



Investing in rural people

Zambia

Enhanced Smallholder Livestock Investment Programme

Supervision Report

Main report and appendices

Mission Dates: 16-27 April 2018

Document Date: 04/10/2018

Project No. 2000000822

Report No. 4801-ZM

East and Southern Africa Division
Programme Management Department

Abbreviations and Acronyms

AfDB	Africa Development Bank
APMEP	Agricultural Productivity and Market Enhancement Project
AWPB	Annual Work Plan and Budget
BTOR	Back To Office Report
CBPP	Contagious Bovine Pleuropneumonia
DLD	Department of Livestock development
DVS	Department of Veterinary Services
E-SLIP	Enhanced Smallholder Livestock Programme
ECF	East Coast Fever
FAM	Finance and Administration Manager
IFAD	International Fund for Agricultural Development
ITM	Infection and Treatment Method
KM	Knowledge Management
LISP	Livestock Infrastructure Support Project
M&E	Monitoring And Evaluation
MFL	Ministry of Fisheries and Livestock
MIS	Management Information System
MoF	Ministry of Finance
ORMS	Operational Results Management System
PC	Programme Coordinator
PCO	Programme Coordination Office
PIM	Project Implementation Manual
RIMS	Results Impact Management system
SLIP	Smallholder Livestock Programme
TOR	Terms for Reference

A. Project Overview

Region:	East and Southern Africa Division	Project at Risk Status:	Actual problem
Country:	Zambia	Environmental and Social Category:	B
Project Name:	Enhanced Smallholder Livestock Investment Programme	Climate Risk Classification:	3
Project Id:	2000000822	Executing Institution:	Ministry of Agriculture and Livestock
Project Type:	Livestock	Implementing Institutions:	not available yet
CPM:	Abla Benhammouche		
Project Director:	Olive Clara Chiboola		
Project Area:			

Approval Date	01/09/2014	Last audit receipt	11/07/2017
Signing Date	11/05/2015	Date of Last SIS Mission	27/04/2018
Entry into Force Date	11/05/2015	Number of SIS Missions	7
Available for Disbursement Date	24/07/2015	Number of extensions	0
First Disbursement Date	02/09/2015	Effectiveness lag	8 months
MTR Date	not available yet		
Original Completion Date	30/06/2022		
Current Completion Date	30/06/2022		
Financial Closure	not available yet		

Project total financing

IFAD Financing breakdown	East and Southern Africa Division	\$868,000
	IFAD	\$14,226,000
Domestic Financing breakdown	Beneficiaries	\$8,621,000
	National Government	\$10,568,000
Co-financing breakdown,	OPEC Fund for International Development	\$12,000,000
Project total financing		\$46,283,000

Current Mission

Mission Dates: 16-27 April 2018

Days in the field: 8

Mission composition: Ms Abla Benhammouche, IFAD Country Director, with the participation of Mr Mohamed Tounessi (Agricultural Economist/Deputy Mission Leader); Mr Waseem Khan (Procurement Specialist), Mr Oscar Anaadumba: (Knowledge Management/Monitoring and Evaluation Specialist) and Mr. Fabrizio Vivarini, (Financial Management Specialist)

Field sites visited: Fodder production trial sites in Shesheke

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		3	Assessment of the Overall Implementation Performance		4

Effectiveness and Developmental Focus	Ø	Rating	Project Management	Ø	Rating
Effectiveness		4	Quality of Project Management		4
Targeting and Outreach		4	Knowledge Management		4
Gender equality & women's participation		4	Value for Money		3
Agricultural Productivity		N/A	Coherence between AWPB and Implementation		3
Nutrition		N/A	Performance of M&E System		3
Adaptation to Climate Change		3	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)		2

Sustainability and Scaling-up	Ø	Rating	Financial Management and Execution	Ø	Rating
Institutions and Policy Engagement		4	Acceptable Disbursement Rate		5
Partnership-building		4	Quality of Financial Management		3
Human and Social Capital and Empowerment		4	Quality and Timeliness of Audit		4
Quality of Beneficiary Participation		4	Counterparts Funds		2
Responsiveness of Service Providers		4	Compliance with Loan Covenants		4
Environment and Natural Resource Management		3	Procurement		3
Exit Strategy		4			
Potential for Scaling-up		4			

Relevance

C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. The GRZ and IFAD carried out a supervision and implementation support mission of the E-SLIP from 14 – 26 April, 2018. This was the sixth supervision and implementation support mission to E-SLIP, which is scheduled for implementation completion in June 2022.
 2. The main objective of the mission was to a) undertake a detailed review of implementation progress of the E-SLIP 2018 Annual Work Plan and Budget (AWPB), particularly focusing on the period after the last supervision fielded in November 2017; b) assess the readiness and extent of implementing the 2018 approved AWPB and provide any implementation support to the different implementing agencies as may be needed. c) Undertake field visits to interact with the beneficiaries to assess benefits reaching them and receive their views on how improvements can be made and systems created sustained; c) review fiduciary aspects, focusing on financial management, disbursement and procurement issues and assess provision of counterpart funds in terms of amount and timeliness, and compliance with loan covenants; d) overview of issues affecting sustainability related to institution building, rural poor empowerment, beneficiary participation, responsiveness of service providers and exit strategy; and e) check actions taken on the last Mission's recommendations.
1. The mission worked in close collaboration with Programme Coordination Office (PCO); visited one programme focal district and held discussions with E-SLIP beneficiaries at a fodder production trial site with several numbers of cooperatives present.
 2. The mission wrap-up meeting was held on 26/05/2018 in Lusaka, chaired by the Permanent Secretary for the Ministry of Fisheries and Livestock.

Key Mission Agreements and Conclusions

1. Notwithstanding, progress with some of the last supervision mission recommendations, the Mission reiterates that all pending recommendations made in the last Aide Memoire of November 2017, be expedited. It is now critical that the programme management closely follows the following key actions that need to be undertaken; and are detailed further throughout the supervision report.
2. By the end of 2018, the programme should complete the set-up of the programme management system, including:

(i) The baseline survey for E-SLIP;

(ii) Completion of the programme M&E system, KM system including the draft communication strategy and the Programme Management System (MIS);

(iii) Revision of the PIM; and

(iv) Full utilisation of the Financial Accounting Software (SAGE/PASTEL).

Main Conclusion

1. E-SLIPs central objective is reducing the incidence of ECF and eradication of CBPP as well as Sustainably Improved Livestock Production and fodder production in Zambia. Observations from the field visit indicate an overall perception of acceptance of the programme by beneficiaries especially in terms of improving the livelihoods of beneficiaries involved in the livestock value chain in project areas. However, issues related to financial management of the Project, procurement and M&E needs to be addressed urgently to ensure that the gains of the programme by focusing its attention on completing all initiated activities by closely monitoring the implementation progress to ensure that all activities are satisfactorily completed on time as planned.

D. Overview and Project Progress

1. More technical details on the progress made with regards to the various components can be found in **Appendix 4 (technical Annex)**.
2. The E-SLIP Programme is a seven-year programme, which became effective in May 2015 and has been operational for 36 months. A low, but much improved implementation performance of the programme, incomplete staffing of the PCO, inadequate management system, delayed procurement and lack of financing from OFID, were identified as major concerns.
3. The PCO Team was only operational in October 2017. However, the critical position for stocking and re-stocking is not yet filled and has direct negative impact on livestock production component. The OFID co-financing loan, which is critical for the implementation of component two: Livestock production and productivity, was approved by OFID in December 2017 and is planned for signature in April 2018. The set-up of the management system is work in progress and is expected to be fully operational by the end of 2018. The procurement of goods and services continue to be a recurrent issue, since the start-up of the programme and limited progress has been noted in effectiveness and efficiency of the procurement, which is under the control of the PSU, under the MFL. The procurement processes are too lengthy and too slow to match with the expected performance of the programme and therefore, are negatively affecting the programme performance. Most of the delays in implementing the 2017 AWPB are linked to an under-performing procurement system.
4. The 2017 AWPB disbursement, as at 31st December 2017 was USD 3,152,449 against a budget of USD 6,206,280, representing a disbursement rate of 51%. With regard to component, the financial execution rate is as follows: Under component 1: (animal disease control sustainably improved) whose objective is to reduce the prevalence of CBPP and ECF, about USD 1,130,130 was disbursed, against a budget of USD 2,345,969, representing a disbursement rate of 48%. Under component 2: (Livestock Production and Productivity Increased) about USD 439,739 was disbursed, against a budget of USD 1,996,862, representing a disbursement rate of 22%. Under component 3 (Effective Programme Management) about USD 1,582,580 was disbursed, against a budget of USD 1,996,862, representing a disbursement rate of 85%.
5. Of the USD 3,152,449 disbursed by E-SLIP, at the end of 2017, the Programme Management Component absorbed 50% of the overall expenditure for 2017. The major expenditures include: purchase of equipment and materials; motor vehicles for field staff, office furniture for all components and payment of salary arrears, gratuity and leave pay for the Programme Coordinator and Finance and Administration Manager (FAM).
6. The low utilisation of the 2017 budget in component one and two, is due to the challenges the Programme encountered, such as delayed Programme start up, delays in recruitment of the technical staff under component two and procurement of goods and services. However, compared to the expenditure rate of 2015/16 AWPB, which reached 24%, there is an improvement in 2017 AWPB execution, which reached 51%.
7. During the first quarter of 2018, the expenditure rate of the 2018 AWPB stands at 1%. As of March 2018, the financial execution for the first quarter by component had reached 38% for component one; 16% for component two and 47% for component three.
8. Despite the initial start-up delays and low implementation performance, E-SLIP is gaining momentum. The PCO is established with adequate office premises and office equipment. The staffing of the PCO is completed, only one position Stocking and Re-Stocking Specialist is yet to be filled.
9. E-SLIP responded to the Agreed Actions of the previous supervision mission of November 2017, key amongst them are the OFID approval of the loan of USD 12 million, as co-financing to be used for activities under Component 2: Livestock Production Systems Sustainably Improved. The financing agreement is scheduled for signature on by the end of April 2018.

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Previous rating: 4

Justification of rating

This section assesses, E-SLIP's progress towards achieving the target outputs and outcomes in relation to both annual and cumulative/Appraisal targets. The achievements made, thus far, are presented in Section I (Updated Log Frame: Progress against Objectives, Outcomes and Outputs including RIMS Indicators) of the Supervision Report and Appendix 1 (Physical Progress Measured against AWPB,) in the Supervision Report. Implementation of the Programme was analysed through the 2017 progress report, and the first quarter of 2018, feedback from PCO staff, the DVS and Department of Livestock development (DLD), District Veterinary Officers, provincial staff and beneficiaries. The overall programme implementation in terms of outputs is rather limited, to analyse outcomes that benefit the target group.

Log-Frame Analysis & Main Issues of Effectiveness

1. The mission reviewed the Logical Framework and noted that it is generally within IFAD Guidelines of the new Operational Results Management System (ORMS) as of October 2017. E-SLIP has reduced the number of indicators from 21 to about 15 annually and will keep other indicators for internal quarterly reporting. The reduced indicators were based on the existence of target values, with those that did not have any target values being dropped. The cumulative estimated number of households reached by the programme by 31 December 2017 is 39,425. The mission noticed that, the number of estimated household beneficiaries has increased by 85% as compared to the year 2016.
2. **Outcomes:** For the Physical progress measured against AWPB, the Mission noted that most planned activities were yet to be implemented or are on going. The slow implementation pace of planned activities has affected budget usage negatively for Components 1 and 2 as mentioned above for the period under review. Therefore, these challenges mentioned above compromised the coherence between the AWPB and implementation of planned activities. However, the Mission commends E-SLIP for putting in place appropriate corrective measures to address the matter through the formulation of a fast-track plan, which has yet to produce the desired outputs and outcomes.

