Enabling poor rural people
to overcome poverty

Republic of Zambia

Rural Finance Programme (RFP)

Supervision Report

Main Report and Appendices

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Contents

Abbreviations and Acronyms iii
A. Introduction 1
B. Overall Assessment of RFP Implementation 1
C. Outputs and Outcomes 3
D. Programme Implementation Progress 10
E. Fiduciary Aspects 12
F. Sustainability 16
G. Conclusion 16

List of Tables

Table 1a. Performance against the 2012 AWPB, as at 31st December 2012 13
Table 1b: Performance against the 2013 AWPB (Qtr1) 13
Table 2: Loan 643– ZM – Special Account Reconciliation as at 30th April 2013 14

Appendices

Appendix 1: Summary of Project Status and Ratings 17
Appendix 2: RFP Updated Logical Framework with Results 21
Appendix 3: Summary of Key Actions to be taken within Agreed Timeframes 29
Appendix 4: RFP Progress measured against AWPB 2012 31
Appendix 5: Actual Financial Performance by Financier; by Component and Disbursements by Category 51
Appendix 6: Compliance with Legal Covenants: Status of Implementation 53
Annex I: List of Persons that attended the Different Mission Meetings 57
Annex II: RFP Quick Stories from the Field 59

Abbreviations and Acronyms

ASCAs	Accumulating Savings and Credit Associations
ASP	Agriculture Support Programme
AMIZ	Association of Micro-Finance Institution of Zambia
AWPB	Annual Work Plan & Budget
BOZ	Bank of Zambia
CBFI	Community Based Financial Institution
DBZ	Development Bank of Zambia
FSDP	Financial Sector Development Plan
GRZ	Government of the Republic of Zambia
IFAD	International Fund for Agricultural Development
IDP	Institutional Development Plan (of NSCB)
I&O	Innovation and Outreach (a facility under the Programme)
MAL	Ministry of Agriculture and Livestock (formerly MA and Cooperatives)
MFI	Micro Finance Institution
MOF	Ministry of Finance (formerly MOF and National Planning)
MOU	Memorandum of Understanding
MPC	Ministry Procurement Committee
NSCB	National Savings and Credit Bank
NGOs	Non-Governmental Organizations
PFIs	Participating Financial Institutions
PSU	Procurement and Supplies Unit
PMU	Programme Management Unit
QRC	Quarterly Review Committee
RFP	Rural Finance Programme
RFU	Rural Finance Unit
SIDA	Swedish International Development Cooperation Agency
VSLAs	Village Savings and Loan Associations
ZPPA	Zambia Public Procurement Authority

A. Introduction[1]

1. An IFAD Supervision and Implementation Support Mission visited the Republic of Zambia, during the period 27th May – 2nd June 2013, to carry out supervision of and, where required, provide implementation support to, the Rural Finance Programme (RFP). The main objectives of the Mission were to: (a) evaluate the overall progress of implementation in reference to achievement of the development objectives and goal; (b) provide necessary assistance to the government for an orderly completion and closure of the programme by 30th September 2013 and 31st March 2014, respectively; (c) evaluate the overall implementation performance of 2012, against the 2012 Annual Work Plan and Budget (AWPB); (d) review the progress of implementation of the 2013 AWPB; (e) check and comment on actions taken on the agreed actions of the last Mission; and (f) undertake field visits to interact with the implementing partners, and the target group beneficiaries, to assess benefits reaching them, and receive their views on how improvements can be made and how systems created can be sustained.

2. The Mission held meetings with the Ministry of Finance (MOF); Programme Management Unit (PMU); some of the implementing partners that included the National Savings and Credit Bank (NSCB), the Development Bank of Zambia (DBZ), and two of the institutions involved in implementing the development of the Community-Based Financial Institutions (CBFIs) (i.e. Keepers Zambia Foundation (KZF) and Micro Bankers Trust (MBT)) and two Innovation and Outreach Facility (IOF) components Implementing Partners (i.e. KZF and the Churches Health Association of Zambia (CHAZ)). The Mission also met with other relevant institutions collaborating with the Programme including the Bank of Zambia, the Ministry of Agriculture and Livestock (MAL), the Association of Microfinance Institutions of Zambia (AMIZ), the Bankers Association of Zambia (BAZ), and a number of Micro-Finance Institutions (MFIs) with interest in the Programme. Field visits were made to 3 Districts (Senanga, Mongu and Choma) in Western and Southern Provinces to interact with the target groups benefiting from the Programme.

3. The Mission would like to thank the staff of MOF, PMU, the implementing partners, as well as other stakeholders who have participated in the Mission for the time spared and their contributions to the Mission's work. The Mission also extends its sincere appreciation to the Government of the Republic of Zambia for its hospitality.

B. Overall Assessment of RFP Implementation

4. The overall implementation of the Programme is satisfactory, except for the less than satisfactory policy, strategy and institutional changes that would have improved the performance of the Development Bank of Zambia (DBZ), and National Savings and Credit Bank (NSCB). The Mission noted, however, that actions are now being initiated to introduce these important changes. The achievements recorded under RFP, thus far, are impressive and include the following: about 2,006 Village Savings and Loan Associations (VSLAs) have been established and functioning; over 56,283 people have benefited, of which 26,357 (46.5%) are women. Women constitute the majority of the members of the VSLAs, standing at 20,357 (73.5%) of the 27,700 members. Mobilisation of Savings and Investments are key elements of the Programme, focusing on the poor rural households and using the VSLAs, and promotion of expansion of rural branches by MFIs and NSCB. Total Savings, as at 31st March 2013, were estimated at the equivalent of US$ 2,159,245 of which about US$ 581,479 (27%) is from VSLAs. The gross loan portfolio, as at 31st March 2013, was estimated at the equivalent of US$ 11,251,679 broken down as follows DBZ: US$ 5,065,955, NSCB: US$ 1,045,143, MFIs: US$ 4,261,815 and VSLAs: US$ 878,766. Through the technical assistance provided, important reports, aiming to improve policy, strategy and institutional support for rural finance, have been produced.

[1]Mission Composition: Ms Abla Benhammouche, IFAD Country Director-Zambia and Mission Leader; Dr Dick Siame, IFAD Country Officer; Mr Samuel A. Olowude, Institution Expert/Policy Analyst; Mr Shakib Mbabaali, Agricultural Economist; Mr Alex Malembo, Rural Finance Expert; Ms Karima Cherif, Monitoring & Evaluation Expert; Ms Rose Heraniah, Fiduciary/Financial Management/Procurement Expert; Ariane Frier-Ferrari, Compliance Expert. The MOF/RFP PMU staff members fully participated in the mission's work and contributed to the Aide Memoire.

Such reports include: a) Rural Finance Policy and Strategy for Zambia; b) ESBG report on Savings and Credit Products for NSCB; and c) Strategic plans for DBZ. The implementation of the recommendations in the reports is awaiting the approval of these reports by the mandated authorities. The Mission wishes to request that these reports be approved, and recommendations therein implemented as much, and as soon as possible.

5. The Programme objective of increasing the use of sustainable financial services in rural areas and the Programme goal of improving the livelihoods of rural households will be met to a large extent. This is demonstrated by the already achieved outputs, outcomes, and impact and, more importantly, by the system created which will continue addressing the Programme objective and goal after the Programme completion. An achievement of 25% of target beneficiaries of 220,000 households is caused by the delays in Programme start-off, capacity constraints, delays in establishing the branch network of NSCB, and use of credit provided to DBZ. The use of village agents supported by VSLAs in community mobilization and development of VSLAs has started yielding good results and will enable a sustained increase in the number of beneficiaries reached. Information collected by the Mission indicates that an agent put in place by the Programme and supported by the communities/ groups does not only support the Programme developed groups, but also undertakes further developments of groups within the community. On average, such agent develops at least four other groups. Information on this scaling-up is not available to the Programme. The Mission advises that ways be found to collect information on the scaling-up, and provide any needed follow-on assistance to enhance this community initiative. By the time of the Mission, NSCB had increased the number of established branches from two to four. In addition, two more branches were ready for official opening and another two will be completed before the completion of the programme. DBZ has established relations with MFI's for wholesale lending and has virtually exhausted the use of US$ 4 million provided by the Programme and has been using interest and reflows for further expansion of rural credit.

6. Participating MFIs have also used their own resources for the expansion of rural credit. The programme has facilitated three MFIs to expand their rural outreach while using their own resources to expand rural credit. The field visits undertaken by the Mission in two provinces (Western and Southern provinces) demonstrated the positive impact of the Programme on livelihoods of the poor rural households. Most of the households contacted confirmed improved household income, expansion of business enterprises, increased asset base, enhanced social welfare and the ability to finance their children's education. The Mission stressed the importance of consolidating the gains made and sustaining the scaling-up, both horizontally and vertically. For this purpose, the Programme should assess the impact and document lessons of experience from the implementation of the Programme. The impact assessment study planned by the programme will be important in this respect. A good Programme Completion Report (PCR) will also be crucial.

7. The actual disbursement and firm commitments by 31st March 2013 was the equivalent of US$ 10.8m (SDR 7.2m) or 78% of IFAD assistance. There is scope for completion of on-going activities and to undertake some important activities before the completion date of 30th September 2013.

Agreed action	Responsibility	Agreed date
1. The recommendations on policy and institution improvements as contained in the reports submitted to government by the Programme should be implemented as soon as possible	MOF/BOZ/DBZ,NSCB	Immediately
2. Impact assessment study and the Programme Completion Report should be timely carried out and document impact and lessons of experience	MOF/PMU	June/July 2013
3. Put in place necessary arrangements to consolidate the gains and enhance scaling-up of successful experiences.	MOF/BOZ	Immediately

C. Outputs and Outcomes

8. **Indicators from the field** – The Mission visited key partners and beneficiaries to interact with them in assessing benefits and seek ways for further improvements. Visits were made to RFP partners – CETZAM Financial Services; Keepers Zambia Foundation and Churches Health Association of Zambia. Beneficiaries were visited in Southern Province – Choma District – CETZAM supported irrigation group; Western Province – Senanga District – Ilulila Rice Cooperatives, Senanga Rice Association, Njuwelelo Savings Group, and Paradise Saving Group; Mongu District – NSCB branch and Mubano Savings Group. All the contacts made expressed satisfaction with the support received from the Programme given the significant benefits they have received. They expressed confidence in not only sustaining their operations, but also expanding business post Programme implementation. Highlights from each contact are presented below.

9. **CETZAM Financial Services** – This MFI has participated in both Component 3 – Credit Facility for Contracted Small-scale production, and Component 4 - Innovation and Outreach Facility. Under Component 3, it has received a loan of US$ 2,000,000 from DBZ and has successfully disbursed the funds to smallholder producers for agricultural production through its 8 branches and 13 satellite offices. Apart from giving loans, CETZAM provides technical training, production supervision, linkage to input supply companies, and markets. It has financed agricultural production – fruits and vegetable, maize, dairy operations; and marketing. Its average lending to smallholders is ZMW 2,200. Its current interest rate is 42% per annum and deposit rate is 10%. It has supported over 6,000 small operators who have raised productivity, improved income, and enhanced their assets. Its main difficulties are inadequate loanable funds, low interest rate following BOZ interest rate capping policy, and high operating costs.

10. **Keepers Zambia Foundation (KZF)** – It is involved in Component 1 – Development of Community Based Financial Institutions (CBFIs) and Component 4 – Innovation and Outreach Facility (IOF). In CBFI, as at the end of 31st March 2013, it has supported 361 groups comprising of 4,371 members of which 2,968 (68%) are women. The groups have mobilized savings of the equivalent of US$ 96,690, and extended loans of the equivalent of US$ 81,664 to 1,583 borrowers of which 1,183 are women (75.7 %).

11. Under IOF, it is supporting the development of the rice value chain which includes support to 125 rice groups/cooperatives, and Senanga Rice Association. It is also supporting the honey value chain under which it is working with a total of 122 groups. The total beneficiaries are 4,401 of which 1,848 are women (42%). KZF has initiated the process of organizing the producers into savings and loans association. So far, 12 savings and loans associations (189 members) have been formed under the honey value chain. The associations have saved US$ 15,700 and provided loans of US$ 15,797. Under the rice value chain, it has formed about 36 groups with a membership of 1,125. These groups have saved US$ 12,506 and loaned to members US$ 4,939. It has provided financial support as well as technical training to Senanga Rice Association. It was, however, noted that KZF is having some problems with the development of value chains. It may seek collaboration with SAPP for improvement. With its 20 agents, it is estimated that it has mobilized about 100 additional groups outside the Programme.

12. **Churches Health Association of Zambia (CHAZ)** – CHAZ's main focus is on health services to poor rural households, including people living with AIDS, people affected by TB and Malaria; this has been going on since 2000. In 2011, with support from RFP, CHAZ complemented its core activities with a Village Savings and Loan Association (VSLA) programme. The operation is in: a) Masaiti District, Copperbelt Province, with a catchment population of 19,800 living in 100 villages; b) Petauke District, Eastern Province, with a catchment population of 93,320 living in more than 100 villages. Thus far, a total of 85 VSLAs (46 in Masaiti District, and 39 in Petauke District) have been establishment with a total membership of 1,646 of which 1,285 (78%) are women. Outcomes include a total savings of the equivalent of US$ 43,308 and a gross loan portfolio of US$ 255,633. The loans have been invested in agricultural production including crops (maize, groundnuts, vegetable and beans) and livestock (goats, pigs, cattle and poultry). Off-farm enterprises include groceries. All have

successfully carried out their business and paid back the loans. Profits have been used to expand operation and improve household livelihoods. The impact, thus far, has been improved income as a result of: a) higher productivity due to the adoption of improved technologies; and b) expansion of farm enterprises (crops and livestock). Livelihoods have improved as households are food secure, have enhanced assets, and able to send their children to school.

13. The Beneficiaries visited also reported improved outputs, outcomes and impact. The information is presented hereunder.

14. **Irrigation groups in Choma District** – The Mission visited a household belonging to Nabuyani Irrigation Scheme, Kalomo who are receiving support from CETZAM. The beneficiary confirmed receiving support through loans, technical training and linkage to input suppliers, and markets. Using the loan cultivation of fruits and vegetables (tomatoes, cabbages, green pepper and winter maize) has expanded and productivity enhanced. Assets have been enhanced including machinery and equipment and better housing. Incomes have risen and now able to send their children to school. Family food security is assured. The loans have been repaid. However, problems are still being faced in marketing.

15. **Ilulila Rice Cooperative** – This involves 13 groups with average membership of 20 and female membership of 50%. This cooperative is being assisted by Keepers Zambia Foundation and seeks to improve their rice production, productivity and income through a value chain approach. The members have started bulking their paddy but have yet to appropriately link to markets. KZF will need to improve support to them to achieve their objectives. KZF may wish to establish collaboration with SAPP, which is into value chain development.

16. **Senanga Rice Association (SRA)** – The association has 7 cooperative societies as corporate members. The number of producers has been estimated at over 400. KZF has provided assistance since 2010 in training, input supply, technical production support, processing and marketing. The Mission found that the association has not been properly organized, suffers from poor governance, and yet to have a sound business plan. There is good potential for success but a more intensive support from KZF, possibly in collaboration with SAPP, will be required.

17. **Njuwelelo Savings Group** – It was established in 2010, registered and obtained its certificate in 2011. It has 17 members of whom 13 are women; a woman is the Chairperson. Its operations, including savings and credit, are modest and will need further mentoring to improve performance. Its savings, as at February 2013, was K 800 or about US$ 150. It has financed group loans and member's loan in support of rice production, tomato trade, fish trading and sweet potato marketing. The loans have been repaid with modest profit recorded. The interest on loan is 15% per month. The group may benefit from further training and visit to successful groups in the district for learning. The group was self-mobilized and has not received any formal training from KZF.

18. **Paradise savings Group** – Established in 2009, the group has 20 members, 15 of whom are women. The focus of members is in agricultural production, including vegetables, winter maize and rice. The group is fully established but will need further assistance, as is the case with Njuwelelo, to improve performance.

19. **NSCB provincial branch Mongu** – This branch is fully established providing rural financial services within a radius of 50 km. It has over five loan products for different categories of rural population. Among these products, two seem to respond to the needs of poor rural households. These include: a) the micro loans for groups and individuals; and b) asset plus. The terms of group loans include a ceiling of ZMK 2,000, 1-6 month loan period and an interest rate per annum of 25%. The individual loan has a ceiling of ZMK 150, and other terms are as for group loans. A second loan, after due performance of first loan, could be double of first loan. The asset plus loan has a ceiling of ZMK 50,000, 60 months period, and an interest rate of 25% per annum. The bank is in the process of reviewing the ceilings upwards. The branch has over ten savings products, but only one - the rural savers account which has no bank charges, and pays interest of 2-3% on a six monthly basis, may be of interest to poor rural households. The branch is undertaking monthly marketing visits in its area of

operation. So far, only 5 groups have linked with the bank and receiving loans. The branch has reported growing interest from rural households in the bank services. More interaction between RFP and the branch may enhance rural financial services in its area of operation.

20. **Mubano Savings Group** – It was established in 2009 by an NGO but did not receive proper training. The group linked with KZF in 2010. KZF has provided training and technical support for their agricultural operations. The group chairman visited Malawi; the visit and experience gained has had significant positive impact on group operation. The group is fully established and functioning effectively. The total membership is 15; 13 are women. Membership registration fee is ZMK 21 while regular weekly savings is a minimum of ZMK 5 without a limit. Members engage in agricultural production (vegetables, maize) and trading in various forms. The NSCB branch in Mongu has visited the group, but the group is yet to link with the bank as it has not seen the purpose for such a linkage. The group has enough savings to meet the loan demand of members and said that it does not need loans from the bank. With a growing saving and considering the risk of holding a large cash amount, it is considering opening a savings account with the bank. The group aspires to go into processing of mangoes, cashew or oilseeds once it has the necessary technical support and financial muscle. The Mission advises that the group be further mentored to get to a higher level as it is aspiring.

Specific outputs and outcomes by component are summarized hereunder.

21. **Component 1: Development of Community-Based Financial Institutions (CBFIs)** - The objective of the component is to improve access of the economically active poor rural households to community-based financial services on a sustainable basis through the promotion of rural self-owned and managed institutions. The component is to strengthen the communities' capacity to operate and finance savings and credit services, themselves, by contracting NGOs or MFIs to support community-based financial institutions. This is being done largely through three Implementing Partners – Keepers Zambia Foundation (KZF), Micro Bankers Trust (MBT), and the Rural Economic Expansion Services (REES). In general, the component has performed very well with most of the previous recommendations of the mission taken on board, all technical assistance is in place, village agents trained, CBFI manuals produced, and record keeping improved. Great effort is now being placed to consolidate the gains made. This is partly being made through exposure visits by the village agents and also linking CBFIs to banks. A total of 1,244 Village Savings and Loan Associations (VSLAs) (50% of the Appraisal target) have been formed and consolidated with a membership of 19,776 members (66% of target) of whom 13,947 are females. The members have achieved an accumulated savings of US$ 472,280 (66% of target) and gross loan portfolio of US$ 673,091 (104% of target) by the end of March 2013.

