

Republic of India

Jharkhand Tribal Empowerment and Livelihoods Project

Supervision report

Main report and appendices

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Abbreviations and acronyms

AOS	Annual Outcome Survey
APD	Additional Project Director
AWPB	Annual Work Plan and Budget
BoD	Board of Directors
CBO	Community Based Organisation
CRP	Community Resource Person
DGS&D	Directorate General of Supply and Disposal
DPM	District Project Manager
DPMU	District Project Management Unit
EOI	Expression of Interest
FNGO	Facilitating NGO
FY	Financial Year
GoJ	Government of Jharkhand
GSPEC	Gram Sabha Project Executing Committee
GSRMLP	Gram Sabha Resource Management and Livelihoods Plan
HR	Human Resources
ICO	India Country Office (of IFAD)
IFAD	International Fund for Agriculture Development
IFPRI	International Food Policy Research Institute
IGA	Income Generating Activity
INRM	Integrated Natural Resource Management
JSLPS	Jharkhand State Livelihood Promotion Society
JTDP	Jharkhand Tribal Development Project
JTDS	Jharkhand Tribal Development Society
JTELP	Jharkhand Tribal Empowerment and Livelihoods Project
KM	Knowledge Management
M&E	Monitoring and Evaluation
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MIS	Management Informal System
NGO	Non-Government Organisation
NRLM	National Rural Livelihoods Mission
NRM	Natural Resource Management
PIM	Project Implementation Manual
PTG	Particularly Vulnerable Tribal Groups
RFP	Request For Proposals
RIMS	Results Impact Measurement System
SCA	Special Component Programme
SDR	Special Drawing Rights
SHG	Self-Help Group
SPD	State Project Director
ST	Scheduled Tribe
TSA	Technical Support Agency
TSP	Tribal Sub Plan
USD	United States Dollar
WA	Withdrawal Application
YG	Youth Group

Acronyms

Block	Sub-district (in practice, a group of gram panchayats form a block)
<i>Panchayat</i>	Elected local government executive under PRI or Panchayati Raj Institution.
<i>Gram Panchayat</i>	A group of villages form a gram panchayat (often simply used as panchayat)
<i>Gram Sabha</i>	The general assembly of all adults of all villages under a gram panchayat

A. Introduction¹

1. IFAD fielded a Joint Review Mission during December 8-16, 2014 to jointly review the overall performance of the Jharkhand Tribal Empowerment and Livelihoods Programme (JTELP) and its achievements since its effectiveness on 4 October 2013. Following a brief meeting at Ranchi with the SPD and APD on 8 December 2014, the Mission visited three villages in two blocks in two project districts, Gumla and Saraikela Kharsawan, on 10 and 11 December 2014 accompanied by the SPD and APD; Gumla is among the nine non-JTDP districts while Saraikela Kharsawan is a JTDP district. The Mission also visited the proposed DPMU office sites in Gumla and Saraikela Kharsawan. Mission members had brief interactions with village people and saw some of the activities being carried out through convergence with SCA to TSP in the Raj Nagar block of Saraikela Kharsawan district. Key focus areas of the Mission were overall project implementation progress, especially the preparedness of the Project for implementation.

2. The overall goal of the Project is to improve living conditions of Scheduled Tribes (STs) in general and PTGs in particular, covering selected tribal majority blocks and Panchayats in all the 14 Tribal Sub-Plan districts of Jharkhand by empowering and enabling the communities to adopt livelihood options based on sustainable and equitable use of natural resources. The objective of the Project is to foster community based institutions to empower village communities, especially women, introduce sustainable natural resource management systems to enhance food security and cash incomes by introducing improved farming practices and proven production technologies. The Project is implemented by the Jharkhand Tribal Development Society (JTDS) established by the Government of Jharkhand (GoJ). IFAD fielded an Implementation Support Mission during September 22 to September 26, 2014. This is the first Joint Review Mission. The IFAD Loan (No. I-879-IN) for SDR 33.55 million became effective on 4 October 2013, with 31 December 2021 and 30 June 2022 as the respective completion and closure dates.

3. The findings and recommendations of the Mission were shared with the SPD and APD of JTELP. A formal debriefing with the Project team and wrap up with Secretary Welfare, GoJ could not be organised as proposed on 15 Dec 2014 as the project management asked for additional time to review and send comments on certain aspects of the Aide Memoire that they did not fully agree with. The JTELP management sent its observations/ comments by email on 23rd December 2014. The Mission again met with the Project team (SPMU) on 12 February 2015 to clarify the issues and finalised the Aide Memoire by incorporating project feedback. A wrap-up² meeting was held with Mr. Rajiv Arun Ekka, Secretary Welfare, GoJ on 13 February 2015 to share the findings and recommendations of the Mission.

B. Overall assessment of project implementation

4. **Overall implementation progress.** Overall progress in implementation of JTELP is rated as *moderately satisfactory*. JTDS has been implementing various development activities in villages already covered under JTDP with funds received from GoJ under SCA to TSP and Article 275(1) since before inception of this project. As requested by GoJ, the project design had scheduled several start-up activities for the pre- and post-loan negotiation periods prior to entry of the project into force to give the project a head start. These included initiatives to finalize project villages, setting up of district and State offices, recruitment of key SPMU and DPMU staff, obtaining EOLs from TSAs and FNGOs and shortlisting them on that basis so that they could be contracted quickly after inception. As JTDS had implemented a similar project that was completed only a year prior to the inception of this project, a State office and some minimal infrastructure was in place and several senior staff from the that project were still on board, including the earlier Deputy Project Director now appointed as Additional Project Director,

¹ Mission composition: Mr Deep Joshi, IFAD Consultant (Mission Leader; Community Empowerment, INRM, Livelihoods & Convergence); Mr. A. M. Alam, IFAD Consultant (Project Management, M&E, Costable, Component Financing & AWPB) and Mr. Pratul Dube, IFAD Consultant (Financial Management & Procurement). Dr Vincent Darlong, IFAD ICO (Gender, KM & Targeting). Mr. S. Sriram, IFAD ICO joined the Mission on 12 December 2014. The State Programme Director and staff of JTDS participated in field visits and provided review inputs. The Mission is grateful to the Government of Jharkhand and the JTDS for the courtesy and cooperation extended during its stay in the State.

² The wrap-up meeting with Govt of Jharkhand was held at Ranchi on 13th February 2015, nearly 2 months after the supervision mission due to reasons explained at para 3. This meeting was attended by Deep Joshi (Mission Leader), Meera Mishra (Country Coordinator), S. Sriram and Vincent Darlong from ICO. Some of the project achievements during this intervening period has also been considered in the preparation of the final Main Report of the mission.

it was expected that such a provision would enable JTELP to come up to steam quickly. A retroactive financing provision of USD 42 600 had been made for this purpose at the request of the GoJ.

5. However, JTDS did not receive funds from the GoJ against this provision and the start-up activities could not be carried out prior to inception as envisaged in the Project Design. Consequently, the Project is yet to conduct the Start Up workshop and initiate project activities in villages. Elections to the Parliament and the State Legislature during the current FY led to further delays as policy decisions and new development activities are prohibited once the elections are announced till the declaration of election results. Had the GoJ advanced funds against the Retroactive Financing provision, JTDS could have carried out start-up activities as per the Project Design and the delays caused due to the elections could have been avoided. In the event, the implementation period has effectively been reduced by about a year.

6. As it is an early stage in the project life, these delays can be made good by a proactive management and the project would then be able to meet its objectives. For this the process of approval/clearance by the concerned Committees/ Chairperson/ BoD as well as IFAD's concurrence will need to be fast tracked. The project has done well under convergence (using government fund from SCA to TSP) in old JTDP project villages where the project (JTELP) is to provide hand-holding support.

7. **Likelihood of achieving the development objectives** is rated as *moderately satisfactory* as the project 'processes' taken up by the project management and Govt of Jharkhand are broadly on track. The project has done well under the 'convergence' activities in the old JTDP project villages where the project had reached out to poor tribal households in supporting their livelihoods and income generating activities through convergence fund from SCA to TSP during the period under review. With the recruitment processes of staffs and participating NGOs on course, the project is expected to take off quickly soon after its start-up, proposed during mid-April 2015.

8. **Opportunities for immediate improvement and attention by the SPMU** includes the followings:

- a) Execution of Subsidiary Agreement as per financing agreement.
- b) Audit of JTDS for previous two FYs (2012-13 and 2013-14).
- c) Release of funds to JTDS from GoJ as "Grant-in-Aid" and NOT as "Advance"; timely release of fund as per approved AWPB.
- d) Meeting of SPCC to deal with NRLM coordination, MGNREGS convergence and other matters of coordination.
- e) Review of overall HR issues including staff salary of those appointed from JTDP to JTELP.
- f) New staffs and FNGOs recruitment to be completed by March 2015 latest to enable technical start-up by mid-April 2015; functional DPMUs are to be established without further delay with necessary renovation/repairs to make them office-worthy.
- g) Mechanism for inclusion of funds under SCA to TSP and Art 275(1) as per 'GSRMLPs' and 'AWPBs'.
- h) Old JTDP villages are to be excluded in budgeting and reporting under various project components of JTELP; expenditure in those villages to be accounted for separately outside the JTELP accounts.
- i) JTDS may be given additional staff support to facilitate implementation of SCA to TSP and Art 275(1) activities in old JTDP villages.