Development Focus

Targeting and Outreach

Rating: 4

Previous rating: 4

Justification of rating

21. E-SLIP is a national programme although it focuses in specific areas with a high prevalence of ECF or CBPP. E-SLIP has a clear targeting and outreach approach which involves the economically active poor; the very poor, Female headed households and youth. In terms of outreach, to-date, E-SLIP has reached 39,425 households with the activities focusing on training, capacity building, ECF and CBPP sero-surveillance and removal of positive herds, ECF-ITM calf immunisation and CVRI-produced stabilate efficacy trials, cattle branding, ECF endemicity studies and farmer exchange visits in forage production and livestock stocking and restocking.

Main issues

Additional information on the criteria and mechanisms for targeting and outreach especially for Component 2 should be provided by the next supervision mission.

Gender equality & women's participation

Rating: 4

Previous rating: 4

Justification of rating

For Component 2, nearly 80% of farmer group members are women who also dominate leadership positions. This is consistent with the emphasis placed by the PDR, which states that "The main and ultimate target group of E-SLIP is the rural poor, in particular, women and the youth," adding that while Component 1 will be gender neutral, Component 2 will be strongly gender targeted as at least 50% of beneficiaries will be women while 20% will be rural youth under the stocking and re-stocking programme.

Main issues

More information on the gender strategy (if the project developed one) and an analysis on women decision-making role, women's access to assets and women's workload are required. Information on sex-disaggregated data and their regular

collection are missing.

Agricultural Productivity	Rating: N/A	Previous rating: N/A
Nutrition	Rating: N/A	Previous rating: N/A
Adaptation to Climate Change	Rating: 3	Previous rating: 3

Justification of rating

The E-SLIP design is compliant with IFAD's climate change strategy and the subject is given due attention in the PDR. Given the late start of activities there is not sufficient data on which to draw judgement.

Main issues

Given the late start of activities there is not sufficient data on which to draw detailed assessment, thus rated 3. It is suggested that households' perception on climate risk and access to adaptation measures are included in the project baseline.

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 4	Previous rating: 4
---	------------------	---------------------------

Justification of rating

46. E-SLIP works within MFL structures and in this way contributes to building its capacity in terms of staff training and provision of much needed equipment. In addition, the cost recovery policy on ECF will increase Government's capacity to deploy much needed resources to other needy areas. With regard to policy engagement, the programme is playing a proactive role for example in the idea to domesticate in-country stabilize production which has strengthened national capacity to sustainably provide the inputs needed for on-going vaccination campaigns. It has also been instrumental in influencing MFL to introduce a cost recovery policy in ECF and has continued to refine the CBPP and ECF strategies developed under SLIP as well as a new livestock stocking and restocking strategy in addition to the support rendered in the development of a sub-sector policy for the new Ministry of Fisheries and Livestock. In addition, E-SLIP is supporting the functioning of Task Forces, a system which is now being introduced to other districts.

Main issues

The section should provide information on how beneficiaries, groups and grassroots-level implementers are involved/benefitted in/from policy process.

Partnership-building	Rating: 4	Previous rating: 4
-----------------------------	------------------	---------------------------

Justification of rating

-SLIP has been slow in developing a collaborative framework with other IFAD-financed programmes to foster synergies and complementarities for increased impact on beneficiaries and economies of scale. The programme should organise joint programming session on priority basis, with RUFEP and E-SAPP to identify the complementarities that will enhance effectiveness, efficiency and impact of the respective Programmes. Given the different mandates of Programmes, selected priority activities for alignment need to be identified and jointly planned for 2018 AWPB. IFAD/ICO should play a key role in facilitating opportunities for partnership. 48. In addition, the programme needs to finalize the identified partnership with Heifer International, which has comparative advantage and key competencies in stocking and restocking. With regard to the World Bank funded Livestock Development and Animal Health Project (LDAHP), it is essential for maximising the benefits of both programmes that a structured practical approach to coordination is jointly agreed and implemented. LDAHP and E-SLIP share similar objectives and activities. Therefore, the E-SLIP through MFL should immediately establish a range of mechanisms to practically coordinate with the World Bank. Due to many activities being very similar to E-SLIP the following should be considered under exchange of letters: (i) Joint periodic coordination and planning meetings; (ii) automatic sharing of key documents including progress and technical reports; (iii) development of a common approach to M&E and cost recovery; (iv) development of common training material and manuals with contents that do not give conflicting advice.

Main issues

The strategic partnerships already mentioned during the November 2017 supervision and noted in 'recommended actions to improve performance' have not yet been developed.

Human and Social Capital and Empowerment**Rating: 4****Previous rating: 4****Justification of rating**

E-SLIP is under implementation through government structures and may not always have its on way to affect the pace at which beneficiaries are empowered or developed. Therefore, closer monitoring and better reporting systems including documenting lessons; success stories and best practices can increase the Programme's influence to equip its beneficiaries with enhanced bargaining power, for better services to improve their livelihoods.

Quality of Beneficiary Participation**Rating: 4****Previous rating: 4****Justification of rating**

There is not enough evidence to measure the quality of beneficiary participation in the programme. All the implementing partners visited by the Mission provided a positive view about quality of beneficiary participation. The supported community groups demonstrated good levels of participation and engaged the Mission in discussions regarding challenges they face and search of appropriate solutions. Further, beneficiary participation continues to be exhibited in the lead-farmer mobilisation of other farmers in ECF and CBPP activities and forage development as well as the involvement of community CBPP task forces in disease sensitisation and illegal cattle movement monitoring. However, there is room for improvement especially with reporting, monitoring, evaluation and networking.

Responsiveness of Service Providers**Rating: 4****Previous rating: 4****Justification of rating**

51. E-SLIP's main service provider to its beneficiaries is the MFL. However, this is not without challenges faced by the Ministry especially in terms of budgetary constraints such as mobility of its field officers. The introduction of the private sector in service provision will be an added benefit to smallholders in terms of access to timely service delivery, which of course will be at a cost.

Environment and Natural Resource Management**Rating: 3****Previous rating: 3****Justification of rating**

There are interventions such as fodder production and rangeland management, which will add value to the environment and its management by way of introducing new drought, overgrazing and fire-resistant leguminous species in communal grazing lands. The introduction of supplementary feeding using crop residues will also limit open grazing and overgrazing, promote regeneration of forage, and ultimately reduce methane emissions to the atmosphere.

Main issues

The April 2018 supervision mission found that The justification is found to be insufficient as it gives no baseline assessment on the severity of the rangeland degradation in the target areas, nor a plan on how these issues will be addressed in a phased manner. more information on what work needs to be done to ensure that a critical mass of planting material of the improved fodder species legumes reaches the beneficiaries would be useful.

Exit Strategy**Rating: 4****Previous rating: 4****Justification of rating**

The E-SLIP exit strategy provides for full cost recovery for the delivery of private goods and services programme, namely: a) ECF vaccination and restocking; b) ECF stabilate production, and c) establishment of a private forage seed market. Exit strategy entails sustainability of the above by ensuring that the stream of benefits to the 180,000 households will continue after E-SLIP. However, for the period under review, there is no specific mention in the progress reports, on E-SLIP's exit arrangements on various interventions. The Mission recommends that E-SLIP should develop an exit plan and monitor progress or lack of it. This will help E-SLIP to identify and address possible risks to the sustainability of its interventions during implementation. For example, if only 25% cost recovery for ECF has been achieved so far how the programme intends to achieve 100% cost recovery within the remaining 4.5 years before programme end which is defined in the ECF-ITM cost-recovery concept note should also be included in the exit strategy.

Potential for Scaling-up**Rating: 4****Previous rating: 4**

Justification of rating

Some of the interventions especially under Component 2 are new and will need to be tested over time to ensure scaling up. At this stage, there is no reported information from which to draw conclusion or form an opinion. However, it is the view of the Mission that with systematic monitoring, data can be generated from fodder pilots to come up with informed decisions for scaling up and replication. On the other hand, a number of interventions carried over from SLIP are being scaled-up, e.g.: Task Forces – these are being introduced to other districts; ECF ITM - introduced calf immunisations to Lusaka, Central and Copper-belt provinces and CBPP vaccinations to Northern and Muchinga provinces; reinforcement of the Livestock as a business approach to farmers during sensitisation and capacity building exercises, the use of lead farmers in farmer mobilisation and the collection and payment of ECF fees into the ECF beneficiary account and the holding of periodic performance reviews providing feedback into the planning process.

c. Project Management

Quality of Project Management	Rating: 4	Previous rating: 4
--------------------------------------	------------------	---------------------------

Justification of rating

The Project Management is rated Moderately Satisfactory (4), because the staffing for key positions has been completed recently. Three positions stocking and restocking position, Seed and Production Specialist and Knowledge Management Officer are left to be filled before the end of March 2018. In addition, the PCO is well established with adequate office premises and office equipment. Staff in the PCO is professional and committed to execute their responsibilities. The PCO has a strong and close working relationship with MFL while the PSC provides the much-needed technical and oversight support. However, the most critical and outstanding issue to be addressed is the finalization of the co-financing of OFID, which would allow the effective launching of component 2, i.e. livestock production and productivity.

Main issues

It should be noted that the key position for stocking and re-stocking of livestock is not yet filled, some recommendations made in the previous supervision mission are still pending, and very important management tools are not in place yet including M&E, revised PIM and baseline survey.

Knowledge Management	Rating: 4	Previous rating: 4
-----------------------------	------------------	---------------------------

Justification of rating

KM is meant to enable E-SLIP to systematically gather process and package information to inform future designs of projects/programmes. In the absence of a KM Manager and late start up, E-SLIP is yet to develop a functional KM System.

Value for Money	Rating: 3	Previous rating: 3
------------------------	------------------	---------------------------

Justification of rating

The related section was not completed, but, given that 64% of the total budget for Component 3 (project management) has been spent, against only 15% and 13%, respectively, of Component 1 and 2 budgets, the project cannot be considered value for money as yet. A score of "3" is therefore suggested.

Coherence between AWPB and Implementation	Rating: 3	Previous rating: 3
--	------------------	---------------------------

Justification of rating

58. Coherence between AWPB and implementation is rated moderately unsatisfactory (3). The Mission reviewed the progress reports and budget usage and generally found them to be inconsistent in terms of budgeted amounts, planned activities and actual especially at output level. If not addressed, this may ultimately affect the outcome and impact level results. The low usage of the budget compromised the coherence between the AWPB and implementation of planned activities as the programme has encountered challenges in adhering to the AWPB both in terms of timeliness and budgeting of activities. Due to late start up, payment of two-year salary arrears for PCO staff, office rental arrears, procurement of furniture and equipment for staff, advertising fees and evaluation allowances for procurements of goods and consultancy services, E-SLIP is facing serious challenges in keeping expenditure low under Component 3 where it has spent 64% of the total budget but only 15% and 13%, on Components 1 and 2, respectively.