22. Although RFP may not be able to reach some of its targets, considering that Programme implementation ends in September, the model has proved to be viable in reaching out to many vulnerable people to access finances that is being used variously by the beneficiaries to improve their livelihoods. More importantly, the interventions have created a culture of saving to the target households. There are some challenges being encountered and these include: a) some groups save but the members do not want to borrow; b) limited business skills on off-farm income generating activities – most members are only depending on agriculture and this affects growth of the funds; c) delayed repayment by some members. Although they eventually pay, they tie up funds that would otherwise go to others; and d) lack of proper incentives for the Village Agents. There is a need for the continued training of the groups to build capacity in areas such as entrepreneurship. In addition, there is a need to link with the MAL's Department of Agribusiness and Marketing for continued support to the groups.

23. **Component 2: Development of Rural Products -** NSCB with the support of the European Savings Bank Group (ESBG) experts, embarked on developing appropriate savings and credit products for the bank's microfinance operations on a pilot basis in 2010 initially starting in five branches and extended to 10 more branches by May 2012. Products include i) deposits (i.e. smallholder savings schemes, accounts for saving and credit groups/MFIs, a special savings scheme for rural women entrepreneurs, rural pensioners savings scheme and introduction of current

accounts); ii) loans (i.e. short term micro loans and short term small and medium enterprise loans; iii) agency banking, mobile banking, automated teller machines (6 in rural areas). However, given the malfunctioning banking system, a broader outreach of these microfinance operations could be improved further given the potential of a) Pensioners' Account which as at 31/03/2013 had of its books 4,894 pensioners accounts a total book value of KR17,004,000 while for the Asset Plus had a total loan book of KR557,000. In addition, by the December 2012, the microfinance portfolio in the pilot branches only covered the following number of clients: Voluntary Savers (1,739 females; 1,783 males) who saved US$ 1,020,837 and Borrowers (252 females; 170 males) who borrowed US$ 456,980.

24. The type of enterprises and benefits received are mainly market traders, agro business, small holder seasonal crops and small agricultural equipment. Overall, the positive impact that micro-loans may have had as evidenced in pilot areas, has been constrained by a malfunctioning banking system. The processing of micro loans has been streamlined and branches can now approve up to ZMW 20,000 without sending the papers to head office in Lusaka as was the case previously. The potential for expansion of this type of loan product which is less risky and has low interest rate is huge. NSCB operations could target, for example, key market places including core agricultural and commodity value chains through standard microfinance approaches such as group guarantees on individual loans to rural traders, low-cost satellite offices to collect savings and issue loans, using motorcycles to reach near-by rural and agricultural centres, etc., and thereby play a commanding role in micro-banking in the country. However, up-scaling the current pilot to a full scale national operation supported by active marketing is not justified until NSCB has a reliable banking system to record its banking transactions.

- **Development of Management and Operating Systems –** The objective is to develop NSCB's management and operational system in particular its accounting and information system, including investment in i) computer management information systems; ii) expansion of NSCB branches and iii) technical assistance and training. The accounting and information system (Rubikon) installed in 2009 has underperformed and has been central to most of the problems experienced by the bank as mentioned above. NSCB is in the process of procuring a new banking system that when installed will help the bank move forward. Meanwhile, it started a Data Cleansing Project to reconstruct its data from 2009 when the migration into Rubikon took place. This will involve re-migrating the take-on data onto a separate core banking application. A South African Co. won the bid and the consultant has since submitted an inception report. The project's objective is to establish the correct position of the general ledger and thereby resolving the data integrity issues. Reconstituted data from 2009 – 2012 will be processed by the consultant and later will be migrated onto the new banking platform. The expansion of NSCB rural branches stalled for a long time. By the end of RFP in September 2013, only 7 to 8 out of the planned 20 branches will be operational. However, currently NSCB management has demonstrated the capacity to expand rural branches having opened 2 branches already in the first half of 2013 and 4 more to open, most at advanced stages of construction, before project closure. The mission is of the opinion that branch expansion coupled with a robust and reliable accounting and information system will definitely advance rural financial services in Zambia and scaling-up would be supportive of government's policy. In terms of technical assistance and training, RFP engaged ESBG experts to help NSCB develop rural loan products (savings and credit) described above while back-up services to resuscitate the beleaguered Rubikon banking and information system were provided.
- **Organisation and Manpower Development** – RFP engaged ESBG to assist the bank in building its management capacity including streamlining various management operations. This resulted in some of the following outcomes: re-focusing job descriptions for employees; creating two directorates under which the operational departments are organised. The Managing Director and the two Directors now meet every Friday in coordination meetings, as per ESBG recommended. In addition, staff have been capacitated according to the needs of the bank in strengthening it to operate in a professional manner. They have attended relevant training

workshops and the bank has provided them with study loans and direct sponsorship to improve their qualifications.

25. **Component 3: Credit Facility for Contracted Small-Scale Production** - The main inputs of the Programme are to provide a line of credit of US$ 4 million to DBZ for wholesale lending to commercial banks. In turn, the commercial banks are supposed to lend to contract farming/production companies that are engaged in smallholder or other contracted small producer operations and want to fund incremental small-scale operations through intensification or expansion. Also, the Programme is supposed to provide technical assistance to DBZ to carry-out the obligation and strengthen its capacity to deliver its mandate. The implementation of the component was delayed because the commercial banks did not show interest. This was due to the fact that they were over-liquid and considered the facility too small to warrant their attention. Eventually, the government and IFAD decided that the facility be channelled through deposit taking MFIs. DBZ has disbursed US$ 3,961,231 through four MFIs – MBT, CETZAM, Harmos/VFZ and PFSL/EFC. DBZ has earned an interest of US$ 401,416 net of service charges, and relent a reflow of US$ 1,104,724. The PAR (30 day) is zero. The outcomes include a gross loan portfolio of the equivalent of US$ 6,415,967 by the participating MFIs for 11,312 borrowers. Through the technical assistance provided, the staff of DBZ were trained and a strategic plan developed. Unfortunately, most of the trained staff have left the bank and the implementation of the strategic plan has yet to materialise; the DBZ board is yet to approve the plan.

26. **Component 4: Innovation and outreach Facility (IOF) -** The objective of the component is to promote the development and up-scaling of sustainable and appropriate rural finance operations; particular emphasis is being put on those that reach vulnerable households. The innovation and Outreach Facility (I&OF) provides support in order to reduce the initial risk of penetrating rural areas with financial services and lower initial costs that go with it. Under this component, the Programme is working with:

- Cotton Association of Zambia (CAZ) – this is in Mumbwa and provides support to Financial Institutions. Thus far, CAZ is working with 36 groups (target of 60); Current savings are at US$ 3,036 (target of US$ 90,188) with a gross loan portfolio of US$ 4,241 (target of and US$ 98,305). This is an underperformance in terms of numbers but there are significant lessons learnt by CAZ to be able to roll out to other districts beyond September 2013;
- Churches Health Association of Zambia (CHAZ) support to Health community groups' financial needs in Masaiti and Minga targets 1,250 members and the current achievement is 1,646 members. Current savings have reached US$ 15,610 (target of US$ 75,000) with a gross loan portfolio of US$ 103,085 (target of US$ 82,500). There is a need for regular monitoring and continuous training to the groups on business skills and record keeping;
- Celpay Zambia Limited's outreach enhancement through Mobile Money Transfer Innovation reached 842 transactions against a target of 54,800 amounting to US$ 90,856 (target of US$ 723,940). However, by the end of the reporting period Celpay failed to go online and underperformed because of the manual system. It is unlikely that they will achieve the targets before September 2013. It was observed that the funding has ended and, therefore, Celpay should prepare and submit an end of project report in order to share achievements, lessons and challenges;
- CETZAM'S Promotion of savings and credit activities among the Households with OVCs in Southern, Central and Copperbelt Provinces has disbursed just above 2,000 loans (target of 1,300). The current gross loan portfolio was US$ 1,221,810 at the end of March 2013. The contract with RFP came to an end and is due to submit the End of Project Report;
- Rural Economic Expansion Services' Trade Finance and Value Addition project in Kasama and Mungwi has faced challenges and RFP has indicated it will not proceed to support the Value Addition and Trade Finance activities. REES should submit the end of project report articulating achievements, lessons learnt and challenges encountered;

- Empowerment Micro Finance Institution partnership with a mobile money transaction firm to improve savings and credit management in Chirundu, Siavonga and Monze to support close to 300 EMFI clientele base. Since the transfer to CETZAM, staff responsibilities are still being consolidated. The performance is satisfactory in terms of mobile loan disbursements to clients;
- Keepers Zambia Foundation's value addition project on Rice in Senanga targets 2,000 rice growers. It has thus far reach 1,125. Savings are estimated USD12, 506 and US$ 4,939 gross loan portfolio. The capacity building to the Association and members of the groups is satisfactory especially with the rolling out of the savings and credit activities. However, there is a need for continued training to the savings groups, cooperative society and SRA in entrepreneurship and governance so that they are able to manage their activities as a business. KZF also has a value addition project on Honey in Kasempa which has reached 1,941 honey collectors (target of 1,800) with savings from 189 members reaching US$ 15,700 and a gross loan portfolio US$ 15,797 (target of US$ 40,000). Although there was a slow start up on the savings activities, the honey business and skills capacity have been enhanced.
- The innovations under this component have contributed to the development of rural financial services by penetrating to the rural poor. However, some targets may not be achieved because implementation was delayed due to lengthy procurement processes of service providers.

27. **Component 5: Policy, Institutional and Management Support** - The outputs and outcomes of the component are generally satisfactory. A rural financial system has been put in place and operational. Necessary leadership has been provided in developing a Village Savings and Loan Associations (VSLAs) Guide and Field operations manual. AWPB, Progress Reports and Audit Reports have been produced and submitted to Government and IFAD as required. A Monitoring process has been put in place but a monitoring system and a knowledge management/dissemination are yet to be established. In order to contribute to rural financial services, policy development partnerships have been fostered. The Programme participates in the implementation of the Financial Sector Development Plan II. It chairs the FSDP access to Finance Working Group and actively participated in the technical advisory group on MICRO insurance. The Programme has provided resources to produce a report on development of rural finance policy and strategy in Zambia. The Programme has organized and hosted the second rural finance forum to facilitate dialogue and share experiences on rural financial services operations in Zambia.

28. **Implementation of the 2013 AWPB** – The 2013 AWPB focuses on consolidating the past achievements and modest expansion of activities under different components. The achievements have been generally satisfactory. The expenditure in the first quarter reached the equivalent of US$ 391,894, representing about 10% of the approved budget. This is below the expected disbursement but is expected to improve significantly within the next four months as the on-going contracts are completed as the project approaches completion. Concerning the **Development of Community-Based Financial Institution**s (CBFIs), the three implementing partners (KZF, MBT, and REES) continued their support to already established VSLA as well as developing new VSLAs. Africare terminated their operations in 2011; MBT assumed responsibility for continuing support to 136 of 251 VSLAs developed by Africare. These groups comprise of 2,889 members, of whom 2,142 (74.2%) are women. The total number of groups mobilised was 234, representing 34.3% of the 2013 target of 683 groups. The number of members has been put at 3,727, of whom 2,540 (68.2%) are women. The number of target beneficiaries was 18,588, indicating an achievement of about 20%. With regard to savings and loans, a loan target of the equivalent of US$ 204,868 for 2013 was set against which the equivalent US$ 123,420 (about 60%) has already been achieved. Performance in the loan facility provided is impressive at the equivalent of US$ 450,420 achieved against the 2013 target of US$ 169,053. This represents an achievement of about 267%, reflecting the impact of past years accumulated savings and good loan repayments. The performance under this component is satisfactory.

29. With regard to the **Promotion of Rural Banking Services under National Savings and Credit Bank (NSCB)**, operations have been hampered by the problem of selection of poor bank IT

Solutions for accounting, banking and reporting. While the IT Solution is being used in a limited way and discussions on-going between the provider and the Government to resolve the issue, the bank is in the process of procuring a new IT Solution. Learning from the past procurement, the bank has taken due care to minimise the risk of failure. The bank anticipates that the new system will be operational by early 2014. Once the IT Solution problem is fully resolved, the bank will embark on its rural outreach plan aiming to increase the rural branches from 20 to 40. In the meantime, the BOZ has approved the establishment of six more branches in 2013. Two have already been established, two are ready for official opening and the remaining two will be in place before 30th September 2013. These are financed by RFP. In addition to the two already established, the total rural branches supported by RFP will reach eight by the completion of the RFP. The bank has rolled out several macro-finance products for savings and loans in the nine established braches being supported by RFP. They include rural savings account and micro-finance. Pilot products including mobile banking and agency banking which, when fully tested, will also be rolled out to these rural areas. The rural financial services have improved and expected to grow with improved staff capacity, better management and governance. Judged against the position of the bank in 2012, appreciable progress has been made in 2013. The following achievements have been reported as at 31st March 2013: a) branch expansion – 4 of the 6 (67%) planned branches have been completed and 2 are operational; b) the annual target for people receiving financial services under the MF product was 5,000. Thus far, 2,139 (43%) have been reached; c) savings of US$ 300,000 was envisaged and a gross loan portfolio target was US$ 600,000 of which US$ 456,889 or 76% has been achieved. It is envisaged that the bank will substantially meet the target for 2013.

30. The DBZ, which is administering the credit facility for contracted small-scale production, has virtually exhausted the line of credit of US$ 4m provided by RFP by 2012. It has also used the reflow of US$ 1.1 million to further extend credit through MFIs. At an average loan of US$ 1,500, it is reported that about 1,073 small-scale rural operators have received loans in the first quarter of 2013 of which 775 (72%) are women. The PAR (30 days) of participating MFIs has been reported as: a) 0.9% for MBT; b) 13% for CETZAM; c) 4% for VFZ; and d) 3.2% for PFSL EFC.

31. For activities under the **IOF**, the Cotton Association of Zambia has offered services to 411 producers (186 are women) against a target of 1,200 people; an achievement of 34%. It has mobilised a saving of US$ 3,036, against a target of US$ 41,913 for the first quarter and a gross loan portfolio of US$ 4,241 has been achieved. CHAZ has supported 14 groups with a total membership of 344 (263 are women). Celpay is developing a mobile phone-based savings and mobile money transfer products. No significant progress has been made. CETZAM, EMFI and MCF operations were terminated in 2012 and end of contract reports have been received from all except CETZAM. Keepers Zambia Foundation (KZF) has no new initiatives in 2013 but continued its support to Mooma Bee Products and Marketing Association Project. The support covered 122 honey producer groups comprising 1,941 members (580 women). These groups have constituted themselves into VSLAs and have been started a loan and credit operations. The Association will need to put in place a carefully prepared business plan, be trained in management and assisted to link with markets. KZF also continues to support the rice cooperatives and associations. The Mission visited the rice cooperatives and the association. Both will need proper guidance to become effective value chain actors. Linkage to SLIP/SAPP/S3P of MAL may be of advantage.

32. The PMU has continued effective coordination of the Programme and has been proactive in contributing to policy enhancement activities through involvement in FSDP. Arrangements to carry out an impact assessment of RFP have progressed satisfactorily. The Mission stressed the importance of the study in providing a clear impact of the Programme and lessons of experience that can provide further inputs into rural finance development. The planning for the Programme Completion Study has started with preparation of TORs which have been submitted and are awaiting No Objection This would ensure that the Programme Completion Report is produced before the closing date.

33. The Mission is of the opinion that the 2013 AWPB will be fully implemented with attainment of most of the targets.

Agreed action	Responsibility	Agreed date
1. The financial resources arising from the line of credit to DBZ, and support to NSCB will be established and proposal made to IFAD on their application for similar objectives of RFP, after the completion of the programme.	F/DBZ/NSCB	Sept 2013
2. The development plans for DBZ and NSCB will be approved and recommendations implemented as may be required.	F/BOZ/Board of NSCB/Board of DBZ	Immediately
3. Collaboration between RFP, smallholder Agribusiness Promotion Programme (SAPP) and Smallholder Productivity Promotion Programme (S3P) of MAL will be promoted for synergy	Programme Manager RFP	Immediately

D. Programme Implementation Progress

34. **Programme Management** – The Programme Management Unit (PMU) established within the Department of Investment and Debt Management of MOF provides overall management, including coordination of RFP components. The establishment of the Rural Finance Unit (RFU) or Department awaits Cabinet approval. However, two staff have been provided to work on a part time basis with PMU on rural finance issues. This arrangement has permitted the Programme's policy dialogue and provided an avenue for PMU linkage with MOF. The oversight responsibilities have been effectively provided by the Quarterly Review Committee (QRC), and the Programme Reference Group (PRG). The Committees have provided guidance in Programme Planning, and implementation, Progress monitoring, ensuring implementation within the rural finance policy framework and addressing implementation issues and bottlenecks. The PMU has provided supervision of implementing partners, within its available capacity, produced AWPB and Progress reports as required, and leadership in establishing rural financial system. The programme Management performance has been satisfactory.

35. **Programme Implementation** – RFP implementation has been largely conducted by implementing partners and service providers, including four NGOs for CBFI Promotion, NSCB, DBZ, about seven MFIs, and other IOF Matching Grant recipients. Community facilitators and village agents have also played key roles in promoting Village Savings and Loan Associations (VSLAs). The Mission is of the view that these implementing partners, Service Providers, institutions and Community facilitators and agents have effectively and responsibly implemented aspects of Programme activities entrusted to them. They have received guidance and supervision from the PMU in a limited sense due to limited capacity in the PMU. Supervision and Monitoring of implementation is found to be a weak point of implementation which should have been corrected in the earlier part of Programme implementation through enhanced collaboration with relevant government institutions, such as the Ministry of Agriculture and Livestock, that have adequate field presence.