9. Key agreed actions are the followings:

Agreed action	Responsibility	Agreed date
1. Complete village selection, staff appointment and contracting of FNGOs and TSAs and conduct the Start Up Workshop	SPD, SPMU	15 Apr 2015
2. Release funds to JTDS as per the approved AWPB and set up suitable mechanisms for timely release of funds regularly	GoJ, SPD	31 Mar 2015
3. Convene a meeting of the State Project Coordination Committee to facilitate coordination with NRLM and convergence with MGNREGS	SPD, Department of Welfare, GoJ	31 Mar 2015

C. Outputs and outcomes

Component I: Community Empowerment

10. This component is rated as moderately satisfactory as the project is in its first year of programme review and considering that the measures being initiated are likely to contribute to achieving outcomes/outputs. The processes for selection of programme blocks, panchayats (or gram panchayat) and villages in the new districts have been nearly completed, pending final confirmation from two district authorities, partly due to overlap with NRLM. The activities under this component comprises: (i) Promotion of Self Help Groups (SHGs) and Youth Groups (YGs); (ii) Building the capacity of Community Resource Persons (CRPs), Gram Sabha Project Execution Committees and staff of FNGOs and JTDS; and (iii) Special support to PTGs to enable them to access their entitlements. This is the basic building block of the project as community mobilisation for preparing Gram Sabha Resource Management and Livelihood Plans (GSRMLPs) is carried out with the participation of SHGs and the rest of the activities sequentially follow finalization of GSRMLPs. The initial delay in implementation of this component will reduce time for nurturing the CBOs and implementation of other components.

11. The Project has excluded blocks that have been earmarked by Jharkhand State Livelihood Promotion Society (JSLPS) as intensive Blocks for promotion of SHGs under NRLM. However, more blocks will progressively be taken up under NRLM and it may be disruptive for JTELP. JTDS needs to work out and formalise a suitable protocol with JSLPS about exclusion of Panchayats selected by JTELP from intensive SHG promotion by the former and integration of the SHGs promoted by JTELP with NRLM once the groups are mature. This issue may be resolved by convening SPCC meeting and where possible, necessary support from IFAD may also be provided at the national level to facilitate appropriate decision on the matter.

12. As formation of SHGs has been treated as an entry point activity, the Project does not have a separate budgetary provision for entry point activities to be carried out by FNGOs to build rapport with village communities. The Project may budget up to INR 0.1 million per village for such activities where required under civil work category and the amount can be spent in survey and identification, engaging short-term technical experts for locating and identification of such interventions and any other start-up activities within any new village. However, resources for completing these interventions will be mobilised through convergence with SCA to TSP, Article 275 (1) subventions, etc.

Component II: Integrated Natural Resource Management (INRM).

13. This component is also rated as *moderately satisfactory*. Early measures taken up by the project indicates that the expected outcomes/outputs are likely to be achieved. The activities under this component consists of (i) Community Mobilization; (ii) Land and Water Resource Development; and (iii) Productivity Enhancement and Crop Diversification. The physical activities to be taken up under this component are to be delineated in a Gram Sabha Resource Management and Livelihood Plan (GSRMLP) prepared for each village with the support of the TSAs and FNGOs. Since implementation of all physical activities is based on preparation of GSRMLPs, delay in preparation of the same will reduce time for implementation.

14. Investments towards implementation of land and water resource development activities are to be sourced from MGNREGS. The Project needs to pursue the GoJ to issue a circular to all the Deputy Commissioners to facilitate convergence of MGNREGS and other government programmes with JTELP. This was to have been done as a Start-up activity following project inception.

15. The project design includes handholding support to beneficiaries already covered and accounted for under the IFAD funded JTDP that was completed in 2012. Handholding support comprises training and technical guidance but not capital investments under JTELP. JTDS has been implementing activities funded out of SCA to TSP and Article 275(1) subventions in JTDP villages since before the inception of this project. Certain land and water resource development works have been taken up with these funds. Due to a misreading of the term 'handholding support', JTDS had erroneously included these expenses as achievements under this project. The Mission recommends that as a one-time exception and based on audited accounts such expenses out of funds received and expended since the project came into force may be treated as expenditure under this project. However, the households supported should be shown as additional to the 136 000 beneficiaries to be covered under JTELP. Since investments under various tribal development plans will continue to be made in the JTDP villages and such funding will be

routed through JTDS, for the future it is clarified that programme investments in JTDP villages cannot be included as expenses under JTELP and may be reported and accounted for separately as convergence activities outside the project design.

Component III: Livelihoods Support.

16. By 'proxy' measures this component is also rated as *moderately satisfactory*. The preparatory processes to achieve outcomes/outputs of this component is on track (as evidenced from the convergence activities in JTDP villages provided as handholding support by JTELP for land and livestock-based livelihoods; many of such similar livelihoods support will be undertaken in JTELP villages). This component encompasses four sub-components, namely: (i) Support for Income Generating Activities to PTGs, landless and artisan households; (ii) Introducing market-oriented farm and forest-based production activities by providing integrated production and marketing support; (iii) Vocational training; and (iv) Innovative interventions.

17. A significant share of investments for this component are to be drawn under SCA to TSP and Article 275 (1) subventions. JTDS so far has been receiving sufficient funds under these provisions. However, since these funds are normally allocated in the form of specific 'projects', JTDS needs to work out procedures with the GoJ Department of Welfare for budgeting funds under these provisions as per the GSRMLPs and AWPBs.

Agreed action	Responsibility	Agreed date
4. Formalise a protocol with JSLPS to harmonise with implementation of NRLM activities and subsequent integration with NRLM	SPD, Department of Welfare, GoJ	31 Mar 2015
5. Issue a circular to the Deputy Commissioners of the Project Districts to facilitate convergence with MGNREGS from FY 2015-16	SPD, GoJ	31 Mar 2015
6. Formalise procedures for allocation of SCA to TSP and Art 275 (1) funds as per GSRMLPs and AWPBs	SPD, Department of Welfare, GoJ	31 Mar 2015

D. Project implementation progress

Quality of project management

18. Overall quality of Project Management performance is rated as *moderately unsatisfactory*. Recruitment and deployment of staff and setting up of District Project Management Units (DPMUs), scheduled to have been done before and shortly after project inception as per the PIM and Project Design Completion Report has been delayed as JTDS did not receive funds under retroactive financing provision. The process got further delayed due to Parliamentary and Legislative Assembly elections in 2014. DPMU offices are functional only in Ranchi and West Singhbhum districts even though District Project Managers (DPMs) have been appointed in eight out of 14 project districts from among internal JTDS staff. Except in Ranchi and West Singhbhum (Chaibasa), DPMs in other districts are in the process of moving to the districts allotted to them as some are holding additional charge of districts where DPMs have not yet been appointed. This scenario is expected to change by end of March 2015 by which time all DPMUs would be fully functional.

19. SPMU has procured the services of M/s H. R. India Solutions Ltd. as consultants to facilitate the process of recruiting staff as well as NGOs. Applications from staff aspirants and sealed Technical Bids from NGOs seeking recruitment as Technical Support Agencies (TSAs) and Facilitating NGOs (FNGOs) have been received. Interviews have been held for filling up the remaining positions of DPMs and other project staff at the SPMU and DPMUs. So far some 30 staff from the previous project have been re-employed for varying positions under SPMU and DPMUs. Several erstwhile JTDS staff reemployed in new position are being paid less than their previously drawn salary. It is recommended the last drawn salary of all re-designated JTDS staff should be protected pending a more harmonized HR policies being drawn by the project.

20. In order to retain quality professional staff JTDS needs to periodically review its HR policies, especially with respect to policies on remuneration, suitability of staff for various roles and staff training. Remuneration needs to be comparable to other similarly funded projects in the State. The Mission recommends that JTDS use the services of a professional HR agency to review the present policies in this regard.

21. The JTDS office has shifted to the premises of Jharkhand Tribal Research Institute, Ranchi. The office premises are without water supply which needs to be immediately restored by repairing the tube-well pump. SPMU has a skeletal staff, including the State Project Director (SPD), Additional Project Director (APD) and Convergence Manager with other support staff and two drivers. Various committees for governance and policy guidance, such as Project Steering Committee, Procurement Committee, Selection Committee, etc. have been set up. The project has been approved by the State Cabinet. A HR manual has been prepared and approved by the JTDS Board. Whenever the SPD is out of station, the APD should be officiating in his position which is not the case at the time of this review. The APD should be eligible to incur financial expenditure up to INR 10 000 relating to office operating and administrative expenses.