Performance of M&E System	Rating: 3	Previous rating: 3
--------------------------------------	------------------	---------------------------

Justification of rating

59. Performance of M&E system is rated Moderately Satisfactory (4) because E-SLIP: a) has made use of information generated from the M&E System for decision making; planning and progress reporting (including RIMS reporting (Levels 1, 2) even at this early stage of implementation of activities and it is hoped that as implementation gathers pace, the programme will capture more relevant information to inform effective programme management; b) has monitored E-SLIP performance and during progress reporting and to a large extent checks whether it is on course to achieving its overall PDO; c) has developed and makes use of the M&E Plan; d) has developed and makes use of the framework (including identification of indicators, outputs and outcomes) which ensures that MLF staff collect data consistent with its overall programmatic M&E System; and e) Provides support to field staff in operationalizing the Planning, Monitoring and Evaluation System using data collection formats.

Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)

Rating: 2

Previous rating: 2

Justification of rating

60. E-SLIP was not subjected to the Social, Environmental and Climate Assessment Procedures (SECAP) approved by IFAD in 2014, which outlines how Programmes should address the social, environmental, and climate impacts associated with its operations. Due to its implementation arrangements and delays in the implementation of activities, social, environmental and climate adaptation sustainability considerations, will be treated on a case-by-case basis, if and when they occur.

d. Financial Management & Execution

Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
Domestic Financing breakdown	Beneficiaries	\$8,621,000		
	National Government	\$10,568,000		
Co-financing breakdown,	OPEC Fund for International Development	\$12,000,000		

Acceptable Disbursement Rate

Rating: 5

Previous rating: 5

Justification of rating

Automated rating based on IFAD disbursement data

Fiduciary Aspects

Quality of Financial Management

Rating: 3

Previous rating: 3

Justification of rating

the programme has been able to cope with most of the fiduciary requirements. Some important recommendations raised in the previous supervision, such as the retirement of imprest and customization of financial software, are yet to be addressed.

Main issues

Internal control. The internal control system established under E-SLIP ensures a clear segregation of duties and a control of programme expenditures under the oversight of the PSC, and MFL. However, the system does not systematically ensure that activities are planned and executed as per the estimates made during project design. The Mission is especially concerned about the scaling up of costs related to field travels and DSAs which are not consistently monitored against the initial allocations.

The total expenditures under Category III "Training, TA and Studies" reached USD 1.6 million (including expenditures not yet claimed) this being 170% of the initial allocation for the entire project life. Hence, there is a risk that project funds are not always spent with due regard to economy, efficiency and effectiveness, see "Value for Money" section of this report.

The trainings and meetings attendance lists are not adequately maintained by the project as they do not show the trainee/participant role and contact numbers.

The Mission considers that the amount of unretired advanced to staff are still too high (USD 215,515 at 31st March 2018), which risks jeopardizing the safeguarding of project funds. The unretired advances above 120 days are still high at USD 50,000 approximatively. Furthermore, the imprest tracking register is not regularly updated and reconciled with the software. The review shows that advances to employees (3 months salaries) are provided on a regular basis and not occasionally as it should be the case.

Car's daily sheets have been issued for each project vehicle; however, the maintenance of books does not fully adhere to PIM requirements with regard to fuelling information and preparation of monthly summaries for the approval of the Programme Coordinator. The project logo has not been attached to the project cars despite the recommendation raised in the previous supervision.

Budgeting. See comments under **"Coherence btw. AWPB and implementation"**.

Flow of Funds. The programme's funding has been affected by the persistent problem of the financing gap under Component 2. This issue has finally been addressed as MoF is expected to sign a USD 12 M Loan Agreement (LA) with OFID in April 2018.

Accounting. The SAGE Evolution accounting software has not been put to optimum use; the review did not reveal any significant improvement in the use of the software since the last supervision. As a major fact to highlight, the software does not produce comparison between budget and expenditures. No improvements have been done with regard to the hiring of the SAGE Pastel consultant currently engaged by RUFEP.

The PCO shall ensure that the accounting software is fully operationalized and meets the following (minimum) requirements: (i) preparation of budget vs expenditures reports; (ii) allow full control over the purchasing process (procurement module); (iii) automatic preparation of FS as per IFAD templates; (iii) preparation of SoE statements with indication of vendor, date of transaction and reference. PCO also needs to discuss with the consultant whether the software can be tailored for the full preparation of SMART WAs.

Financial Reporting. The project does not currently prepare IFR reports. It has been agreed that the FAM will prepare IFRs each semester, according to IFAD template shared during the supervision. IFRs will be sent to IFAD within 2 months after the end of the period (i.e. 31st August and 28th February each year).

Internal Auditing. The Mission is satisfied with the quality of the report prepared by IA department; however, the frequency of IA is not satisfactory since only one report (2016) has been released since project inception.

Quality and Timeliness of Audit	Rating: 4	Previous rating: 4
--	------------------	---------------------------

Justification of rating

Audit report well prepared but the internal control issues and ineligible expenditures should have been taken into account in the opinion of the report.

Main issues

The nature and the amounts of the several ineligible expenditures as well as the internal control deficiencies should have been taken into account while expressing the audit opinion. The audit opinion was unqualified although important deficiencies are highlighted in the internal control including ineligible expenditures.

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
<p>The Secretary to the Treasury must be informed and his approval sought. In future the Programme must ensure that it adheres to the requirements of the Law.</p> <p>Kazungula districts opened bank account with Investrust and while Sesheke did so with Finance bank, without approval from the Secretary to Treasury.</p>	PMU	10/2018
<p>All payments must have an audit trail</p> <p>There were payments made through transfer/instruction letters to the banks and for which payment vouchers were not prepared. These letters had unique numbers to differentiate each transaction from the other transfer/instruction letters to the bank. However, the numbers were not reflected in the ledgers and cashbook and it was therefore difficult to post and verify these expenses as several letters were written on the same day in some instances. This meant that there was no audit trail.</p>	PMU	10/2018
<p>Refund the cost of a unit of Cattle restocking - Lack of Modalities for Replacing Dead Animals</p> <p>A total of twenty thirteen (13) cattle were procured in 2017 at K4000/animal for re-stocking in Mwansabombwe. During inspection in May 2018, it was observed that one animal died in March 2018 and a post-mortem report showed that the animal died due to internal bleeding and forced labour of suspected fighting in the kraal. It was not clear who will replace this animal as the project did not make available for audit modalities for replacing animals procured by the project and which die as in this case. The cost of this animal is ineligible expenditure</p>	PMU	10/2018
<p>The payment of KMZ 33,015.40 to the Ministry of Fisheries and Livestock for activities non related to the programme shall be reimbursed</p>	Project Unit	11/2018
<p>The Ministerial Internal Audit Unit must undertake quarterly and pre-audit of payments co strengthen the control environment.</p> <p>Contrary to clause 4.8 of the Project Implementation Manual of the Financing Agreement between IF AD and the Ministry of Livestock and Fisheries which states that, "the Internal Audit will submit a quarterly report" no single report on 2017 operations was made available for audit. Further, a scrutiny of the payments and attached documentation revealed that there were no pre or post audit reviews on the payments made by the project for a total amount of K3, 329,720.82 involving seventy-five (75) transactions during the period under review.</p>	Ministerial Internal Audit Unit	12/2018

Counterparts Funds

Rating: 2

Previous rating: 2

Justification of rating

The current contribution represents 2.4% of the appraisal target of USD 10.5 million allocated to GRZ.

Main issues

As of 31st March 2018, the programme reported that ZMW 2,5 million (USD 259,488) had been provided by GRZ as counterpart contribution. ZMW 1,6 million (USD 159,506) was contributed in cash deposited into a Counterpart Fund account held at the Zambia National Commercial Bank while ZMW 993,681 (USD 99,982) was in form of foregone taxes.

Compliance with Loan Covenants	Rating: 4	Previous rating: 4
---------------------------------------	------------------	---------------------------

Justification of rating

Compliance with loan covenants is rated moderately unsatisfactory (3). The Programme has generally been implemented in compliance with loan covenants apart from; (i) the newly acquired assets are not yet insured; (ii) IFMIS not implemented yet (iii) delay to submit the 2018 AWPB later than 60days before beginning of FY 2018; and (iv) contracts of the Programme Coordinator and Finance and Administration Manager expired in May 2017 and were not yet renewed by the time of the mission. It was further noted that there was a payment made of ZMK 33,015.4 for the benefit of the Ministry of Fisheries and Livestock for activities not related to the programme and had not yet been refunded by the time of the mission. It was agreed that the amount of ZMK 33,015.4 paid for the benefit of the Ministry of Fisheries and Livestock is followed up by management to ensure it is refunded by 31 December 2017.

Procurement

Procurement	Rating: 3	Previous rating: 3
--------------------	------------------	---------------------------

Justification of rating

The Mission rated Procurement as moderately satisfactory (4). The Mission carried out a review of the procurement processes and noted that there was compliance with Zambia Public Procurement Act (ZPPA) and consistency with IFAD Procurement Guidelines. It was also noted that there has been proper documentation of processes and the documents have been properly filed. The agreed actions of the last supervision mission have been actioned and there was an improvement in the development of the procurement plan and contract register. It was noted that the actual dates were updated for all the procurements initiated. Programme performance is compromised due to the lengthy procurement processes of GRZ. The Mission further noted that the programme has not properly maintained a log for monitoring points of delays in the procurement processes that would enable IFAD/MFL to focus attention to overcome the recognised causes of these delays. The Mission therefore recommends that ESLIP keeps a log at each stage of the procurement process.

Procurement Review

1. Implementation of the Procurement Plan 2017: Goods: Based on the procurement plan, the mission reviewed the procurement progress and noted that the bulk of procurements that were started in 2016, are still not finalized. These include: (i) 18 (eighteen) 4x4 Double Cabin Pickups including one Station Wagon (cost of US\$606,240.10); agreement was signed with UNOPS and the vehicles are expected at the end of January 2018; and (ii) Procurement of equipment and vaccines amounting to US\$1,670,408.40, GBP 60,272.30 and ZMW 883,195.00; of this, an equivalent of US\$782,292.40 has already been procured both locally and internationally. While reviewing the documentations for the supply and delivery of Contagious Bovine Pleuropneumonia (CBPP) equipment and materials (Lot1, Lot 2 and Lot 4), it was noted that the contracts were awarded to M/s Eagle Trading International Limited at a cost of ZMW1,156,953.93 for (Lot1 and Lot 4) and M/s Schamin Investment Limited at a cost of US\$63,476.00 for (Lot 2); as per the contracts "Clause 26.2&3 under Inspections and Tests: the inspections and tests may be conducted on the premises of the Supplier or its Subcontractor, at point of delivery, and/or at the Goods' final destination, or in another place in Zambia.
2. The Procuring Entity bears all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses". However, it was observed that the programme did not conduct the preshipment inspection/test of the both shipments due to budgetary Agreed action: The Mission advised that MFL should nominate one (01) technician/representative to conduct the preshipment inspection/test for future procurements.
3. It was also noted that the evaluation costs for procurements undertaken to-date were very high due to the large number of members appointed to the evaluation committee and support staff. It is recommended that the number be as close as possible to the minimum of three and maximum of seven members for complex evaluations; including technical expertise.
4. The mission further advised the PCO to initiate the remaining procurements before the year end. **Agreed action:** PCO should take all the necessary steps to complete the remaining bidding documents and provide support to PSU/MFL to fast track the procurement of equipment and vaccines.
5. **Works:** The programme planned eight (8) procurement activities with an estimated cost of US\$117,000. These include: water storage development, renovation of animal house, renovation of rabbit house, renovation of tick colony house, construction of a paddock, construction of fencing around animals, construction of disposal pit and renovation of stablitate production room. The programme has drafted the initial Bills of Quantities (BoQs)/bidding documents with the help of ICO civil engineer, however the activities did not start due to the inadequate capacity of MFL to finalise the BoQs. **Agreed action:** CVRI, with the support of RUFEP's Procurement Specialist/Engineer

and a consultant civil engineer should take all the necessary steps to complete the Scope of Work/BoQs and the PCO/PSU to finalize the procurement of works in the FY 2018.

