability analysis study and CLISSA evaluation of farmers were completed. The first phase of the PPP action plan, the assessment of farmer's /fishers production capacity was finalized. Both the PPP plan and the project agriculture implementation survey are expected to be finalized by the end of this year. **For component 2**, the reallocation of the funds from the line of credit budget to activities such as small irrigation systems under sub component 3.2: Public and collective infrastructure was approved by IFAD. The non-lending rural finance activities are being developed to reinforce capacity building support related to access to finance both on the supply side for the banks (under component 3) and on the demand side for the target groups (under component1). **For component 3**, the delivery of training, equipment and small infrastructure continues to incur delays. This is attributable to the limited responsiveness of project implementing partners. The achievements of physical outputs on infrastructure development is on track and will be completed in 2017 (on-going road construction at Helvetia); The tender for the design and supervision of the upgrading of irrigation schemes has been advertised as one package with several lots and the rehabilitation and reconstruction of requisite stores is underway, with one store at Union Vale completed and another store at Grand Anse to be completed by December 2016.

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

The demand for fresh produce seems not to be the biggest issue, but how to assure a consistent and reliable supply of any product from CLISSA supported farmers is a real challenge. Although still at initial stage of negotiations, CLISSA is progressing in establishing market linkages with hotels, with the last meeting held with Hilton in October 2016. Training of backyard farmers and small scale commercial farmers in agricultural and modern farming techniques is progressing and is well received by the participants.

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

Fiduciary aspects	<p>Most of the recommendations of last MTR mission and 2015 supervision mission have been implemented: the tracking system have been maintained to monitor payment; the project has implemented the Visual Accounting Mate (VAM) accounting software; the accountant has access to information for reconciliations of the VAM accounting system; Procurement and contract management have been strengthened by the use of tools recommended (Guarantees, contract register and procurement monitoring forms) and the procurement specialist has attended training related to IFAD procurement guidelines, manual and best practices. However, some improvements are needed to fully meet IFAD requirements such as the integration of AWPB directly into the system; the production of key reports automatically for budget execution and for withdrawal application.</p> <p>The project is still facing delays in carrying out procurement process. The procurement specialist has attended a training organized by IFAD. It is expected that the knowledge gained will be put in practice and will contribute to improve his efficiency.</p>
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Project implementation progress	Activities under component 1 and 3 are now fully engaged. The training plan for 2017 will fully make use of other institutional partners such as the Seychelles Maritime Academy and the Seychelles Institute for Agriculture and Horticulture. New modalities for training focussed on practice and with limited duration will contribute to raise the number of interested participants. Investments on small scheme irrigation system are fully engaged based on the MTR plan.
Outputs and outcomes	With the ongoing work on organizing farmers into cluster, more efficient and tailored technical and financial support will be provided to increase their production and develop market relationship with buyers. Planned technical supports to farmers will include the following: agribusiness and post-harvest management, livestock production technologies and farm management, irrigation and Intensive Crop Management, water Supply Management, farmer's organizations and marketing.
Sustainability	CLISSA is fully embedded in the MAF with its main implementing partners (SAA and SFA) being government institution who have the mandate of providing technical support and the investments needed for farmers to carry out their activities in the agriculture and fisheries sector, its exit strategy is already ensured through its institutional set up. However, CLISSA needs to ensure that the implementing partners develop their capacity to conduct and supervise the activities, in the absence of a strong agricultural technical service provider network in the Seychelles context.
Project Management / Steering committee	Staff capacity in managing the project activities has significantly improved particularly in project planning and preparation of technical documents. However, the PMU need to balance its work load distribution among its staff in order to improve the efficiency and accountability in results. Steering committee meetings are now held as planned. However, some institutional members do not always attend the meetings. The mission draws the attention of the MAF on this situation and recommends their replacement by interested and more active partners.

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
Weak capacity of farmers/fishers association.	Extend the assessment of farmers/fisher association with a technical support to clarify and develop their project in order to guide further CLISSA support to these organizations (SeyFa, FBOA, Praslin Fishermen Association and the Anse Boileau small farmers association).	January 2016	engaged
Assessment of the project outcomes and impact	Include in the 2017 AWPB, evidence-based assessments and relevant case studies to capture the project impact.	March 2016	To be planned in 2017 AWPB
Delay in procurement process	Prepare a monitoring action plan with key milestone to fast track the realization of procurement activities.	Immediate	On-going
Steering committee meeting attendance	Replace Partners/members who do not attend by more active partners.	immediate	

Additional observations

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

Results Hierarchy	Key Performance Indicators	Baseline	Current	End Target	Source	Frequency	Assumptions
Goal: To contribute to sustainable pro-poor economic growth and employment and resilience to external shocks and trends	Reduce incidence of child malnutrition by 20%(RIMS)	7.9% children of less than 5 years malnourished		6.3% Child malnutrition	RIMS impact surveys Baseline, final household survey	Y1 and Completion	High level commitment from GoS and private sector operators
	% of economically active population working in the agriculture and fisheries sector	% of the target population		794 HH representing 40% of active population working in the agriculture and fisheries sector		Y1 and Completion	
	Increase Households assets ownership by 20% (RIMS)	HH ownership assets respectively 66.17% and 25% for house and vehicle ⁵ .		HH ownership assets respectively 79.4% and 30% for house and vehicle	Final household survey	Y1 and Completion	
Development Objective: Promote modern and sustainable agricultural and fisheries practices to increase and diversify market access for the target group	Percentage of smallholder agricultural producers and fishers selling their produce and catch to tourism establishments	15% (2014) - (480 backyard gardeners; 39 Market oriented small farmers, and 80 artisanal fishers)	20%	40% (2018) - (3200 backyard gardeners; 261 Market oriented small farmers, and 532 artisanal fishers)	CLISSA M&E reports and GoS statistics	Annual	Private sector operator willing to engage in PPP
Outcome 1: Smallholder farmers and fishers have capacity to identify and service market demand	% of smallholder farmers and fishers reporting challenges in marketing their produce	60% (2014)		20% (2018)	CLISSA M&E reports and GoS statistics	Annual	Technical support from CLISSA implementing agencies timely provided
	Number of smallholder farmers and fishers adopting improved technologies	200 backyard gardeners; 30 Market oriented small farmers, and 150 artisanal fishers	75 market oriented farmers 125 artisanal fishers	3200 backyard gardeners; 261 Market oriented small farmers, and 532 artisanal fishers	CLISSA M&E reports	Annual	

⁵ National Bureau of Statistics, Seychelles in Figure, 2011: Seychelles population and housing survey, 2010.

	Number of farmers reporting production/yield increase	140 backyard gardeners; 40 Market oriented small farmers	260 65	3200 backyard gardeners; 261 Market oriented small farmers	CLISSA M&E reports	Annual	
Output 1.1 Capacity building and training of smallholder farmers and fishers	Number of smallholder farmers and fishers trained	30 (2014)	209 farmers 186 fishers	261 farmers; 3200 Backyard Gardeners 532 Fishers	CLISSA M&E reports and GoS statistics	Annual	
Output 1.2 Agricultural/fishery Public-Private-Producer-Partnerships (PPPPs) promoted	Number of PPPPs brokered	0 (2014)	2	10	CLISSA M&E reports and GoS statistics	Annual	
Outcome 2: smallholder farmers and fishers have improved access to equitable financial services	15% increase of smallholder farmers and artisanal fishermen having access to loans from banks	27% of smallholder farmers and 23% of artisanal fishermen having access to loans from banks		42% of smallholder farmers and 38% of artisanal fishermen having access to loans from banks	CLISSA M&E reports and GoS statistics	Annual	Conducive economic and regulatory environment
Output 2.1 Options for supporting credit schemes through private banks assessed	Feasibility study of credit facility completed; Capacity building of banks and non-financial stakeholders carried out	0 0	0	01 Feasibility study done. 10 banks and non-financial stakeholders trained.	CLISSA M&E reports and GoS statistics	Annual	
Outcome 3: Smallholder farmers and fishers have increased access to public services, technologies and collective infrastructure	% of market oriented smallholder farmers with access to water throughout the year	150 (2014)	250 (95.79%)	261 (100%)	CLISSA M&E reports and GoS statistics	Annual	