36. **Rural Finance Policy Development and Implementation** – This is an area where RFP design placed much emphasis. The main instrument is the Rural Finance Unit expected to be created during implementation of the Programme. It would be responsible for coordinating the development of rural finance policy and strategy, promote dialogue among the stakeholders through the hosting of annual rural finance forum, and strengthening rural finance capacity in relevant sector ministries and in close collaboration with Financial Sector Development Plan (FSDP) Secretariat in BOZ. The part time staff, together with PMU, have worked closely with the Secretariat of FSPD and the Programme Manager is the Chairman of the Access to Finance groups and also participates actively in the Technical Advisory Group on Micro Insurance. The participation in these working groups has made it possible to focus the groups' deliberations on those policies that are important for meeting the objectives of the RFP. The RFP has supported the preparation of a report on development of rural finance policy and strategy in Zambia which is awaiting approval of the cabinet. Once approved, the document will contribute to the future policy direction and strategy for rural finance development as well as institutional arrangements for coordination of implementation of rural policy and Strategy. RFP has organised annually Rural Finance Forum which has attracted various stakeholders. The Forum

provided opportunities to discuss topical issues related to rural finance and provided inputs for further development of rural finance policy and strategy.

37. Recent policy issues which may engage the attention of RFP include the introduction of interest rate cap, which has tended to negatively affect the MFIs. BOZ is reviewing the Policy and it will be important for RFP to effectively participate in the on-going dialogue. The recent policy initiative on changes in agricultural input subsidies and liberalisation of maize marketing is another policy area that should affect operations of rural finance. RFP should be mindful of their implications.

38. **Monitoring and Evaluation** – A Planning, Monitoring and Evaluation (PM&E) system was developed in 2009 in close collaboration between members of the PMU and Implementing Agencies. The system became operational in 2010. Agreement was reached on the type of the data to be collected, method of analysis and interpretation of the results. A reporting format was standardised and schedule of reporting established. Needed training and resources were provided by the PMU. The Monitoring and Evaluation office of the PMU provides supervision and consolidates the reports from the Implementing Agencies. The Mission observed that the system is functioning and has assisted in producing and submitting progress reports on a timely basis to the Government and IFAD. The system has not been institutionalised and not linked to the Monitoring and Evaluation system of MOF. Therefore, it is not sustainable and may cease functioning after the completion date of RFP once the Implementing Agencies stop operation and reporting. The Mission advises that the MOF should take steps to institutionalise the system for sustainability. In this respect, the on-going collaboration between MAL and MOF in developing a M&E system for MAL may be exploited.

39. **Knowledge Management** – A knowledge Management (KM)/dissemination system has not been established. Thus, RFP has no mechanism to manage and share the knowledge it has acquired from implementing the RFP. The RFP was limited in terms of marketing and branding its uniqueness and needed more visibility. Though the rural Finance Forum assisted to demonstrate the RFP achievements, it was still limited. MOF should look into ways to systemise and disseminate the knowledge and lessons from RFP implementation. Due to the imminent closing date (30th September 2013), it might be too late to develop and implement a full KM strategy. However, it was agreed that an initiative be taken to consolidate the documentation so far and compile a repository register for all studies, workshops and other materials that can be shared with stakeholders and other interested parties. A template has been shared with the PMU to guide them in this respect. It is worth noting that a space has been provided to RFP to be used as a temporary documentation centre, pending a permanent solution.

40. **Gender Focus** – The mobilization of the savings and credit groups has a deliberate recruitment process that encourages women to participate in the saving and credit group activities. The training process also has a focus on gender equality where both men and women are encouraged to participate equally. During the consolidation of the groups, the constitution development process emphasizes a minimum of 30% women in leadership positions. In a considerable number of VSLAs, women occupy the positions of Treasurer and secretary. Apart from this, RFP partners have inherent gender focus initiatives that form part of their development agenda. Overall the RFP encourages that at the time of bidding for RFP support, the projects must have a gender focus in context. In terms of RFP M&E, all data on beneficiaries is disaggregated by gender.

41. **Poverty focus –** The RFP core business is to support the very poor and therefore the rural focus has an inbuilt pro-poor and poverty focus. This thrust begins at the time of recruitment of implementing partners who must demonstrate that their target are within the lowest category of vulnerability and these categories include rural women, women headed households, vulnerable groups like the PLWHA and households supporting OVCs. The selection criterion of bidders is also vigorous and focuses on rural districts with high poverty level prevalence.

42. **Targeting Approach –** The RFP guided the various implementing partners on the type of beneficiaries and these include only rural households that are vulnerable. However, this depends on the component. For example, the Credit Facility is guided to target vulnerable and poor but viable farmers. Targeting also includes focusing on special interest groups like women, HH with OVCs,

Viable poor households, rural employees to access rural banking services, etc. One of the qualifying criteria focuses on targeting.

43. **Innovation and Learning** – The programme has undertaken a number of activities which are innovative, especially under the CBFI and the Innovation and Outreach Facility Component. They include: mobile banking, increased financial services to the vulnerable households through partnership with health centres and care givers, mobile phone-based savings account in rural areas, and the use of Community Facilitators and village agents for promoting VSLAS on a self-supporting basis. Many of these initiatives have succeeded while others are still facing problems. It will be important to carry out an assessment of these initiatives to draw out lessons of experience for future learning and replication. Learning has been promoted through visits to countries with successful experiences in rural financial services development. In-country exchange visits have also been promoted as a learning process. These efforts have proved useful and should be continued.

Agreed action	Responsibility	Agreed date
1. Create a Department of Rural Finance in MOF or, at least, a Rural Finance Unit within the Department of Investment and Debt Management of MOF, to provide policy and institutional direction and coordination of rural finance services development.	Cabinet/MOF	As soon as possible but, preferably, before the RFP completion date of September 2013
2. Adopt and implement the recommendations on rural finance policy and strategy as contained in the Policy and Strategy Report.	Cabinet/MOF	As soon as possible but, preferably, by August 2013
3. Take the necessary steps to institutionalise the RFP M&E system.	PM/MOF	Immediate
4. Update the KM data base to ensure a comprehensive list of reports, manuals, videos and other materials. Setup a temporary documentation centre and store therein the KM materials.	M&E Officer/MOF	25th September 2013
5. Develop a KM/dissemination strategy and plan that can be considered for follow-on Programme.	M&E Officer/MOF	15th July 2013

E. Fiduciary Aspects

44. **Financial Management.** The Programme's Financial Management (FM) functions are efficiently managed by a qualified Financial Controller, assisted by an Assistant Accountant. The main concern throughout the project life has been the use of Excel for the Programme's Financial Management as this may have a direct adverse impact on the quality and timeliness of reports. The envisaged linkage to IFMIS did not materialise and the option to procure a stand-alone FM system has since been overtaken as RFP implementation is approaching completion. On the positive side, there are adequate controls with regard to the payment cycle, including checks by the Internal Audit unit, Ministry of Finance, thereby minimising the risks. It is useful to draw lessons from this experience in order to avoid a recurrence in future.

45. **Performance against the 2012 AWPB** – The budget for 2012 was about US$ 6.9 million and expenditure, as at 31st December 2012, was about US$ 2.8 representing 41% of the approved AWPB. This low rate of expenditure was caused by underperformance under components two and three. Performance against the 2012 AWPB is captured in Table 1a below.

Table 1a. Performance against the 2012 AWPB, as at 31 December 2012

	Component	Budget	Actual	Variance	%
1	Development of CBFI's	725,283	372,751	352,532	51
2	Promotion of Rural Banking Services	734,000	55,561	678,439	8
3	Credit Facility for Contracted Small Scle Production	3,376,650	1,062,302	2,314,348	31
4	Innovation & Outreach Facility	1,035,206	432,688	602,518	42
5	Policy, Insitutional and Management Support	1,044,480	900,110	144,370	86
	TOTAL	**6,915,619**	**2,823,412**	4,092,207	41

46. **Performance against 2013 AWPB –** The 2013 AWPB is US$ 3.8m. First quarter expenditure was approximately US$ 0.39m representing 10%. This trend shows a less than satisfactory expenditure rate compared with the overall budget. However, expenditure is expected to increase considerably in the next four months as more contracts are completed and paid as the project approaches completion. **It is important to remind all the service providers that all Programme activities have to be completed by the completion date (30th September 2013) to be eligible for funding under the loan.**

Table 1b: Performance against the 2013 AWPB (Qtr1)

	Component	Budget	Actual	Variance	%
1	Development of CBFI's	607 011	93 846	513 165	15
2	Promotion of Rural Banking Services	937 650		937 650	0
3	Credit Facility for Contracted Small Scle Production	539 161		539 161	0
4	Innovation & Outreach Facility	986 909	36 495	950 414	4
5	Policy, Insitutional and Management Support	734 220	261 553	472 667	36
	TOTAL	**3 804 951**	**391 894**	**3 413 057**	**10**

47. **Disbursement.** Cumulative disbursement, as at 6th May 2013, was SDR 7.2 m representing 78% of the total Programme allocation. At this point of RFP implementation, the expected disbursement rate is 93%. However, the Mission reviewed commitments for on-going activities and established the availability of firm commitments amount to US$ 1.8m. The mission is therefore confident that the Loan will be fully disbursed by the Loan Closing Date.

48. **Special Account A –** The Special Account operations were reviewed and found to be satisfactory. The trigger for recovery of the Initial Deposit for Special Account has been reached and recovery is expected to start with WA 55 at an agreed rate of 20%. The un-reconciled amount of US$ 22,078 mentioned in the last supervision report and audit has since been resolved. The reconciliation of Special Account A is captured in table 2 below:

Table 2: Loan 643– ZM – Special Account Reconciliation as at 30th April 2013

4	Balance in the Special Account +		10 721.20
5	Balance of Project Account (USD) +		25 828.49
	Balance Project Accounts (ZMK) +		29 861.28
	Cash on Hand		45.24
	Total of Bank Balances + Cash on Hand +		**66 456.21**
6	Amounts Claimed, not yet credited +		285 152.00
7	Withdrawn from SpA. Not claimed -		374 405.00
8	Unpresented cheques		**10 174.57**
9	Minus Interest Earned		
10	**Total Advance accounted for**		**726 013.21**
11	**Explanation for Difference between 3 and 10**		
	Amount to be refunded to Central Programme Account		22 150.00
	Amount to be refunded to GRZ Counterpart Account		- 58 337.00

49. **Special Account B** – This account was used specifically for disbursement to DBZ under the line of credit (US$ 4m); the account is fully disbursed. The last advance of US$ 500,000 was paid to DBZ in May 2013. PMU is urged to follow up on the justification of this advance before the Programme Closing Date. **There is urgent need to follow up on the way forward regarding the USD 4m fund with DBZ, to ensure an agreed way forward is in place before Programme Completion Date.**

50. **Counterpart Funds.** GRZ is expected to contribute about US$ 3.1 m to the Programme. GRZ's contribution to the 2012 AWPB was US$ 184,502. Cumulative GRZ contribution, as at 30th April 2013 was US$ 2,191,675, which includes US$ 1,128,000 recapitalization of NSCB.

51. **Compliance with Loan Covenants.** The project is largely implemented in compliance with the provisions of the Loan Covenants.

52. **Asset Register**: The Asset Register is duly updated and in compliance with the requirements. The project should ensure systematic hand over of project assets by Service Providers promptly after Completion.

53. **Procurement.** The Project does not have a dedicated Procurement Officer; all PMU procurement is carried out by the Procurement & Supplies Unit of the Ministry of Finance, while the rest is carried out by respective Service Providers. A review of the available documentation shows that procurement processes are mostly compliant with GRZ/IFAD procedures. However, it is important to have on file the full set of documents related to each procurement, reflecting the chronological sequence of the processes. This was not the case for some of the procurement processes reviewed.

54. **Procurement Post Review:** The Mission reviewed a sample of 15 procurement processes (12 goods/works/non-consultant services and 3 consultant services) between January 2012 and April 2013, and established that the procurement methods and thresholds are being respected. Considering that some of the procurements were done directly by service providers, the Mission randomly selected and visited 3 Service Providers (Micro Bankers Trust, Keepers Zambia and Natsave) to review their procurement/FM arrangements/capacities. Below is a summary of the findings:

- **Micro Bankers Trust:** They do not have a dedicated Procurement Officer; the procurement function is handled jointly by the Finance Unit and Administration unit. The main risk is that

none of the staff responsible for procurement have formal procurement training. However, there is an acceptable level of separation of duties at the different stages of procurement. The Procurement/FM reporting was not up to date. For instance, when the mission requested a copy of the latest FM report for the quarter ending 31 March 2013, it had not been prepared. It is important that Service Providers be made aware of the critical requirement of reporting promptly particularly during this completion period

- **Keepers Zambia Foundation:** The processes are similar to those of Micro Bankers Trust. However, they were found to be more compliant in terms of record keeping and reporting. When requested, the quarterly report for 1st quarter of 2013 was promptly availed together with the supporting documents;
- **National Savings and Credit Bank** – Natsave procurement system was reviewed in light of the on-going branch construction which entails amounts that would normally be procured under prior review by IFAD. Procurement is done directly by Natsave using GRZ systems and thresholds, in close consultation with RFP. Expenditure is pre-financed by Natsave and reimbursed by IFAD. The mission found the NSCB procurement/FM systems to be adequate as they follow GRZ/ZPPA procedures and guidelines. The mission also discussed with the Heads of IT and Procurement the processes followed in the procurement of the failed IT system. Although the team was not with the bank at the time of this procurement, they provided a good overview of the processes which were followed, shared relevant documents with the mission and acknowledged the flaws that could have contributed to the problems. More importantly they shared the lessons learnt and the steps the bank had taken to avoid a recurrence.

55. The problem encountered with this software has useful lessons for design of future IFAD funded projects specifically with regard to outsourcing of procurement functions to service providers. **It is important to audit the procurement/FM systems of the service providers, including their capacity to conduct due diligence in the case of such technical and/or high value procurement. Alternatively, the project should be responsible for procurement of all such goods/services on behalf of the service providers.**

56. **Audit.** The Audit report for the period ending 31st December 2011 was unqualified. It was submitted to IFAD in June 2012. The audit for the period ending 31 December 2012 was concluded during the Mission. The report was given to the mission on 7 June 2013

57. **Internal Audit** – All project expenditure is subject to review by the Internal Audit Unit, Ministry of Finance, but no separate periodic audit exercise is conducted as required except for one carried out in 2009.

Agreed action	Responsibility	Agreed date
1. All Service Providers be reminded that all project activities have to be completed by 30th September 2013 to be eligible for financing from the Loan	PMU	Continuous, until PCD
2. Follow-up on the justification of the Authorised Allocation for Special Account B	PMU	Latest by 30th September 2013
3. Follow-up with DBZ on the USD 4m fund with DBZ, to ensure an agreed way forward is in place before Programme Completion Date.	Ministry of Finance/PMU	Before 30th September 2013

F. Sustainability

58. The Programme has a good potential for sustainability. However, the problem of integration of support services within the Government institutional framework should be addressed before the closure of the Programme. This will entail the creation of the Department of Rural Finance in the MOF as proposed in the report of development of Rural Finance Policy and Strategy in Zambia. The new Department would fully assume the coordination and supervisory role of the PMU. The MOF has no adequate field presence to continue supporting the growth and maturity of VSLA, particularly those developed in the last two years. This will require close collaboration between MOF and MAL. The Programme Reference Group may wish to take on the issue immediately. A number of activities supported by the Programme can be self-sustaining. The CBFIs have been developed with emphasis on self-supporting, including the use of community facilitators and village agents which are sustained by the VSLAs. With regard to promoting and growing own savings and developing and managing related loan facilities, the NGOs involved in their development are still providing support as needed, including facilitation of linkage to banks and MFIs. The DBZ and NSCB should be able to sustain themselves but will need enhanced capacity and staff training and development. Necessary recommendations to this effect are contained in the development plans produced with the support of RFP. These recommendations will need to be adopted and implemented. The RFP has provided support to enhance the capacity of a good number of MFIs, including promoting the expansion of their rural outreach. These MFIs have used their own resources for credit expansion under the Programme. They are expected to sustain their own operations after Programme, and can even expand through linkages with VSLAs. Appropriate policies and a rural financial institution growth enabling environment will be important for sustainability.

G. Conclusion

59. The Mission generally rated implementation of the Programme satisfactory. To a large extent, the development objective and goal of the Programme will be met. The rural finance system established is expected to be sustained and this will not only consolidate the gains made but provide opportunities for further enhancing the development of rural finance services in the country. The lessons and experiences gathered during implementation are significant but are yet to be properly documented for use in future development. The Mission urges that this be done. The impact assessment planned will be important in this regard. The M&E system of the Programme is not sustainable because it has not been institutionalised and linked to the MOF M&E System. The Mission urges that Government addresses this problem as soon as possible.

60. The Mission proposes that the next Supervision/Implementation Support Mission be held during the November/December 2013 period; the exact Mission dates will be decided in due course in consultations with GRZ. The Mission will review the progress made, examine arrangements put in place to bring the Programme to an orderly close and the follow-on plan to sustain the interventions made post Programme implementation.

Appendix 1: Summary of Project Status and Ratings

A. Basic Facts

Country	Zambia		Project ID	1280	Loan/DSF Grant No.	643
Project	Rural Finance Programme				Top-up Loan/DSF Grant	
Date of Update	07-June-2013					
Supervising Inst.	IFAD/IFAD					
No. of Supervisions	6	No. of Implementation Support/Follow-up missions	6			
Last Supervision	June 2013	Last Implementation Support/Follow-up mission	7-17 Aug-2012			

					USD million	Disb. rate %
Approval	02-Dec-2004			Total financing	17.43	
Agreement	09-Sep-2005	Effectiveness lag	33.6	IFAD Total	13.77	
Entry into force	07-Sep-2007	PAR value	Not at risk	IFAD loan	13.77	78
First disbursement				DSF grant		
MTR	22-Oct-2010	Last amendment		IFAD grant		
Original completion	30-Sep-2013	Last audit	07 June 2013	Domestic Total	3.62	2.38
Current completion	30-Sep-2013			Beneficiaries	0.14	0.19
Original closing	31-Mar-2014			Government (National)	3.09	2.19
Current closing	31-Mar-2014			Domes. Fin. Inst.	0.43	
No. of extensions	0			External Co-financing Total		

B. 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	5	5
2. Acceptable disbursement rate	4	5	2. Performance of M&E	5	5
3. Counterpart funds	5	5	3. Coherence between AWPB & implementation	5	5
4. Compliance with financing covenants	5	5	4. Gender focus	5	5
5. Compliance with procurement	5	5	5. Poverty focus	5	5
6. Quality and timeliness of audits	5	5	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	5	5
			8. Climate and environment focus		

B.3 Outputs and outcomes	Last	Current	**B.4 Sustainability**	Last	Current
1. **Component 1:** Development of Community Based Financial Institutions (CBFIs)	5	5	1. Institution building (organizations, etc.)	4	4
2. **Component 2:** Promotion of Rural Banking Services	3	4	2. Empowerment	5	5
3**. Component 3:** Credit Facility for Contracted Small-Scale Production.	4	6	3. Quality of beneficiary participation	4	4
4. **Component 4:** Innovation and outreach Facility	5	5	4. Responsiveness of service providers	4	5
5. **Component 5:** Policy, Institutional and Management Support	5	5	5. Exit strategy (readiness and quality)	4	4
			6. Potential for scaling up and	5	5

			replication		

B.5 Justification of ratings

The overall implementation of the Programme is satisfactory. RFP performance has improved in particular under "Acceptable disbursement rate", Component 2, Component 3, and "Responsiveness of Service providers" which ratings have been upgraded to a 5, 4, 6 and 5 respectively.
Disbursement rate stands at 78%. However, there are firm commitments for on-going contracts amounting to USD 1.8m, which will be fully disbursed in the next 4 months, which should be taken into account in analysing the overall disbursement rate.
The promotion of rural banking services by NSCB under Component 2 have registered moderately satisfactory results, with 4 branches completed out of the 6 planned (67%). However improvement is still needed in the number of people reached with 18% people reached and 38% of value of deposits and 39% of active loans amounts of 2013 AWPB.