6. (FOR FULL TEXT PLEASE REFER TO THE SUPERVISION REPORT SAVED IN ODC)

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
<p>The Secretary to the Treasury must be informed and his approval sought. In future the Programme must ensure that it adheres to the requirements of the Law.</p> <p>Kazungula districts opened bank account with Investrust and while Sesheke did so with Finance bank, without approval from the Secretary to Treasury.</p>	PMU	10/2018
<p>All payments must have an audit trail</p> <p>There were payments made through transfer/instruction letters to the banks and for which payment vouchers were not prepared. These letters had unique numbers to differentiate each transaction from the other transfer/instruction letters to the bank. However, the numbers were not reflected in the ledgers and cashbook and it was therefore difficult to post and verify these expenses as several letters were written on the same day in some instances. This meant that there was no audit trail.</p>	PMU	10/2018
<p>Refund the cost of a unit of Cattle restocking - Lack of Modalities for Replacing Dead Animals</p> <p>A total of twenty thirteen (13) cattle were procured in 2017 at K4000/animal for re-stocking in Mwansabombwe. During inspection in May 2018, it was observed that one animal died in March 2018 and a post-mortem report showed that the animal died due to internal bleeding and forced labour of suspected fighting in the kraal. It was not clear who will replace this animal as the project did not make available for audit modalities for replacing animals procured by the project and which die as in this case. The cost of this animal is ineligible expenditure</p>	PMU	10/2018
<p>The payment of KMZ 33,015.40 to the Ministry of Fisheries and Livestock for activities non related to the programme shall be reimbursed</p>	Project Unit	11/2018
<p>The Ministerial Internal Audit Unit must undertake quarterly and pre-audit of payments co strengthen the control environment.</p> <p>Contrary to clause 4.8 of the Project Implementation Manual of the Financing Agreement between IF AD and the Ministry of Livestock and Fisheries which states that, "the Internal Audit will submit a quarterly report" no single report on 2017 operations was made available for audit. Further, a scrutiny of the payments and attached documentation revealed that there were no pre or post audit reviews on the payments made by the project for a total amount of K3, 329,720.82 involving seventy-five (75) transactions during the period under review.</p>	Ministerial Internal Audit Unit	12/2018

Enhanced Smallholder Livestock Investment Programme

Logical Framework

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2017)	Cumulative Result (2017)	Cumulative Result % (2017)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members				33 653	39 425					
	1.a Corresponding number of households reached										
	Non-women-headed households										
	Women-headed households										
	1 Persons receiving services promoted or supported by the project										
	Males			743 750	92 545	116 968	15.7				
	Females			318 750	75 719	80 159	25.1				
Goal Sustainably improved incomes of rural poor households in targeted provinces and districts in Zambia	100,000 households in Programme targeted districts have at least 25% increase in baseline income (disaggregated by gender)							Baseline, periodic and impact evaluation surveys. Statistics and other data from government institutions, NGOs and other sources.			Political stability maintained (A) Macro-economy continues to improve (A) Social, political and economic environments remain conducive to market based livestock development (A)
	increase baseline income										
	Prevalence of child malnutrition in the Programme area							Baseline, periodic and impact evaluation surveys. Statistics and other data from government institutions, NGOs and other sources.			
	Stunting (height for age) - Percentage%	45									
	Underweight (weight for age) - Percentage%	15									

Objective The production and productivity of key livestock systems of targeted female and male smallholder producers in selected provinces and districts of Zambia sustainably improved.	Cattle offtake rate in Programme targeted districts increases by 25%						Baseline, periodic and impact evaluation surveys. Provincial statistics Survey/case study data.(Rural Agricultural Livelihood Survey/ A Live Livestock Sector Investment and Policy Toolkit)			Business regulatory system remains favourable (A) Sustained Government commitment to livestock sector development (A)
	increase rate									
	Livestock assets of poorest quintile of rural households in Programme-targeted districts increase by 30%						Baseline, periodic and impact evaluation surveys. Provincial statistics Survey/case study data.(Rural Agricultural Livelihood Survey/ A Live Livestock Sector Investment and Policy Toolkit)			
	increase rate									
	Gender empowerment index of Programme female beneficiaries increased by 50% above baseline						Baseline, periodic and impact evaluation surveys. Provincial statistics Survey/case study data.(Rural Agricultural Livelihood Survey/ A Live Livestock Sector Investment and Policy Toolkit)			
	increase rate									
Outcome Outcome 1 Component 1 : Districts where OIE mandated conditions for declaration of freedom from CBPP has been achieved in areas outside the maintained buffer vaccination zones	OIE mandated conditions for declaration of freedom from CBPP has been achieved in areas outside the maintained buffer vaccination zones						MAL DVS field reports to NALEIC; MAL DVS reports to OIE.; Survey/case study .Reports			Private veterinarians do not participate in the delivery of publicly funded animal health services @ Government supports full cost recovery for ECF infection and treatment method (ITM)(A) CVRI vaccine production has financial independence (A)
	conditions achieved									
	40% reduction in ECF incidence in the target districts						MAL DVS field reports to NALEIC; MAL DVS reports to OIE.; Survey/case study .Reports			
	reduction									
	CVRI sustainably meeting Zambia's ECF stabilize requirements						MAL DVS field reports to NALEIC; MAL DVS reports to OIE.; Survey/case study .Reports			
	requirements met									

Output Output 1.1.1 CBPP border vaccination program operational in Muchinga, Northern, and North-Western provinces	Community CBPP Task Forces operational in 80% of CBPP districts						Monthly District and Provincial animal health reports to MAL DVS; MAL DVS records and OIE reports; CVRI test results and reports; Case studies. Annual statistically valid surveys to estimate ECF seroprevalence in non-vaccinated animals (to estimate a prevalence of 50% +-5% with 95% confidence); Annual statistically valid post immunization surveys to determine effectiveness of immunisation (target prevalence of 80% +-5% with 95% confidence)			Local service providers used for animal vaccination (A) CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R)Government willingness to increase ECF immunisation fee (A) The use of other tick-borne disease control measures (R)
	Community Task Forces operational - Percentage%				25	30				
	At least 95% vaccination of cattle in CBPP- designated border areas in Muchinga, Northern, and North-western provinces									
Cattle vaccination - Percentage%							Monthly District and Provincial animal health reports to MAL DVS; MAL DVS records and OIE reports; CVRI test results and reports; Case studies. Annual statistically valid surveys to estimate ECF seroprevalence in non-vaccinated animals (to estimate a prevalence of 50% +-5% with 95% confidence); Annual statistically valid post immunization surveys to determine effectiveness of immunisation (target prevalence of 80% +-5% with 95% confidence)			

Output Output 1.1.2 CBPP sero-surveillance operational in Muchinga, Northern, North-Western and Southern Provinces	Disease freedom declared in CBPP affected districts						Monthly District and Provincial animal health reports to MAL DVS; MAL DVS records and OIE reports; CVRI test results and reports; Case studies. Annual statistically valid surveys to estimate ECF seroprevalence in non-vaccinated animals (to estimate a prevalence of 50% +-5% with 95% confidence); Annual statistically valid post immunization surveys to determine effectiveness of immunisation (target prevalence of 80% +-5% with 95% confidence)			Local service providers used for animal vaccination (A) CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R)Government willingness to increase ECF immunisation fee (A) The use of other tick-borne disease control measures (R)
	Disease freedom declared - Percentage%				20					

Output Output 1.2.1 Sustainable ECF immunization programs operating in Central, Copperbelt, Eastern, Lusaka, Muchinga, Northern and Southern Provinces;	At least 180,000 animals receive ECF ITM treatment annually by Programme end						Monthly District and Provincial animal health reports to MAL DVS; MAL DVS records and OIE reports; CVRI test results and reports; Case studies. Annual statistically valid surveys to estimate ECF seroprevalence in non-vaccinated animals (to estimate a prevalence of 50% +-5% with 95% confidence); Annual statistically valid post immunization surveys to determine effectiveness of immunisation (target prevalence of 80% +-5% with 95% confidence)				Local service providers used for animal vaccination (A) CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R) Government willingness to increase ECF immunisation fee (A) The use of other tick-borne disease control measures (R)
	animals treated annually			180 000	3 196	3 196					

Output Output 1.2.2 ECF sero-surveillance programs operational in Central, Copperbelt, Eastern, Lusaka, Muchinga, Northern and Southern provinces;	Full cost recovery from livestock owners for ECF ITM treatment						Monthly District and Provincial animal health reports to MAL DVS; MAL DVS records and OIE reports; CVRI test results and reports; Case studies. Annual statistically valid surveys to estimate ECF seroprevalence in non-vaccinated animals (to estimate a prevalence of 50% +-5% with 95% confidence); Annual statistically valid post immunization surveys to determine effectiveness of immunisation (target prevalence of 80% +-5% with 95% confidence)				Local service providers used for animal vaccination (A) CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R)Government willingness to increase ECF immunisation fee (A) The use of other tick-borne disease control measures (R)
	programmes operational				10	10					

Output Output 1.2.3 GMP and ZAMRA-certified ECF stabilate production at CVRI	CVRI has GMP certification and ZAMRA registration for ECF stabilate production and can show compliance from records						Monthly District and Provincial animal health reports to MAL DVS; MAL DVS records and OIE reports; CVRI test results and reports; Case studies. Annual statistically valid surveys to estimate ECF seroprevalence in non-vaccinated animals (to estimate a prevalence of 50% +-5% with 95% confidence); Annual statistically valid post immunization surveys to determine effectiveness of immunisation (target prevalence of 80% +-5% with 95% confidence)			Local service providers used for animal vaccination (A) CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R)Government willingness to increase ECF immunisation fee (A) The use of other tick-borne disease control measures (R)	
	ZAMRA Registration - Percentage%										
Outcome Outcome 2: Component 2: Livestock Production Systems Sustainably Improved. Sustainable systems for improved smallholder livestock production and productivity operational.	At least 80,000 households have established a minimum of one Lima of improved forage each						Baseline, periodic and impact evaluation surveys. Periodic District and Provincial DLD reports; Ex-ante and ex-post competency surveys of Programme trainees;			Smallholder farmers have adequate access to land for forage production (A) NGO's have capacity to support community mobilization in restocked areas (A) Adverse climatic events or pest outbreaks don't impact component activities (R) Livestock product demand and prices remain strong (A)	
	Households			80 000	750	1 789					2.2
	Males				225	767					
	Females				525	1 022					
	Sustainable forage seed supply system established						Baseline, periodic and impact evaluation surveys. Periodic District and Provincial DLD reports; Ex-ante and ex-post competency surveys of Programme trainees;				
	system established										
	Seed growers contracted										
80% beneficiary satisfaction with restocking and pass-on Programme						Baseline, periodic and impact evaluation surveys. Periodic District and Provincial DLD reports; Ex-ante and ex-post competency surveys of Programme trainees;					
beneficiary satisfaction			80								