Output 3.1 Capacity of public service institutions strengthened to support smallholder farmers and fishers	Number of public service institutions strengthened	0	4	12	CLISSA M&E reports and GoS statistics	Annual	
Output 3.2 Improved technologies for smallholder farmers and fishers	Number of market smallholder farmers, backyard gardeners and fishers trained improved agricultural/fishery practices	0	34 farmers 44 fishers 438 backyard gardeners	261 farmers; 532 fishers 3200 backyard gardeners	CLISSA M&E reports and GoS statistics	Annual	
Output 3.3 Smallholder farmers have access to improved communal infrastructure	Land under irrigation schemes rehabilitated	0	170	261	CLISSA M&E reports and GoS statistics	Annual	

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

Action Area	Action Agreed	Responsibility	Agreed date
Project Implementation	<i>SAA and SFA to request a letter from MFA to allow them to provide incentives for their staff conducting training under CLISSA in order to fast track the implementation of training activities.</i>	PMU/Coordinator	immediate
	<i>For infrastructure development, ensure adherence to the technical guidelines set by the MTR, as well as the unit cost ceilings provided for road works</i>	PMU/Coordinator	immediate
	<i>Ensure strict respect of procurement principle based on the training received</i>	Procurement officer with PMU Coordinator oversight	immediate
	<i>Review the project workload distribution for proper follow up of activities as follows: project procurement officer to follow up component 3 while activities under component 1 be distributed between the project coordinator and the M&E officer.</i>	PMU/Coordinator	Immediate
Outputs	Component 1: Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers.		
	<i>Review training curriculum, training location and incentives, making them more attractive.</i>	SIAH and SMA	5 December 2016
	<i>Produce list of priority crops for SAA to include in the trials.</i>	PMU	30 November 2016
	<i>Present trial results, including evaluation of the economic viability of the identified technologies prior to their promotion at a larger scale as recommended by the missions.</i>	SAA	January 2017
	<i>Develop a 2017 training calendar for farmers and for fishermen</i>	SMA SIAH	18 November 2016 18 November 2016
	<i>Request from the Ministry in charge of Finance the opening of a Grant In Transit Account for SIAH dedicated to operations with CLISSA in order to facilitate disbursements.</i>	SIAH with support of PMU	Immediate
	<i>Extend association assessment with second phase to develop project concept notes. First 4 concept notes finalized</i>	PMU	31 January 2017
	<i>Finalize FBOA Fish Centre tender</i>	FBOA	5 December 2016
	<i>Amend CLISSA – FBOA MoU and transfer funds for fishing gear</i>	PMU	18 November 2016
	<i>Assist FBOA with revolving fund Technical Assistance, hire consultant</i>	PMU	30 November 2016
	<i>Finalize PPP action plan and adjust the TORs</i>	PMU	30 November 2016
	<i>Finalize Agriculture project implementation Survey</i>	PMU	31 December 2016
	<i>Continue with on-going collaboration with Hilton to establish PPP arrangement : plan and host field visit at lead farmer</i>	PMU	December 2016

Action Area	Action Agreed	Responsibility	Agreed date
Project management.	Component3: Strategic capacity strengthening and infrastructure		
	<i>Include water management training for SAA in AWPB 2017</i>	PMU	November 2016
	<i>Ensure road engineering designs do not exceed USD 40.000/km</i>	PMU	Before submission of NO request
	<i>Maintain register of all legally required documentation for construction activities, both new and completed, and develop basic supporting documents for small investments</i>	PMU	Immediate for completed investments; and ongoing
	<i>Include in the next TWG meeting agenda, the validation of the list of key crops to undergo trials based on market survey.</i>	PMU	15 December 2016
	<i>MFA to take action for replacement of non-active steering committee members.</i>	MFA	Immediate
	<i>Re-examine the salary level of CLISSA privately recruited staffs and make proposals in collaboration with the MFA for IFAD consideration and no objection taking into consideration performance criteria.</i>	Ministry in charge with follow up by MFA	Immediate
	<i>Include in the 2017 AWPB, evidence-based assessments and relevant case studies to capture the project impact.</i>	M&E with follow of by Coordinator	15 December 2016
	<i>Recruit a national consultant on a retained basis to carry out focused surveys on a sample at regular intervals on backyard gardeners, small-farmers and fishers, to capture these intermediate-level outcomes.</i>	M&E with follow of by Coordinator	31 January 2016
	<i>Ensure farmers training programme include some trainings specifically tailored to the needs of women farmers and advocate with SAA and SFA for enhancing participation of their women staff members in the TWG</i>	M&E with follow of by Coordinator	Immediate
	<i>Update the TOR already approved for the “Assessment of farmers/fishers livestock/crop/fish production capacity and production plan to meet the targeted market demand” by adding knowledge management and learning activities.</i>	PMU	Immediate
	<i>Integrate directly into the VAM software the budget figures</i>	Accountant	Immediate
Fiduciary Aspects			

Action Area	Action Agreed	Responsibility	Agreed date
	<i>Produce key reports automatically with the WAM Accounting software</i>	Accountant, ICT of the Ministry of Finances	31 December 2016
	<i>Submit WA whenever the thresholds indicated in the letter to the borrower has reached 30% of the initial deposit or three months of activities.</i>	Accountant, PMU	Continuously
	<i>Engage the preparation of procurement document far in advance to avoid delays in implementation</i>	Procurement Officer	Continuously
	<i>Update the procurement plan and the contract register and use the Contract monitoring form (CMF) for monthly follow up</i>	Procurement Officer, PMU	Monthly

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

Code	Component/Output/ Activities/Inputs	Impact/Result Indicators (*RIMS indicators)	Unit	CUMULATIVE			CURRENT YEAR			Comment
				Appraisal Targets	Actual	% of appraisal target	Annual target	Actual	% of annual target	
1	Component 1: Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers									
1.1	Subcomponent 1.1: PPP and technology development									
	Output 1.1a: Identification and assessment of Technology packages for their efficiency to local conditions.	Identification of technologies packages and trials (agr. Crop livestock& fisheries.)	packages of new tech.	10	3	30%	3	3	100%	
1.1.A	Activity A: The technical working groups would assess existing technologies and identify new technologies and NPSC endorsement									
1.1.A.1	Input 1: Technical Meetings for technology assessment and identification and NPSC meetings	3 TWGs meeting 12 times per annum (Minutes)	No meeting/3groups	70	16	23%	10	8	80%	8 Technical working groups have been held. And 2 NPSC meetings held
1.1.A.2	Input 2: Pre-Trial Preparation and propagation of technologies	Protocols and Standard Operating Procedures Developed. Procurement Documentation	number	10	3	30%	2	3	150%	Pre trial preparation done ,3 trials conducted

1.1.A.3	Input 3: Research/conduct trials based on result of market study (Integrated crop management, drip irrigation, Shed House, farm mechanisation)	Trials conducted	number				12	9	75%	9 Trials were conducted, 2 unsuccessful, 4 ongoing.
	<u>Output 1.1b</u> : Trained small farmers and fishers in the technology adopted, business development and business management, quality improvement of selected products									
1.1.B	Activity B : Training and skill development in the technologies adopted									
1.1.B.1	Input 1: Training demonstration sessions for farmers on the production process at research station, SAHTC and selected farms	Small scale farmers trained in post-production, processing (female/male youth)	farmers	261	117	44%	100	60	60%	Pesticide training conducted with 52 participants, Conflict management 8 farmers
1.1.B.2	Input 2: Small scale farmers participate in on-farm trials following the outcome of market study	Number of small scale farmers participated in on farm trials & demonstrations	farmers	261	30	11%	100	30	30%	Trial on the production of sweet potato and tomato production are ongoing on Praslin. 30 farmers attend the trials.
1.1.B.3	Input 3: Training demonstration to fishers in fish storage and preservation practices	fishers trained in production practices and technologies	fishers	532	30	6%	65	0	0%	Requested for expression of interest no response