22. Office spaces for the DPMUs have been allocated within the Deputy Commissioners' office premises or in other government buildings except in case of Sahibganj district where there is shortage of government accommodation. In most cases the office spaces are allocated would need minor to moderate repairs (Saraikela Kharsawan would need fairly extensive repairs), internal partitioning, provision of toilets (including separate wash rooms for women), etc. These will be carried out at an estimated cost of INR 3.00 million including the SPMU office and the office spaces will be made ready by March 2015. It must be ensured that the working environment of these office spaces are conducive for enhanced productivity and performance including gender-friendly. All office equipment as listed in the Project Design Completion Report should be procured and provided to the staff of SPMU and DPMU as soon as staff are deployed. The Mission comments on HR manual should be addressed.

Performance of M&E

23. Performance of M&E is rated as *moderately unsatisfactory*. The project does not yet have a full-time Manager (Planning and M&E) at SPMU whose appointment is expected by first quarter of 2015. The key M&E tasks are attended by the M&E Officer of Ranchi DPMU on a part-time basis. The key M&E functions of the project such as establishing an MIS and M&E system to track project progress and preparing GSRMLP should be attended on priority basis with the joining of the full-time M&E Manager. The Project cannot undertake the AOS for 2014 as there has been no progress of activities or outputs to measure any outcome. The Project has, however, prepared the baseline survey questionnaire in coordination with IFPRI and the process of recruitment of an agency to undertake the baseline survey has been initiated. Based on its reported 'handholding activities' in old JTDP villages as per AWPB 2014-15, the Project is encouraged to prepare the Annual RIMS Report for 2014 for First Level Results as outlined in the project PIM.

Coherence between AWPB and implementation

24. Performance of this is rated as *moderately satisfactory*. During the year 2013-14 the Project had budgeted INR 185.87 million but there was no expenditure as the project did not have any funds available (INR 90 million was released to the project on 31 March 2014 which is the last working day of the FY). However, during this period the project made very good expenditure under SCA to TSP as convergence fund. For the year 2014-15 the project has budgeted INR 296.26 million, including activities to be implemented under a programme funded by the GoJ Department of Welfare under SCA to TSP before the inception of JTELP. During 2014-15, the project continues to undertake activities in old JTDP villages as good achievements under the convergence.

25. The staffs in SPMU and DPMU require more training in preparation of AWPBs by consolidating the annual plans prepared by GSPECs on the basis of GSRMLPs with the help of partner NGOs. The Additional Project Director (who has been assigned the responsibilities for such activities) should pay more attention to these tasks and attempt at preparation of implementable plans and within available capacity. Prior to planning, he should travel to all districts to ascertain the conditions at the grassroots. Unit costs, where needed should also be updated. Narrative summary in the AWPB should be in accordance with the guidelines provided by the IFAD ICO.

Gender focus

26. This section is rated as *moderately satisfactory*. The Manager for Community Institutions and Gender of JTELP is likely to be in place by first quarter of 2015. The gender related activities of the project such as preparing gender mainstreaming strategy are expected to begin thereafter. The Mission has reiterated with the SPMU to capture quantitative data in its M&E system to show evidence of

progress against appraisal and AWPB gender targets (for example, number and percentage of women trained in specific activity). The project has retained some of the old staffs under JTDP who had been trained on gender aspects. The 'handholding' activities in old JTDP villages have good gender focus; the M&E progress information from these villages as convergence activities captured sex-disaggregated data.

Poverty focus

27. Performance of Poverty Focus is rated as *moderately satisfactory*. The handholding support activities reported by the project in old JTDP villages have strong poverty focus. During field visits the mission came across goat and poultry sheds constructed through convergence funds from SCA to TSP to promote IGA with existing women SHGs in old JTDP villages. Most of these households were STs and BPL. Similarly, the IGA activities under the project in JTELP are to be taken up largely with PTGs, landless households and artisans who are the poorest in the communities.

Effectiveness of targeting approach

28. This section is rated as *moderately satisfactory*. It is too early to ascertain the effectiveness of targeting approach as project activities are yet to begin. Evidences from field visit in old JTDP villages showed that the existing women SHGs have been targeted to benefit under the convergence fund from SCA to TSP. The project is to give preference to women-headed, landless and PTG households, especially in allocating IGAs. The proposed programme villages under selection by JTELP that the mission visited indicated the right targeting approach with majority being STs and BPL.

Knowledge Management: Innovations and Learning

29. Performance for Innovation and Learning is rated as *moderately satisfactory*. As field operations are yet to begin in the JTELP project areas, there are no innovations to report. In the JTDP villages 'Udyogini Kendras' (entrepreneurship centres) have been constructed as part of a programme under SCA to TSP and Article 275(1) provisions. The mission visited two active centres and interacted with communities benefiting from these centres (these centres store agricultural equipment for hiring, inputs like fertilizers for purchase, besides having provisions for farmers' meetings, training, etc). For the local communities, these are innovative experiences. JTELP will develop a KM strategy consonant with IFAD policies, spelling out proposed outputs, such as newsletters, training materials, technology manuals and dissemination plans as soon as the M&E unit is set up and strengthened. The M&E unit at SPMU will collect data via DPMUs, analyse it to measure progress vis-à-vis the log-frame and report to the government and IFAD to capture results and learning.

Climate and environmental focus

30. This section is rated as *moderately satisfactory*. Some of the JTELP such as integrated natural resource management through land and water development, improvement of forest/NTFP based livelihoods, community forestry, etc. will have beneficial environmental impacts. Some of the initiatives undertaken such as constructions of ponds, contour bonding and water harvesting structures in old JTDP villages under the convergence fund of GoJ from SCA to TSP are good examples of climate and environment focus.

Agreed action	Responsibility	Agreed date
7. Fill up remaining staff positions for SPMU and DPMU.	SPD	31 Mar 2015
8. Protect the last-salary drawn by all internal JTDS staff candidates from the date of new appointment.	SPD	31 Mar 2015
9. Engage a professional HR agency to review the remuneration structure and other HR policies of JTDS.	SPD	30 Jun 2015
10. Repair and furnish DPMU office spaces to office-worthy.	SPD	31 Mar 2015
11. Update ToR to conduct the baseline survey and recruit an agency to conduct the survey.	SPD	30 May 2015
12. Procure office equipment for SPMU and DPMUs as listed in the Project Design and provided same to the staff.	SPD	15 Apr 2015
13. Ensure AWPB is prepared following a bottom-up approach based on the GSRMLPs as spelt out in the Project Design; a detailed procurement plan should also be attached to AWPB.	DPMs, APD	Each year by 31 Jan

14. Set up M&E units in SPMU and DPMUs equipped with necessary software. Finalise indicators for monitoring, RIMS, etc. to track the project progress on continuing basis.	SPD, APD, DPMs	31 Mar 2015
15. Based on M&E data from old JTDP villages under handholding support, work out the RIMS Annual Report for 2014 on relevant first level indicators as outlined in the PIM and submit the same to IFAD	SPD, APD	20 Mar 2015

E. Fiduciary aspects

Quality of financial management

31. The rating for this component is *moderately unsatisfactory*. The accounting of the project is done in Tally software. Chart of Accounts as provided in the PIM (Annex 21.1, page 331) should be incorporated in the accounting system and the SPMU should thereafter prepare and submit expenditure by components and sub-components from accounting software directly. Consequently, the project is not in a position to submit expenditure by components and sub components from the accounting software directly. It has to do so outside the system in excel sheets. The Project is in the process of getting the accounting software customized according to its requirements. Separate bank accounts have been maintained for the Government share and IFAD share and a third bank account has been opened and is being operated only for salaries and allowances. Separate books of accounts have been maintained for the SCA to TSP funds received prior to Loan Effectiveness and spent by JTDS. The customized accounting software should be installed at the earliest and the vendor's services should be used for imparting training to all users for proper use of the software. The Project is advised to invest the idle funds lying in its bank accounts in fixed deposits to earn more interest during such period.

Acceptable disbursement rate

32. The rating for disbursement is *moderately unsatisfactory* considering only disbursement of the initial advance. IFAD has only disbursed the initial authorized allocation of USD 3 million to the Project. The Project had submitted WA for INR 5.486 million which was returned to the Project as it was not in accordance with IFAD's requirements. The Project has to resubmit the same in proper format and should contain only the expenditure eligible for financing by IFAD. The Withdrawal Applications from the project will be processed after complying with the signing of Subsidiary Agreement between GoJ and JTDS.