	90% of re-stocked animals passed-on to third generation beneficiaries by programme end						Baseline, periodic and impact evaluation surveys. Periodic District and Provincial DLD reports; Ex-ante and ex-post competency surveys of Programme trainees;			
	re-stocked animal succession			90						

Output Output 2.1.1 Household and community based forage reinforcement of farming systems and rangeland;	Forage established on 80,000 smallholder farms and 200,000 ha of rangeland reinforced with legumes									Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)
	smallholder farms			80 000	750	1 789	2.2			
	Hectares of land brought under climate-resilient management									
	Rangeland - Area (ha)			200 000	73	104.46	0.1			

Output Output 2.1.2 Sustainable forage seed production program with private sector participation	Number of rural producers' organizations supported										Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)
	Total number of organizations supported				20	50					

Output Output 2.1.3 Schools-based forage learning and demonstration Programme;	At least 60 schools, 40 milk collection centres and 100 LSCs participating in forage demonstration						E SLIP- M&E program and Programme progress reports; Financial records and audit reports Field surveys and case studies Participatory monitoring/ ranking of forage species and strategies Field reports			Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)
	schools			60						
	milk centres			40						
	LSC			100						

Output Output 2.1.4 Access by livestock to water	50 water points established in targeted areas						E SLIP- M&E program and Programme progress reports; Financial records and audit reports Field surveys and case studies Participatory monitoring/ ranking of forage species and strategies Field reports				Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)
	water points established			50							

Output Output 2.2.1 Pro-poor stocking and re-stocking established	Number of rural producers' organizations supported											Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)
	Number				10	10						

Output Output 2.2.2 Community mobilization and capacity building for stocking and restocking	Number of rural producers accessing production inputs and/or technological										
	Total number of people										
	Females				420	840					
	Males				1 611	3 222					
											Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)

Output Output 2.2.3 Stocking and Restocking of poor female-headed households and youth	At least 14,000 female-headed households and 5,000 youth receive poverty alleviation									
	Female-headed households - number				13	13				
	Youth - number									



Investing in rural people

Zambia

Enhanced Smallholder Livestock Investment Programme

Supervision Report

Appendix 1: Financial: actual financial performance; by financier by component and disbursements by category

Mission Dates: 16-27 April 2018

Document Date: 04/10/2018

Project No. 2000000822

Report No. 4801-ZM

East and Southern Africa Division
Programme Management Department

Appendix 2: Financial: Actual financial performance by financier; by component and disbursements by category.

Table 2A: Financial Performance by Financier (as at 31st March 2018)

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	14,226	5,786	41%
IFAD Grant	867	100	12%
Government of Zambia	10,568	259	2.5%
Financing Gap	11,997	-	-
Beneficiaries	8,621	49	1%
Total	46,279	6,194	13.4%

Table 2B: Financial performance by financier by component (USD '000)

Component	GRZ			IFAD loan			IFAD Grant			Financing Gap			Beneficiaries			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Animal Disease Control Sustainably Improved: Towards CBPP Eradication	3,367	4.9	0.15	2,290	1,122	49	-	-	-	-	-	-	-	-	-	5,657	1,127	20
2. Animal Disease Control Sustainably Improved: Control of ECF	700	1.3	0.19	2,072	926	44.7	-	-	-	-	-	-	3,960	-	-	6,732	927	14
3. Animal Disease Control Sustainably Improved: ECF Stabilate Production at CVRI	627	-	-	938	84	9	-	-	-	-	-	-	-	-	-	1,565	84	5
4. Livestock Production Systems Sustainably Improved: Sustainable Forage Production & Utilisation	980	52.1	5.31	3,623	483	13.3	683	-	-	1,865	-	-	-	-	-	7,151	535	7
5. Livestock Production Systems Sustainably Improved: Pro-Poor Stocking and Re-stocking	3,909	1.20	-	-	124	-	-	-	-	10,132	-	-	4,661	49	1	18,702	174	1
6. Programme Management	985	76.6	6.8	5,303	2,084	39.3	185	-	-	-	-	-	-	-	-	6,473	2,152	32
Total	10,568	125.8	1.2	14,226	4,823	33.9	868	-	-	11,997	-	-	8,621	49	0.6	46,280	4,998	11

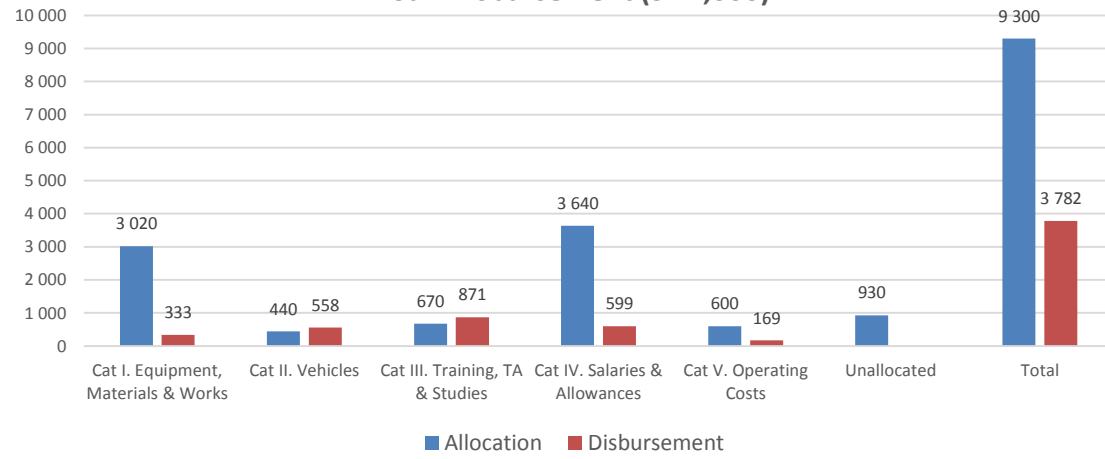
Table 2C: IFAD loan disbursements (SDR '000 as at 31st March 2018)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Equipment, Materials & Works	3,020,000		332,659.56		2,687,340.44	11%
II	Vehicles	440,000		557,752.62		-117,752.62	126.8%
III	Training, TA & Studies	670,000		871,053.15		-201,053.15	130%
IV	Salaries & Allowances	3,640,000		599,490.80		3,040,509.20	16.5%
V	Operating Costs	600,000		168,679.08		431,320.92	28.1%
	Unallocated	930,000				930,000.00	-
	Initial Deposit			1,350,362.11		-1,350,362.11	100%
	Total	9,300,000		3,782,335.21		5,420,002.68	41.72%

Table 2D: IFAD Grant disbursements (SDR '000 as at 31st March 2018)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Equipment, Materials & Works	250,000		-		250,000	0%
II	Vehicles	160,000		-		160,000	0%
III	Training, TA & Studies	100,000		-		100,000	0%
IV	Salaries & Allowances	-		-		-	0%
V	Operating Costs	-		-		-	0%
	Unallocated	60,000		-		60,000	0%
	Initial Deposit			71,175		-71,175	0%
	Total	570,000		71,175		498,825	12%

Loan Disbursement (SDR,000)



Zambia

Enhanced Smallholder Livestock Investment Programme Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 16-27 April 2018
Document Date: 04/10/2018
Project No. 2000000822
Report No. 4801-ZM

East and Southern Africa Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
COMPONENT 1: ANIMAL DISEASE CONTROL IMPROVED								
SUB-COMPONENT 1A: TOWARDS CONTAGIOUS BOVINE PLEUROPNEUMONIA (CBPP) ERADICATION								
Activity A: Contagious Bovine Pleuropneumonia (CBPP) Vaccination								
1.1.A1	Sub-Activity A1: Purchase of Equipment							
1.1.A1.13	CBPP Task Force Equipment (Bicycles)	375	9	2%	375	9	2%	
1.1.A2	Sub- Activity A2: CBPP Vaccination Team							
1.1.A2.1	4WD Pick-up Vehicles	4	0	0%	8	0	0%	Awaiting delivery
1.1.A2.3	Protective clothing (Work Suit + Boots)	120	120	100%	624	120	19%	Accomplished
Activity B: Test and Slaughter								
1.1.B1	Sub-Activity B1: CBPP Sero surveillance (Mbala, Nakonde, Chavuma, Zambezi) - Purchase of Equipment							
1.1.B1.1	Sero surveillance Sampling Equipment	30,000	0	0%	628,000	0	0%	Awaiting delivery
1.1.B1.2	CFT Testing kits	35	0	0%	160	0	0%	Awaiting delivery
1.1.B1.3	cELISA Testing kits	8	0	0%	34	0	0%	Awaiting delivery
1.1.B1.4	Immuno blotting kit	5	0	0%	5	0	0%	Awaiting delivery
1.1.B1.7	Removal Positive Herds	48	412	858%	384	412	107%	Not all Positives have been removed (calves & sometimes lack of market for filtered herds)
Activity C: CBPP Buffer Zone Vaccination								
1.1.C1	Sub-Activity C1: Purchase of Equipment							
1.1.C1.1	Input 1: vaccines	13,000	0	0%	236,000	0	0%	Awaiting delivery
1.1.C1.2	Input 2: Automatic syringes	3	0	0%	51	0	0%	Awaiting delivery
1.1.C1.3	Input 3: needles for automatic syringes	163	0	0%	2,956	0	0%	Awaiting delivery
1.1.C1.4	Input 4: antibiotic for treating reactors	13	0	0%	234	0	0%	Awaiting delivery
1.1.C1.5	Input 5: disposable syringes for reactors	65	0	0%	1,180	0	0%	Awaiting delivery
1.1.C1.6	Input 6: disposable needles for reactors	65	0	0%	1,180	0	0%	Awaiting delivery
1.1.C1.7	Input 7: reactor treatment/animal	65	0	0%	1,180	0	0%	Awaiting delivery

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
1.1.C1.8	Input 8: cool boxes	4	54	1350%	54	54	100%	Awaiting delivery
1.1.C1.10	Input 10: vaccine carriers	8	28	350%	28	28	100%	Awaiting delivery
1.1.C1.11	Input 11: cool packs	48	648	1350%	648	648	100%	Awaiting delivery
1.1.C1.12	Input 12: solar fridges accessories	8	108	1350%	108	108	100%	Awaiting delivery
1.1.C1.13	GPSs for buffer zone mapping	10	10	100%	10	10	100%	Delivered
	Subtotal CBPP Vaccinations Buffer zone							-
1.1.C5	Sub-Activity C2: TA - CBPP International Advisor							
1.1.C5.1	International CBPP Eradication Advisor		0	1	2	0	-	Not requested for by sub-component at this stage of implementation
	Subtotal TA - CBPP International Advisor							
1.1.C6	Sub-Activity C3: Training							
1.1.C6.1	DVS Staff Training	30	0	0%	64	0	0%	
1.1.C6.2	Farmer Training	20	0	0%	64	0	0%	Notify districts to initiate training
1.1.C6.3	Animal Identification and Trace back System Development	1	0	0%	1	0	0%	Protracted correspondence with IZS on several elements of the system development, Activity to be implemented in last quarter
Activity D: DCU Planning and Review Activities								
1.1.D.2	CBPP Eradication Strategy Review and Stakeholders Workshop	1	0	0%	0	0	#DIV/0!	To be implemented in last qtr. Develop OIE recognition road map and positives herds & calves removal SOP
1.1.D.3	CBPP Annual Planning & Review Meetings	1	0	0%	0	0	#DIV/0!	To be implemented in last quarter
1.1.D.5	Cross-Border CBPP Harmonisation meetings	2	0	0%	0	0	#DIV/0!	Meeting with Angolans planned during appropriate timing for all stakeholders
1.1.D.6	Laptops	2	0	0%	0	0	#DIV/0!	Awaiting delivery
SUB COMPONENT1B: EAST COAST FEVER (ECF) DISEASE CONTROL								
IECF CONTROL INVESTMENT COSTS								