1.1.B.4	Input 4: Training in new methods technologies and applications (Trap making) for young fishermen	<i>Young Fishers trained in new methods and technologies and applications</i>	young fishers	50	0	0%	25	0	0%	Requested for expression of interest no response
1.1.B.5	Input 5: Safety at sea training	<i>Fishers trained in safety at sea</i>	fishers	532	80	15%	200	80	40%	80 Fishermen trained
1.1.B.6	Input 6: Training in Post Harvest, (Quality and Good Handling Practices 'GHP', Processing)	<i>Fishers trained in Post Harvest, (Quality and Good Handling Practices 'GHP', Processing)</i>	fishers	532	0	0%	0	0		Request for proposals sent, no response
1.1.B.7	Input 7: Training in grading, storing and other post -harvest techniques and best practices to farmers	<i>Farmers Trained in grading storing and post harvest techniques</i>	<i>Farmers</i>	261	26	10	120	12	10	Training on going at SIAH with 12 participants
1.1.B.8	Input 8: Training in Engine maintenance for artisanal fishermen	<i>Fishers trained in engine maintenance</i>	fishers	200	34	17%	100	34	34%	34 Fishers trained
1.1.B.9	Input 9 Strengthening and training of fishermen associations	<i>Associations strengthened and trained</i>	Associations	8	0	0%	4	0	0%	
1.1.C	Activity C: Training for small scale farmers in business development and entrepreneurship									
1.1.C.1	Input 1: Farmers and fishers to be trained in entrepreneur skills business planning and development.	Small scale farmers trained (female/male youth)	number	793	66	8%	100	52	52%	52 people trained in entrepreneur skills and business development
1.1.C.2	Input 2: Basic farm management principles and practices	Small scale farmers trained (female/male youth)	number	261	0	0%	100	0	0%	

1.1.D	Activity D: Communication and promotion campaign									
1.1.D.1	Input 1: Mobile Phone Based Communication Campaign (SMS and Voice messages)	Messages/Recipients	No	120	91	76%	40	30	75%	SMS are sent to 200 farmers , 3 messages per week
1.1.D.2	Input 2: Printing and distribution of pamphlets	Printed Material	lumpsum/set	4	2	50%	2	2	100%	Pamphlets for SAA research and Livestock section printed, distributed during the National show and food week
1.1.D.3	Input 3:audio and video documentaries, TV spots (including technical support)to dessiminate information about market surveys	audio and video documentaries, TV spots produced, contract	lumpsum/set	20	16	80%	13	16	123%	8 episodes of a documentary were produced and will be aired on TV as a magazine program. 1 SAA documentary and 7 TV spots to advertise trainings
1.1.D.4	Input 4: Sensitising backyard farmers as beneficiaries of CLISSA	Sensitisation material	No	70	20	29%	12	14	117%	Beneficiaries sensitised over TV and print for the backyard gardening training and the Fisherman training at SMA
1.1.E	Activity E: Market study and assessment of value chain actors, capacity of suppliers and the Preparation of PPP action plan									
1.1.E.1	Input 1: Gap analysis of market needs, pricing and profit margin for Crops, Livestock, Fisheries for value chain.(producers, wholesalers, customers,)	Report	No	4	1	25%	0	0		Study carried out in November 2014

1.1.E.4	Input 4: Intervention for the development of a comprehensive PPP action Plan based on market study results and trials.	PPP action Plan	No	4	1	25%	1	1	100%	The Assessment of farmer's/fishers livestock/crop/fish production capacity and preparation of production plan to meet the targeted market demand has been carried out.
1.1.E.5	Input 5 : Agriculture survey	Survey report	No	4	1	25%	1	0	0%	
1.1.E.6	Input 6: Study on Profitability and Risk of Small Scale Farmers and Fishers	Study Report	No	1	1	100%	1	1	100%	Study Completed
1.1.E.7	Input 7: Evaluation of project activities (impact study of CLISSA intervention on backyard gardeners and small scale farmers and fishers)	Evaluation report	No	3	1	33%	1	1	100%	Evaluation Completed
1.1.E.8	Input 8: Feasibility Study for La Gogue Road & Water Improvement	Feasibility Study report	No	1	1	100%	1	1	100%	Water improvement study at La gouge completed, recommendation to do pipe laying. Pipe laying to be done in November. Road improvement design to be done in November, works in 2017
	Sub-total Subcomponent 1.1:									
1.2	Subcomponent 1.2: Food security and productivity development									
	<u>Output 1.2:</u> Improving food security by promoting home gardens									

1.2.A	Activity A: Supporting backyard gardening for food security	Backyard gardeners equipped - Households, Acreage, Varieties	No							
1.2.A.1	Input 1: Acquisition and restocking of agricultural requisite store with inputs and small garden tools	Equipment and input stocked	Consignment	3	2	67%	1	1	100%	Inputs procured and delivered to SAA in April (seeds lettuce , asparagus, beans, cucumber, winter squash)
1.2.A.4	Input 4: Development of data base to monitor the purchase of Equipment (small garden tools) and agricultural inputs by backyard farmers.	Database developed and Backyard gardeners on Database	No	1	1	100%	0	0		Database developed by DICT, installed and customised, it's on trial at the main Requisite store. Onsite Training of store keepers will be done once the software is fully functional
	<u>Output 1.2:</u> Enhancing productivity at the household level through capacity development in all areas of agricultural development, including locally adapted livestock development (agriculture and pig production on suitable smallholder plots)	backyard gardeners trained (female/male/youth)								
1.2.B	Activity B: Demonstration and sensitisation of backyard gardeners in Selected Agricultural Techniques									
1.2.B.2	Input 2: Demonstration and sensitisation of farmers in crop and livestock production	backyard gardeners Sensitised (female/male/Youth)	No	261	0	0%	100	0	0%	Training not done lack of capacity from SAA livestock

1.2.B.3	Input 3: Development of livestock demonstration and sensitisation materials equipment and sensitisation material	Demonstration & sensitisation materials/	Set	6	2	33%	2	1	50%	Quarantine unit renovated ,Water system and equipment to be procured
1.2.C	Activity C: Promotion of Peri-urban Farming	Household gardeners introduced to Peri-urban farming techniques	No							
1.2.C.1	Input 1: Research and identification of suitable techniques	Research conducted	No	1	1	100%	0	0		
1.2.C.2	Input 2: Develop suitable demonstration materials to sensitise backyarders (consultancy)	Demonstration materials	set	1	1	100%	1	1	100%	Demonstration materials developed and printed. Training video recorded and produced and given to participants during training
1.2.C.4	Input 4: Conduct demonstration and sensitisation of Household gardeners on Peri-Urban techniques	No of backyarders sensitised	No	3,200	483	15%	200	163	82%	On going 163 Farmers trained
1.2.D	Activity D: Support to Artisanal fisher men through the provision of inputs									
1.2.D.1	Input 1: Acquisition of Equipment for Improvement of Productivity and Quality for Artisanal Fishers (Fishing Gears, Security Life Jackets, Flares, etc. Ice Containers, Crates etc.)	Equipment and input stocked	Consignment	1	0	0%	1	0	0%	FBOA to manage the sales and revolving account, SFA to provide storage facility. Tendering process underway.

1.2.D.2	Input 2: Provision of bait to artisanal fishermen	Equipment and input stocked	Consignment	1	0	0%	1	0	0%	Bait issue resolved, the budget will be used for fishing gears
1.2.D.3	Input 3: Fishers participation in trade Fair (Dubai 2016)	Participants	Number	2	0	0%	2	0	0%	
	Sub-total Subcomponent 1.2:									
	Total Component 1									
Code	Component/Output/ Activities/Inputs	Impact/Result Indicators	Unit	CUMULATIVE			CURRENT YEAR			Change
		(*RIMS indicators)		Appraisal Targets	Actual	% of appraisal target	Annual target	Actual	% of annual target	
3	Component 3: Strategic capacity strengthening and infrastructure									
3.1	Subcomponent 3.1: Strategic capacity strengthening	Effectiveness: improved performance of service providers (operational self-sufficiency)								
	Output 3.1: Investment in institutional support and training.	Staff of service providers trained	No							
3.1.A	Activity A: Strengthen the communication unit									
3.1.A.1	Input 1: Acquisition of Communication equipment,(hardware, software and other facilities server + peripheral, PCs, Monitors, Voice recorder, Camera.)	Hardware and facilities	lumpsum	1	1	100%	0	0%		

3.1.B	Activity B: Institutional Capacity Building									
3.1. B.1	Input 1: Training for PMU staff in Accounting and Reporting software , Result based management	No of Trainings	No	4	2	50%	1	0	0%	
3.1.B.2	Input 2: Finance trainings (Pr.Coord., Pr. Accountant) (travel,DSA, ect)	Training	training/pers	8	3	38%	4	1	25%	Procurement Officer trained, Accountant going for training in November
3.1.B.3	Input 3: M&E training (M&E Officer) (travel,DSA, ect) .	Training	training/pers	4	2	50%	1	1	100%	online course on M&E done
3.1.B.4	Input 4: Exchange familiarisation visits to a name country in the region	Visits	No	4	2	50%	4	0	0%	
3.1.B.5	Input 5: GIS Server at SAA +Handheld GPS SAA and PMU	Staff trained in GIS	No	20	0	0%	20	0	0%	GIS server procured training to be done in November
3.1.B.9	Input 9 :Training of FBOA officers (10 officers)	FBOA Staff trained	No	10	0	0%	10	0	0%	
3.1.B.10	Input 10: Logistic Support to setup a fishing auction Centre at Providence (Equipment, software, scale, Testing kit, etc)	Equipment &Material	Set	1	0	0%	1	0	0%	Support will be in terms of renovating the fish centre.
3.1.B.11	Input 11: Logistical Support to Praslin fishermen Association to set up a Cold Storage facility for baits to Fishermen (Equipment Compressor, Motor)	Equipment and Material	set	1	0	0%	1	0	0	