Counterpart funds

33. The rating for Counterpart funds is *moderately unsatisfactory*. The Government of Jharkhand has released a sum of INR 90 million for the year 2013-14 against the budget of INR 176.48 million. For the year 2014-15, so far 40 million has been released by the GoJ to the Project. The GoJ has released a sum of INR 126.55 million during the year 2014-15 towards SCA to TSP and Article 275 (1). During the wrap-up meeting³, Secretary, Welfare Department, Govt of Jharkhand has clarified that all of these funds may be treated as counter funds of the GoJ.

Compliance with loan covenants

34. The rating for Compliance is *moderately satisfactory*. The Project has generally complied with the loan covenants except the following: (i) clause 2(f) of Section E requiring the Government of Jharkhand to enter into a subsidiary agreement with JTDS (ii) Clause 7.11 of the General Conditions requiring all key project personnel to be appointed (iii) Clause 8.02 of the General Conditions requiring the project to establish an appropriate information management system in accordance with IFAD's Guidelines for Project Monitoring and Evaluation (iv) Clause 8.04 of the General Conditions requiring the project to submit periodic progress reports (v) Clause 9.02 of the General Conditions requiring the project to submit financial statements within the end of four months from the end of the financial year and (vi) Clause 9.03 of the General Conditions requiring the project to get its audit done and submit the audit report within six months from the end of the financial year.

³ The wrap-up meeting with GoJ was held on 13 Feb 2015.

Compliance with procurement

35. The performance of procurement is rated as *moderately satisfactory*. Major procurement actions like engagement of FNGOs, TSAs have been delayed. The process of fully establishing the district offices with required office equipment and facilities are expected within first quarter of 2015. The Project has procured two vehicles and furniture for the DPMUs through local shopping under DGS&D procedures. The draft RFP for engaging an agency for baseline and RIMS survey is under preparation. The Project has engaged a HR agency to shortlist the RFPs. During the implementation support mission in September 2014 modifications were recommended in the RFP documents and these recommendations have been incorporated. The evaluation reports of the procurement are yet to be submitted to IFAD for no-objection. The revised procurement plan for 2014-15 as per the procurement plan template with additional information requested should be resubmitted at the earliest before initiating procurement actions. The sections on procurement in the programme implementation manual and the financial regulations should be revised in line with the Letter to the Borrower and IFAD approval be obtained for the same. Under community participation procurement, the FNGO will facilitate the communities in the procurement principles. In case the FNGOs are to function as intermediary for community procurement (on behalf of the community), sufficient provisions to be incorporated into the contract with FNGOs on internal control, accountability and the audit of the funds received from the communities. In the absence of these provisions, any procurement undertaken by the FNGO as intermediary to community will be ineligible expenditure for IFAD financing. The Project, as a part of monitoring and review of FNGO performance, should review this aspect regularly.

36. The Mission recommends that the SPD should be provided with full powers for approval of procurement of goods, services and works which are as per the approved AWPB and the Procurement Plan. In the BoD meeting, a statement of procurement undertaken during the year should be presented for information. Likewise, DPMs should be delegated adequate powers for procurement of goods, works and services. As there is no position of Procurement Officer in the project, one professional staff should be identified for the purpose and preparation of procurement documents and maintaining the documents should be included in his/her job description. Current staff capacity to prepare the bid documents and maintaining the procurement documentation is limited. When the finance staff and the DPMs are in position, they should be asked to undergo the IFAD e-learning on Procurement within one month of their joining. Additional training on procurement related aspects could be done during the Start-up workshop. Contract Management should be introduced and the Contract Monitoring Form should be submitted along with the WA. The assets procured under previous IFAD project should be properly recorded along with the newly procured assets and annual verification should be done and validated during the annual audit.

Quality and timeliness of audits

37. The rating for Audit is *moderately satisfactory*. The audit of the project for the year 2013-14 (being less than six months of programme implementation) would be clubbed with audit of 2014-15 which would be due for submission to IFAD by September, 2015. The project is in the process of procurement of auditor; the project management has been advised that the terms of reference of the auditors should be in accordance with IFAD Guidelines on Project Audit.

38. The SPMU should also get the audit done for the earlier project (JTDP) for the year 2012-13 since it has not been done and the audit report be submitted to IFAD. A list of assets procured under the JTDP project with their current location should be prepared, certified by the auditor and submitted to IFAD to have clarity of records with JTELP.

Agreed action	Responsibility	Agreed date
16. Prepare a chart of accounts, grouping the account heads in accordance with components, sub components and cost centres in accordance with the categories. Seek professional assistance to do the same	SPMU	30 Mar 2015
17. Install customized Tally software and conduct training programme for all users for the proper use of the software	SPMU	30 Mar 2015
18. Resubmit WA 2 with proper financing categories for eligible expenditure	SPMU	30 Mar 2015
19. Get the AWPB budgeted into the GoJ Budget to ensure release of funds in accordance with the planned activities every year	SPMU	Before each year's State Budget is finalized
20. Execute the subsidiary agreement between the Government and the JTDS	SPMU	30 Mar 2015
21. Appoint auditors, get the audit of the project done and submit audit report along with the financial statements to IFAD	SPMU	30 Mar 2015
22. Review/revise financial rules of JTDS to incorporate the procurement power of SPD and DPMs of JTELP for goods, works and services; assign a senior officer of SPMU as a Procurement Officer.	SPMU, GoJ	30 Mar 2015

F. Sustainability

39. It is premature to report in this section as project activities are yet to begin. However, at its first year of implementation, the project management is making efforts to put in place the required processes that will contribute to sustainability of the project interventions. The VDF created in the JTDP as mechanism for sustainability remains functional as verified during the present field visit in the old JTDP village where JTELP is providing handholding support and undertaking convergence activities for income generating activities. During the wrap-up meeting with Government of Jharkhand, the Secretary has also emphasized the importance that the project management attaches on the sustainability aspect of the project interventions. All indicators (Institution building, quality of beneficiary participation, responsiveness of service providers, exit strategy and potential for scaling-up and replication) under this section are rated as *moderately satisfactory*.

G. Other

40. The project components when fully implemented will contribute in the improvement of the physical and financial assets of the communities in addition to food security and quality of natural asset improvement and climate resilience. The measures initiated by the project are on track to achieve these indicators including planning processes, financial allocations, human resources and service providers to implement the activities. The physical and financial assets in old JTDP villages where JTELP provides handholding support are reasonably functioning with food security being actively addressed as observed during the field interactions with the communities. Two of the ponds constructed under JTDP and visited by the mission were seen to be serving as source for irrigation as well as fishery development. The indicators are rated as *moderately satisfactory*.

H. Conclusion

41. This project is a sequel to the Jharkhand Tribal Development Programme (JTDP) implemented by JTDS. Several senior staff with the experience of implementing JTDP and well versed with IFAD and GoJ procedures are still on board. There was a provision in the project for retroactive financing to give the project a head start. In spite of these the project is yet to begin work in project villages nearly 14 months into an eight year project cycle. Selection of project villages, NGOs as project partners, appointment of staff and establishment of field offices remains work in progress. The start-up workshop, usually done within six months even in new projects is pending as it cannot be done till the TSAs and FNGOs are on board. It is the judgement of the Mission that these delays could have been avoided if GoJ had released funds under retroactive financing provision, allowing JTDS to take full advantage of the experience of JTDP and build on its past implementation experience.

42. Still in its early stages with seven years remaining for completion, the project can yet accomplish its goals provided it receives full support from the State Government and there is proactive management in JTDS infused with more frequent implementation support from ICO preferably on a quarterly basis at

least during the year 2015-16. The key issues of the project that are outlined as recommendations of this Mission are thus: immediate execution of Subsidiary Agreement as per financing agreement; audit of JTDS for previous two FYs (2012-13 and 2013-14); release of funds to JTDS from GoJ as "Grant-in-Aid" and NOT as "Advance"; timely release of fund as per approved AWPB; organise SPCC meeting to deal with NRLM coordination, MGNREGS convergence and other matters of coordination; staff salary protection from the date of appointment to JTELP for those appointed from JTDP pending HR policy review; mechanism for inclusion of funds under SCA to TSP and Art 275(1) as per 'GSRMLPs' and 'AWPBs'; old JTDP villages are to be excluded in budgeting and reporting under various project components. Expenditure in those villages to be accounted for separately outside the JTELP accounts; and JTDS may be given additional staff support to facilitate implementation of SCA to TSP and Art 275(1) activities in old JTDP villages. JTDS to proactively use its in-house experience in project implementation. Additionally, contracting of NGOs, recruitment of staff, setting up functional offices in the project districts and finalisation of project villages need to be completed urgently on priority basis and the Start-up workshop should be held within April 2015.