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
Activity A: ECF Vaccination								
1.2.A1	Sub-activity A1: Stabilate purchase							
1.2.A1.3	Input 3: Chitongo from CVRI	38,745	0	0%	284,771	0	0%	
1.2.A1.4	Input 4: Katete from CVRI	10,000	0	0%	445,398	0	0%	
1.2.A2	Sub-activity A2: Purchase of Vaccination Equipment							
1.2.A2.1	Input 1: Antibiotic (Tetracycline)	92,000	0	0%	898,331	0	0%	Awaiting delivery
1.2.A2.2	Input 2: Disposable syringes (Stabilate)	144900	0	0%	898,331	0	0%	Awaiting delivery
1.2.A2.3	Input 3: Disposable needles (administering stabilate)	144900	0	0%	898,331	0	0%	Awaiting delivery
1.2.A2.4	Input 4: Disposable syringes (Antibiotic)	144900	0	0%	898,331	0	0%	Awaiting delivery
1.2.A2.5	Input 5: Re-usable needles (administering Antibiotic)	144900	0	0%	898,331	0	0%	Awaiting delivery
1.2.A2.6	Input 6: Ear Tags	144900	0	0%	898,331	0	0%	Awaiting delivery
1.2.A2.7	Input 7: Treatment for Reactors	430	0	0%	4,498	0	0%	Awaiting delivery
1.2.A3	Activity A3: ECF Vaccination Team							
1.2.A3.1	Input 1: Motor vehicles 4WD	3	0	0%	5	0	0%	Awaiting delivery
1.2.A3.2	Input 2: Motor Cycles for Districts	14	0	0%	14	0	0%	Awaiting delivery
1.2.A3.3	Input 3: Weigh Bands	67	0	0%	211	0	0%	Awaiting delivery
1.2.A3.4	Input 4: Clinical Thermometers	292	0	0%	905	0	0%	Awaiting delivery
1.2.A3.5	Input 5: Liquid Nitrogen Canisters	31	0	0%	53	0	0%	Awaiting delivery
1.2.A3.6	Input 6: Liquid Nitrogen campaigns/stabilate storage	3,334	0	0%	21,532	0	0%	Awaiting delivery
1.2.A3.7	Input 7: Protective Clothing Sets	44	0	0%	572	0	0%	Awaiting delivery
Activity B: ECF Pre and Post Vaccination Monitoring								
1.2.B.1	Input 1: ECF Post Vaccination Sero Sample Tests	3,264	0	0%	19,584	0	0%	Awaiting delivery
1.2.B.2	Input 2: Sampling materials	3,264	0	0%	19,584	0	0%	Awaiting delivery
1.2.B.3	Input 3: Cool boxes	4	0	0%	38	0	0%	Awaiting delivery
1.2.B.4	Input 4: Ice	528	0	0%	4,896	0	0%	Awaiting delivery
Activity C: ECF Population prevalence sero-surveillance (including tick and ECF strain characterisation)								
1.2.C.1	Input 1: ECF Post Vacc Sero Sample Tests	16000	0	0%	480,000	0	0%	Awaiting delivery

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
1.2.C.2	Input 2: Sampling materials	16000	0	0%	480,000	0	0%	Awaiting delivery
1.2.C.3	Input 3: Cool boxes	20	0	0%	20	0	0%	Awaiting delivery
1.2.C.4	Input 4: Ice	320	0	0%	960	0	0%	Awaiting delivery
Activity D: ECF Endemic Stability Monitoring (Eastern & Southern provinces)								
1.2.D.1	Input 1: ECF Post Vacc Sero Sample Tests	4,400	0	0%	4,400	0	0%	Awaiting delivery
1.2.D.2	Input 2: Sampling materials	2,640	0	0%	4,400	0	0%	Awaiting delivery
1.2.D.3	Input 3: Cool boxes	11	0	0%	11	0	0%	Awaiting delivery
1.2.D.3	Input 2: TBD test reagents (lump sum)	5,000	0	0%	-	0	#DIV/0!	Awaiting delivery
1.2.D.4	Input 4: Ice	200	0	0%	880	0	0%	Awaiting delivery
1.2.D.5	Input 5: Reagents for regional diagnostic labs	800	0	0%	-	0	#DIV/0!	Awaiting delivery
Activity E: ECF Control Results Monitoring								
1.2.E.1	NALEIC ECF control data base support	lumpsum	1	#VALUE!	-	1	#DIV/0!	Database supported
1.2.E.2	Disease Mapping	1	1	100%	-	1	#DIV/0!	Animal diseases have been mapped
1.2F Activity F: Technical Assistance								
1.2.F.1	International ECF Control Advisor	0.5	0	0%	4	0	0%	Delayed procurement
Activity G: Training								
1.2.G.1	DVS and CVRI Staff Training		0	#DIV/0!	64	0	0%	
1.2.G.2	Development and Dissemination of Private Sector Participation Model/Mechanism on ECF Immunisation Delivery		1	#DIV/0!		1	#DIV/0!	
1.2.G.3	Farmer Training (including ITM sensitisation/publicity)		0	#DIV/0!	64	0	0%	
Activity A: Infrastructure Renovation at CVRI								
1.3A.1	Input 1: Renovation of Animal House	1	0	0%	13,500	0	0%	Procurement in process and Bill of Quantities have already been developed
1.3A.2	Input 2: Renovation of Rabbit House	1	0	0%	8,000	0	0%	Procurement in process and Bill of Quantities have already been developed

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
1.3A.3	Input 3: Renovation of Tick Colony House	1	0	0%	7,000	0	0%	Procurement in process and Bill of Quantities have already been developed
Activity B: Construction								
1.3B.1	Input 1: Construction of paddock	1	0	0%	13,500	0	0%	Delayed procurement
1.3B.2	Input 2: construction of Fencing around A. House	1	0	0%	5,000	0	0%	Delayed procurement
1.3B.3	Input 3: Construction of disposal pit	1	0	0%	5,000	0	0%	Delayed procurement
1.3B.4	Input 4: Renovation of Stabilate production room	1	0	0%	3,000	0	0%	Delayed procurement
Activity C: Purchase of Equipment								
1.3C.1	Tick incubators	4	0	0%	4	0	0%	Delayed procurement
1.3C.2	Glass ware	3	0	0%	3	0	0%	Delayed procurement
1.3C.3	Autoclave	1	0	0%	1	0	0%	Delayed procurement
1.3C.4	Heating plate	6	0	0%	6	0	0%	Delayed procurement
1.3C.5	Cooled centrifuge	1	0	0%	1	0	0%	Delayed procurement
1.3C.6	Tick homogenizer	2	0	0%	2	0	0%	Delayed procurement
1.3C.7	Labeller	2	0	0%	2	0	0%	Delayed procurement
1.3C.8	Automatic dispenser	1	0	0%	1	0	0%	Delayed procurement
1.3C.9	Ultra-freezer (-80)	1	0	0%	1	0	0%	Delayed procurement
1.3C.10	Freezer (-20)	2	0	0%	2	0	0%	Delayed procurement
1.3C.11	Dissecting microscopes	3	0	0%	3	0	0%	Delayed procurement
1.3C.12	Weigh balance	3	0	0%	3	0	0%	Delayed procurement
1.3C.13	Water distillation apparatus	1	0	0%	1	0	0%	Delayed procurement
1.3C.14	Bottle sealer	5	0	0%	5	0	0%	Delayed procurement
1.3C.15	Membrane filter	5	0	0%	5	0	0%	Delayed procurement
1.3C.16	Magnetic stirrer	2	0	0%	2	0	0%	Delayed procurement
1.3C.17	Dissecting kit	15	0	0%	15	0	0%	Delayed procurement
1.3C.18	Rabbit cages	30	0	0%	30	0	0%	Delayed procurement
1.3C.19	Liquid nitrogen canisters (5lts)	10	0	0%	10	0	0%	Delayed procurement
1.3C.20	Liquid nitrogen canisters (25lts)	10	0	0%	10	0	0%	Delayed procurement
1.3C.21	Liquid nitrogen canisters (35lts)	5	0	0%	5	0	0%	Delayed procurement

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
1.3C.22	Steam cleaner	1	0	0%	1	0	0%	Delayed procurement
1.3C.23	ELISA reader (complete with computer)	1	0	0%	1	0	0%	Delayed procurement
1.3C.24	Hood	1	0	0%	1	0	0%	Delayed procurement
1.3C.25	Water deionizer	1	0	0%	1	0	0%	Delayed procurement
1.3C.26	Tick grinders and accessories	2	0	0%	2	0	0%	Delayed procurement
1.3C.27	Computer, software, printers	5	0	0%	5	0	0%	Delayed procurement
Activity D: Vehicles								
1.3D.1	Vehicles 4WD pickups	1	0	0%	2	0	0%	Delayed procurement
1.3D.2	4-ton truck	1	0	0%	1	0	0%	Delayed procurement
Activity E: TA & Training								
1.3E.4	Training in Parva antigen preparation	1	0	0%	1	0	0%	Yet to be implemented
1.3E.5	Study visits in ECF Stabilate production	1	0	0%	1	0	0%	Yet to be implemented
1.3E.6	International technical assistance	0.5	0	0%	0.5	0	0%	Yet to be implemented
1.3E.7	ILRI - International technical assistance CVRI: Feasibility Study for Production and Marketing of ECF Stabilate	2.5	0	0%	2.5	0	0%	Yet to be implemented
1.3E.8	Training in Vaccine Production	1	0	0%	1	0	0%	Training enquiries have been initiated within the Southern region but not yet concluded
ACTIVITY F: DCU Planning and Review Activities								
1.3F.3	ECF Semi-Annual & Annual Planning Meeting	1	0	0%	14	0	0%	Planned meeting was postponed due to IFAD President's & journalists' mission
COMPONENT 2: LIVESTOCK PRODUCTION AND PRODUCTIVITY SYSTEMS SUSTAINABLY INCREASED								
I. INVESTMENT COSTS FOR SUB-COMPONENT 2.1 SUSTAINABLE FORAGE AND FORAGE SEED PRODUCTION AND UTILIZATION								
2.1	Output 1: Improved Forage Production							
2.1.A	Activity A: Production/procurement of planting material							
2.1.A1	Sub-activity A1: Imported Seeds							
2.1.A1.1	Input 1: Imported seeds (Legumes and grasses)	4	0	0%	17	0	0%	Procurement in process
2.1.A2	Sub-Activity A2: Locally produced seeds							