Under Component 3 impressive results have been achieved with DBZ nearly exhausting the USD 4 million credit line through four MFIs – MBT, CETZAM, Harmos/VFZ and PFSL/EFC. DBZ has earned an interest of USD 401, 416 net of service charges, and relent a reflow of USD 1,104,724. The PAR (30 day) is zero. The outcomes include a gross loan portfolio of the equivalent of USD 6,415,967 by the participating MFIs for 11,312 borrowers.

Improvements have also been recorded under "responsiveness of service providers" which have developed self-supported and sustainable systems. MFIs utilized their own funds to lend to beneficiaries in addition to the credit line accessed from RFP; NSCB has addressed the recommendations raised from previous year by introducing rural products, simplifying the approval process of micro-loans, training staff and increasing the number of rural branches.

C. 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		
C.4	Overall implementation progress (Sections B1 and B2)	5	5
Rationale for implementation progress rating			
C.5	Likelihood of achieving the development objectives (section B3 and B4)	4	5

Rationale for development objectives rating: The Programme development objective of increasing the use of sustainable financial services in rural areas is likely to be met to a large extent. The method of implementation is such that the use of VA is proving to be the most sustainable approach for keeping institutions on the ground. The NSCB has made it mandatory for beneficiaries to open bank accounts and save before accessing financial services. This in itself increases the appetite for financial services by the beneficiaries. The credit facility has created several market linkage avenues for the clients accessing the credit line for easy payment of their products. Overall, the sustainability framework is based on the capacity building that the RFP has embarked on since the start of the programme targeting both the members of staff and the beneficiaries.

C.6	**Risks** *Short description of major risks for each section and their impact on achievement of development objectives and sustainability*	
	Fiduciary aspects	The FM risk is the use of Excel for Project FM functions because the connection to IFMIS did not materialise, and the project was not allowed to procure a stand-alone package. However, this was mitigated by the existence of a qualified and experienced Financial Controller who manages the FM function and reporting efficiently thereby minimising the risk to the project. The main fiduciary risk was the lack of procurement capacity within PMU, and the outsourcing of the procurement function to service providers. A case in point is the IT system procured by NSCB which malfunctioned, and adversely affected activities under this component although the Bank put in place measures to cleanse the data and reconstruct it in preparation for migration to a new software.
	Project implementation progress	The Programme development objective of increasing the use of sustainable financial services in rural areas is likely to be met to a large extent. This is demonstrated by the already achieved outputs, outcomes, and impact and, more importantly, by the system created which will continue addressing the Programme objective and goal after the Programme completion. An achievement of 25% of target beneficiaries of 220,000 households is caused by the delays in Programme start-off, capacity constraints, delays in establishing the branch network of NSCB, and use of credit provided to DBZ. The system set up for agents has started yielding good results and will enable a sustained increase in the number of beneficiaries reached.
	Outputs and outcomes	At the moment, there is no indication of any potential major risk of not achieving the expected outputs and outcomes as satisfactory achievements have been attained in line with targets. However delays in establishing the branch network of NSCB under Component 2 has affected the overall number of people benefitting from the programme services. Out of the planned 20 branches only 8 will be operational by the

		completion date, and only 3,656 people have benefitted so far (4% of appraisal target). It may be noted however that the 8 branches established have the potential of reaching more than 100,000 households over time
	Sustainability	The Programme has a good potential for sustainability. However, the problem of integration of support services within the Government institutional framework should be addressed before the closure of the Programme. A number of activities supported by the Programme can be self-sustaining. The CBFIs have been developed with emphasis on self-supporting, including the use of community facilitators and village agents which are sustained by the VSLAs. With regard to promoting and growing own savings and developing and managing related loan facilities, the NGOs involved in their development are still providing support as needed, including facilitation of linkage to banks and MFIs. The DBZ and NSCB should be able to sustain themselves but will need enhanced capacity and staff training and development.

D. Proposed Follow-up

Recommended Action	Responsibility	Timing
The financial resources arising from the line of credit to DBZ, and support to NSCB will be established and proposal made to IFAD on their application for similar objectives of RFP, after the completion of the programme.	MOF/DBZ/NSCB	30 Sept 2013
Rural Finance Unit within the Department of Investment and Debt Management of MOF, to provide policy and institutional direction and coordination of rural finance services development.	Cabinet/MOF	As soon as possible but, preferably, before the RFP completion date of September 2013
Adopt and implement the recommendations on rural finance policy and strategy as contained in the Policy and Strategy Report.	Cabinet/MOF	As soon as possible but, preferably, before the August 2013

Appendix 2: RFP Updated Logical Framework with Results

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
GOAL: Improve livelihoods of rural households	• Increase in social and productive assets of rural households						• Questionnaire-based baseline survey, and mid-term and completion impact surveys	• Programme benefits are not offset by declining government services and social benefits	Results of 2010 Baseline Study
	a. 10% change in productive assets compared to baseline		10%			0%			Electricity (6.3%) Radio (64.2%) Television (23.8%) Refrigerator (5.4%) Bicycle (65.5%) Car (2.0%) Tractor/ pickup/ truck (4.2%)
	b. 10% change in the number of women accessing formal financial services relative to men		10%			0%			75% women, 25% men
	c. 10% change in social assets compared to baseline		10%			0%			
	• 4% Reduction in prevalence of child malnutrition		4%			0%			12,8%
	• 30% Reduction in food insecurity (one hungry season) comoared to baseline		30%			0%			65,6%
	• • 10% Access to safe water (improvement compared to baseline)		10%			0%			65%
	• • 10% Access to improved sanitation (improvement compared to baseline)		10%			0%			4%
	• 10 Livestock ownership (improvement compared to baseline)		10%		n/a	n/a			(85 %), cattle (48 %) and goats (42%)
	• >80%% Utilization of rural health services		>80%		n/a	n/a			56%
	• >80% Child school attendance rate		>80%		n/a	n/a			79%

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
DEVELOPMENT OBJECTIVES: Increase the use of sustainable financial services in rural areas	• Number of HH financing consumption and productive assets with loans		45.000		35.966	80%	• Sample Household surveys (baseline, midterm and end of project)	• Programme benefits are not offset by declining government services and social benefits	0%
	• Additional rural households using savings accounts		100.000		3.522	4%	• Qualitative analysis		0%
OUTCOMES									
COMPONENT 1: Development of Community Based Financial Institutions									89%
Rural households using expanded and sustainable community-based financial services	• Improved performance of service providers at 5 of the RIMS level 2 scoring		5		4	80%	• The scoring of RIMS level 2 indicators is done by the PMU using the RIMS Form provided by IFAD. The database contains data for the fourth and fifth indicator. The last one is qualitative.	• Internal technical capacity of CBFIs is sufficient to ensure viability without dependence on external assistance • Sufficient external credit is available to allow CBFIs to expand and graduate	
	• Likelihood of sustainability of saving and credit groupsat 5 of the RIMS level 2 scoring formed/strengthened		5		5	100%			
	• Improved access of the poor to financial services at 5 of the RIMS level 2 scoring		5		5	100%			
	• Portfolio development 500% from year to 6 of the RFP		500%		451%	90%			
	• Portfolio at risk<5%		5%		3,2%	64%			
	• Utilization of CBFI products/services by members at 5 of the RIMS level 2 scoring		5		5	100%			
COMPONENT 2: Promotion of Rural Banking Services									35%
Households, groups and enterprises in rural areas using banking services	• Improved access of the poor to financial services at 6 of the RIMS level 2 scoring		6		3	50%	• The scoring of RIMS level 2 indicators is done by the PMU using the IFAD RIMS Form. The database contains data for the fourth and fifth indicator. The last one is qualitative.	• Government continues to support NSCB as its major shareholder and fully meets proposed financial obligations • An increasingly independent board	
	• Improved performance of financial institutions at 6 of the RIMS level 2 scoring		6		3	50%			
	• Outlet portfolio development		300%		77%	26%			

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
	• Portfolio at risk at 0%		0%		0%	0%		eliminates the risk of political interference	Amount of loan advanced to NSCB being none (0%) in arrear or beyond loan due date
	• Utilization of banking products/services by poor rural householdsat 6 of the RIMS level 2 scoring		6		3	50%			
COMPONENT 3: Credit Facility for Contracted Small-scale Production									90%
Enterprises accessing credit for services to and contracting of small producers	• Improved access of the poor to financial services at 6 of the RIMS level 2 scoring		6		5	83%	• The scoring of RIMS level 2 indicators is done by the PMU using the IFAD RIMS Form. The database contains data for the fourth and fifth indicator. The last one is qualitative.	• Government refrains from interference in agricultural input and output markets • Creation of an effective legal system including fast-track local courts • Marketing systems in place to handle increased rural production	100% portfolio development in the RFP Guidlelines implies ability for the PFI to absorb the US 4,000,000 credit line.
	• Improved performance of financial institutions at 6 of the RIMS level 2 scoring		6		5	83%			
	• Portfolio development 100%		100%		100%	100%			
	• Portfolio at risk<5%		< 5%		1%	100%			
	• Utilization of products/services delivered by production/trading enterprises to poor rural households at 6 of the RIMS level 2 scoring		6		5	83%			
COMPONENT 4: Innovation and Outreach Facility									65%
Utilization of new financial products and services by the rural population, including vulnerable households	• Improved access of the poor to financial services at 5 of the RIMS level 2 scoring (R2)		5		4	80%	• The scoring of RIMS level 2 indicators is done by the PMU using the RIMS Form provided by IFAD. The database contains data for the fourth indicator.	• Institutional capacity exists to mainstream piloted products	
	• Improved performance of financial institutions at 5 of the RIMS level 2 scoring (R2)		5		3	60%			
	• Promotion of pro-poor policies and institutions		5		3	60%			

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
	at 5 of the RIMS level 2 scoring								
	• Poor rural households using new financial products and services at 5 of the RIMS level 2 scoring		5		3	60%			
COMPONENT 5: Policy, Institutional and Management Support									75%
Increased numbers of institutions offering financial services in rural areas	• Improved access of the poor to financial services at 6 of the RIMS level 2 scoring		6		5	83%	• The scoring of RIMS level 2 indicators is done by the PMU using the RIMS Form provided by IFAD. For other indicators data is collected by the PMU mainly during rural finance forums.	• Senior management in MoFNP make the necessary commitment to develop rural finance and provides the budget and technical support for the effective operations of the RFU • Adequate counterpart funds available	
	• Improved performance of financial institutions6 of the RIMS scoring Promotion of pro-poor policies and institutions at 6 of the RIMS level 2 scoring		6		5	83%			
	• Number of newly established institutions offering rural financial services at 6 of the RIMS level 2 scoring		6		5	83%			
	• Level of satisfaction of rural finance institutions with regulatory/policy environment at 6 of the RIMS level 2 scoring		6		3	50%			
OUTPUTS									
COMPONENT 1: Development of Community Based Financial Institutions									77%
1. Increased numbers of operational CBFIs offering rural financial services	• Households receiving project services (R1)		30000		19776	66%		• Sufficient experienced CBFI promoters available to be contracted to support the targeted number of CBFIs • CBFI promoters are	
	• Saving and credit groups formed/strengthened (R1)		2500		1244	50%			
	• Saving and credit groups with women in leadership position - at least 30%(R1)		750		1244	166%			

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
	• Voluntary savers (female) (R1)		15000		13947	93%		willing and able to support existing CBFIs	
	• Voluntary savers (male) (R1)		15000		5829	39%			
	• Value of voluntary savings (R1)		720000		472280	66%			
	• Active borrowers (female) (R1)		10000		5763	58%			
	• Active borrowers (male) (R1)		10000		2775	28%			
	• Value of gross loan portfolio (R1)		$ 600.000		$ 673.091	112%			
	• Active borrowers in default at 300 or less that 5%		5%		3%	60%			
	• 2000 out of 2500 Financial institutions supported reporting profitable operations		2000		1200	60%			
	• 2000 CBFIs which have had independent review of accounts		2000		1200	60%			
2. Capacity of rural finance support institutions strengthened	• Staff of service providers trained - female (R1)		25		14	56%			
	• Staff of service providers trained males (R1)		25		38	152%			
	• Studies completed and disseminated		5		4	80%			
	• CBFI promoters applying new methodologies		5		4	80%			
COMPONENT 2: Promotion of Rural Banking Services									51%
1. Effective NSCB management and operating systems in place	• Staff of financial institutions trained - females (R1)		126		255	202%	• Data is entered in the RFP Database by NSCB headquarters and submitted quarterly to the PMU.	• NSCB able to attract/maintain professional management and recruit well qualified personnel to staff its rural branches	
	• Staff of financial institutions trained - males(R1)		126		370	294%			
	• Solvency of NSCB at least 15% net profitability		15%		15%	100%			
2. Financial services by NSCB more	• Households receiving project services (R1)		165.000	100000	3656	4%	• Data is collected from NSCB outlets	• Sufficient demand for	Targets adjusted May 23, 2012 during

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
readily available in rural areas	• Financial institutions participating in the project (R1)		47	20	3	15%	supported under the RFP and entered in the RFP Database by NSCB headquarters. Data is submitted quarterly to the PMU.	services in proposed rural branches • NSCB able to attract/maintain professional management and recruit well qualified personnel to staff its rural branches	consolidation of RIMS targets by the PMU.
	• Voluntary savers (females) (R1)		130.000	50000	1159	2%			
	• Voluntary savers (males) (R1)		130.000	50000	2497	5%			Targets adjusted May 23, 2012 during consolidation of RIMS targets by the PMU.
	• Value of voluntary savings (R1)		50.000.000	20.000.000	1.143.639	6%			
	• Active borrowers (females) (R1)		80.000	7500	210	3%			
	• Active borrowers (males) (R1)		80.000	7500	387	5%			
	• Value of gross loan portfolio (R1)		30.000.000	$8.000.000	$ 588.254	7%			
	• Number of active borrowers in default at <5%		5%		0%	0%			
	• All 20 Financial institutions supported reporting profitable operations		20		3	15%			
COMPONENT 3: Credit Facility for Contracted Small-scale Production									167%
1. DBZ and commercial banks facilitate access by enterprises to credit and support projects	• Households receiving project services (R1)		60.000	15.000	9811	65%	• Data is collected from companies receiving loans and PFIs and entered in the RFP Database by DBZ. Data is submitted quarterly to the PMU.	• Commercial banks find this credit more attractive than alternative sources • Programme credit is used for intended purposes	Targets adjusted May 23, 2012 during consolidation of RIMS targets by the PMU.
	• Financial institutions participating in the project (R1)		6		4	67%			
	• Female Staff of financial institutions trained(R1)		6		63	1050%			Initially the targeted PFI were banks and it was anticipated only core staff would trained. However after the market assessmsnt and renewewed targeting of MFI, members of staff who are part of the MFI field

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
									facilitiators the number increased beyond what was anticipated. Clearly a new ground was to be targeted hence the "overachievement".
	• Male Staff of financial institutions trained males (R1)		18		14	78%			
	• Number of loans financed through DBZ		6		4	67%			
	• Value loans financed through DBZ		$4.000.000		$3,961,231	99%			
	• Loans disbursed by commercial banks/MFI		60.000	15.000	9811	65%			
	• Volume of loans disbursed by commercial banks		$4.000.000		$4,555,282	114%			
	• < 5% Active borrowers in default (at commercial bank / DBZ level)		< 5%		0%	100%			
	• Value of gross loan portfolio (R1)		$4.000.000		$2,856,507	71%			
	• Households benefiting from production/trading enterprise services		60.000	15.000	9811	65%			
COMPONENT 4: Innovation and Outreach Facility									91%
1. New rural financial products and services developed and operationalized	• New rural products and serviced developed and operational		11		11	100%	• Data is collected from PFIs, entered in the RFP Database by principal IAs and the PMU itself. Data is submitted quarterly to the PMU.	• Interest in the I&O facility by financial institutions	
	• Female Staff of financial institutions trained(R1)		30		33	110%			
	• Staff of financial institutions trained - males (R1)		30		33	110%			
	• Voluntary savers (females) (R1)		22385		2.217	10%			
	• Voluntary savers (males) (R1)		32085		1.109	3%			

RFP LOGICAL FRAMEWORK 2013

RESULTS HIERARCHY	INDICATORS	REVISED INDICATOR (CURRENT)	RESULTS (CUMULATIVE)				MEANS OF VERIFICATION	ASSUMPTIONS	COMMENTS
			APPRAISAL TARGET	REVISED TARGET*** (CURRENT)	ACTUAL	% OF APPRAISAL/ TARGET			
	• Value of voluntary savings (R1)		$ 438.940		216.858	49%			
	• Active borrowers (females) (R1)		1193		2.468	207%			
	• Active borrowers (males) (R1)		1043		1.533	147%			
	• Value of gross loan portfolio (R1)		$1.543.062		1.219.004	79%			
COMPONENT 5: Policy, Institutional and Management Support									79%
1. More conducive policy and institutional framework for rural finance	• Female Government officials and staff trained (R1)		7		3	43%	• Data comes from PMU administrative records, which includes data submitted by the MoFNP rural finance unit.	• Rural finance sub-committee operational	
	• Male Government officials and staff trained(R1)		7		14	200%			
	• Rural finance forums held		3		2	67%			
2. Effective technical support, administrative and programme management systems	• Female Staff of service providers trained - females (R1)		10		4	40%	• Data comes directly from regular PMU administrative records.	• Funds disbursed by IFAD in a timely manner • Review committee meets on a regular basis	
	• Male Staff of service providers trained (R1)		24		25	104%			
	• AWPBs submitted on time		6		5	83%			
	• Quarterly reports submitted on time		24		20	83%			
	• Semi Annual reports submitted on time		12		5	42%			
	• Annual report submitted on time		6		4	67%			
	• Audit reports submitted on time		5		4	80%			
	• Disbursement amounting of the programme funds completed		$17,429,000		$10,800,000	62%			