Notation

43. This Aide memoire was shared with the SPD and APD of JTELP on 15th Dec 2014. The SPD informed the Mission that he disagreed with the findings of the Mission and would convey his response in writing. The JTELP management sent its observations/ comments by email on 23rd December 2014 as annexed to this Aide Memoire. The Mission again met with the Project team on 12 February 2015 in Ranchi; issues raised by the project were clarified and aide memoire finalised with revision to incorporate the inputs from the project. A wrap up meeting was held with Mr. Rajiv Arun Ekka, Secretary Welfare, GoJ on 13 February 2015 to share the findings and recommendations of the Mission. Wrap-up meeting with DEA was held on 4th March 2015 chaired by Mr. Bhaskar Dasgupta, Director, DEA, MoF, GoI, New Delhi.

Appendix 1: Summary of project status and ratings⁴

Basic Facts

Country	India			Project ID		Loan/DSF Grant No.	I-879-IN
Project	Jharkhand Tribal Empowerment and Livelihoods Project					Top-up Loan/DSF Grant	
Date of Update	15-Dec-2014						
Supervising Inst.							
No. of Supervisions	1	No. of Implementation Support/Follow-up missions	1				
Last Supervision	15-Dec-2014	Last Implementation Support/Follow-up mission	20-Sep-2014				

				USD million Disb. rate %		
Approval				Total financing	115,591	3.17%
Agreement		Effectiveness lag		IFAD Total	51,001	5.88%
Entry into force	4-Oct-2013	PAR value	-----	IFAD loan	51,001	5.88%
First disbursement				DSF grant	Nil	-
MTR	4-Oct-2017	Last amendment	NA	IFAD grant	Nil	-
Original completion	31-Dec-2021	Last audit	NA	Domestic Total	64,590	
Current completion	31-Dec-2021			Government (National)	63,665	1.05%
Original closing	30-Jun-2022			Domes. Fin. Inst.		
Current closing	30-Jun-2022			External Co-financing Total		
No. of extensions				Beneficiaries	0.925	-

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management		3	1. Quality of project management		3
2. Acceptable disbursement rate		3	2. Performance of M&E		3
3. Counterpart funds		3	3. Coherence between AWPB & implementation		4
4. Compliance with financing covenants		4	4. Gender focus		4
5. Compliance with procurement		4	5. Poverty focus		4
6. Quality and timeliness of audits		4	6. Effectiveness of targeting approach		4
			7. Innovation and learning		4
			8. Climate and environment focus		4
B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Community empowerment		4	1. Institution building (organizations, etc.)		4
2. INRM		4	2. Empowerment		4
3. Livelihoods support		4	3. Quality of beneficiary participation		4
			4. Responsiveness of service providers		4

⁴ The PSR is based on "processes" as per PSR guidelines. The project became effective on 4th Oct 2013. The supervision mission was carried out in Dec 2014, i.e. nearly 14 months after the project became effective. The project wrap-up meeting was held in February 2015. The project is yet to have a start-up workshop, which is likely to be in April 2015 (the month by which the staffs and FNGOs would be in place to begin the project activities).

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

B.5 Justification of ratings

Overall Assessment and Risk Profile

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

Rationale for implementation progress rating

Overall implementation progress has been affected due to delayed release of fund by GoJ (released only on the last day of the FY) and conduct of two elections in 2014 (General/National election in the entire country during March-April 2014 and State Assembly election during October-November) during which the Elections Code of Conducts are enforced. However, the project achieved well under convergence activities in old JTDP villages where support to communities continued for income generating activities and livelihoods support systems.

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

The overall initiatives taken by the project management and processes put in place including holding of meeting of Board of Directors (BoD), release of adequate convergence funds by the GoJ, recruitment of staffs and NGOs that are likely to be concluded by March 2015, selection of appropriate villages as per guidelines to benefit poor tribal households particularly the PTGs are all encouraging indications that the project is likely to achieve the development objectives.

C.6 Risks Short description of major risks for each section and their impact on achievement of development objectives and sustainability	
Fiduciary aspects: Executing the subsidiary agreement between the Govt and JTDS is required prior to withdrawing funds from IFAD. Installation of customized software and setting up of chart of accounts needs to be done. Appointment of auditors and conduct of audit is required to be done on an urgent basis.	
Project implementation progress: Most programme areas are LWE (left wing extremist) affected areas. This could impede project implementation progress. Initial challenges of steep learning curve by the new project team including the NGOs in project implementation processes could be a challenge in project implementation progress at initial stage.	
Outputs and outcomes: Many project communities particularly the PTGs live in remote areas and most of them are illiterate. Social mobilization among them and also delivering project benefits would be slow impacting the outputs and outcomes. Both the project team and NGOs providing services and support will have a steep learning curve.	

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
Overall assessment	Complete selection of programme villages and panchayats; appointment of staffs and NGOs; convene meeting of SPCC; conduct start-up workshop	Complete by April 2015	
Project implementation	Establish the DPMU offices and make them fully functional; engage HR agency to review HR policy and remuneration rationalisation; conduct baseline survey; establish the GSPECs, prepare the GSRMLP; set up the M& E and KM unit of the project	Substantial results by May 2015	
Fiduciary aspects	Execute the subsidiary agreement; appoint auditors/undertake project financial audit; review financial rules to enhance procurement power of SPD and DPMUs.	Substantial results by Mar 2015	

Additional observations

Appendix 2: Updated logical framework: Progress against objectives, outcomes and outputs⁵

Results Hierarchy	Indicators	Means of Verification	Assumptions & Risks
A. GOAL			
Improve living conditions of the Tribal communities and in particular, particularly vulnerable tribal groups (PTGs) in the Tribal Scheduled Area districts.	<ul style="list-style-type: none"> -At least 75% of households with improvement in household asset ownership index. -Reduction in the prevalence of child malnutrition by gender. -At least 75% of households that have improved food security and incomes. - Reduction in IMR from 67 and increases in % of child immunisation from 34. % . 	RIMS+ impact surveys at baseline, mid-terms and completion	Relative stability in the price of food and in general economic conditions are conducive to poverty reduction
B. DEVELOPMENT OBJECTIVE			
Empower and enable 136,000 tribal households including 10,000 PTGs households to take up livelihood opportunities based on sustainable and equitable use of natural resources in 164 village Panchayats falling in 30 Blocks of 14 TSP districts.	<ul style="list-style-type: none"> -Sources of household incomes -# of HH reporting increased incomes (expenditure). -# of women reporting improved empowerment (decisions, mobility) -# of communities reporting secure and well-managed natural resource base 	RIMS + impact surveys Annual outcome surveys Participatory gender and community evaluations	Policies of Tribal development, political stability and security situation allow communities access to economic opportunities and natural resources
C. OUTCOME AND OUTPUTS			
COMPONENT 1.0: Community empowerment:			
OUTCOME: increased community awareness, strengthened Gram sabha PECs, women's groups, youth's groups and PTGs households.	<ul style="list-style-type: none"> - Process of selection of new villages in all 14 programme districts have been completed; handholding support done in 330 old JTDP villages. - Handholding support provided to 1463 SHGs promoted under JTDP mainly supporting the members for income generating activities. 	Progress Report.	Project able to coordinate and converge with other programmes for community development to avoid duplication.
Sub-component 1.1: Promotion of SHGs and Youth groups			
1.1.1 Promotion of 5000 new SHGs of women 1.1.2 Promotion of 328 youth groups 1.1.3 Seed capital support of 5000 SHGs 1.1.4 Seed capital support to 328 youth groups 1.1.5 In all 30 FNGOs engaged and contracts issued			

⁵ All reported achievements are through convergence activities in old JTDP villages where JTELP is to provide handholding support. No activities have started yet in new project villages.