3.1.B.12	Input 12 : Technical and Organisational Audit Training of Farmers Organisations (4 Associations)	Organisations Audited	No Of Organisations	8	0	0%	8	0	20%	Audit ongoing started in October
3.1.B.13	Input 13: Mobilise Knowledge management Specialist to capture knowledge generated in the PPPP initiative.	consultant	KM report	1	0	0%	1	0	0%	
3.1.B.15	Input 15: Workshop For Bank Managers	Number of officers	Number	20	0	0%	20	0	0%	Project outsourcing for a trainer
3.1.B.16	Input 16: SMA Laboratory, conversion of classroom into fisheries lab	Lab constructed	works	1	0	0%	1	1	100%	
3.1.B.17	Input 17: SMA training Shed and store room	Shed and store constructed	works	1	0	0%	1	0	0%	
3.1.B.18	Input 18: Consultancy for IFAD MTR Mission CLISSA PMU	Consultancy	consultancy	2	2	100%	2	2	100%	MTR Mission conducted
3.1.C	Activity C : Strengthen the capacity of the research stations									
3.1.C.1	Input 1. Identification and Acquisition of Equipment for Research Station (Tropical fruit Nursery equipment)	Equipment Acquired	Set	4	2	50%	1	1	100%	Nursery completed
3.1.C.2	Input 2: Setting up of Demonstration Hydroponic and fertigation	Equipment Acquired	Set	3	0	0%	1	0	0%	Procurement of equipment underway
3.1.C.3	Input 3. Acquisition of Equipment for Mechanisation Grand Anse	Equipment Acquired	Set	1	0	0%	1	0	10%	List of equipment approved by the TWG, Request for no objection sent to IFAD

3.1.E	Activity E: Support for quality control mechanisms					#DIV/0!			#DIV/0!	
3.1.E.1	Input 1: Training of Technical staff HACCP/Food Safety	staff trained	No	30	0	0%	20	0	0%	Training to be done in November
3.1.E.4	Input 4: Sampling and Testing Kits for quality control	Kits	No	1	1	100%	1	1	100%	Kits procured and handed over to SAA
3.1.F	Activity F: Assistance to Agric. and Horticulture Training Centre									
3.1.F.3	Input 3: State-of-the-art demonstration equipment for horticulture, fruit production and livestock	equipment	Set	1	0	0%	1	0	0%	List of equipment approved by the TWG, Request for no objection sent to IFAD
	Sub-total Subcomponent 3.1:									
3.2	Subcomponent 3.2: Public and collective infrastructure									
-	Output 3.2: Investment in equipment and infrastructures. (road spot, water harvesting infrastructure, storage facilities, sheds and other small infrastructure).	-	-							
3.2.A	Activity A: Investment in equipment and infrastructure									

3.2.A.3	Input 3: Construction of road spot (Helvetia)	road constructed	m	700	500	71%	700	500	71%	Road will be completed in December
3.2.A.6	Input 6: Construction of Reservoir and Pump House at Cap Samy Praslin (5x10x2.5) 70m3	Rehabilitation of infrastructure	No.	1	1	100%	1	1	100%	
3.2.A.8	Input 8: Rehabilitation of Requisite Store at Union Vale	Stores rehabilitated	No.	1	1	100%	1	1	100%	
3.2.A.9	Input 9: Re-construction of Requisite Store at Grand Anse, Mahe ((Mechanisation Rental Store and Office)	Stores rehabilitated	No.	1	0.3	30%	1	0.3	30%	Construction started in September to be completed in December 2016
3.2.A.10	Input 10: Design for selected sections Roads at Val D'andor and La Gogue	Design/drawings	No.	3	1	33%	3	1	33%	On going
3.2.A.12	Input 12: Design and Supervision works for irrigation investments in 2017 (incl Dawn Dew) @10% of construction - 2016 (70%) 2017 (30%)	Irrigation Works	works	1	0	0%	1	0	0%	Tendering process on going
3.2.A.14	Input 14: Laying pipeline at La Gogue	Pipeline layed	works	1	0	0%	1	0	10%	Pipe Laying ongoing
3.2.A.15	Input 15: Construction of road Val D'Endor (300M)	road constructed	m	1	0	0%	1	0	0%	
3.2.A.16	Input 16: Construction of road at la Gogue (300M)	road constructed	m	1	0	0%	1	0	0%	
	Sub-total Subcomponent 3.2:									
	Total Component 3									

4	Component 4: Project Management									
	Output 4.1 Effective and Efficient Implementation of CLISSA Project	Achievement of Appraisal Targets								
4.1.A	Activity A: PMU equipment and facilities									
4.1.A.1	Input 1: Office rent	Office	Rent/Month	60	36	60%	12	10	83%	
4.1.A.2	Input 2: Office furniture	Office	No	1	1	100%	1	1	100%	All equipment and furniture purchased as planned
4.1.A.3	Input 3: computers: Desk Top/Laptop	Computers	No	6	4	4%	1	1	100%	
4.1.A.4	Input 4: Server	Server	No	1	1	100%				
4.1.A.5	Input 5: printers	Printer	No	2	2	100%				
4.1.A.6	Input 6: office equipment (A3 Scanner, Heavy duty photocopier machine)	office equipment	unit	3	3	100%				
4.1.A.7	Input 7: stationary	Inventory	unit	5	3	60%	1	1	100%	
4.1.A.10	Input 10: Accounting Software package	software acquired	No	1	1	100%	1	1	100%	Not purchased because GoS proposed use of VAM software
4.1.B	Activity B: PMU salaries & allowances									
4.1.B.1	Input 1: Project Coordinator	Project Coordinator	person/month	63	37	59%	12	10	83%	
4.1.B.2	Input 2: Project Accountant	Project Accountant	person/month	63	37	59%	12	10	83%	
4.1.B.3	Input 3: M&E Specialist	M&E Officer	person/month	63	34	54%	12	10	83%	
4.1.B.4	Input 4: Procurement Specialist	Procurement Officer	person/month	60	37	62%	12	10	83%	

4.1.B.5	Input 5: Secretarial Support	Office Assistant	person/month	63	37	59%	12	10	83%	
4.1.B.6	Input 6: Meetings	Meeting	meeting	20	12	60%	12	12	100%	
4.1.C	Activity C: KM and M&E									
4.1.C.1	Input 1: Desk studies	Study	Study	1	1	100%	1	0	0%	
4.1.C.2	Input 2: Provision for Overseas IFAD Workshops and Training for PMU	Persons attending workshops	Number	2	3	150%	4	0	0%	
4.1.C.3	Internal Audit for Clissa Project	Audit carried out	Report	4	2	50	1	1	100%	
4.1.C.4	External Audit for Clissa Project	Audit carried out	Report	4	2	50	1	1	100%	
4.1.D	Activity D: Operation Costs:									
4.1.D.1	Input 1: Communication costs (tel. Courier. Internet, etc)	Monthly/Bills	lumpsum	63	20	32%	12	10	83%	
4.1.D.2	Input 2: Domestic Travel Costs (between islands)	Months/Trips	No	160	34	21%	12	12	100%	
4.1.D.3	Input 3: Insurance cover CLISSA project	Assets/Activity insured	Lumpsum	5	3	60%	1	1	100%	
	Total Component 4									

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

Table 5A: Financial performance by financier

Financier	Appraisal (USD '000)	MTR (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	3 000,00	2 249,00	866,90	39%
Beneficiaries	91,00	107,00	0,15	0%
Government	282,00	954,00	126,10	13%
Other Partners	368,00	139,00	0,73	1%
Total	3 741,00	3 449,00	993,87	29%