Appendix 3: Summary of Key Actions to be taken within Agreed Timeframes

	Action Agreed	Responsibility	Agreed Date
1	The recommendations on policy and institution improvements as contained in the reports submitted to government by the Programme should be implemented as soon as possible	MOF/DBZ/NSCB	30 September 2013
2	Impact assessment study and the Programme Completion Report should be timely carried out and document impact and lessons of experience	MOF/BOZ/Board of NSCB/Board of DBZ	Immediate
3	Collaboration between RFP, smallholder Agribusiness Promotion Programme (SAPP) and Smallholder Productivity Promotion Programme (S3P) of MAL will be promoted for synergy	Programme Manager RFP	Immediate
4	Create a Department of Rural Finance in MOF or, at least, a Rural Finance Unit within the Department of Investment and Debt Management of MOF, to provide policy and institutional direction and coordination of rural finance services development.	Cabinet/MOF	As soon as possible but, preferably, before the RFP completion date of September 2013
5	Adopt and implement the recommendations on rural finance policy and strategy as contained in the Policy and Strategy Report.	Cabinet/MOF	As soon as possible but, preferably, before August 2013
	Take the necessary steps to institutionalise the RFP M&E system.	PM/MOF	Immediate
6	Update the KM data base to ensure a comprehensive list of reports, manuals, videos and other materials. Setup a temporally documentation centre and store therein the KM materials.	M&E Officer/MOF	25 September 2013
7	Develop and KM/dissemination strategy and plan that can be considered for follow-on Programme.	M&E Officer/MOF	15 July 2013
8	All Service Providers be reminded that all project activities have to be completed by 30th September 2013 to be eligible for financing from the Loan	PMU	Continuous until 30 September 2013
9	Follow-up on the way forward regarding the USD 4m fund with DBZ, before the current MOU lapses.	MOF/PMU	Before 30 September 2013
10	Ensure systematic hand-over of project assets by Service Providers	PMU	Immediately after Project Completion, latest by 30 October 2013

Appendix 4: RFP Progress measured against AWPB 2012

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Component 1. Development of Community-based Financial Institutions							
Output 1.1: Increased numbers of operational CBFIs offering rural financial services							
• Households receiving project services (R1)	N. of analysis	17.129	3.722	22%	30.000	16.054	54%
• Saving and credit groups formed/strengthened (R1)	N. of groups	528	234	44%	2.500	1.010	40%
• Saving and credit groups with women in leadership position - at least 30%(R1)	N. of groups	594	234	39%	750	1.010	135%
• Voluntary savers (female) (R1)	N. of people (F)	10.971	2.551	23%	15.000	11.409	76%
• Voluntary savers (male) (R1)	N. of people (M)	6.156	889	14%	15.000	4.645	31%
• Value of voluntary savings (R1)	Value (US$)	294.540	57.721	20%	720.000	372.721	52%
• Active borrowers (female) (R1)	N. of people (F)	10.311	1.197	12%	10.000	5.363	54%
• Active borrowers (male) (R1)	N. of people (M)	5.901	530	9%	10.000	2.775	28%
• Value of gross loan portfolio (R1)	Value (US$)	390.819	68.962	18%	600.000	533.727	89%
• Active borrowers in default	% of people	<5%	3%	3%	300	3%	0%
• Financial institutions supported reporting profitable operations	N. of institutions	475	211	90%	2.000	909	90%
• CBFIs which have had independent review of accounts	N. of CBFIs	475	222	95%	2.000	960	95%
A. Keepers Zambia Foundation							
Activity A: Training							
Input 1: Mobilisation and Awareness meetings	N. of meetings	150	45	30%	450	351	78%
	N. of participants (F)	1350	459	34%	4275	2849	67%
	N. of participants (M)	800	206	26%	2475	1244	50%
	N. of participants (TOT)	2150	665	31%	0	0	#DIV/0!
Input 2: Organisational and leadership training for savings and credit groups	N. of groups	150	45	30%	450	351	78%
	N. of participants (F)	1350	459	34%	4275	2849	67%
	N. of participants (M)	800	206	26%	2475	1244	50%
Input 3: Recruitment and training for Vas	N. of traings	2	0	0%	2	2	100%
	N. of participants (F)	20	0	0%	20	11	55%
	N. of participants (M)	10	0	0%	10	14	140%
	N. of participants (TOT)	25	0	0%	30	25	83%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Input 4: Financial mobilisation and management training	N. of traings	150	0	0%	450	351	78%
	N. of participants (F)	1350	459	34%	4275	2849	67%
	N. of participants (M)	900	197	22%	2475	1244	50%
Input 5: Training in entreprenuership and business skills(Focussed trainings)	N. of traings	150	51	34%	450	351	78%
	N. of participants (F)	1350	459	34%	4275	2849	67%
	N. of participants (M)	900	197	22%	2475	1244	50%
Input 6: Participation AWPB workshops	N. of workshops	0	0	#DIV/0!	4	4	100%
	N. of participants (F)	0	0	#DIV/0!	1	1	100%
	N. of participants (M)	0	0	#DIV/0!	3	3	100%
Input 7: Review & planning workshops	N. of review workshops	3	1	33%	12	11	92%
	N. of participants (F)	4	2	50%	5	5	100%
	N. of participants (M)	6	3	50%	7	7	100%
B. Micro Bankers Trust							
Activity A: Community Mobilisation							
Input 1: Sensitization / Awareness meetings	N. of meetings	0	0	#DIV/0!	90	93	103%
	N. of participants (F)	0	0	#DIV/0!	12.000	2.849	24%
	N. of participants (M)	0	0	#DIV/0!	3.000	1.244	41%
	N. of participants (TOT)	0	0	#DIV/0!	15.000	4.093	27%
Activity B:Training of beneficiriaies							
Input 1: Training in Entrepreneurship (old)	N. of meetings	110	80	73%	479	502	105%
	N. of participants (F)	1.540	1.120	73%	4.275	2.849	67%
	N. of participants (M)	660	480	73%	2.475	1.244	50%
	N. of participants (TOT)	2.200	1.600	73%	6.750	4.093	61%
Input 2: Training in Entrepreneurship (new)	N. of trainings	114	40	35%	114	94	82%
	N. of participants (F)	1.596	560	35%	1.596	1.965	123%
	N. of participants (M)	684	240	35%	684	465	68%
	N. of participants (TOT)	2.280	800	35%	2.280	2.430	107%
Input 3: Training of VAs (Community Facilitators)	N. of trainings	5	5	100%	7	4	57%
	N. of participants (F)	25	25	100%	29	10	34%
	N. of participants (M)	11	11	100%	13	16	123%
	N. of participants (TOT)	36	36	100%	42	26	62%
Input 4:Training VSLAs in VSLA modules (new)	N. of trainings	114	40	35%	114	94	82%
	N. of participants (F)	1.596	560	35%	1.596	1.965	123%
	N. of participants (M)	684	240	35%	684	465	68%
	N. of participants (TOT)	2.280	800	35%	2.280	2.430	107%

ACTIVITY DESCRIPTION	Indicator	ANNUAL TARGETS (2013) AWPB TARGET	ANNUAL ACHIEVEMENTS (as at Q1 2013) ACTUAL	ANNUAL ACHIEVEMENTS (as at Q1 2013) % OF AWPB	CUMULATIVE 2010/2013 APPRAISAL TARGET	CUMULATIVE 2010/2013 ACTUAL	CUMULATIVE 2010/2013 % OF APPRAISAL
Input 5: Training VSLAs in VSLA modules (old)	N. of trainings	48	12	25%	228	157	69%
	N. of participants (F)	672	168	25%	2.964	2.516	85%
	N. of participants (M)	288	72	25%	1.596	612	38%
	N. of participants (TOT)	960	240	25%	4.560	3.128	69%
Input 6: Training of VSL Cluster Committees	N. of trainings	21	12	57%	33	-	0%
	N. of participants (F)	147	84	57%	231	-	0%
	N. of participants (M)	63	36	57%	99	-	0%
	No. of Cluster Committes trained	21	12	57%	33	-	0%
	N. of participants (TOT)	210	120	57%	330	-	0%
Input 7: Exposure visits of beneficiaries (local)	N. of visits	0	0	#DIV/0!	4	2	50%
	No. of VSLAs on Study tour	0	0	#DIV/0!	40	39	98%
	N. of participants (F)	0	0	#DIV/0!	28	32	114%
	N. of participants (M)	0	0	#DIV/0!	12	14	117%
	N. of participants (TOT)	0	0	#DIV/0!	40	46	115%
Activity C: Monitoring / Backstopping							
Input 1:Monitoring / Backstopping	N. of Supervion sessions	3	1	33%	16	9	56%
	N. of VSLA visited	12	4	33%	49	28	57%
Activity D: Procurements							
Input 1: Bicycles for VAs	N. of bicycles procured	0	0	#DIV/0!	42	16	38%
	N. of VA provided with bicycles (M)	0	0	#DIV/0!	10	10	100%
	N. of VA provided with bicycles (F)	0	0	#DIV/0!	6	6	100%
Activity E: Office: Operating and Maintenance							
Input 4:Printing Passbooks	N. of Passbooks printed	0	0	#DIV/0!	10.932	4.560	42%
	N. of passbooks distributed	0	0	#DIV/0!	10.932	4.560	42%
C. Rural Economic Expansion Services							
Activity A: Group Formation							
Input 1: Awareness meetings to local authorities in target areas	N. of meetings	12	29	242%	36	62	172%
	N. of participants (F)	60	145	242%	420	313	75%
	N. of participants (M)	30	174	580%	280	193	69%
	N. of leaders	90	319	354%	700	352	50%
Input 2: Community organisation Meetings – (Sensitisation of communities and stakeholders and facilitate identification of potential participating households)	N. of meetings	12	19	158%	36	180	500%
	N. of participants (F)	1700	796	47%	4322	6188	143%
	N. of participants (M)	1300	482	37%	2882	4832	168%
Input 3: Mobilisation of target communities and	N. of meetings	15	59	393%	30	232	773%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Facilitate meetings for formation of VSLAs	N. of participants (F)	1700	696	41%	4322	3963	92%
	N. of participants (M)	1300	443	34%	2882	2304	80%
	N. of communities reached	15	56	373%	25	119	476%
Input 4: Participatory Needs Assessment exercises (Meetings) for new CBFIs.	N. of Needs Assessment studues	12	2	17%	24	2	8%
	N. of participants (F)	150	17	11%	204	17	8%
	N. of participants (M)	130	10	8%	120	10	8%
	N. of NA reports	12	2	17%	24	2	8%
Input 5: Community organisation Meetings– (Facilitate formation of new CBFIs)	N. of meetings	12	55	458%	30	232	773%
	N. of participants (F)	1700	585	34%	4322	3671	85%
	N. of participants (M)	1300	374	29%	2882	2154	75%
	N. of locations/villages	135	43	32%	252	386	153%
Input 6: Action Planning Meetings	N. of meetings	12	59	492%	12	386	3217%
	N. of participants (F)	854	585	69%	4322	3671	85%
	N. of participants (M)	567	374	66%	2882	2154	75%
Input 7: Training of VSLA members in VSLA modules	N. of trainings	135	59	44%	252	386	153%
	N. of participants (F)	1354	696	51%	4322	3963	92%
	N. of participants (M)	900	443	49%	2882	2303	80%
	N. of villages	135	59	44%	252	386	153%
Input 8: Identifying collaborators (stakeholders including VAs)	N. of collaboration meetings meetings	9	24	267%	11	15	136%
	N. of collaborators reached	9	0	0%	50	50	100%
Input 9: Training of VSLA in basic conflict mgt & negotiating skills	N. of trainings	2	5	250%	2	5	250%
	N. of participants (F)	24	192	800%	2	24	1200%
	N. of participants (M)	16	120	750%	2	16	800%
Input 10: Linking new/old CBFIs to support services	N. of linkage meetings held	2	1	50%	2	7	350%
	N. of participants (F)	1700	2562	151%	4322	3963	92%
	N. of participants (M)	1300	1726	133%	2882	2303	80%
	N. of linkageages enhanced	78	386	495%	252	386	153%
Input 11: Monitoring and follow-ups to all VSLA	N. of follow up meetings	70	126	180%	630	1008	160%
	N. of participants (F)	4321	3963	92%	4322	3963	92%
	N. of participants (M)	2881	2303	80%	2882	2303	80%
	Number of VSLA monitored	70	386	551%	252	386	153%
Input 12: Conduct monitoring /backstopping to VAs by Field staff	N. of meetings	30	44	147%	30	44	147%
	N. of Vas supported (F)	55	5	9%	55	11	20%
	N. of Vas supported (M)	81	11	14%	81	17	21%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Input 13: Cluster group Formation	N. of meetings	15	5	33%	44	36	82%
	N. of CG formed	6	192	3200%	30	21	70%
	N. of leaders (F)	36	120	333%	270	167	62%
	N. of leaders (M)	24	16	67%	180	126	70%
Activity B: Programme capacity-building & CBFIs-related activities							
Input 1:Identification of potential Village Agents /Community Facilitators	N. of meetings	5	0	0%	8	15	188%
	N. of potential VA (F)	10			25	10	40%
	N. of potential VA (M)	10			25	22	88%
Input 2: Conduct training needs assessment for Vas	N. of meetings	3	2	67%	7	13	186%
	N. of participants (F)	9	16	178%	56	96	171%
	N. of participants (M)	19	24	126%	84	92	110%
Input 3: Training of VA/Community facilitators	N. of trainings	1	0	0%	2	4	200%
	N. of participants (F)	16	0	0%	25	9	36%
	N. of participants (M)	14	0	0%	25	19	76%
Input 4: Study Tours/Exchange Visit - CBFI internal	N. of Tours	2	0	0%	4	3	75%
	N. of participants (F)	14	0	0%	28	30	107%
	N. of participants (M)	10	0	0%	20	13	65%
	N. of toured places	2	0	0%	4	3	75%
Input 5: Study Tours/Exchange Visit - CBFI External	N. of Tours	1	0	0%	2	0	0%
	N. of participants (F)	5	0	0%	14	0	0%
	N. of participants (M)	7	0	0%	10	0	0%
	N. of toured places	1	0	0%	2		0%
Input 6: Leaders training in Data capture	N. of trainings	3	59	1967%	252	386	153%
	N. of participants (F)	36	696	1933%	227	581	256%
	N. of participants (M)	24	443	1846%	529	549	104%
	N. of VSLAs represented	3	59	1967%	252	386	153%
Input 6:Facilitating Mainstreaming of coping interventions for CBFIs on HIV/AIDS	N. of meetings	168	386	230%	252	386	153%
	N. of participants (F)	854	3963	464%	4322	3963	92%
	N. of participants (M)	567	2303	406%	2882	2303	80%
	N. of of VSLAs supported	327	386	118%	252	386	153%
Activity C: Phasing out							
Input 1:Conducting end of programme workshops/ meetings with communities and local authority	N. of meetings	15	0	0%	15	89	593%
	N. of participants (F)	135	0	0%	135	1068	791%
	N. of participants (M)	90	0	0%	90	712	791%
	N. of VSLAs	15	0	0%	15	327	2180%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Input 2: Preparing final audit report	Number of reports	2	0	0%	2	0	0%
Input 3: Preparing end of contract report	N. of reports	1	0	0%	1	0	0%
Input 4: Staff demobilization	N. of meetings	2	0	0%	1	1	100%
	N. of staff (F)	0	0	#DIV/0!	1	1	100%
	N. of staff (M)	6	0		8	8	100%
Input 5: Preparation of comprehensive Assets register and hand-over of Assets to the client.	N. and type of Assets	1	0	0%	0	0	#DIV/0!
Input 6: Zone the existing VSLAs and assign them to specific VA	N. of meetings	6	0	0%	0	0	#DIV/0!
	N. of Zones	115	0	0%	0	0	#DIV/0!
	N. of Vas (M)	31	0	0%	31	0	0%
	N. of Vas (F)	21	0	0%	21	0	0%
Input 7: Meetings with the Cluster groups	N. of meetings	10	0	0%	0	0	#DIV/0!
	N. of participants (F)	60	0		60	0	0%
	N. of participants (M)	40	0		40	0	0%
	N. of Cluster Groups	25	0		25	0	0%
Input 8: Linkages to support entities such as Cooperatives and Banks for safety	N. of meetings	3	0	0%	0	0	#DIV/0!
	N. of Linkage partners identified	3	0		0	0	#DIV/0!
Input 9: Classify the groups according to an agreed matrix	N. of meetings	2	0	0%	0	0	#DIV/0!
	Categorisation register completed	2	0		0	0	#DIV/0!
Activity D: Monitoring and Evaluation							
Input 1:Project Inspections REES Board	N. of meetings	2	0	0%	3	2	67%
Input 2 :Regional Consultancy (Accounts, Audit, Inception and end of programme Report	N. of meetings	2	0	0%	4	2	50%
Input 3: Training for Staff Reorientation in facilitation and development of CBFIs	N. of trainings	1	1	100%	1	3	300%
	N. of participants (F)	1	0	0%	1	0	0%
	N. of participants (M)	2	4	200%	2	4	200%
Input 4: Quartery and monthly Review meetings (QMRM).	N. of meetings	3	1	33%	10	10	100%
	N. of participants (F)	3	0	0%	1	2	200%
	N. of participants (M)	33	11	33%	12	18	150%
Input5: Monitoring and Backstopping to field staff and VAs	N. of meetings	60	30	50%	180	201	112%
	N. of participants (F)	57	9	16%	26	19	73%
	N. of participants (M)	105	24	23%	33	33	100%
	N. of VSLAs supported	468	251	54%	252	251	100%
Input 6: National annual review and planning	N. of meetings	1	0	0%	3	2	67%