Results Hierarchy	Indicators	Means of Verification	Assumptions & Risks
Sub-component 1.2: Capacity building			
1.2.1 Training provided to 1000 Community facilitator cum Accountants		Project/FNGO	
1.2.2 Training provided to 328 CRPs on SHG mobilisation		progress reports	
1.2.3 Exposure visit organised for 164 Panchayat groups		M&E Reports	
1.2.4 Leadership/ book-keeping training organised to 5000 SHGs		Participatory M&E reports	
1.2.5 Learning aids prepared and 164 events organised			
Sub-component 1.3: Special support to PTGs			
1.3.1 Training of 68 CRPs in 68 PTG villages			
1.3.2 Training of 68 village health worker (VHWs)			
1.3.3 Training of 68 village animal health workers (VAHWs)			
1.3.4 Training of 55 traditional birth attendants (TBAs)			
1.3.5 Distribution of 10,126 solar lanterns			
1.3.6 Distribution of 10,126 medicated mosquito nets			
1.3.7 Seed capital support to 500 PTG SHGs			
COMPONENT 2.0: Integrated Natural Resources Management			
OUTCOME: Land and water resources conserved and used sustainably for the benefit of tribal communities.	Around 1000 of households reporting improved supplies of water, reduced soil erosion, and improved availability of grazing & fuel wood from old JTDP villages where handholding support and some land & water management activities have been undertaken with convergence fund from SCA to TSP.	Project/FNGO progress reports M&E Reports Annual outcome surveys Participatory M&E reports	Major natural disasters (droughts, floods) do not negate soil and water conservation works
Sub-component 2.1 Community mobilisation			
2.1.1 Three Technical support agency (TSA) recruited			
2.1.2 Three sets of office equipment procured for TSA			
2.1.3 Training FNGO on INRM & MGNREGA			
2.1.4 Training 164 CRPs in INRM			
2.1.5 Training 164 PECs in INRM			
2.1.6 Exposure visits organised for 164 PECs			
Sub-component 2.2: Land and Water Resources Development			
2.2.1 In all 1350 new and old villages covered under INRM	Around 100 old JTDP villages covered with approximately 1200 HH benefited		Possible to identify suitable locations. Communities able to reach agreement on soil and water conservation works. Adequate resources available from MGNREGA for implementation
2.2.2 In all 1230 mates trained for measurements & record-keeping			
2.2.3 Master CRPs engaged for 492 person-days			
2.2.4 VDF provided to 68 PTG villages			
2.2.5 VDF provided to other 932 tribal villages			
Sub-component 2.3 Productivity enhancement and crop diversification			
2.3.1 Some 1330 village irrigation infrastructure is constructed	In 74 villages around 112 irrigation ponds have been constructed In 6 villages for 450 HH climate resilient agricultural practise have been proposed		
2.3.2 In all 164 farmer service centres designed and constructed			
2.3.3 In all 17,200 crop demonstrations conducted at 6 per village			

Results Hierarchy	Indicators	Means of Verification	Assumptions & Risks
COMPONENT 3.0: Livelihood support			
OUTCOME: Improved food security and increased income from use of natural resources and off-farm employment.		Project/FNGO progress reports M&E Reports Annual outcome surveys Participatory M&E reports	Inputs needed for agricultural and production technologies available. Markets for cash crops accessible via local roads, and profitable. Employment opportunities available for graduates of vocational training.
Sub-component 3.1 Support to IGA development			
3.1.1 About 17,500 hh provided training in IGA activities 3.1.2 Some 5,000 hh supported in setting up of backyard poultry units 3.1.3 Some 1000 hh supported in pig-rearing units 3.1.4 Some 5500 hh supported in goat-keeping units 3.1.5 Some 6000 hh supported with artisan and other activities	3.1.1 50 SHG supported in agro-based micro enterprises 3.1.2 Around 500 HH has been provided with poultry unit 3.1.3 Around 450 HH has been provided with pig rearing unit 3.1.4 Around 400 HH has been provided with goat rearing unit		Tribal communities respond to opportunities to improve food security, produce products for sale, and take up vocational training opportunities
Sub-component 3.2 Integrated Production and market support			
3.2.1 setting up of 14 vegetable growers clusters 3.2.2 setting up of 3 Tasar cocoon rearing clusters 3.2.3 Setting up of 4 Tasar cocoon rearing cluster in non-forest area 3.2.4 Setting up of 14 mango clusters 3.2.5 Setting up of 60 goat clusters 3.2.6 Setting up of 110 lac rearing clusters			
Sub-component 3.3 Vocational training			
3.3.1 Study on vocational training conducted 3.3.2 Some 420 rural youth received long-term training in skills			
Sub-component 3.4 Innovative interventions			
3.4.1 Some 200 ha in 50 villages covered under community forestry 3.4.2 Ten PTG villages selected for habitat planning & improvement 3.4.3 Lac rearing on Semialata plants in 10 clusters 3.4.4 Gender action learning systems in one Panchayat			
COMPONENT 4.0: Project management			
OUTCOME: staff expertise strengthened and their capacity to coordinate inclusive services to stakeholders enhanced and convergence of interventions established and NGOs contracts effectively handled.	-SPMU set in Ranchi and 14 DPMUs, one in each district; possession of office buildings in progress.		Quality staff available in other departments for secondment or in open market; service security and favourable terms of employment
Sub-component 4.1 State Project Management Unit			
4.1.1 Full compliment of staff recruited and placed	4.1.1 SPD, APD, Manager-Convergence, Accountant, Driver and Office assistant are in place at SPMU.	Project/FNGO progress reports	

Results Hierarchy	Indicators	Means of Verification	Assumptions & Risks
4.1.2 All office equipment purchased	4.1.2 Inverter for SPMU and Vehicles for SPD and APD procured.	M&E Reports Annual outcome surveys Participatory M&E reports	
4.1.3 Surveys and studies conducted and completed			
4.1.4 Reports prepared and sent			
4.1.5 Audits completed and reports sent			
Sub-component 4.2 District Project Management Unit			
4.2.1 Full complement of staff in 14 DPMU recruited and placed	4.2.1 8 DPMs, 2 FAOs, 2 accountants, 1 PM&EO, 1 NRMO are in place at DPMUs		
4.2.2 All office equipment procured	4.2.3 Office space for 14 DPMUs have been allocated in either district collectorate or any other govt. premises.		
4.2.3 DPMUs provided office space in DC offices			
Sub-component 4.3 M&E and Knowledge management			
4.3.1 Monthly review meeting conducted in 164 PECs, 14 DPMUs & at SPMU			
4.3.2 Some 448 workshops at DPMU level & 32 at PMU level conducted			
4.3.3 70 RIMS & M&E training conducted			
4.3.4 Seven annual surveys, 2 KAPS surveys & 14 other studies conducted			
4.3.5 Website set up and documents uploaded;			
4.3.6 Gender workshops organised and 7 KM workshops conducted			
4.3.7 Facilities for Legal literacy and training provided			

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

Agreed action	Responsibility	Agreed date
Overall assessment		
1. Complete village selection, staff appointment and contracting of FNGOs and TSAs and conduct the Start Up Workshop	SPD, SPMU	15 Apr 2015
2. Release funds to JTDS as per the approved AWPB and set up suitable mechanisms for timely release of funds regularly	GoJ, SPD	31 Mar 2015
3. Convene a meeting of the State Project Coordination Committee to facilitate coordination with NRLM and convergence with MGNREGS	SPD, Department of Welfare, GoJ	31 Mar 2015
Outputs and Outcomes		
4. Formalise a protocol with JSLPS to harmonise with implementation of NRLM activities and subsequent integration with NRLM	SPD, Department of Welfare, GoJ	31 Mar 2015
5. Issue a circular to the Deputy Commissioners of the Project Districts to facilitate convergence with MGNREGS from FY 2015-16	SPD, GoJ	31 Mar 2015
6. Formalise procedures for allocation of SCA to TSP and Art 275 (1) funds as per GSRMLPs and AWPBs	SPD, Department of Welfare, GoJ	31 Mar 2015
Project Implementation Progress		
7. Fill up remaining staff positions for SPMU and DPMU.	SPD	31 Mar 2015
8. Protect the last-salary drawn by all internal JTDS staff candidates from the date of new appointment.	SPD	31 Mar 2015
9. Engage a professional HR agency to review the remuneration structure and other HR policies of JTDS.	SPD	30 Jun 2015
10. Repair and furnish DPMU office spaces to office-worthy.	SPD	31 Mar 2015
11. Update ToR to conduct the baseline survey and recruit an agency to conduct the survey.	SPD	30 May 2015
12. Procure office equipment for SPMU and DPMUs as listed in the Project Design and provided same to the staff.	SPD	15 Apr 2015
13. Ensure AWPB is prepared following a bottom-up approach based on the GSRMLPs as spelt out in the Project Design; a detailed procurement plan should also be attached to AWPB.	DPMs, APD	Each year by 31 Jan
14. Set up M&E units in SPMU and DPMUs equipped with necessary software. Finalise indicators for monitoring, RIMS, etc. to track the project progress on continuing basis.	SPD, APD, DPMs	31 Mar 2015
15. Based on M&E data from old JTDP villages under handholding support, work out the RIMS Annual Report for 2014 on relevant first level indicators as outlined in the PIM and submit the same to IFAD	SPD, APD	20 Mar 2015
Fiduciary Aspects		

16. Prepare a chart of accounts, grouping the account heads in accordance with components, sub components and cost centres in accordance with the categories. Seek professional assistance to do the same	SPMU	30 Mar 2015
17. Install customized Tally software and conduct training programme for all users for the proper use of the software	SPMU	30 Mar 2015
18. Resubmit WA 2 with proper financing categories for eligible expenditure	SPMU	30 Mar 2015
19. Get the AWPB budgeted into the GoJ Budget to ensure release of funds in accordance with the planned activities every year	SPMU	Before each year's State Budget is finalized
20. Execute the subsidiary agreement between the Government and the JTDS	SPMU	30 Mar 2015
21. Appoint auditors, get the audit of the project done and submit audit report along with the financial statements to IFAD	SPMU	30 Mar 2015
22. Review/revise financial rules of JTDS to incorporate the procurement power of SPD and DPMs of JTELP for goods, works and services; assign a senior officer of SPMU as a Procurement Officer.	SPMU, GoJ	30 Mar 2015