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

Component	IFAD loan			Beneficiaries			Government			Other Partners			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Component 1: Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers	725,00	243,18	34%	781,00	33,93	4%	107,00	0,15	0%	139,00	0,00	0%	1 752,00	277,26	16%
Component 2: Improving Access to Agricultural and Rural Finance	0,00	0,00	0%	0,00	0,00	0%	0,00	0,00	0%	0,00	0,00	0%	0,00	0,00	0%
Component 3: Strategic capacity strengthening and infrastructure	1 402,00	458,91	33%	29,00	35,48	122%	0,00	0,00	0%	0,00	0,73	0%	1 431,00	495,12	35%
Component 4: Project Management	123,00	164,80	134%	144,00	56,68	26%	0,00	0,00	0%	0,00	0,00	0%	267,00	221,48	83%
Total	2 249,00	866,90	39%	954,00	126,09	13%	107,00	0,15	0%	139,00	0,73	1%	3 449,00	993,86	29%

Table 5C: IFAD loan disbursements (SDR, as at 27th October 2016)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Civil Works and Infrastructure(Equipments and Goods	548 000,00	718,000.00	233 954,41	89 285,69	400 826,09	44%
II	Vehicles	17 000,00	562,000.00	171,76	-	561 843,11	0%
III	Technical Assistance and Training	498 000,00	543,000.00	135 695,34	59 267,92	351 245,38	35%
IV	Credit	594 000,00	-	-	-	-	0%
V	Recurrent Cost – salaries ...	118 000,00	152,000.00	85 545,76	12 356,16	57 104,01	62%
	Recurrent Cost – operations and	7 000,00	5,000.00	1 192,93	603,93	3 244,03	35%
	Unallocated	198 000,00	-	-	-	-	0%
	Initial deposit			264,426.90	-	-264,426.90	0%
	Total	1 980 000,00	1 980 000,00	456 560,20	161 513,70	1 109 835,72	43,95%

Appendix 6: Compliance with legal covenants: Status of implementation

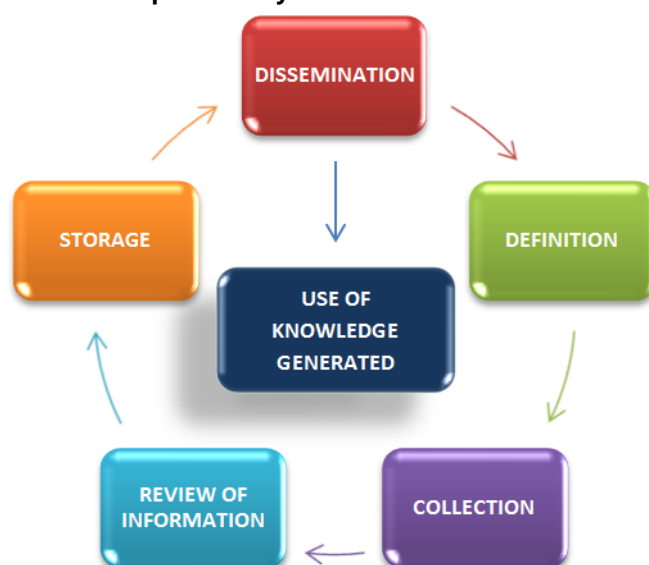
Section	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section B.6	PMU to open a designated account for the benefit of MOFTI at the Central Bank of Seychelles		Done	
Section B.7	Gov to provider counterpart funding in the amount of US\$282,000		Done	USD 126,000 provided at 27 th October 2016
Section E.2.a	Project Implementation Manual to be adopted		Done	Update done for 2015 and validated in ...
Section E.2.b	Project team appointed		Done	
Schedule 2	Compliance with expenditure category		Done	Expenditures are claimed under the relevant categories
Schedule 3.1	Monitoring		In process	
Schedule 3.2	Resource protection		Done	
Schedule 3.3	Operation and maintenance		Done	
Schedule 3.4	Authorization		Done	
Schedule 3.5	Use of vehicles and other equipment		Done	
Schedule 3.6	Policy framework		In process	
Schedule 3.7	Financial statements		Done	Financial statement 2015 sent to IFAD in 31 March 2016.
Schedule 3.8	Audit reports		In process	Audit 2015 finalized and sent in time (before 30 June 2016) to IFAD.
GC 4.04	Applications for withdrawal, or special commitment		Done	
GC 4.08	Eligible expenditures		Done	
GC 7.01	Project implementation		Done	See Aide-Memoire
GC 7.05	Procurement		Done	See Aide-Memoire
GC 7.08	Insurance		Done	
GC 7.14	Environmental factors		No issue	Mission found no evidence of cases.
GC 8.03	Progress report		On 6-month basis	IFAD receive progress reports on 6-month basis
GC 11.02	Tax refunds		In a semi-annually basis	Tax of about USD 11 000 USD will be refunded before the end of the year .

Appendix 7: Knowledge management: Learning and Innovation

This technical note is intended as a guideline for the KM Officer and the PMU for planning and conducting knowledge-generating and information-sharing activities. It is accompanied by three documents providing inputs and advice on how to practically identify, document and disseminate lessons learned, based on the premise “learning before, during and after any action”. They are the following: i) Guidelines for capturing lessons learned; ii) Lessons learned record template; iii) Quick lessons learned reference checklist for CLISSA Project Manager.

1. Throughout a development project’s cycle, new information is constantly generated. This happens every time decisions are taken, challenges are encountered and adaptations are made. Consequently, many lessons are continuously learned and discovered, as well as opportunities for improvement. Learning should be the main reason why an organization monitors its work. If properly valued, it empowers staff to act in an informed and constructive way. This means the PMU should be in a constant mode of **action-reflection-action**, considering that situations evolve over time and what was assessed as “good” in the past, can no longer be the best choice to make in the present. Capturing lessons learned is therefore an essential part of every development project and it serves different purposes. It serves as a valuable tool for use by i) professionals in development projects (including IFAD-supported projects PMUs); ii) government and non-governmental organizations and research institutions; iii) project beneficiaries; and iv) farmers’ organizations, federations and apex organizations.
2. The added value of managing the project-generated knowledge is represented not by knowledge sharing *per se* but by the fact that the common learning is indeed reused by the recipient and the beneficiary as well as the donor, in order to improve the design and implementation of future IFAD projects. In order to be able to successfully do that, documenting lessons learned represent a crucial phase to help all stakeholders to discuss and reflect on the strengths and weaknesses of project performance. Project-level knowledge includes innovative approaches, good practices, and lessons learned which can be identified either at the end of the project or at any stage during the project lifecycle. The aim of documenting lessons learned is to share and make best use of knowledge originated from experience in order to: i) promote the repetition of desirable outcomes; and ii) prevent the recurrence of undesirable outcomes. The process used to collect, share, and disseminate lessons learned generally consists of five main steps: 1) *Definition*; 2) *Collection*; 3) *Review*; 4) *Storage*; and 5) *Dissemination*.

Figure 1. Lessons learned process cycle.



- **Scope definition:** The aim of this phase is to define and identify: i) the need and purpose for the knowledge to be captured; ii) the intended audience; iii) the human resources to be allocated; iv) the data collection tools and methods; v) the dissemination strategy.
- **Collection:** A data collection method is chosen among: i) an integrated approach; ii) an *ex-post* approach; or iii) a combination of both (combined approach). After choosing the methodology, the PMU will proceed with the data collection from both primary and secondary sources (please see also par. 3).
- **Validation and synthetization:** This phase consists of synthesizing and consolidating data and verifying the accuracy and pertinence of the lessons submitted.
- **Storage:** This phase consists of storing lessons learned in an easily accessible repository (database, website, or other similar repository) for future sharing, dissemination and consultation.
- **Dissemination:** During this phase, lessons learned are circulated according to the dissemination strategy adopted. They can vary in meaning and scope. Here is provided an overview of the main dissemination channels: i) websites, ii) internal and external newsletter, iii) corporate blogs, iv) specialist literature and working papers, v) technical workshops and conferences, vi) academic journals, vii) trainings, viii) presentations.

3. **Data collection method and sources.** There are various options available for capturing relevant information. Data can be collected through either primary (interviews) or secondary (document review) sources and through different tools. Main data collection methods are listed below:

- Questionnaires, surveys, checklists
- Structured, semi-structured or unstructured interviews
- Document review
- Direct observation
- Focus groups
- Peer reviews

4. There are many online resources for designing questionnaires and surveys. For example, one free survey builder is [SurveyMonkey](#) which offers templates, tutorials, and advice for question design and basic data analysis. Furthermore, [StatPac](#) offers a practical [tutorial](#) to design various types of surveys (structured interviews, written surveys, email and online survey).