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meeting.	N. of participants (F)	1	0		1	0	0%
	N. of participants (M)	1	0		1	2	200%
Output 1.2: Capacity of rural finance support institutions strengthened							
• Staff of service providers trained - female (R1)	N. of staff (F)	0	0	#DIV/0!	1	1	100%
	N. of staff (M)	0	0		5	3	60%
• Studies completed and disseminated	N. of studies	0	0	#DIV/0!	0	0	#DIV/0!
• CBFI promoters applying new methodologies	N. of promoters	0	0	#DIV/0!	7	7	100%
Component 2. Promotion of Rural Banking Services							
Output 2.1: Effective NSCB management and operating systems in place							
• Staff of financial institutions trained - females (R1)	N. of staff (F)	5	0	0%	126	255	202%
• Staff of financial institutions trained - males(R1)	N. of staff (M)	10	0	0%	125	370	296%
• Solvency of NSCB	%	15% (positive)	0	#VALORE!	0	Positive	#VALORE!
Activity A: Further training in MIS utilisation and implementation							
Input 1: Study tour	N. of tours	5	0	0%	5	0	0%
Input 2: Branch Managers training	N. of trainings	1	0	0%	1	0	0%
	N. of staff (F)	5	0	0%	5	0	0%
	N. of staff (M)	10	0	0%	10	0	0%
Input 3: ITC Training	N. of trainings	1	0	0%	1	0	0%
	N. of staff (F)	5	0	0%	5	0	0%
	N. of staff (M)	10	0	0%	10	0	0%
Output 2.2: Financial services by NSCB more readily available in rural areas							
Households receiving project services (R1)	N. of HHs	*20.634*	3.656	18%	20.634	3.656	18%
Financial institutions participating in the project (R1)	N. of institutions	*6*	1	17%	6	3	50%
Voluntary savers (femaleS) (R1)	N. of people (F)	*8000*	2.129	27%	8.000	2.129	27%
Voluntary savers (males) (R1)	N. of people (M)	*12634*	2.494	20%	12.634	2.494	20%
Value of voluntary savings (R1)	Value (US$)	*8.000.000*	1.143.639	14%	8.000.000	1.143.639	14%
Active borrowers (females) (R1)	N. of people (F)	*1500*	181	12%	1.500	181	12%
Active borrowers (males) (R1)	N. of people (M)	*1500*	356	24%	1.500	356	24%
Value of gross loan portfolio (R1)	Value (US$)	*3500000*	588.254	17%	3.500.000	588.254	17%
Number of active borrowers in default	% of people	*<5%*	0%	0%	<5%	0%	0%
Financial institutions supported reporting profitable operations	N. of institutions	*6*	2	33%	6	2	33%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Activity A: Kalabo Branch Expansion							
Input 1: Fesiblity Study	N. of studies completed	1	1	100%	1	100%	100%
Input 2: Identification of business centre site	N. of sites	1	1	100%	1	100%	100%
Input 3: completion of Civil Works	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 4: Installation of Equipment	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 5: Installtion of IT Infrastructure	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 6: Distribution of Office Furniture	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 7: Installation of Aircons	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Activity B: Masaiti							
Input 1: Fesiblity Study	N. of studies completed	1	1	100%	1	100%	100%
Input 2: Identification of business centre site	N. of sites	1	1		1	100%	
Input 3: completion of Civil Works	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 4: Installation of Equipment	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 5: Installtion of IT Infrastructure	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 6: Distribution of Office Furniture	% completed (25%, 50%, 75% and 100%)	100%	75%	75%	100%	75%	75%
Input 7: Installation of Aircons	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Activity C: Lufwanyama							
Input 1: Fesiblity Study	N. of studies completed	1	1	100%	1	100%	100%
Input 2: Identification of business centre site	N. of sites	1	1	100%	1	100%	100%
Input 3: completion of Civil Works	% completed (25%, 50%, 75% and 100%)	100%	75%	75%	100%	75%	75%
Input 4: Installation of Equipment	% completed (25%, 50%, 75% and 100%)	100%	50%	50%	100%	50%	50%
Input 5: Installtion of IT Infrastructure	% completed (25%, 50%, 75% and 100%)	100%	50%	50%	100%	50%	50%
Input 6: Distribution of Office Furniture	% completed (25%, 50%, 75% and 100%)	100%	50%	50%	100%	50%	50%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Input 7: Installation of Aircons	% completed (25%, 50%, 75% and 100%)	100%	50%	50%	100%	50%	50%
Activity D: Lumwana/Manyama							
Input 1: Fesiblity Study	N. of studies completed	1	1	100%	1	100%	100%
Input 2: Identification of business centre site	N. of sites	1	1	100%	1	100%	100%
Input 3: completion of Civil Works	% completed (25%, 50%, 75% and 100%)	100%	75%	75%	100%	75%	75%
Input 4: Installation of Equipment	% completed (25%, 50%, 75% and 100%)	100%	50%	50%	100%	50%	50%
Input 5: Installtion of IT Infrastructure	% completed (25%, 50%, 75% and 100%)	100%	0%	0%	100%	0%	0%
Input 6: Distribution of Office Furniture	% completed (25%, 50%, 75% and 100%)	100%	0%	0%	100%	0%	0%
Input 7: Installation of Aircons	% completed (25%, 50%, 75% and 100%)	100%	0%	0%	100%	0%	0%
Activity E: Mpongwe							
Input 1: Fesiblity Study	N. of studies completed	1	1	100%	1	100%	100%
Input 2: Identification of business centre site	N. of sites	1	1	100%	1	100%	100%
Input 3: completion of Civil Works	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 4: Installation of Equipment	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 5: Installtion of IT Infrastructure	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 6: Distribution of Office Furniture	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 7: Installation of Aircons	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Activity F: Chavuma							
Input 1: Fesiblity Study	N. of studies completed	1	1	100%	1	100%	100%
Input 2: Identification of business centre site	N. of sites	1	1	100%	1	100%	100%
Input 3: completion of Civil Works	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 4: Installation of Equipment	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 5: Installtion of IT Infrastructure	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Input 6: Distribution of Office Furniture	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Input 7: Installation of Aircons	% completed (25%, 50%, 75% and 100%)	100%	100%	100%	100%	100%	100%
Component 3. Credit Facility for Contracted Small Scale Production							
Output 3.1: DBZ and commercial banks facilitate access by enterprises to credit and support projects							
Households receiving project services (R1)	N. of households	9.000	1.073	12%	15.000	9.811	65%
Financial institutions participating in the project (R1)	N. of PFIs	5	4	80%	6	4	67%
Staff of financial institutions trained - female (R1)	N. of staff	0	0	#DIV/0!	6	63	1050%
Staff of financial institutions trained - male (R1)	N. of staff	0	0	#DIV/0!	18	14	78%
Number of Loans financed through DBZ	N. of loans	5	4	80%	6	4	67%
Value loans financed through DBZ	Amount in US$	1.300.000	0	0%	4.000.000	3.961.231	99%
Number of loans disbursed by commercial banks	Amount in US $	2.650	1.073	40%	15.000	9.811	65%
Value of loans disbursed by commercial banks	Amount in US $	1.500.000	833.188	56%	4.000.000	4.555.282	114%
Active borrowers in default (at commercial bank / DBZ level)	N. of PFI	<5%	0	0%	0	0	0%
Value of gross loan portfolio (R1)	Amount in US $	2.250.000	2.856.507	127%	4.000.000	2.856.507	71%
Households benefiting from production/ trading enterprise services	N. of Households	9.000	1.073	12%	15.000	9.811	65%
Activity A: Monitoring Performance of PFIs/ sub-borrowers							
Input 1: Site Visits to PFIs and sub-borrowers to monitor portfolio performance	N. of visits	3	0	0%	3	0	0%
Input 2: Site Visits to new PFIs under capacity Building	N. of visits	3	0	0%	3	0	0%
Activity B: Appraisal and Disbursements							
Input 1: Annual Reviews of PFIs	N. of reviews	1	-	0%	1	0	0%
Input 3: Request for RFP Funds from PMU - Portfolio	N. of requests	3	1	33%	3	1	33%
	N. of disbursements	1	1	100%	1	1	100%
	Amounts disbursed	500200	500.200	100%	500.200	500.200	100%
Input 9: Request for annual Management Fee from PMU	N. of requests	1	1	100%	1	1	100%
	Amount requested	20000	20.000	100%	20.000	20.000	100%
Input 10: Request for Utilisation Fee from PMU	N. of requests	1	1	100%	1	1	100%
	Amount requested	40000	40.000	100%	40.000	40.000	100%
Activity C: Monitoring and Evaluation							

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Input 1: Quarterly up-dates from PFIs	N. of updates	3	1	33%	3	1	33%
Input 2: Data base up-date for M & E	N. of updates	3	0	0%	3	0	0%
Input 3: Final Up-date and submission of data base up-dates to PMU's M & E Unit	N. of submissions	3	0	0%	3	0	0%
Input 4: Preparation and submission of quarterly reports to PMU	N. of submissions	3	1	33%	3	1	33%
Input 5: RFP/IFAD Missions Participation	N. of meetings	3	1	33%	3	1	33%
Activity D: Marketing and Publicity							
Input 1: Information Dissemination on RFP Progress and Success to Stakeholders and cooperating Partners	N. of meetings	3	0	0%	3	0	0%
Component 4. Innovation and Outreach Facility							
Output 4.1: New rural financial products and services developed and operationalized							
New rural products and serviced developed and operational	N. of products	11	11	100%	11	11	100%
Staff of financial institutions trained - females (R1)	N. trained (M)	2.697	0	0%	30	0	0%
Staff of financial institutions trained - males (R1)	N. trained (F)	3.955	0	0%	30	0	0%
Voluntary savers - females (R1)	N. of people (F)	380.332	1.529	0,4%	22.385	1.529	7%
Voluntary savers - males (R1)	N. of people (M)	615.742	613	0,1%	32.085	613	2%
Value of voluntary savings USD (R1)	Value (US$)	2.000.000	46.852	2%	438.940	46.852	11%
Active borrowers - females (R1)	N. of people (F)	5.040	1.020	20%	1.193	1.020	85%
Active borrowers - males (R1)	N. of people (M)	5.124	380	7%	1.043	380	36%
Value of gross loan portfolio USD (R1)	Value (US$)	313.943	128.393	41%	1.543.062,00	128.393	8%
Cotton Association of Zambia							
Activity A: Cotton Savings and Credit Group Development							
Input 1: Mobilization	N. of Meetings	60	20	33%	60	36	60%
	N. of participants (F)	360	36	10%	360	188	52%
	N. of participants (M)	840	188	22%	840	205	24%
Input 2: Community Orientation	N. of Meetings	16	0	0%	16	5	31%
	N. of participants (F)	20	0	0%	0	0	#DIV/0!
	N. of participants (M)	20	0	0%	0	0	#DIV/0!
Input 3: Group Formation	N. of groups	40	0	0%	60	36	60%
	N. of members (F)	360	0	0%	360	188	52%
	N. of members (M)	840	0	0%	840	205	24%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
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Input 4: Savings and lending operations - materials	N. of kits	40	0	0%	60	36	60%
Input 4: Savings and lending operations - Graduation	N. of groups categorised	60	0	0%	60	0	0%
	N. of groups graduated	60	0	0%	60	25	42%
Activity C: Commercial Service Linkages & Support							
Input 1: Exchange visit for TOT to existing Village Savings and Credit Loan Associations	N. of visits	5	0	0%	5	0	0%
	N. of groups	60	0	0%	60	0	0%
Input 2: 5 day training in Savings & Credit & Entrepreneurial Skills	N. of trainings	60	0	0%	60	0	0%
	N. of participants (F)	360	0	0%	360	0	0%
	N. of participants (M)	840	0	0%	840	0	0%
Activity D: Gender and HIV/Aids mainstreaming							
Input 1: Link members of Home Based Care groups to Savings and credit Groups	N. of groups	60	0	0	60	0	0%
	N. of memberss (F)	360	0	0	360	0	0%
	N. of memberss (M)	840	0	0	840	0	0%
Input 2: Backstopping	N. of Meetings	9	3	33%	24	12	50%
	N. of groups	116	7	6%	60	36	60%
Churches Association of Zambia							
Activity A: Community Mobilisation							
CHAZ Staff - Orientation	N. of meetings	1	0	0%	3	0	0%
	N. of participants (F)	1	0	0%	1	0	0%
	N. of participants (M)	2	0	0%	2	0	0%
Activity D: Project management							
Savings and Credit Health groups Reflesher Training	N. of meetings	1	1	100%	1	1	100%
	N. of participants (F)	4	4	100%	4	4	100%
	N. of participants (M)	8	8	100%	8	8	100%
Activity C: Project Monitoring							
Savings and Credit Health groups Reflesher Training	N. of groups monitored	100	85	85%	100	85	85%
	N. of participants (F)	875	942	108%	875	942	108%
	N. of participants (M)	375	277	74%	375	277	74%
Purchase of bicycles for monitoring	N. of bicycles	12	0	0%	12	12	100%
Activity D: Program Management Coordination and Logistics							
Purchase of cash boxes	N. of cash boxes	100	0	0%	100	90	90%
Purchase of 60 locks	N. of locks	300	0	0%	300	270	90%
Purchase of 20 calculators	N. of calculators	100	0	0%	100	100	100%
Printing of 1,000 pass books	N. of pass books	2.500	0	0%	2.500	2.250	1000%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Purchase of 20 Ledger books	Number of Ledger books	100	0	0%	100	50	50%
Staff Development on related savings and credit related trainings, workshops and conferences	N. of trainings	1	0	0%	1	0	0%
	N. of participants (F)	1	0	0%	1	0	0%
	N. of participants (M)	2	0	0%	2	0	0%
Celpay							
Activity F: Development of Online Mobile transactions							
PoS Device Purchase	N. of PoS devices	300	0	0	300	0	0%
Pos Device Deployment and Distribution	N. of PoS devices	300	0	0	300	0	0%
	N. of Agents (F)	150	0	0	150	0	0%
	N. of Agents (M)	150	0	0	150	0	0%
Agent Rollout and Training	N. of trainings	10	0	0	10	0	0%
	N. of participants (F)	150	0	0	150	0	0%
	N. of participants (M)	150	0	0	150	0	0%
Savings Module Application Development	% of Completion (25%, 50%, 75%, 100%)	1	0	0	1	0	0%
Savings Module Testing	% of Completion (25%, 50%, 75%, 100%)	1	0	0	1	0	0%
Savings Module Deployment	% of Completion (25%, 50%, 75%, 100%)	1	0	0	1	0	0%
Marketing Activities	N. of awareness campaigns	12	0	0	12	0	0%
Keepers Zambia Foundation - Honey Value Addition							
Activity A: Capacity Building							
Mobilisation & Community Awareness	N. of meetings	45	50	111%	120	126	105%
	N. of participants (F)	270	0	0%	720	594	83%
	N. of participants (M)	530	0	0%	1080	1394	129%
Preliminary Trainings on saving & lending activities (Also training in saving and investment)	N. of trainings	45	30	67%	120	126	105%
	N. of participants (F)	270	130	48%	720	594	83%
	N. of participants (M)	530	364	69%	1080	1394	129%
Entreprenuership & marketing stills training	N. of trainings	45	50	111%	120	122	102%
	N. of participants (F)	270	236	87%	720	580	81%
	N. of participants (M)	530	543	102%	1080	1354	125%
Training in Technical aspects of honey	N. of trainings	45	25	56%	120	136	113%
	N. of participants (F)	270	120	44%	720	594	83%
	N. of participants (M)	530	307	58%	1080	1394	129%

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		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Activity D: Monitoring							
Review Meetings	N. of meetings	1	2	200%	5	6	120%
Follow up on the growth ofSEED Fund	N. of follow ups	4	5	125%	28	30	107%
	N. of groups followed	45	50	111%	120	126	105%
Project monitoring by KZF staff within the district	N. of monitoring visits	4	4	100%	28	30	107%
	N. of groups monitored	45	50	111%	120	120	100%
Project monitoring and visits - KZF HQ	N. of HQ support visits	1	1	100%	9	9	100%
Keepers Zambia Foundation - Rice Value Addition							
Training in technical aspects of rice prod. & mrkg	N. of trainings	104	62	60%	120	136	113%
	N. of participants (F)	950	497	52%	1100	1164	106%
	N. of participants (M)	830	389	47%	900	848	94%
Strengthening of Senanga Rice Association (SRA)	N. of trainings	3	1	33%	5	3	60%
	N. of participants (F)	8	4	50%	4	4	100%
	N. of participants (M)	12	6	50%	6	6	100%
Organisational and leadership training	N. of trainings	104	62	60%	120	136	113%
	N. of participants (F)	950	497	52%	1100	1164	106%
	N. of participants (M)	830	389	47%	900	848	94%
Trainings in Savings, Credit and Investments	N. of trainings	104	62	60%	120	136	113%
	N. of participants (F)	950	497	52%	1100	1164	106%
	N. of participants (M)	830	389	47%	900	848	94%
Provision of seed fund - ZMW	Amount disbursed	6000	0	0%	60000	30000	50%
Facilitate linkage with markets and other service providers	N. of linkages	3	1	33%	3	1	33%
Mobilisation & Strengthening of Groups	N. of groups	104	62	60%	120	136	113%
Review meetings	N. of meetings	3	1	33%	7	2	29%
	N. of participants (F)	24	10	42%	8	10	125%
	N. of participants (M)	21	5	24%	7	5	71%
Activity E: Project Monitoring							
Project monitoring by KZF staff within the district	N. of visits	9	3	33%	21	9	43%
	N. of groups supported	104	62	60%	120	136	113%
Project monitoring and visits - KZF HQ	N. of visits by HQ	3	1	33%	7	5	71%
Rural Economic Expansion Services							
Activity A: Increased CBFI Capital/Loan portfolio							
Capacity building of CBFIs; Making Business Plans (Continuation)	N. of meetings	3	0	0	3	0	0%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Mobilization of trade finance contribution	N. of meetings	3	0	0	3	0	0%
Implementation of marketing activities (trading) buying & reselling of agro prod	N. of Associations	10	0	0	10	0	0%
Collaborators meetings to link CBFI to Service Providers (Trainers etc.)	N. of meetings	3	0	0	3	0	0%
Activity K: Increased Value Addition							
Value addition opportunity identification meetings with the CBFIs	N. of meetings	0	0	#DIV/0!	0	0	#DIV/0!
Needs Assessment meetings with the CBFIs	N. of meetings	2	0	0	2	0	0%
Action planning meetings with the CBFIs	N. of meetings	2	0	0	2	0	0%
Follow-ups	N. of meetings	2	0	0	2	0	0%
Activity A: Improved Financial Management							
Designing appropriate financial management systems	N. of meetings	0	0	#DIV/0!	0	0	#DIV/0!
Auditing	N. of meetings	1	0	0	1	0	0%
Review and planning meetings-Staff/CBFIs	N. of meetings	3	0	0	3	0	0%
Activity B:							
Purchasing and distribution of Agro-processing equipment	No. of equipment	1	0	0	1	0	0%
Purchasing and distribution of packaging material to CBFIs	No. of materials	1	0	0	1	0	0%
Complementary specialized training demonstrations and exposure visits on value addition activities and processing equipment - Exposure Visit	No. of visits	2	0	0	2	0	0%
Complementary specialized training demonstrations and exposure visits on value addition activities and processing equipment - Trainings	No. of trainins	2	0	0	2	0	0%
Marketing scanning visits and meetings to facilitate linkages	No. of meetings	2	0	0	2	0	0%
Meetings to establish linkages to Agro-equipment, spare part suppliers and servicing facilities	No. of meeting	2	0	0	2	0	0%
Activity C: Increased Productivity and Income at CBFI and Individual Member Level							
Training Needs Assessment	no. of trainings	1	0	0	1	0	0%