Appendix 4: Physical and financial progress measured against AWP&B, including RIMS indicators⁶

Component/ Sub-component or Output					Period: 4/10/2013 to 30/11/2014 (Convergence fund of SCA to TSP in old JTDP villages)							
			Sub head	Unit	AWP&B	Actual	%	Financial figure (INR)	Cumulat ive Actual	Appraisal Target	%	
		Indicator										
Component 1 Community empowerment	OUTCOME: increased community awareness, strengthened Gram sabha PECs, women's groups, youth's groups and PTGs households.		- number of FNGOs recruited and operational; -awareness created in 1330 villages and tribal communities able to access government schemes; -7000 SHGs organized and functioning -some 10,000 PTG households assisted including formation of 500 SHGs in PTG villages.		FNGO requirement in process							
	1.1	Promotion of SHGs and Youth groups	1.1.1 number of SHGs organized & membership data	Support to youth groups /SHG								
			1.1.2 number of youth groups organized; gender disaggregated data									
			1.1.3 number of SHGs received seed capital support	TOT on SHG/PEC leadership training								
			1.1.4 number of youth groups received seed capital support									
		1.1.5 number of FNGOs recruited & operating										
	1.2	Capacity building	1.2.1 # of CF trained by gender 1.2.2 # of CRPs trained by gender 1.2.3 # of exposure visits organized; participants by gender 1.2.4 # of SHG received training 1.2.5 # of learning aids prepared and events organized	Training to SHG/PEC member for IGA business.	14		29(870 person)	100	101915	29	630	
	1.3	Special support to PTGs	1.3.1 # of CRPs trained by gender 1.3.1 # of CRPs trained by gender 1.3.2 # of VHWs trained by gender 1.3.3 # of VAHW trained 1.3.4 # of TBAs trained 1.3.5 # of solar lanterns distributed by PTG 1.3.6 # of medicated mosquito nets distributed by PTG 1.3.7 # of SHG received seed capital support	JTDS/NGO staff training Exposure visit to other project	14		1(4 person)	7.2	1677	1	1650(per)	

⁶ The data shown here are those that the project has undertaken in the old JTDP villages as part of "convergence" fund (SCA to TSP and Article 275(1)). No activity has started yet in new project villages under JTELP.

Component 2 Integrated Natural Resources Management		OUTCOME: Land and water resources conserved and used sustainably for the benefit of tribal communities.	No. of households reporting improved supplies of water, reduced soil erosion, and improved availability of grazing & fuel wood.										
	2.1	Community mobilization	2.1.1 Number of TSA recruited 2.1.2 Number of office equipment procured 2.1.3 # mandays of Training to FNGO on INRM & MGNREGA 2.1.4 # of mandays of Training to CRPs by gender 2.1.5 # of 164 PECs trained in INRM 2.1.6 # of exposure visits organized and participation by gender	Exposure visits for PEC/SHG & PRI	30		7	23	123795	7	7956(per)		
	2.2	Land and Water Resources Development	2.2.1 Number of villages covered; # of beneficiaries by gender; number and type of facilities created; 2.2.2. Number of mates trained and engaged 2.2.3 Number of CRPs engaged by gender 2.2.4 Number of PTG villages provided VDF 2.2.5 Number of other tribal villages provided VDF										
	2.3	Productivity enhancement and crop diversification	2.3.1 Number of irrigation schemes constructed, beneficiaries by gender; area irrigated by season 2.3.2 Number of FSC designed and constructed, number of beneficiaries by village and gender; area covered per season 2.3.3 Number of demonstrations conducted by season and crop, number of participating beneficiaries; number of villages covered										
Component 3 Livelihood support		OUTCOME: Improved food security and increased income from use of natural resources and off-farm employment.	Adoption of improved technologies; Increased production of food crops; # of HH reporting improved food security; Increased production and sales of commercial products; Number of VT trainees gaining employment.										
		Support to IGA development	3.1.1 # of hh provided training in IGA and participation by gender units	Backyard Poultry	150		150	100	3083840	150	5000		
			3.1.2 # of hh supported with poultry units by social group & PTG	Pig Rearing Units	130		130	100	6320000	130	1000		

	3.1		3.1.3 # of hh supported with pig units by social group & PTG 3.1.4 # of hh supported with goat units by social group & PTG 3.1.5 # of hh supported with artisan units by social group & PTG 3.1.6 # of hh supported with other IGA units by social group and type and PTG	Goat Rearing units	104		104	100	4888630	104	5500	
				Artisan Support & other IGA							6000	
				a. Irrigation improvement (pond Construction)	211		211	100	15582986	211		
				b. Micro Enterprise Development (Blrsa Udhyamita Kendra)	74		74	100	16575946	74		
				Beneficiary Training	43(1290persons)		43	100	82713	43	17500(per sons)	
	3.2	Integrated Production and market support	For all clusters: Number of clusters established; Number of beneficiaries by gender; Area covered by villages; Number of cluster by type									
	3.3	Vocational training	3.3.1 Study conducted 3.3.2 # of rural youth selected and provided long-term training by gender									
	3.4	Innovative interventions	3.4.1 Number and area covered under community forestry; 3.4.2 # of PTG villages selected habitat improved 3.4.3 Lac rearing on Semialata plants: # of cluster & area				Same as enumerated in 3.1					
Component 4 Project management	OUTCOME: staff expertise strengthened and their capacity to coordinate inclusive services to stakeholders enhanced and convergence of interventions established and NGOs contracts effectively handled.		- -SPMU set in Ranchi and 14 DPMUs, one in each district. --Coordination committees established in Ranchi, district Headquarters and Block levels.									
	4.1	State Project Management Unit	4.1.1 Staff recruited by type and gender 4.1.2 List of equipment procured 4.1.3 List of studies conducted and completed 4.1.4 List of annual and other reports prepared and sent 4.1.5 Audit completed and report sent				SPD, APD, Manager-Convergence, Accountant, Driver and Office					

							assistant have been recruited					
	4.2	District Project Management Unit	4.2.1 Staff recruited by type and gender 4.2.2 List of office equipment procured 4.2.3 List of offices housed in DCs' office				1.14 DPMs in charge, 14FAOs in charge, 2 accountants, 1 PM&EO, 1 NRMO are in place at DPMUs 2. Office space for 14 DPMUs have been allocated in either district collectorate or any other govt. Premises					
	4.3	M&E and Knowledge management	4.3.1 # of Monthly review meeting conducted; 4.3.2 # of workshops conducted; 4.3.3 RIMS & M&E training conducted 4.3.4 annual survey, KAPS surveys & other studies conducted 4.3.5 Website set up, # list of documents uploaded 4.3.6 # of Gender & KM workshops organized 4.3.7 Facilities for Legal literacy and training provided	2. Monthly Review Meeting - At State level	1		3	33		1		96

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

Table 5A: Financial performance by financier (amount in USD'000)

Financier	Approval	Disbursements (up to 30-11-14)	% disbursed
IFAD Loan	51,001	3,000.00	5.88%
Government	7,927	667.00	8.41%
TSP	11,556		-
NREGA	44,182		-
Beneficiary Contribution	925		-
Total	115,591	3,667.00	3.17%

Note: The Government has disbursed INR 90 million of which INR 40 million is towards its share and INR 50 million towards IFADs share

Table 5B: Financial performance by financier by component up to 30-11-2014

(Amount in USD'000)

	Component	IFAD Loan			Government			TSP			NREGA			Beneficiaries			Total		
		Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
1	Community Empowerment	13,417	-	-	1,891	-	-	-	-	-	-	-	-	-	-	-	15,308	-	-
	Promotion of SHGs	11,870	-	-	1,829	-	-	-	-	-	-	-	-	-	-	-	13,699	-	-
	Capacity Building	784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	784	-	-
	Special support to PTGs	763	-	-	63	-	-	-	-	-	-	-	-	-	-	-	826	-	-
2	Integrated Natural Resource Management	12,973	-	-	857	-	-	4,341	-	-	44,182	-	-	-	-	-	62,353	-	-
	Community Mobilization	1,679	-	-	204	-	-	-	-	-	-	-	-	-	-	-	1,883	-	-
	Land and Water Resources Development	3,525	-	-	-	-	-	-	-	-	44,182	-	-	-	-	-	47,707	-	-
	Productivity enhancement	7,769	-	-	653	-	-	4,341	-	-	-	-	-	-	-	-	12,763	-	-
3	Livelihoods Support	12,473	-	-	127	-	-	7,215	-	-	-	-	-	925	-	-	20,740	-	-
	Support for IGA	1,725	-	-	-	-	-	1,006	-	-	-	-	-	144	-	-	2,875	-	-
	Integrated Production & Marketing	9,151	-	-	-	-	-	5,338	-	-	-	-	-	763	-	-	15,252	-	-
	Vocational Training	379	-	-	-	-	-	-	-	-	-	-	-	-	-	-	379	-	-
	Innovative interventions	1,218	-	-	127	-	-	871	-	-	-	-	-	18	-	-	2,234	-	-
4	Project Management	12,138	-	-	5,052	121	2.40%	-	-	-	-	-	-	-	-	-	17,190	121	0.70
	Project Management Unit	10,903	-	-	5,032	121	2.40%	-	-	-	-	-	-	-	-	-	15,935	121	0.76
	Monitoring Evaluation and Knowledge Management	1,235	-	-	20	-	-	-	-	-	-	-	-	-	-	-	1,255	-	-
	Total	51,001	-	-	7,927	121	1.53%	11,556	-	-	-	-	-	925	-	-	115,591	121	0.10