5. Whatever is the approach adopted, the focus should be on obtaining information in the following four main subjects (a detailed list of questions for capturing lessons learned is included in Appendix 7.A):

- 1) Positive outcomes;
- 2) Negative outcomes;
- 3) Changes, adjustments, improvements to be considered;
- 4) Recommendations and follow-up

6. **Approach to capturing lessons learned.** There are mainly two different approaches for capturing lessons learned. The PMU will have to decide in advance which approach best suits the project. Both approaches are summarized below. The third option is a combination of the other two which allows for a broader analysis.

- **Integrated Approach.** This approach is based on regular and consistent reporting from the start of the project implementation period. It also entails collecting useful information on an ongoing basis. The lessons learned exercise is integrated within the context of the initial management plan. This approach requires direct involvement of the PM in close collaboration with the KM Officer, for holding regular meetings with staff to identify, discuss, draw and synthetize top key lessons in progress reports delivered on a regular basis. Lessons are therefore disseminated over the project lifecycle either through internal and external website or newsletter, or *ad hoc* workshops.
- **Ex-Post Approach.** This approach entails an in-depth assessment of project implementation activities at completion point. The lessons learned exercise becomes a more resource-intense endeavor which will result in the need for more skilled and diversified workforce and spending. On the other hand, it offers the benefit of bringing project staff and implementing partners together for an

extensive and comprehensive look into project's operations, achievements, and limitations. In addition, external/independent peer reviewers could be needed to support the process by providing guidance and inputs.

Table 1. Collecting Lessons Learned: Methods and Sources

	Advantages	Disadvantages
Integrated Approach	Cost saving	Internal focus → limited perspective
	Time saving	
Ex-post Approach	Brings multiple partners together for extensive analysis	Resource-intense (time, HR and money)
	Process can be designed to build better collaboration and communication within a partnership	Often requires specialized lessons learned leader or facilitator

Appendix 7.A: GUIDELINES FOR CAPTURING LESSONS LEARNED

The following table intends to provide a list of the major questions that need to be answered in order to ensure that lessons from either the implementation of a single project activity or an entire project component are learned and captured in order to be then embedded into the strategic organizational planning and execution. This list is not exhaustive of all possible questions and issues.

1	What has worked?
2	What hasn't worked?
3	What was learned about what has worked?
4	What was learned about what hasn't worked or had unintended consequences?
5	What was learned, in particular, during the implementation of each component/sub-component of the project?
6	Were inputs effectively converted into results?
7	To what extent has the internal management structure impacted positively/negatively on project/activities implementation?
8	What unexpected challenges did the team have to deal with? And what bottlenecks were experienced that affected the achievement of project outcomes and goal?
9	What circumstances were not anticipated?
10	Have useful solutions to the problems arisen been developed?
11	Were risks identified and mitigated? If not, why?
12	For any problems that went unresolved what preventative measures can be developed now that can help things go more smoothly next time?
13	By having the possibility to start the process all over again what fundamental changes should be made to meet goals?
14	Are there any best practices you can derive from this project?
15	Can an easily accessible repository for lessons learned and best practices documented be created? (Database, website, documents, etc.)
16	Were lessons learned from previous similar IFAD project available and, if yes, have they been taken into account in implementing the project?
17	Have lessons from other key development partners working in the country's agriculture sector been taken into account during project's implementation?
18	Has any innovative approach to rural poverty reduction been introduced?
19	What recommendations would you make to others doing similar projects?
20	What are the lessons that can be learned from this project in terms of replicability and scalability?

Appendix 7.B: QUICK LESSONS LEARNED REFERENCE CHECKLIST

The following table is intended to provide a quick reference checklist to be used by the PMU to ensure that all suitable activities related to lessons learned exercise have been put in place.

CHECKLIST		YES/NO
	Have lessons learned been documented throughout the project cycle?	
	Has a lessons learned consolidation meeting been held near the end of the project?	
	Have all lessons been captured and documented?	
	Have documented lessons learned been shared with: <ul style="list-style-type: none"> i. NPSC ii. TWG iii. MFA iv. Implementing Partners (SAA, SFA, SEnPA, STB, et al.) v. Private Sector partners vi. Other UN Agencies in the country (UNDP/FAO, et al.) vii. Any other pertinent stakeholder viii. IFAD 	<ul style="list-style-type: none"> i. ii. iii. iv. v. vi. vii. viii.
	Have relevant stakeholders been involved throughout the process?	
	Have documented lessons learned been saved and stored as part of the project historical archive?	

Appendix 7.C: Lessons Learned Record Template_CLISSA

[illegible]

Appendix 7.C: Instructions for filling the Lessons Learned Record Template_CLISSA

Column	Instructions For Completing the Lessons Learned Record Template
A	Date Identified: This column should be populated with the date/period in which the lesson learned was identified.
B	Entered By: This column should be populated with the name of the individual who identified the lesson learned (KM Officer, M&E Officer, Project Manager, etc.)
C	Subject: This column should be populated with attention-grabbing headline that describes the subject of the lesson learned.
D	Situation: This column should be populated with a detailed description of the situation that generated the lesson learned and the knowledge acquired through it.
E	Lesson Learned: This column should be populated with a description of the lesson learned from the situation described in column D and the corresponding action/s taken.
F	Recommendations: This column should be populated with recommendations regarding the outcome of the remedial action to help guide future project managers.
G	Follow-Up Needed: Indicates whether or not any other follow-up is needed in terms of planning, implementing, and evaluating the knowledge gap.

Annex 1: TOR for an M&E Support Consultant: Resource Person with Specialism in Survey Design (national contract)

Background

1. The Competitive Local Innovation for Small-Scale Agriculture Project (CLISSA) aims at reviving the agricultural sector, strengthening small-scale artisanal fisheries and promoting rural microenterprises in the islands of Mahe, Praslin and La Digue. Its development objective is to promote modern and sustainable agricultural and fishery practices to increase and diversify market access for smallholder farmers and fishers. CLISSA is comprised of three technical components: (i) Component 1- Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers; (ii) Component 2 - Improving access to agricultural and rural finance; (iii) Component 3 - Strategic capacity building and infrastructure. The target group, after being reviewed by the Mid-Term Review, consists now of 61 market oriented small farmers; 532 artisanal fishers and 3200 backyard gardeners.
2. According to the project design document, the monitoring and evaluation activity would be undertaken at three levels: regular monitoring of project activities and their immediate results (*output monitoring*); monitoring of project performance in achieving expected outcomes (*outcome monitoring*); and assessment of project contribution towards the achievement of its overall goal (*impact evaluation*), which will be undertaken closer to project completion.
3. According to the MTR report of March 2016, the CLISSA M&E system was actually not reporting on outcomes. In order to overcome this issue, the MTR mission proposed a revised logframe to better capture the expected outcomes. The following supervision mission (October 2016) took note of the effort made in starting monitoring the outcome level through the CLISSA Progress Evaluation, commissioned by the PMU to an external consultant and finalized in October 2016. Nevertheless, there is still need for further improvements. Therefore, and as part of its commitment to improving its M&E system, CLISSA has agreed to hire an M&E Support Consultant specialized in survey design and implementation, as advised during the supervision mission.

Table1. CLISSA outcomes and key indicators (according to the revised logframe)

Outcome	Key Indicator
Outcome 1: Smallholder farmers and fishers have capacity to identify and service market demand	% of smallholder farmers and fishers reporting challenges in marketing their produce
	Number of smallholder farmers and fishers adopting improved technologies
	Number of farmers reporting production/yield increase
Outcome 2: smallholder farmers and fishers have improved access to equitable financial services	15% increase of smallholder farmers and artisanal fishermen having access to loans from banks
Outcome 3: Smallholder farmers and fishers have increased access to public services, technologies and collective infrastructure	% of market oriented smallholder farmers with access to water throughout the year

Deliverables/Expected Results

4. The scope of the assignment is to allow CLISSA to conduct data collection and analysis on a regular basis in order to be able to report on outcomes. In this respect, the M&E Support Consultant will:
 - Serve as subject matter expert in the design and implementation of survey techniques such as beneficiary assessments, rapid rural appraisals, focus groups, interviews with structured questions, etc.
 - Design questionnaires and samples and collect data according to CLISSA data collection needs
 - Identify sources of verification that the project can use. As much as possible, use existing data sources embedded in existing systems.
 - Support the M&E Officer in reporting on outcomes against the revised logframe
 - Develop, together with the M&E Officer, specific data collection and reporting forms for capturing quantitative and qualitative information at outcome level.
 - Conduct on-site data collection activities, scheduled at regular intervals along each year until the end of the project.
 - Undertake basic analysis on the datasets produced to ensure they are ready for additional analysis.