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		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
Complementary Technical training and marketing for CBFI investment committees TRAINERS OF TRAINERS	No. of TOTs	1	0	0	1	0	0%
Linkages to RFP component (3) on Credit Facility for Contracted Small-Scale Production		2	0	0	2	0	0%
Activity							
Needs Assessment and planning meetings with the CBFIs	No of meetings	2	0	0	2	0	0%
Collaborative meetings with RFP component (1) facilitators on designing innovative products for motivating savings	No. of meetings	2	0	0	2	0	0%
Activity E: Recurrent expenditures							
Empty Grain Bags	No. of bags	300	0	0	300	0	0%
Packaging material	No. of bags	300	0	0	300	0	0%
Empowerment Microfinance Institution							
Activity H: Provision of Internet connection in Siavonga and Monze							
1,5 GB Internet Voucher for Siavonga	No. of vouchers	1	1	100%	1	1	100%
Paint modem Monze	% of Completion (25%, 50%, 75%, 100%)	100%	100%	100%	1	100%	100%
Signal amplificator - Monze	No. of amplificator	1	1	100%	1	1	100%
Activity I: Introduction of new technology							
Creation of a web hosting space for EMFI for sending sms in bulk through the net	1 web created	1	1	100%	1	1	100%
Purchase of sms in bulk	N. of SMS purchased	10.000	6.807	68%	10.000	6.807	68%
Activity K: Introduction of mobile banking service							
Indentification of mobile banking provider	Bank identified	1	1	100%	1	1	100%
Identification of area of implementation	Implelentation area identified	1	1	100%	1	1	100%
Facilitation of the mobile service provider to select local agents	N. of Local Agents	10	0	0	10	0	0%
	N. of Local Agents (F)	5			5	0	0%
	N. of Local Agents (M)	5	0		5		
Agent identification Monze area	N. of Local Agents	10	0	0	10	0	0%
	N. of Local Agents (F)	5	0	0	5	0	0%
	N. of Local Agents (M)	5	0	0	5	0	0%
Training for identified local agents	N. of trainings	1	0	0	1	0	0%
	N. of participants (F)	10	0	0	10	0	0%

ACTIVITY DESCRIPTION	Indicator	ANNUAL			CUMULATIVE		
		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
	N. of participants (M)	10	0	0	10	0	0%
Client selection	N. of clients	100	0	0	100	0	0%
	N. of clients (F)	50			50		
	N. of clients (M)	50			50		
Training for clients on mobile banking system provided by EMFI personnel	N. of trainings	1	0	0	1	0	0%
	N. of participants (F)	50	0	0	50	0	0%
	N. of participants (M)	50	0	0	50	0	0%
Activation of EMFI mobile banking transaction account	% of Completion (25%, 50%, 75%, 100%)	100%	0	0	100%	0	0%
mobile phone for clients as an incentive to use the mobile transaction system	N. of mobile phones	300	100	33%	300	100	33%
	N. of clients allocated mobile phones (F)	150	21	14%	150	21	14%
	N. of clients allocated mobile phones M)	150	31	21%	150	31	21%
Activity L: Activation of multiple user licence for loan performer software							
Purchase of license from the software company		1	0	0	1	1	100%
Training on loan performer							
Loan Performer training in Uganda	N. of traininngs	1	0	0	1	0	0%
	N. of participants (F)	2	0	0	2	0	0%
	N. of participants (M)	0	0	#DIV/0!	0	0	#DIV/0!
Activity O: Staff training							
Training on bulking sms system	N. of traininngs	1	0	0	1	0	0%
	N. of participants (F)	1	0	0	1	0	0%
	N. of participants (M)	2	0	0	2	0	0%
Training on mobile banking services*****	N. of traininngs	1	0	0	1	0	0%
	N. of participants (F)	1	0	0	1	0	0%
	N. of participants (M)	1	0	0	1	0	0%
Training on microcredit and PLWHA	N. of traininngs	3	0	0	3	0	0%
	N. of participants (F)	50	0		50	0	0%
	N. of participants (M)	50	0		50	0	0%
Training on Microfinance for local staff	N. of traininngs	1	0	0	1	0	0%
	N. of participants (F)	2	0		2	0	0%
	N. of participants (M)	1	0		1	0	0%
Training on Loan performer for local staff	N. of traininngs	1	0	0	1	0	0%
	N. of participants (F)	1	0		1	0	0%

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	N. of participants (M)	2	0		2	0	0%
Activity P: Monitoring and evaluation							
Client Monitoring	N. of visits	3	0	0	3	0	0%
	N. of clients (F)	50	0	0	50	0	0%
	N. of clients (M)	50	0	0	50	0	0%
	N. of groups monitored	10	0	0	10	0	0%
External consultant for impact assessment	Impact assessment completed	1	0	0	1	0	0%
Component 5. Policy, Institutional and Management Support							
Output 5.1: More conducive policy and institutional framework for rural finance							
• Government officials and staff trained - females (R1)	N. of participants (F)	0	0	#DIV/0!	7	3	43%
• Government officials and staff trained - males(R1)	N. of participants (M)	0	0	#DIV/0!	8	9	113%
• Rural finance forums held	N. of Forums	1	0	0%	3	2	67%
	N. of participants (F)	20	0	0%	40	15	38%
	N. of participants (M)	50	0	0%	60	47	78%
Output 5.2: Effective technical support, administrative and programme management systems							
Staff of service providers trained - females (R1)	N. of participants (F)	0	0	#DIV/0!	10	4	40%
Staff of service providers trained - males(R1)	N. of participants (M)	0	0	#DIV/0!	24	25	104%
AWPBs submitted on time	N. of AWPB	1	0	0%	6	5	83%
Quarterly reports submitted on time	No. of quarterly reports	3	1	33%	24	18	75%
Semi Annual reports submitted on time	N. Semi Annual reports	1	0	0%	12	8	67%
Annual report submitted on time	N. of Annual report	1	0	0%	6	4	67%
Audit reports submitted on time	N. of Audit reports	1	1	100%	5	4	80%
Disbursement of programme funds	% disbursed (25%, 50%, 75%, 100%)	100%	125%	125%	17.429.000	10.728.238	62%
Activity A: Policy Dialogue & institutional Strengthening							
Prepare TOR for the policy users dialogue	TOR document	1	0	0%	1	0	0%
Policy user dialogue sessions - Members of Parliament	N. of session	1	0	0%	1	0	0%
Provincial Rural finance policy support sessions	N. of session	2	0	0%	1	0	0%
Prepare TOR for the Annual Stakeholders' Forum	TOR document	1	0	0%	2	2	100%
Conduct the Rural Finance Annual Forum	Rural Finance Forum held	1	0	0%	3	2	67%
Produce and Circulate the RF Annual Stakeholders' Forum report	N. of Reports circulated	1	0	0%	3	2	67%

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		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
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Activity B: FSDP II Access to Finance Working Groups Support							
Acess to Finance W/ Group meetings	N. of meetings	12	5	42%	36	27	75%
Activity D: Functional QRC							
Hold QRC meeting to approve AWPB for 2013	N. of meetings	1	1	100%	6	5	83%
Hold QRC meeting to approve Quarterly reports	N. of meetings	4	2	50%	24	21	88%
Hold QRC meeting to approve other PMU business	N. of meetings	2	0	0%	12	5	42%
Activity E: Functional Programme Reference and Design Group							
PRG meetings to review RFP progress	N. of meetings	6	0	0%	24	13	54%
PDG meetings to review Design Reports of follow up programme	N. of meetings	6	4	67%	10	8	80%
Activty G: PMU capacity building							
Participation in Regional IFAD Implementation workshop	RIW held	1	0	0%	6	5	83%
Rural Finance Thematic Workshop	RFThematic Workshop help	1	0	0%	6	4	67%
AFRACA Policy workshop	AFRACA Policy workshop held	1	1	100%	6	4	67%
Participate in IFAD capacity building workshops (Include M&E, Knowledge Management, Financial Management etc)	N. of IFAD CB Workshop	1	0	0%	6	8	133%
Participate in Country Management Team meetings	N. of CMT meetings	2	1	50%	12	7	58%
Conduct of External Audit	Audit completed	1	1	100%	5	4	80%
Activity H: Impact Studies							
Quarterly RFP IA support visits (Northern province)	N. of visits	1	1	100%	1	1	100%
Quarterly RFP IA support visits (Western province)	N. of visits	1	1	100%	1	1	100%
Quarterly RFP IA support visits (Southern province)	N. of visits	1	1	100%	1	1	100%
Quarterly RFP IA support visits (Eastern province)	N. of visits	1	1	100%	1	1	100%
Quarterly RFP IA support visits (other provinces)	N. of visits	1	1	100%	1	1	100%
Reporting							
PMU field monitoring	N. of visits	4	1	25%	12	12	100%
Implementation Support Mission	N. of ISM	1	1	100%	6	5	83%
Activity J: Policy Dialogue							
QRC meeting diarising	N. of QRC meetings	3	2	67%	18	18	100%

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		TARGETS (2013)	ACHIEVEMENTS (as at Q1 2013)		2010/2013		
		AWPB TARGET	ACTUAL	% OF AWPB	APPRAISAL TARGET	ACTUAL	% OF APPRAISAL
PRG meeting diarising	N. of QRC meetings	3	2	67%	18	15	83%
MoFNP M&E staff training in RFP M&E and Knowledge Management	N. of trainings	1	0	0%	4	3	75%
	N. of participants (F)	1	0	0%	4	0	0%
	N. of participants (M)	2	0	0%	6	1	17%
RFP Documentaries with NAIS	N. of documentaries	1	0	0%	3	0	0%
Reporting							
Compilation of quarterly aggregate physical progress reports	N. of Reports	3	2	67%	24	20	83%
Presentation of Quarterly Report to the QRC	N. of QRC meetings	3	0	0%	24	19	79%
IFAD and QRC approve Quarterly report	N. of reports approved	3	0	0%	24	19	79%
Quarterly Report finalized and published	N. of Reports circulated	3	0	0%	24	19	79%
Compilation of Semi-Annual aggregate physical progress reports	N. of Reports	1	0	0%	6	5	83%
Presentation of Semi-Annual Report to the QRC	N. of Reports	1	0	0%	6	5	83%
IFAD and QRC approve Semi-Annual report	N. of reports approved	1	0	0%	6	5	83%
Semi-Annual Report Finalized and published	N. of Reports circulated	1	0	0%	6	5	83%
Compilation of Annual aggregate physical progress reports	N. of Reports	1	2	200%	6	5	83%
Presentation of Annual Report to the QRC	N. of reports approved	1	0	0%	6	5	83%
IFAD and QRC approve Annual report	N. of reports approved	1	0	0%	6	5	83%
Completion Review	Review report submitted	1	1	100%	1	0	0%
RFEP Start up activities	% of start up activities on schedule (25%, 50%, 75%, 100%)	25%	0	0%	1	1	100%
Impact Study	Impact study completed	1	0	0%	1	0	0%

Appendix 5: Actual Financial Performance by Financier; by Component and Disbursements by Category

able 3A: Financial Performance by Financier, as at 30th April 2013

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	13.77	10.80	78
GRZ	3.09	2.19	71
Financial Institutions	0.44		
Beneficiaries	0.14	0.19	135
Total	17,43	13.18	76

Table 3B: Financial Performance by Financier by Component (USD '000)

	COMPONENT	IFAD LOAN			FIN. INSTITUTIONS			BENEFICIARIES			GRZ			TOTAL		
		Appr.	Actual	%	Appr.	Actual	%	Appr.	Actual	%	Appr.	Actual	%	Appr.	Actual	%
1	Development of CBFI's	2.349	1.361	58				0.144	0		0.022	0.004	18	2.515	1.365	54
2	Promotion of Rural Banking Services	2.537	1.428	56					0		2.426	1.141	47	4.963	2.569	52
3	Credit Facility for Contracted Small Scale Production	4.585	3.858	84					0			0.017		4.585	3.875	85
4	Innovation and Outreach Facility	1.161	0.684	59	0.431	0.186	43		0		0.019	0.005	26	1.611	0.875	54
5	Policy, Institutional and Management Support	3.131	2.943	94					0		0.624	0.725	116	3.755	3.668	98
	TOTAL	13.763	10.274	75	0.431	0.186		0.144	0		3.091	1.892	61	17.429	12.352	71

Table 4C: Loan 785-ZM – Status as at 6th May 2013

Cat	Description	Allocation	Disbursement	Available balance	% Disbursed
1	Civil Works	150,000.00	38,324	111,676	26
2	Vehicles	93,000.00	47,570	45,430	41
3	Equipment & Materials	1,110,000.00	706,182.82	403,817	4
4	Studies, Workshops & Training	270,000.00	264,930	5,070	98
5	International and Local TA	2,311,275.00	1,595,407	715,868	69
6	Financial Services Grant Facility	650,000.00	429,503	220,497	66
7	Service Providers	1,560,000.00	833,163	726,837	53
8	Incremental Credit	2,680,000.00	2,242,736	437,264	84
9	Operating & Recurrent Costs	290,000.00	245,299	44,701	85
99	Unallocated	135,725.00		135,725	-
99Z	Authorised Alloction - SpA "A"		429,511	- 429,511	- 100
99Z	Authorised Alloction - SpA "B"		338,680	- 338,680	- 100
	Total	**9,250,000.00**	**7,171,306.47**	**2,078,693.53**	**78**

Appendix 6: Compliance with Legal Covenants: Status of Implementation

Loan Agreement Section	Covenant	Status	Remarks
ARTICLE II			
Section 2.03 ***Special Accounts***	(a) As soon as practicable but in no event later than thirty (30) days after the Effective Date, the Borrower shall open and thereafter maintain, in a commercial bank acceptable to the Fund, a Special Account A denominated in United States dollars for the purpose of receiving the Loan proceeds, except for financing Category VIII (Incremental Credit) of Schedule 2. The Special Account A shall be protected against set-off, seizure or attachment on terms and conditions proposed by the Borrower and accepted by the Fund.	Account opened	Operated efficiently.
	(b) After the Special Account A has been duly opened, upon the Borrower's request, the Fund shall make one withdrawal of seven hundred thousand United States dollars (USD 700 000) in the aggregate (the "Authorised Allocation") from the Loan Account on behalf of the Borrower and deposit such amount in the Special Account A. The Fund shall replenish the Special Account A from time to time upon request, in accordance with Section 4.08 (Special Account) of the General conditions, in such minimum amounts as the Fund, or the Cooperating Institution on behalf of the Fund, may specify in notice to the Borrower.	The transaction has been completed	The amount of USD 700,000 paid as Initial deposit into the Special account.
	(c) The Lead Programme Agency shall be fully authorised to operate the Special Account A in accordance with Section 4.08 of the General Conditions.	Implemented	The PMU signatories also included.
	(d) As soon as practicable but in no event later than thirty (30) days after the Effective Date, the Borrower shall open and thereafter maintain, in a commercial bank acceptable to the Fund, a Special Account B denominated in United States dollars for the purpose of receiving the Loan proceeds for financing Category VIII of Schedule 2. The Special Account B shall be protected against set-off, seizure or attachment on terms and conditions proposed by the Borrower and accepted by the Fund.	Implemented	Account already opened.
	(e) After the Special Account B has been duly opened, upon the Borrower's request, the Fund shall make one withdrawal of five hundred thousand United States dollars (USD 500 000) in the aggregate (the "Authorised Allocation") from the Loan Account on behalf of the Borrower and deposit such amount in the Special Account B. The Fund shall replenish the Special Account B from time to time upon request, in accordance with Section 4.08 (Special Account) of the General Conditions, in such minimum amounts as the Fund, or the Cooperating Institution on behalf of the Fund, may specify in notice to the Borrower.	Implemented	Funds already deposited in the account. The account is operational.
	(f) The Lead Programme Agency shall be fully authorised to operate the Special Account B, in accordance with Section 4.08 of the General Conditions.	Implemented	The PMU signatories also included.
ARTICLE III	**Covenant**		
Section 3.01 Programme Implement.	The Borrower shall ensure that the Lead Programme Agency and each of the other Programme Parties shall carry out the Programme: (a) with due diligence and efficiency; (b) in conformity with all appropriate administrative, engineering, financial, economic, operational, environmental, agricultural development practices (including rural development practices) and good governance; (c) in accordance with plans, design standards, specifications, procurement and work schedules and construction methods agreed by the Borrower and the Fund; (d) in accordance with the Operations Manual for the Credit Facility Contracted Small-Scale Production Component; (e) substantially in accordance with the AWPBs; (f) otherwise in accordance with this Agreement (in particular, Schedules 3 and 3A hereto), and any other Loan Document; and (g) so as to ensure the sustainability of its achievements over time.	Partially compliant	No PIM. Project following GRZ procedures.