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
2.1.B7	Sub-Activity B7: Vegetative materials - forage peanut and other							
2.1.B7.1	Contract Production	11	0	0%	136	0	0%	Not yet initiated
2.1.B7.2	Distribution	11	0	0%	111	0	0%	Not yet initiated
2.1.B8	Sub-Activity B8: Seedlings (Bare-root/bare-stem Leucaena seedlings (Cunningham or Tarramba): contract production only for distribution to new areas for intensive pilot programmes							
2.1.B8.1	Contract Production	250	0	0%	1,250	0	0%	Not yet initiated
2.1.B8.2	Distribution	250	0	0%	1,250	0	0%	Not yet initiated
2.1.C	Activity C: Pilot contract forage production (for sale)							
2.1.C.1	Input 1: Equipment (Motorized chaff cutter, forage mower, manual baler, etc.)	100	0	0%	200	0	0%	Not yet initiated
2.1.C.2	Input 2: Pilot programs (NGO run) /l	5	0	0%	10	0	0%	Not yet initiated
				0%				
2.1.D	Activity D: Water storage development			#DIV/0!				
2.1.D.1	Water storage development	62	0	0%	390	0	0%	Not yet initiated
2.1.E	Activity E: SCCI Monitoring seed quality, coordinate evaluation and accreditation of new genetic material							
2.1.E.1	SCCI Monitoring seed quality, coordinate evaluation and accreditation of new genetic material	60	0	0%	130	0	0%	Not yet initiated
2.1.F	Activity F: SCCI seed variety testing (DUS/VSU)							
2.1.F.1	SCCI seed variety testing (DUS/VSU)	5	0	0%	40	0	0%	Not yet initiated
2.1.G	Activity G: Schools and Agricultural Training Institutions forage programmes							
	Target those that are already offering agricultural sciences as a subject							
2.1.G.1	Input 1: Forage plot establishment	25	0	0%	275	0	0%	Planned for 2018
2.1.G.2	Input 2: Mapping of schools in close proximity with MCCs, LCCs, etc	n/a	n/a	n/a	n/a	n/a	n/a	Planned for 2018
2.1.G.3	Input 3: Drafting of the Curriculum with MOE (preliminary activities for the drafting)	n/a	n/a	n/a	n/a	n/a	n/a	Planned for 2018

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
2.1.G.4	Input 4: Books, posters and other teaching material	25	0	0%	275	0	0%	Planned for 2018
2.1.G.5	Input 5: Competition, awards	n/a	n/a	n/a	n/a	n/a	n/a	Planned for 2018
2.1.H	Activity H: OTHER forage programmes							
2.1.H.1	Input 1: Forage plot establishment at MCC/LSC	100	0	0%	250	0	0%	Planned for 2018
2.1.H.2	Input 2: Awards for Exceptional Performance	n/a	n/a	n/a	n/a	n/a	n/a	Planned for 2018
2.1.I	Activity I: Technical assistance							
2.1.I.1	International forage production advisor	1	0	0%	13	0	0%	Delayed procurement
2.1.I.2	Forage development specialist	1	0	0%	46	0	0%	Delayed procurement
2.1.I.3	Forage seed production specialist	1	0	0%	46	0	0%	Delayed procurement
2.1.J	Activity J: Extension/training materials (includes synergies with S3P)							
2.1.J.1	Laminated ID sheets, particularly laminated identification sheets for field workers and key farmers	150	0	0%	550	0	0%	On going
2.1.J.2	Review and Finalisation of Training Manuals	1	1	100%	1	1	100%	On going
2.1.J.3	Fact sheets, loose leaf folders, posters	30	0	0%	70	0	0%	On going
2.1.J.4	Procurement of softwares, texts (including statistical and feed formulation software)	1	0	0%	8	0	0%	On going
2.1.K	Activity K: Forage and Forage Seed Production, Processing and Utilisation Training (including synergies with S3P)							
2.1.K.1	Simultaneous Brazil, Columbia and Australia Seed Procurement Tour - Visit to smallholder seed processing & marketing companies and institutions, including CIAT with a view of procuring suitable varieties.	1	0	0%	6	0	0%	On going
2.1.K.2	National Stakeholder workshop for start-up and review	2	0	0%	7	0	0%	On going
2.1.K.3	Provincial/district workshops for local start-ups and reviews	7	0	0%	10	0	0%	On going
2.1.K.3	Study Tour to Thailand	8	0	0%	1	0	0%	On going
2.1.K.4	Exchange visits - field teams	0	0	n/a	260	0	0%	On going

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
2.1.K.5	Exchange visits - farmer reps	0	0	n/a	1,120	0	0%	On going
2.1.K.6	Farmer Mobilisation for forage production	7	0	0%	7	0	0%	On going
2.1.K.7	Forage Production, processing, conservation and utilisation Demos for Farmers	10	0	0%	10	0	0%	On going
2.1.K.8	TOT on ILRI's on-line Feed Assessment Tool (Provincial Staff and Researchers)	25	0	0%	25	0	0%	On going
2.1.K.9	Student research (monitoring sentinel sites)	10	0	0%	220	0	0%	On going
SUB-COMPONENT 2.2: PRO-POOR STOCKING AND RESTOCKING ESTABLISHED								
I. INVESTMENT COSTS FOR SUB-COMPONENT 2.2: PRO-POOR STOCKING AND RESTOCKING ESTABLISHED								
2.2A	Activity A: Field Vehicles and Equipment							
2.2B	Activity B: Restocking Programme Preparation							
2.2.B.1	Annual restocking best practice workshop - annual review and evaluation of restocking programme	1	0	0%	6	0	0%	On going
2.2.B.2	Review and Finalisation of Market-oriented livestock production and extension methodologies manuals (includes synergies with SAPP)	1	1	100%	1	1	100%	On going
2.2.B.3	Cascaded Market-oriented livestock production & productivity Training programme (TOT, LTs & LAs, Farmers - includes synergies with SAPP)	1	1	100%	8	1	13%	31 DLD field staff trained
2.2.B.4	Training material Printing	n/a	done	n/a	n/a	n/a	n/a	
2.2C	Activity C: Technical Assistance							
2.2.C.1	National animal restocking specialist	1	0	0%	1	0	0%	Not yet hired, but procurement in process
2.2.C.2	International restocking specialist	1	0	0%	1	0	0%	Not yet hired, but procurement in process
2.2.D	Activity D: NGO Coordination							
2.2.D.1	Sub-Activity D1: NGO Community Mobilization							

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
2.2.D.1.1	Management contract - NGO management fee for restocking coordination. Three NGOs (One for Southern, One for Western and North-western One for Eastern, Luapula, Muchinga and Northern Provinces) led by a full-time coordinator. Contract value doubles from 2018 onwards	3	0	0%	32	0	0%	Not yet hired, but procurement in process
2.2.D.1.2	VA/AP Officer training in community-based development - 10 days of training at USD 1,000/trainee. One VA/LA per 80 - 100 beneficiaries	128	0	0%	128	0	0%	Not yet hired, but procurement in process
2.2.D.1.3	VA/AP Officer training in farm and business management - 10 days of training at USD1,000/trainee. One VA/LA per 80 - 100 beneficiaries	128	0	0%	128	0	0%	Not yet hired, but procurement in process
2.2.D.2	Sub-Activity D2: Community Facilitation							
2.2.D.2.1	Selections of Community Facilitators (CFs) - CFs are selected on a competitive basis from within of the beneficiary communities. Female CFs would be preferred. CFs supported for 5 years per community	110	0	0%	1,190	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.D.2.2	Training for CFs - 20 days of training at USD800 per trainee	60	0	0%	320	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.D.2.3	Push bikes for CFs	60	0	0%	320	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E	Activity E: Transfer of Livestock							
2.2.E.1	Sub-Activity E1: Village Mobilization							
2.2.E.1.1	Village awareness raising/beneficiary selection - the number of villages is computed considering that 2 CFs will be able to follow 5 villages	120	0	0%	640	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.1.2	Village group establishment - 3-5 restocking groups per village	120	0	0%	640	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.1.3	Village group capacity building - 10 days of training at USD250 per group	120	0	0%	640	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.1.4	Village level monitoring	150	0	0%	2,180	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.2	Sub-Activity E2: Restocking Financing (Including Synergies with SAPP and RUFEP)							
2.2.E.2.1	Animal housing and fodder development - financed by beneficiaries. Includes animal housing in accordance with project design, 2500 m ² forage plot and community-based rangeland legume reinforcement	1600	0	0%	28,160	0	0%	To be undertaken in 2018 once partner NGOs are recruited

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
2.2.E.2.2	Community animal health fund (1st and 2nd beneficiaries) - beneficiary will contribute 10% of animal package value into a community animal health fund to be used to contract animal health services at village level	1600	0	0%	20,480	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.2.3	Community animal health fund (3rd beneficiaries) - terminal beneficiary will contribute 10% of animal package value into a community animal health fund to be used to contract animal health services at village level	1600	0	0%	7,680	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.2.4	Co-financing of livestock procurement - estimated cost of re-stocking on one in-calf dairy heifer, one in-calf draft heifer, six goats, two gilts or thirty hens. Thirty percent government contribution.	2000	0	0%	10,240	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.2.5	Group start-up equipment - hand-powered high-pressure spray pump and hand with hand-operated flow control	80	0	0%	640	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.2.6	Household start-up equipment - 3 bags of cement for animal house floor, a milking bucket and milking can for dairy heifer beneficiaries	1600	0	0%	28,160	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.E.2	Sub-Activity E2: DLD Training							
2.2.E.2.6	DLD Training	100	31	31%	170	31	18%	31 DLD field staff trained in market-oriented livestock production and extension methodologies
2.2 G	Activity G: Planning and Review Activities							
2.2.G.1	DLD start-up planning workshop for E-SLIP activities	1	0	0%	1	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.G.2	Provincial/district workshops for local start-ups and reviews	115	0	0%	115	0	0%	To be undertaken in 2018 once partner NGOs are recruited
2.2.G.3	Policy Issues pertaining to Livestock Production	n/a	0	n/a	n/a	0	n/a	To be undertaken in 2018 once partner NGOs are recruited
COMPONENT 3: EFFICIENT PROGRAMME MANAGEMENT								
SUB COMPONENT 3.1: LIVESTOCK PRODUCTION AND HEALTH MONITORING								
I. INVESTMENT COSTS FOR LIVESTOCK PRODUCTION AND HEALTH MONITORING								
3.1	Output: Livestock Production and Health monitoring		-	-		-	-	-
3.1A.	Activity A: Herd health and productivity monitoring							