Reporting

5. The M&E support consultant will report to the M&E Officer and the Project Manager.

Person specification:

- A minimum of four years of experience in survey design, development of questionnaires, digitization and analysis.
- Excellent understanding of development issues.
- Excellent ability to communicate with the survey's respondents
- Knowledge and experience of monitoring and evaluation systems
- Strong analytical skills

Timeframe

6. Services will be delivered by the M&E Support Consultant on a call basis over the duration of the project.

Annex 2: Technical note for component 1: Enhancing business arrangements through capacity development of small farmers, rural micro entrepreneurs and fishers.

Introduction.

1. The purpose of this technical note is to assist the Project Management Unit (PMU) in implementing CLISSA components 1. It provides additional considerations and orientations to guide the implementation of this component.
2. **Training.** To further fast track the implementation of the training and capacity building activities it was agreed to develop a training calendar and to further strengthen the involvement and commitment of the implementing agencies to participate in CLISSA. To this end, the mission recommends to request a so-called release letter from MFAG, SAA and SFA to allow their staff to participate in consultancies for CLISSA and to allow incentives for their staff who conduct the training. The incentives should be uniform across the agencies and should be regarded as such, on top of the current salaries. A good guidance in determining the incentive level is the current level of incentives that GoS staff receive to participate in CLISSA. This is 35% on top of their basic salary. It is therefore advised that the above mentioned incentives will not exceed the 35% and will be on a daily basis equal to the days of training. Final approval of the incentive level needs to be obtained from the MFAG.
3. Both SMA and SIAH will provide CLISSA with a training calendar for the year 2017. The mission agreed that the curriculum of the training will be evaluated prior to the implementation. With Business skills being the most relevant aspect for the participants, SMA and SIAH need to see how to combine certain trainings and to include business skills in the curriculum to make them more attractive and also practical. The following detail needs to be included in this calendar: (i) The series of training, date, duration (number of days), location, number of target participants. (ii) The identified participant support packages related to a series of training and a cost estimate.
4. The calendar is part of the performance contract with SMA and SIAH. This contract will also indicate performance indicators like: participation rate, the disbursement close and the counter contribution.
5. **Communication and promotion campaigns.** The mobile phone messaging continues and is valued by the recipients. Unfortunately, the service is still only provided by Airtel operator, therefore covering an estimated 50% of the target farmers. In anticipation of SAA finalizing an agreement with Cable & Wireless mobile operator, the Mission recommends CLISSA to use a simple and ready SMS messaging platform to be able to reach out to all farmers. This messaging platform can be used by both CLISSA and SAA and should also be used in announcing training activities, well in advance. Of course there are many different SMS platforms available on the market. Here are two which can be suitable for CLISSA to start using immediately.
 - i. www.bulksms.com/products/ Bulksms covers both Airtel and Cable&Wireless, has an online platform, desktop software and mobile app. Indication for cost is 3.3 euro cent / sms.
 - ii. www.skype.com/en/features/sms/ Skype is a popular communication platform which offers also SMS sending from, desktop, tablet or smart phone. Indication for cost is 7.8 euro cent / sms. With Skype you can send only 50 messages at a time which makes it less user-friendly if you want to text 500 farmers at one go.
6. CLISSA is progressing in strengthening and training of farmer and fishermen associations and as a first phase, CLISSA is currently assessing the capacity for a total of 8 farmer/fishermen organisations, four more than initially identified and planned. It is expected that this assessment will

be completed by the second week of December. The mission agrees to have a second phase to this assessment, working intensively with, at first: SeyFa, FBOA, Praslin Fishermen Association and the Anse Boileau small farmer association to develop project concept notes for CLISSA involvement and support. Phase 2 will commence immediately after the conclusion of the assessment. The concept notes should be short and comprehensive outlining the business idea, its impact and investments. The PMU will assess each concept note if it fits the CLISSA objectives and if and what kind of support the Project can deliver. The project concept note should not be more than 5 pages and could be further detailed in a business plan if needed after approval from CLISSA. As a guidance, the concept note could contain the following aspects:

- a) Company details, contact person, legal status
- b) Problem / opportunity statement
- c) Project objective
- d) Key participants and Beneficiaries
- e) Intervention strategy
- f) Expected project impact, output and impact to CLISSA target group
- g) Main project activities and resources required
- h) Investments in assets, recurrent and total
- i) Management capacity / experience to implement the project and gap identification
- j) Financial viability of project after support
- k) Project risk

7. **PPP in agriculture**, CLISSA is progressing in establishing market linkages with hotels, with the last meeting held with Hilton in October. The mission discussed a way forward and agrees with CLISSA's proposal to connect with the Jacques Matombe farm who is currently supplying Hilton hotel. CLISSA will work intensively with Matombe Farm and select, train and coach farmers to supply through Matombe who will be the lead farmer in this out grower arrangement. Understanding and respect for one another intrinsic business challenges is an important step in building a business relation. Hilton demand can be erratic and fluctuating based on the Hotel occupancy rate. At the same time farm supply, can fluctuate because of external influence like weather, pest etc. The CLISSA farmer-Matombe-Hilton arrangement should be a win-win situation for all parties involved from the start.

In the initial stages of building the out grower relation, focus should be given to: (i) identify and agree what the out grower farmers could supply to Matombe and in what period to compliment the demand of Hilton; (ii) CLISSA to promote the product quality standards of Matombe / Hilton and train and coach the CLISSA farmer; (iii) agree on terms and conditions, in delivery, payment and rejection of produce when quality is not met; (iv) define an annual supply plan, based on Hilton season demand and agriculture production season; and (iv) agree on a plan for growth with CLISSA support in achieving it, where possible. The growth objective should be SMART, Specific, Measurable, Achievable, Realistic, in Time planned. A growth plan, is an important aspect in building the relationship and getting commitment from the parties involved. In giving follow-up to this PPP in the making, the next step would be to hold a field visit with Hilton visiting Matombe Farm and a selected CLISSA farmer to exchange ideas and understand one another challenges and agree on the next steps to be taken. Next to Matombe there is Geffroys Farm, which is also a large professional farmer who can act as a lead farmer in supplying hotels or markets. Geffroys has expressed its interest in establishing an out grower arrangement with CLISSA supporting the supplying farms.

8. **The PPP action plan** is progressing with the first part, the assessment of farmer/fishers production capacity been carried out. The assessment was shared with the mission and detailed comments are provided in this technical annex. It was discussed and agreed that step 2; technical, logistical and financial support to farmers/fishers and step 3; support to farmers/fishers in PPPs will be undertaken in parallel and is expected to be finalised by the end of December. Moreover, the Mission acknowledges that forging of PPPs will need in its initial stages intensive monitoring and coaching to make it a success.

The current assignment scope of work needs to be revised with:

i. By combining step 2 and 3 the following scope of work is required:

- a. Specify for the various market segments like: Victoria fresh market, Hotels, restaurants etc the product demand and their specific requirements in a way that the farmer clusters can align their produce to serve specific but also multiple markets demand.
- b. Assess the technical and organizational capacity of the selected farmer clusters to meet the demand (in quality, quantity and regularity).
- c. Identify technical, logistical and financial support to farmers /fishers to improve their production and productivity on targeted food crops, livestock and fishing product including quality standard. Where can CLISSA support, with what and how.
- d. Conduct a value chain mapping of stakeholders in the selected crop, livestock and fish value chains and accompany this with a description of the relationships and participation of each stakeholder;
- e. Conduct a risk analysis that may hamper reaching goals of the selected value chains as well as risks that may hamper commercialization of the value chains;
- f. Provide recommendations and description of the key critical issues, as well as practical actions to address these, recommendations for upgrading supply by farmer clusters to meet anticipated demand from

ii. As support to the PPPs, provide coaching, 1 day per every two weeks for a period of 3 months.

- a. support to farmers/fishers organization, mobilization of production, negotiation with buyers and execution of sales contracts;
- b. facilitate discussions, meetings, and supply agreements between the farmers, lead farmer and hotel;
- c. support and prepare the necessary production plans and calendar in a participatory manner;
- d. facilitate the product quality specifications and identify farmer needs to achieve them;
- e. facilitate price point and volume negotiations and assist farmers in understanding with cost benefit calculations;
- f. identify bottlenecks in the PPP supply demand relationship and advice on a way forward;
- g. any other coaching activities necessary to establish and maintain the supply – demand relationship.