Loan Agreement Section	Covenant	Status	Remarks
Section 3.02 ***Annual Work Plans and Budgets***.	(a) The PMU shall prepare the draft consolidated annual work plan and budget (AWPB) for each Programme Year. The draft AWPB shall include, among other things, a detailed description of planned Programme activities during the coming Programme Year, including the sources and uses of funds therefore, based on the respective work plans and budgets prepared by each of the Programme Parties.	Compliant	Submitted late
	(b) The Lead Programme Agency shall submit the draft AWPB to the Quarterly Review Committee for its review and Comments. The Lead Programme Agency shall submit each draft AWPB to the Fund and the Cooperating Institution, for their respective comments and approval, no later than 60 days before the beginning of the relevant Programme Year. If neither the Fund nor the Cooperating Institution comment on the draft AWPB within 30 days after receipt, the AWPB shall be deemed approved.	Compliant	.
	(c) The Lead Project Agency shall adopt the AWPBs substantially in the form approved by IFAD, shall provide copies thereof to the IFAD, prior to the commencement of the relevant Project Year.	Compliant	
	(d) If required, the Lead Project Agency may propose adjustments in the AWPB during the relevant Project year which shall become effective upon approval by IFAD.	Compliant	
Section 3.03 ***Programme Accounts.***	(a) As soon as practicable after the date hereof but in any event prior to the Effective Date, the Lead Programme Agency shall open and thereafter maintain in a bank acceptable to the Fund, a current account denominated in Kwacha for Programme operations (the "Central Programme Account"). The PMU shall be authorized to operate the Central Programme Account. The Financial Controller, the Programme Manager, the Monitoring, Evaluation and Planning Specialist, and two officers from the Lead Programme Agency, shall be Designated as authorized signatories of the Central Programme Account. The number and composition of the authorized signatories required for any transaction relating to the Central Programme Account shall be in accordance with the Borrowers accounting procedures, and as agreed between the Borrower and the Fund from time to time.	Account opened	Account is being operated efficiently.
	(b) As soon as practicable after the date hereof but in any event prior to the Effective Date, the Development Bank of Zambia (DBZ) shall open and thereafter maintain in a bank acceptable to the Fund, a current account denominated in USD for Programme operations (the "RFP Dollar Revolving Fund Account"), and an account denominated in Kwacha for Programme operations (the "RFP Kwacha Revolving Fund Account") to receive Loan proceeds and other funding for lending under the Credit Facility for Contracted Small-Scale Production Component.	Accounts already opened	Disbursement ongoing
Section 3.04 ***Availability of Loan Proceeds***	The Borrower shall make the proceeds of the Loan available to the Lead Programme Agency and each Programme Party in accordance with the AWPBs and its customary national procedures for development assistance to carry out the Programme.	Implemented	No difficulties noted during the mission.
Section 3.05 ***Availability of Additional***	(a) In addition to the proceeds of the Loan, the Borrower shall make available to the Lead Project Agency and each other Project Party, promptly as needed, such funds, facilities, services and other resources as may be required from time to time to carry out the Project in accordance with this Agreement.	Implemented	Adequate counterpart funds have been provided.
Resources.	(b) Without limiting the generality of paragraph (a) above, the Borrower shall make available to the Lead Programme Agency during the Programme Implementation Period counterpart funds from its own resources in an aggregate amount of USD 3 043 000 equivalent, in accordance with its customary national procedures for development assistance. For such purpose, the Borrower shall make budgetary allocations for each Fiscal Year equal to the counterpart funds called for in the AWPB for the relevant Programme Year and make such allocations available to the Lead Programme Agency as required.	Implemented.	Adequate funds have been received from GRZ.
Section 3.06	***Procurement***. All procurement financed by the proceeds of the Loan shall be carried out in accordance with Schedule 4.	Implemented	Same as section 3.01
Section 3.07.	***Project Completion Date***. The Project Parties shall complete the implementation of the Programme on or before the Programme Completion Date	Not yet	To be implemented at project end.

Loan Agreement Section	Covenant	Status	Remarks
ARTICLE IV			
Section 4.01	***Monitoring*.** The PMU shall establish, as soon as practicable but in no event later than 180 days after the Effective Date, and thereafter maintain an appropriate information management system in accordance with the Fund's "Guidelines for Project Monitoring and Evaluation" to enable it to monitor the Programme in accordance with Section 8.02 (Monitoring of Programme Implementation) of the General Conditions based on indicators agreed by the Borrower and the Fund.	Implemented	The software has been installed and PMU staff including M & E officer trained in its use.
Section 4.02	***Progress Reports*.** The Lead Programme Agency shall submit to the Fund and the Cooperating Institution progress reports on Programme implementation, as required by Section 8.03 (Progress Reports) of the General Conditions, no later than two months after the end of each quarterly and annual period during the Programme Implementation Period. In addition to the matters specified in said Section 8.03, each progress report shall detail agreed indicators within the RIMS framework.	Partially compliant	Progress reports submitted quarterly to QRC. 2012 Annual Report submitted to IFAD
Section 4.03 ***Mid-Term Review***	(a) No later than thirty-six months after the Effective Date, the Lead Programme Agency, the Fund and the Cooperating Institution, shall carry out a review of the Programme implementation (the "Mid-Term Review") based on the terms of reference prepared by the PMU and approved by the Fund and the Cooperating Institution. Among other things, the Mid-Term Review shall consider the achievement of Programme objectives and the constraints thereon, and recommend such reorientation as may be required to achieve such objectives and remove such constraints.	This has been carried out	All issues addressed
	(b) The Borrower shall ensure that the recommendations resulting from the Mid-Term Review are implemented within a reasonable time thereafter and to the satisfaction of the Fund. It is agreed and understood that such recommendations may result in modifications to the Loan Documents.	Implementation is ongoing	
Section 4.04	***Completion Report:*** The Lead Project Agency shall submit to the Fund and the Cooperating Institution the completion report on the Project required by Section 8.04 (Completion Report) of the General Conditions no later than six months after the Project Completion Date.	Pending until Project completion.	The PMU and Lead Ministry aware of the Obligation.
Section 4.05	***Evaluations*.** The Borrower and each Project Party shall facilitate all evaluations and reviews of the Project that IFAD may carry out during the Project Implementation Period and for ten (10) years thereafter, as required by Section 10.05 (Evaluations of the Programme) of the General Conditions.	This process is subject to the IFAD initiative.	The PMU are aware of the requirement
ARTICLE V	***FINANCIAL REPORTING AND INFORMATION.***		
Section 5.01	***Financial Statements:*** The Lead Programme Agency in cooperation with the PMU shall prepare and cause each other Programme Party to prepare the financial statements of the operations, resources and expenditures related to the Programme required by Section 9.02 (Financial Statements) of the General Conditions in respect of each Fiscal Year and deliver such financial statements to the Fund and the Cooperating Institution within three months after the end of each Fiscal Year.	Mostly compliant (Due in 30th March 2013).	The financial statements for the year ending December 2012 were submitted. The 2012 external audit was completed during the mission and report expected to be submitted to IFAD by 30 June 2013.
Section 5.02 ***Audit Reports:***	(a) Within 90 days after the Effective Date, the Borrower shall appoint, with the prior approval of the Fund, independent auditors selected by the Borrower, in accordance with the procedures and criteria set forth in the Fund's "Guidelines on Project Audits (Borrowers' Use)" to audit the financial statements relating to the Programme.	Compliant	Audit Report handed over to the mission
	(b) The Borrower shall have the financial statements relating to the Programme audited each Fiscal Year by such auditors in accordance with the International Standards on Auditing and the Fund's "Guidelines on Project Audits (for Borrowers' Use)" as may be amended from time to time. In accordance with Section 9.03 of the General Conditions, in addition to the audit report on the financial statements, the auditors shall provide: (i) an opinion on the certified statements of expenditure and the operation of the Special Accounts; and (ii) a separate management letter, addressing the adequacy of the accounting and internal control systems. The Lead Programme Agency shall deliver the above-mentioned items to the Fund and the Cooperating Institution within six months of the end of each such Fiscal Year. The Lead Programme Agency shall submit to the Fund and the Cooperating Institution the reply to the management letter of the auditors within one month of receipt thereof.	In progress (Due 30th June 2013).	Unqualified audit report submitted to IFAD mission on 7 June 2013

Loan Agreement Section	Covenant	Status	Remarks
	ARTICLE VI- Remedies of the Fund		
Section 6.01 ***Suspension***	(a) After consultation with the Borrower as to the appropriate remedial action, the Fund may suspend, in whole or in part, the right of the Borrower to request withdrawals from the Loan Account in accordance with Section 12.01 (Suspension by the Fund) of the General Conditions, upon the occurrence of any of the events set forth therein or any of the following events: (i) any competent authority has taken any action for the dissolution of the DBZ or the suspension of its operations, or any action or proceeding has been commenced for the distribution of any assets of the DBZ; (ii) any competent authority has taken any action for the dissolution of the NSCB or the suspension of its operations, or any action or proceeding has been commenced for the distribution of any assets of the NSCB.	The issue is currently non applicable	
	(b) The Fund shall suspend the right of the Borrower to request withdrawals from the Loan Account where the audit report required by Section 5.02 has not been satisfactorily completed within twelve months after the financial reporting period set forth therein, notwithstanding the provisions of Section 6.04.	This issue is currently not applicable	
Section 6.04	***Audit:*** If the Borrower does not timely furnish any audit report required by Section 5.02, and the Fund, after consultation with the Borrower, determines that the Borrower is unlikely to do so within a reasonable period thereafter, the Fund may engage independent auditors of its choice to audit the accounts relating to the Programme. For such purpose, the Borrower and the Programme Parties shall make their financial and other records available to such auditors promptly upon request, accord them full rights and privileges as agents of the Fund under Section 10.03 (Visits, Inspections and Enquiries) of the General Conditions and otherwise cooperate fully with such audit. The Fund shall make the audit report available to the Borrower promptly upon its completion. The Borrower hereby authorises the Fund to finance the cost of such audit by withdrawal from the Loan Account on behalf of the Borrower.	Not yet applicable	
SCHEDULE 3A	**Additional Covenants**		
1.	***Pest Management Practices***. As part of maintaining sound environmental practices as required by Section 7.15 of the General Conditions, the Project Parties shall maintain appropriate pest management practices under the Project and, to that end, the Borrower shall ensure that pesticides used under the Project do not include any pesticide either proscribed by the International Code of Conduct on the Distribution and Use of Pesticides of the Food and Agriculture Organization of the United Nations (FAO), as amended from time to time, or listed in Tables 1 (Extremely Hazardous) and 2 (Highly Hazardous) of the WHO Recommended Classification of Pesticides by Hazard and Classification 1996-1997, as amended from time to time.	Compliant	The Borrower and PMU are aware.
2.	***Monitoring:*** The Monitoring, Evaluation and Planning Specialist, PMU shall be responsible for the definition and management of the Programme's monitoring system which shall be organized by Programme component and a list of indicators. The PMU staff and Programme Parties shall report quarterly to the Monitoring Evaluation and Planning Specialist: (a) Programme activities undertaken in the preceding quarter (for regular quarterly reports) and cumulatively over the preceding Fiscal Year (for annual reports); (b) all movements (deposits and withdrawals) on the Special and Programme Accounts made during the relevant reporting period; (c) physical acquisitions made; and (d) monitoring and evaluation results. The Programme Parties shall submit their quarterly reports to the PMU no later than the end of the month following the relevant quarter.	Done	
3.	***Tax Exemption***: The Borrower shall exempt from Taxes (as defined in the General Conditions Which terms includes, among other things, Value Added Taxes imposed in the territory of the Borrower) the importation, procurement and supply of all goods, civil works and services financed by the Loan. The value of such exemptions shall be credited against the obligation of the Borrower to provide counterpart funds for the Programme under Section 3.05.	Implemented	

Loan Agreement Section	Covenant	Status	Remarks
4.	***Insurance of Programme Personnel*:** The Borrower shall ensure that key Programme personnel are insured against health and accident risks to the extent consistent with sound commercial practice.	Done	
5.	***Gender Focus:*** Each Programme Party shall ensure that women are represented in Programme activities and that women receive appropriate benefits from the Programme outputs.	Done	
6	The Borrower shall harmonize the NSCB Act and the Banking and Financial Services Act (BFSA) to bring the NSCB within the same requirements as commercial banks in relation to central bank supervision including the corporate governance provisions of the BFSA before 31st December 2005.	Outstanding	

Annex I: List of Persons that attended the Different Mission Meetings

Meeting at the Ministry of Finance – 15th May 2013

No.	Name	Job Title	Institution	Email Address
1.	Pamela C. Kabamba	Permanent Secretary	Ministry of Finance	Pamela.chibonga@mofnp.gov.zm
2.	Michael Mbulo	Programme Manager	RFP	Michael.mbulo@ruralfinance.org.zm
3.	Abla Benhammouche	Country Director	IFAD	a.benhammouche@ifad.org
4.	Samuel A. Olowude	Consultant	IFAD	info@agriway-fresco.com
5.	Dixon Ngwende	Programme Manager	RLEEP/IFAD	dngwende@rleep.org
6.	Shakib Mbabaali	Consultant	IFAD	mzeembabaali@yahoo.ca

Meeting with CETZAM Financial Services – 17th May 2013

No.	Name	Job Title	Institution	Email Address
1.	Kelvin Milambo	Chief Executive Officer	CETZAM	kmilambo@cetzam.com.zm
2.	Fred Chaatila	Head Credit	CETZAM	fchaatila@cetzam.coom.zm
3.	Michael Mbulo	Programme Manager	RFP	Michael.mbulo@ruralfinance.org.zm
4.	Samuel A. Olowude	Consultant	IFAD	info@agriway-fresco.com
5.	Shakib Mbabaali	Consultant	IFAD	mzeembabaali@yahoo.ca

Meeting with the Development Bank of Zambia (DBZ) – 17th May 2013

No.	Name	Job Title	Institution	Email Address
1.	Mavis Njala Chaile	Manager Agriculture	DBZ	mavisc@dbz.co.zm
2.	Mwati E.K. Sike	Project Appraisal Officer	DBZ	s.kem@dbz.co.zm
3.	Michael Mbulo	Programme Manager	RFP	Michael.mbulo@ruralfinance.org.zm
4.	Samuel A. Olowude	Consultant	IFAD	info@agriway-fresco.com
5.	Shakib Mbabaali	Consultant	IFAD	mzeembabaali@yahoo.ca
6.	Rose Heraniah	Consultant	IFAD	r.heraniah@ifad.org
7.	Dick Siame	Country Officer	IFAD	d.siame@ifad.org
8.	Ariane Frier-Ferrari	Consultant	IFAD	a.frier-ferrari@ifad.org
9.	Karima Cherif	Consultant	IFAD	k.cherif@ifad.org

Other Meetings

Date/Time	Name	Position/Organization	Email Address
27/5/13 09.30hrs	Mr Cephas Chabu	Managing Director, National Savings & Credit Bank (NSCB)	chabuc@natsave.co.zm
	Mr Christopher Lalusha	Head IT - NSCB	lalushac@natsave.co.zm
	Ms Mary Munansangu	Head Credit - NSCB	munansangum@natsave.co.zm
	Mr David Mukwavi	Head Business Development Manager - NSCB	mukwavid@natsave.co.zm
	Mr Nyambe Nyambe	Chief Financial Officer - NSCB	nyamben@natsave.co.zm
27/5/13 14.30hrs	Mrs Ruth Nabutali	Programme Manager – Keepers Zambia Foundation	ruthmitimingi@gmail.com
	Mr Ezra Banda	Project Manager - Keepers Zambia Foundation	ezra@mutalanda.com
28/5/13 09.30hrs	Ms Gladys Mposha	Acting Director, Non-Banking Financial Institutions – Bank of Zambia	gmposha@boz.zm
	Mr Musapenda J Phiri	Financial Sector Development Plan Project Coordinator - BoZ	mjphiri@boz.zm
	Mr Joseph Munyoro	Acting Assistant Director, NBFIs - BoZ	jmunyoro@boz.zm
	Ms Queen Shachile	Project Officer – FSDP BoZ	qshachile@boz.zm
11.45hrs	Dr Ronald Simwinga Dr Fortune Kamusaki Mr Derrick Simukoko	Director Investments and Debt Management Chief Economist Acting Chief Economist Ministry of Finance	 fortune_kamusaki@yahoo.com dsimukoko@yahoo.com
28/5/13 14.30hrs	Dr Dhally M Menda Mrs Dorothy Chiluba Mr Robert Chanda Ms Florence Banda Mr Harrison Musonda Mr Sam Kapembwa Mr Golden Mwila Mr Joyous Sikalima	Director, Health Programmes Project Manager Project Officer Finance Manager Senior Project Officer Technical Advisor Director, Finance Project Officer Church Health Association	Dhally.media@chaz.org.zm dorothy.chiluba@chaz.org.zm robert.chanda@chaz.org.zm florence.banda@chaz.org.zm harrison.musonda@chaz.org.zm sam.kapembwa@chaz.org.zm golden.mwila@chaz.org.zm joyous.sikalima@chaz.org.zm
30/05/13 09.00hrs	Mr Ezra Banda Mr Derrick Mufwamba Mr Ngenda Akufuna	Project Manager Project Officer Project Accountant Keepers Zambia Foundation	ezra@mutalanda.com
31/05/13 08.30hrs	Ms Sitamulaho Mukelabai Mr Ilukwi Wamundila	Operations Officer Micro Finance Officer - NSCB Mongu branch	

QUICK STORIES FROM THE FIELD

RFP RURAL FINANCE PROGRAMME

GOAL
Improve livelihoods of rural households

COMPONENT 3: Credit Facility for Contracted Small-scale Production

OUTCOME: Enterprises accessing credit for services to and contracting of small producers

RURAL CREDIT FACILITIES

The RFP supports the increase of access to rural financial services through partnership arrangements with NGOs, cooperates and other institutions. In the one of the components that the RFP supports the promotion of VSLAs where member ownerships of the groups promotes savings and borrowing from the pooled funds. The credit line from DBZ supports smallholders to access credit and increase horticultural productivity. The strategy to increase financial inclusion through doting rural branches with the partnership of NSCB offers rural people to utilize financial services. The IOF supports innovations that promote utilization, expansion of financial services in rural areas. Results so far include increased outreach in savings, loans, transactions and micro insurance with a comprehensive gender inclusion.

CETZAM

CETZAM Financial services Private limited is one of the leading microfinance in Zambia providing microcredit and insurance to disadvantaged communities in Zambia since 1995. The RFP partnership with CETZAM is to provide loans and insurance to caregivers to increase their incomes in 5 provinces and 14 districts with a total of US $ 2 million loan value.

Jones & Ester

CHOMA CETZAM RURAL SERVICES
MEMBERSHIP: 15 Groups; 83 members (40% women)
VALUE OF LOAN DISBURSED: aprox. US $28,000
ACTIVITY: Investment in horticulture (tomato, cabbages, onion, green peppers, etc)

ESTHER AND JONES ARE A HAPPILY MARRIED COUPLE WITH 6 CHILDREN FROM NABUYANI VILLAGE. THEY ARE MEMBER OF NABUYANI IRRIGATION GROUP (8-12 MEMBERS) ONE OF THE 15 SERVICED BY CETZAM IN CHOMA DISTRICT.

IN 2011 JONES ACCESSED A LOAN AMOUNTING TO US $400.

FROM THE US $400 LOAN ACCESSED IN 2011, WHERE HE BOUGHT SEEDS, CHEMICALS AND FERTILISER, JONES PLANTED 1000 PLANTS OF TOMATO AND SOLD IN FOUR PHASES AND EARNED US $100, FOLLOWED BY US $2,000 LATER US $460 AND FINALLY US $1,300 RESPECTIVELY. FROM THIS INCOME OF US $3,860 JONES BOUGHT 2 HEIFERS, PAID FOR THE CHILDRENS' SCHOOL FEES AMOUTING US $320 AND HE IS IN THE PROCESS OF RENOVATING HIS HOUSE. HE ALSO BOUGHT A MOTORISED ENGINE FOR IRRIGATION. THE REST OF THE MONEY WAS SAVED FOR HOUSEHOLD USE AND INVESTMENT IN THE COMING SEASON.