- Notes 1) JTDS does not have Component wise break up of expenditure by financier.
2) Since no amount has been reimbursed by IFAD the entire expenditure is shown as Govt expenditure

Table 5C: IFAD Loan Disbursements (SDR as at 30-11-2014)

	Categories	Original Allocation	Disbursements	WA pending	Balance	% disbursed
	Authorized Allocation		1,943,207	-	(1,943,207)	100%
I	Civil Works	2,950,000	-	-	2,950,000	-
II	Vehicles & Equipment	1,200,000	-	-	1,200,000	-
III	Capacity Building	3,600,000	-	-	3,600,000	-
IV	Funds to FNGOs, TSAs, SHGs, GS-PECs, PGs and LCs	3,450,000	-	-	3,450,000	-
V	Livelihood financing	6,600,000	-	-	6,600,000	-
VI	Service Providers' contracts	6,650,000	-	-	6,650,000	-
VII	Staff salaries and operating costs	5,800,000	-	-	5,800,000	-
	Unallocated	3,300,000	-	-	3,300,000	-
	Total	33,550,000	1,943,207	-	31,606,793	5.79%

Appendix 6: Compliance with legal covenants: Status of implementation

Section	Covenant	Target/Action Due Date	Compliance Status
B – Clause 6	The Borrower shall open and maintain a Designated Account in USD in a bank acceptable to the Fund	On Loan effectiveness (04-10-2013)	Complied
B – Clause 7	There shall be a Project Account denominated in local currency opened and operated by the SPMU in a bank mutually acceptable to JTDS and the Fund	On Loan effectiveness (04-10-2013)	Complied
B – Clause 8	There shall be 14 sub project accounts, one for each DPMU and shall be opened and maintained in a bank mutually acceptable to JTDS and the Fund	On Loan effectiveness (04-10-2013)	Complied
B – Clause 9	The Borrower shall cause the State to provide approx USD 7,900,000 to the Project as counterpart financing and approx USD 55,700,000 as parallel financing from SCA to TSP and MGNREGS	During the project period	Compliance has commenced
E- Clause 2 (a)	JTDS shall have been duly registered with the State Registrar of Societies	Prior to first withdrawal (June 2014)	Complied
E- Clause 2 (b)	The SPCC and the SPMU shall have been duly established	Prior to first withdrawal (June 2014)	Complied
E- Clause 2 (c)	A State Project Director (SPD) shall have been duly appointed	Prior to first withdrawal (June 2014)	Complied
E- Clause 2 (d)	The Designated Account shall have been duly opened by the Borrower	Prior to first withdrawal (June 2014)	Complied
E- Clause 2 (e)	The Project Account shall have been duly opened by the SPMU	Prior to first withdrawal (June 2014)	Complied
E- Clause 2 (f)	The Project Agreement in form and substance acceptable to the Fund shall have been duly concluded between the Fund and the State of Jharkhand	Prior to first withdrawal (June 2014)	Not Complied
II-C- Clause1	The JTDS shall prepare a draft PIM in consultation with the Fund to be approved by the Board of JTDS	Prior to first withdrawal (June 2014)	Complied
II-C Clause 2	The JTDS shall adopt the PIM substantially in the form mutually agreed with the Fund	Prior to first withdrawal (June 2014)	Complied
Section 4.02 of GCFADF	<i>Withdrawals</i> No Withdrawal shall be made from the Loan until the first AWPB has been approved by the Fund and all other conditions specified in the Financing Agreement have been fulfilled	Prior to first withdrawal (June 2014)	Partially complied. Subsidiary Agreement between JTDS and the GoJ not yet entered into
Section 4.08 of GCFADF	<i>Eligible Expenditures</i> The financing shall be used exclusively to finance expenditure required for the project and covered by the relevant AWPB during the Project Implementation period in accordance with the Financing Agreement	During the project period	Compliance has commenced
Section 7.05 of GCFADF	<i>Procurement</i> Procurement of goods , works and services financed by the Loan shall be subject to the provisions of the“ Guidelines for Procurement under Financial Assistance from the International Fund for Agricultural Development”(1982) in accordance with Part B and Part C of the Schedule	Throughout the project period	Ongoing compliance
Section 7.06 of GCFADF	<i>Use of Goods and Services</i> All goods, services and buildings financed by the Project shall be used exclusively for the purpose of the Project	Throughout the project period	Ongoing compliance

Section 7.08 of GCFADF	<i>Insurance</i> The Borrower shall insure all goods and buildings used in the Project against such risks as shall be consistent with sound commercial practice	Throughout the project period	Only vehicle is insured.
Section 7.11 of GCFADF	<i>Key Project Personnel</i> The Borrower/ Recipient shall appoint the Project Director and key project personnel in the manner specified in the Agreement or otherwise approved by the Fund. Efforts shall be made for their continuity and the Project shall insure the key Project personnel against health and accident risks to the extent consistent with sound commercial practice or its customary practice in respect of its national civil service, whichever is appropriate	Throughout the project period	Partially Complied All Key Project personnel not appointed nor insured
8.02 of GCFADF	<i>Monitoring</i> The PCU shall establish ,as soon as practicable but in no event later than 90days 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 continuously monitor the Programme in accordance with paragraph2 ofSchedule3A and Section8.02 (Monitoring of Project Implementation)of the General Conditions based on indicators agreed by the Borrower and the Fund	By 04-01-14	Not complied with
8.03 of GCFADF	<i>Progress Reports</i> The PCU shall submit to The Fund periodic progress reports on the Project in such form and substance as the Fund shall reasonably request.	By 30 th June and 31 st December every year	Not complied with
8.03 of GCFADF	<i>Mid-Term Review</i> The Borrower, through the Lead Programme Agency, the Fund And The Cooperating Institution, shall jointly carry out a Review of Programme implementation no later than thirty-six(36)months after the Effective Date(the Mid-Term Review")		Not yet due
9.01 of GCFADF	<i>Financial Records</i> The Project parties shall maintain separate accounts and records in accordance with consistently maintained appropriate accounting practices adequate to reflect the operations, resources and expenditures related to the Project until the Financial Closing Date and shall retain such accounts and records for at least 10 years thereafter.	Throughout the project period	Compliance commenced
9.02 of GCFADF	<i>Financial Statements</i> The Borrower/ Recipient shall deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each fiscal year prepared in accordance with standards and procedures acceptable to the Fund and deliver such financial statements to the Fund within 4 months from the end of each Fiscal Year.	31 st July every year	Not complied
9.03 of GCFADF	<i>Audit Reports</i> (a) The Borrower shall each Fiscal Year have the accounts of the Project audited in accordance with the auditing standards acceptable to the Fund and its Guidelines on Project Audits by independent auditors acceptable to the Fund (b) Within 6 months of the end of each Fiscal Year furnish a certified copy of the audit report and reply to the Management Letter of the auditors within one month of receipt thereof	30-09-2014	Not Complied

Appendix 7: Knowledge management: Learning and Innovation

Learning

- (a) Convergence activities using funds from SCA to TSP (for income generating activities) and Article 275 (for infrastructures to support livelihoods) in old JTDP villages (where JTELP is to provide handholding support) have worked very well. The staffs implementing these activities were those who worked under JTDP and are now re-engaged under JTELP.
 - (b) What has not worked so well are slow progress in identification of new project villages for JTELP as also staffs and NGOs recruitment and establishment of DPMUs. Over 18 months into project effectiveness, yet technical start-up of the project is expected to be done only in April 2015.
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Innovation: Describe any interesting innovation noted during supervision

In the JTDP villages, the '*Udyogini Kendras*' (entrepreneurship centres) have been constructed as part of convergence programme under SCA to TSP and Article 275(1) provisions. These centres store agricultural equipment for hiring, inputs like fertilizers for purchase, besides having provisions for farmers' meetings, training, etc. For the local communities, these are innovative experiences.