9. The assessment of farmer/fishers production capacity has been reviewed by the mission. Below comments/observations need to be addressed so that the assignment meets the agreed ToRs and only then step 2 and 3 can commence.

The key areas and observations on the draft version of the assessment of the production capacity of farmers and fishermen are:

- i. The data used for this report relies predominately on the data of the Market Study (2014) and the baseline study (2014) and is even repetitive to some extent. Since, that study was finalised two years ago, it would have been better to see some updates in the data. Or at least identify some key changes or trends which have changed since 2014. The key changes/trends/insights since 2014 should be listed if we continue to use the 2014 data.
- ii. The report is not clear on the list of priority crops and is even confusing, listing in various tables priority crops. The report describes: (i) in table 2 and table 16 the priority crops listed by the (in this assessment) participating farmers; (ii) in table 17 priority crops on the basis of economic analysis, with gross revenue per year

determining the ranking: and (iii) the priority crops based on total market demand as presented in table 4, annex 4. Furthermore, this assessment will also identify the production gaps so that CLISSA has a better understanding on which products it needs to focus the most, since demand exceeds the production. To this end it is important that we have one weighted and consolidated list of priority crops. Bringing focus to the Project crops to test and promote. An example of a crop ranking matrix is provided in table 1 below. The excel file to assist in this weighted computation is made available to the PMU.

Table 1: crop ranking matrix.

Crop	Current Production		Market		Gross Revenue		Weighted Rank		Production Gap	
	weight	20%	weight	40%	weight	40%	Points	Rank	Gap	Rank
	Production (kg)	Rank	Demand (kg)	Rank	SR/m2	Rank				
Crop 1	300	10	300	10	10	19	13.6	4	0	19
Crop 2	400	8	500	8	12	12	9.6	9	-100	8
Crop 3	109	15	129	17	14	11	14.2	3	-20	15
Crop 4	1230	3	1400	3	25	8	5	16	-170	5
Crop 5	224	14	263	13	23	9	11.6	7	-39	12

- iii. The assessment of fishers individual catch capacity is part of the assignment TOR but not included in the report. Also livestock production capacity is not included. This should be included in the final Assessment report. Fish and meat demand is included, copied out of the Market Study 2014, no new data.
 - iv. The capacity assessment is one step of the assignment and the next step is to prepare a production plan by region based on the number of participating farmers and fishers. I believe part of this is covered in table 14, 15 and 16. But a total production plan per crop and region is not included but is part of the assignment TOR to develop a production plan to meet the demand elaborated.
10. The final draft of the profitability analysis for fishermen and farmers was finalized by the Seychelles University during the mission and the mission provided the following key observations:

Overall: both fishery and farming are profitable, however the fishing sector is much reliant on fuel subsidy.

For fishermen:

- 83% of the fishermen keep record of their operation and sales. This is very positive, future training should be more aimed at analysing the record keeping to identify areas for improvement in the fishing enterprise
- The analysis assumes that the fishermen are selling all their produce, no loss or wastage. This assumption does not seem very realistic giving the fact that: (i) fishermen have no cold storage; and (ii) are fishing all in the same season (fishing season to be October-February) when there is a sudden increase of volume with same demand. It is advised to include, post catch losses in the analysis to have a more realistic analysis. Please include at least a percentage of post.
- Appendix 8, shows an ever increasing fish catch, how sustainable is this fish catch increase and how does this relate to the fish stock estimates.
- Appendix 14 shows positive cash flows with subsidies and appendix 17 shows a loss without subsidies for the years 2016 -2019. What conclusion can be drawn out of this? Is the fishery sector not viable without subsidies?, what are the alternatives if this subsidy ends to bridge the period till the year 2020. This is not clear in the analysis.

For farmers:

- Only 13% of the respondents reported some form of record keeping. As suggested in this analysis “Farmers should be equipped with Book keeping skills to enable them manage their finances. This will enable them; track their productivity, cash management, cost management and hence the farm’s profitability” should be included in training curriculum for farmers by SIAH
- Table 1 Farmer’s Pro forma Statement of profit or loss (page 41) indicates a much lower sales revenue for farmers who have irrigation installed. Normally farming under irrigation should have a higher production output. It is important to understand the reason for lower revenue under irrigation, since CLISSA is about to promote irrigation as technology.
- Farmers should be equipped with book keeping skills to enable them manage their finances. This will enable them to: track their productivity, cash management, cost management and hence the farm’s profitability
- The assumption of production increase for farmer as shown in appendix A3, is not supported by any investments in production improvements. How are these farmers achieving this production increase? What are the underlying interventions?
- It is hard to believe that the small scale farmers have no post harvest losses. A percentage should be included in the financial analysis to have a more realistic farm level budget. It might be also an entry point for CLISSA support.

Annex 3: Technical note on component 3 - Strategic capacity strengthening and infrastructure

1. This annex provides further detail regarding the implementation of Component 3, and recommendations on the way forward.

2. Sub-component 3.1 Strategic capacity of selected public sector institutions strengthened.

The delivery of training, equipment and small infrastructure continues to incur delays, for an important part attributable to the limited responsiveness of project implementing partners. Especially the training of partner institution staff and the submission of project proposals by partner institutions are not progressing fast. While in some cases a lack of human resources on the partner institution side may explain the delays, the project will soon be entering into its final stage and financial resources not utilized by the partner institutions may have to be diverted. It is essential to communicate the need for improved collaboration, both at PSC and practitioner level, to avoid this from happening.

3. There are prospects for accelerated implementation over the coming months, as various training events (e.g. for bank managers and for extension officers) are scheduled for November, the audit of farmer organizations is about to start, the SMA laboratory works are nearly completed and requests for quotations for various equipment have been sent out. If these activities are successfully completed in 2016, there is potential to upgrade the progress rating during the next supervision mission.

4. A GIS server has been procured and installed, and training of SAA and PMU staff is scheduled for November 2016. While PMU staff may be trained to achieve a basic understanding of the GIS software and potentially elementary geo-referenced monitoring of project impact, it is important that significant on-the-job training is provided to SAA staff who need to use GIS to study and design investments. Such higher-complexity tasks may require further, dedicated technical assistance, which the project can continue to support in 2017. Collaboration with the Ministry of Environment, Energy and Climate Change (MEECC) who have an experienced cadre of GIS professionals, may be sought.

5. For now, and as a practical exercise to be used during the GIS training, the following basic approach is recommended:

- i. Obtain watershed characteristics (polygons) and river flow data from MEECC, and insert into GIS;
- ii. Load existing SAA data on irrigation schemes (areas / polygons or point data) and insert water storage capacity for barrages;
- iii. Verify and correct for one irrigation scheme the SAA data available;
- iv. For this sample scheme, classify dry-season crops used into 3 or 4 categories of Crop Water Requirements, using the most commonly planted crop for each plot (better approximately right than exactly wrong);
- v. For this sample scheme, analyze the total water supply and demand, percentage of water lost due to illegal tapping or conveyance loss (non-revenue water);
- vi. Develop a strategy to carry out the same analysis for all rivers and irrigation schemes, including an analysis of the labour and support needed.

6. Further capacity building of SAA on the topics of irrigation management, as recommended by the MTR, has not materialized. *It is agreed that this training will be included in the 2017 AWPB, focusing on irrigation water distribution and sustainable financial management of irrigation assets including water price setting, payment and monitoring techniques and reducing non-revenue water.* The SAA to-be-established Irrigation and Drainage Section of SAA, or the people targeted to become part of this section, will need to develop a proposal on this training following the GIS training, for discussion

with the CLISSA PMU. For cost-efficiency purposes, there may not be a large difference between inviting foreign experts to give training in Seychelles, or sending staff to a regional centre of excellence such as in Kenya. It is however most important that any training provided is hands-on and corresponds to the reality on the ground in Seychelles. Training on state-of-the-art technologies, such as hydroponics, has been included as a separate item in the CLISSA work plan.

7. **Sub-component 3.2 Public and collective rural infrastructure.** There is a need to improve the strategic elements of investing in infrastructure as noted in the MTR. **Prioritizing value for money** in this case, should link to the project's goal and development objective and is anchored in pro-poor agricultural growth. Prioritizing value for money would as such be done by comparing various possible sites (e.g. different road segments) or interventions (e.g. when upgrading an irrigation scheme, different options in terms of storage capacity, specifications of pipes, etc) and analysing which has the greatest impact. This can be done in a small working group, using a simple excel template where options A,B,C,D, etc are scored against a few indicators (e.g. expected growth in agricultural output, number of people benefitting, cost per unit of growth, cost per person).