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
3.1A.1	Sub-activity A1: Procurement of vehicle	2	0	0%	2	0	0%	Delayed procurement
3.1A.2	Sub-Activity A2: Hire of International Epidemiologist	2	0	0%	2	0	0%	Advertisement done and procurement in process
3.1A.3	Sub-Activity A3: Procurement of various vet drugs	720	0	0%	720	0	0%	Procurement in process
3.1A.4	Sub-Activity A4: Cost of lab tests	720	0	0%	720	0	0%	Procurement in process
3.1A.5	Sub-Activity A5: Procurement of sample kits	720	0	0%	720	0	0%	Procurement in process
3.1A.6	Sub-Activity A6: Procurement of other misc. equipment	720	0	0%	720	0	0%	Procurement in process
3.1A.7	Sub-Activity A7: Cost of animal production/health trials	21	0	0%	21	0	0%	Procurement in process
3.1A.8	Sub-Activity A8: Cost of policy analysis development	185	0	0%	185	0	0%	Procurement in process
3.1A.9	Preparatory workshop DVS/DLD/UNZA/NALEIC	1	0	0%	1	0	0%	Awaiting recruitment of International Epidemiologist
3.1B	Activity: NALEIC Database support		-	-		-	-	-
3.1B	Activity A: NALEIC Database support	1	0	0%	1	0	0%	Work in progress
SUB COMPONENT 3.2: EFFICIENT PROGRAMME MANAGEMENT								
I. INVESTMENT COSTS FOR SUB COMPONENT 3.2: EFFICIENT PROGRAMME MANAGEMENT								
3.2A	Activity A: Procurement of vehicles, equipment and Portfolio Offices							
3.2A.1	Vehicles - pick up	2	0	0%	6	2	33%	Procurement initiated for remaining vehicles with UNOPS
3.2A.2	Vehicles - station wagon	1	0	0%	1	0	0%	Procurement initiated for remaining vehicles with UNOPS
3.2A.3	Contribution to Purchase of Offices for IFAD Portfolio	n/a	n/a	n/a	n/a	n/a	n/a	Still under discussion with ICO and Government
3.2A.4	Computer, software (laptop)	2	0	0%	2		0%	Procurement initiated
3.2A.5	Computer, software, printer (desktop)	2	0	0%	2		0%	Procurement initiated
3.2A.6	Computer, software (Server)	1	0	0%	1	0	0%	Procurement initiated
3.2A.7	Multifunction printer, copier, scanner and fax procured singularly as small photocopier, scanner, fax	1	0	0%	1	0	0%	Procurement initiated

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
3.2A.8	Office equipment (various - heavy duty photocopier, colour printer, shredder, binder, laminator, Camera-video & still) etc.)	1	0	0%	1	0	0%	Procurement initiated
3.2A.9	PABX system and phone receivers	1	0	0%	1	0	0%	Procurement initiated
3.2A.10	Office furniture (various - table + chair sets, conference table + chairs, visitors' chairs, computer tables/chair, filing cabinets/shelves	Various	Done	100%	Various	done	100%	
3.2A.11	Android Tablets							
3.2B	Activity B: Programme Planning and Capacity Building							
3.2B.2	Review & Update of AWPB and Procurement Plan	1	1	100%	7	2	29%	
3.2B.3	Semi-Annul and Annual Review and Planning Meetings	2	0	0%	13	1	8%	
3.2B.4	E-SLIP Provincial Launches	10	0	0%	10	0	0%	
3.2B.5	IFAD/GRZ Supervision Missions (including South-to-South cooperation)	2	1	50%	17	5	29%	
3.2B.6	Other IFAD Missions	7	1	14%	n/a	5	n/a	
3.2B.7	Regional Implementation Workshop (RIW)	1	1	100%	4	2	50%	
3.2B.8	Thematic Training (including Programme Management, Financial Management, M&E/KML, Procurement, Nutrition & Gender w/shop)	6	4	67%	15	8	53%	
3.2C	Activity C: Financial Management and Procurement							
3.2C.1	Development/Review of Programme Implementation Manual (PIM)	2	1	100%	2	1	50%	
3.2C.2	Purchase and Operationalization of Financial Management Information System –Pastel	1	0.5	50%	1	0.5	50%	
3.2C.3	Annual Fees - Pastel and Payroll	7	2	100%	7	2	29%	
3.2C.4	\$Advertisement Costs (Staff Recruitment, PCO equipment, supplies, consultancy services, etc.)	n/a	30,000	n/a	n/a	30,000	n/a	
3.2C.5	Feasibility Study and Operationalization of IFMIS	1	0	0%	1	0	0%	
3.2C.6	Internal Audits	1	1	100%	6	1	17%	
3.2C.7	External Audits	1	1	100%	8	1	13%	
3.2C.8	Capacity Building of MAL Provincial and District Staff - Fiduciary	2	0	0%	2	0	0%	
3.2C.9	Capacity Building of Service Providers - Fiduciary	1	0	0%	8	0	0%	
3.2C.10	Capacity Building of Communities - Fiduciary	1	0	0%	14	0	0%	

Republic of Zambia
Enhanced Smallholder Livestock Investment Programme [E-SLIP]
Supervision report - Mission dates: 16-27 April 2018

Code	Description	2018 AWPB			Cumulative (since 2015)			Recommendations/Comments
		Component/Output/ Activities/Inputs	AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	
3.2C.11	District and Provincial Monitoring - FM compliance and Contract Management	1	0	0%	14	0	0%	
3.2C	Activity C: Programme Reporting, Monitoring and Evaluation and KML							
3.2C.1	Development of M&E and MIS System - Consultancy, M&E/MIS Specialist	1	0	0%	1	0	0%	Procurement initiated
3.2C.2	Operationalisation of M&E and MIS System	2	1	50%	2	1	50%	M&E System developed by the M&E Manager and will be used for developing the MIS
3.2C.3	Development and Review of Communication Strategy	2	0	0%	2	0	0%	Not yet, awaiting the recruitment of the Knowledge Management Manager
3.2C.4	Capacity Building of MAL Provincial and District Staff - M&E, KML	10	0	0%	10	0	0%	Planned for 2018
3.2C.5	Capacity Building of Service Providers - M&E, KML	8	0	0%	8	0	0%	Planned for 2019
3.2C.6	Capacity Building of NGOs/SPs/Communities - M&E, KML	14	0	0%	14	0	0%	Planned for 2020
3.2C.7	District and Provincial Monitoring - Data Audits and Documentation	7	0	0%	7	0	0%	Planned for 2021
3.2C.8	Programme Steering Committee Meetings	2	1	50%	12	4	33%	On going
3.2C.9	Baseline survey	1	0	0%	1	0	0%	Delayed procurement
3.2C.10	Annual project outcome/impact survey	2	0	0%	2	0	0%	Planned for 2018
3.2C.11	Miscellaneous studies /a	4	0	0%	4	0	0%	Planned for 2018
3.2C.11	Mid-term review	n/a	n/a	n/a	1	0	0%	Planned for 2018
3.2C.12	Completion report - ITA	n/a	n/a	n/a	1	0	0%	Planned for 2022
3.2C.13	Completion report - NTA	n/a	n/a	n/a	1	0	0%	Planned for 2022



Investing in rural people

Zambia

Enhanced Smallholder Livestock Investment Programme

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 16-27 April 2018

Document Date: 04/10/2018

Project No. 2000000822

Report No. 4801-ZM

East and Southern Africa Division
Programme Management Department

Appendix 3: Compliance with legal covenants: Status of implementation

Financing Agreement:	Covenant	Compliance Status	Remarks
Section B.6	The Borrower/Recipient shall open and thereafter maintain a Designated Account in USD at the Central Bank of Zambia and an operational account denominated in local currency in a commercial bank acceptable to the Fund	Complied	Designated Account opened in Bank of Zambia in USD. Operational account opened in Zambia National Commercial Bank in Kwacha
Section B.7	The Borrower shall provide counterpart financing for the programme in the amount of USD 10,600,000	Not complied	The current contribution from GRZ stands at 2.4% of the stated total amount.
Section E.3 condition of disbursement	The following are designated as additional general conditions precedent to withdrawal : (i) designated account opened, (ii) Programme Steering Committee established, (iii) PCO established.	Complied	
Schedule 3 Par 1	The borrower shall ensure that the Programme is exempted from taxes	Complied	
Schedule 3 Par 2	Insurance of Programme Personnel	On going	MoU with insurance company is being prepared
Schedule 3 Par 3-10	Gender Representation, Resource Protection, Use of Programme vehicles, Financial reports, and statements of Service Providers. Audit, Programme Performance Assessment	Partially complied	Complied apart from, no submission of interim reports, others not yet due.
Schedule 3 Par 11	Programme Implementation Manual. Finalize and get the PIM approved within 1 year after the date of entry into force of the financing agreement	Complied	PIM in place.
Schedule 3 Par 12	Integrated Financial Management Information System (IFMIS). The borrower shall have profiled the Programme within IFMIS upon its rolling put	Not yet complied	ESLIP for the meantime is off IFMIS and use Pastel to process its financial statements
Schedule 2 Par 13	Financial management package. Promptly after entry to force the PCO shall purchase a simple off the shell financial management package to be replaced during the Programme implementation period by IFMIS	Complied	Pastel accounting package have been installed and transactions posted. Improvements for set up of standard reports in progress
General Conditions	The Lead Project Agency shall prepare a draft Project AWPB for each Project based, to the extent appropriate, on the draft AWPBs prepared by the various Project Parties. Each draft Project AWPB shall include, among other things, a detailed description of planned Project activities during the coming Project Year, a Procurement Plan, and the sources and uses of funds.	Complied	

Section 7.1 (b) ii	(ii) Before each Project Year, the Lead Project Agency shall, if required, submit the draft Project AWPB to the oversight body designated by the Borrower/Recipient for its review. When so reviewed, the Lead Project Agency shall submit the draft Project AWPB to the Fund for comments no later than sixty (60) days before the beginning of the relevant Project Year. If the Fund does not comment on the draft Project AWPB within thirty (30) days of receipt, the AWPB shall be deemed acceptable to the Fund.	Partially Complied	The AWPB 2018 was submitted on ...
Section 7.2 (a)	The Borrower/Recipient shall make the proceeds of the Financing available to the Project Parties upon terms and conditions specified in the Financing Agreement or otherwise approved by the Fund for the purpose of carrying out the Project	Complied	
	Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower/Recipient's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the Borrower/Recipient in order to ensure consistency with the IFAD Procurement Guidelines.	Complied	
Section 7.8 (a) Insurance	The Borrower/Recipient or the Lead Project Agency shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practice.	Complied	
Section 7.8 (b)	The Borrower/Recipient or the Lead Project Agency shall insure the goods imported for the Project which are financed by the Financing against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation in accordance with sound commercial practice.	Complied	
Section 7.11 Project Personnel	The Borrower/Recipient or the Lead Project Agency shall appoint the Project Director and all other key Project personnel in the manner specified in the Agreement or otherwise approved by the Fund. All key Project personnel shall have qualifications and experience specified in the Agreement or otherwise approved by the Fund. The Borrower/Recipient shall exercise best efforts to ensure continuity in key Project personnel throughout the Project Implementation Period. The Borrower/ Recipient or the Lead Project Agency shall insure 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	On going	All PCO positions are filled, with the exception of Stocking and Restocking Manager. All PCO staff have been granted a 2 years contract expiring in 2019.

Article 8	The Lead Project Agency, or other party so designated in the relevant Agreement, shall furnish to the Fund periodic progress reports on the Project, in such form and substance as the Fund shall reasonably request. At a minimum, such reports shall address (i) quantitative and qualitative progress made in implementing the Project and achieving its objectives, (ii) problems encountered during the reporting period, (iii) steps taken or proposed to be taken to remedy these problems, and (iv) the proposed programme of activities and the progress expected during the following reporting period	Complied	Progress reports submitted
Section 8.3 (a) Reporting			
Section 8.3 (b)	If specified in an Agreement, the Lead Project Agency and the Fund shall jointly carry out a review of Project implementation no later than the midpoint of the Project Implementation Period (the "Mid-Term Review") based on terms of reference prepared by the Lead Project Agency and approved by the Fund. Among other things, the Mid-Term Review shall consider the achievement of Project objectives and the constraints thereon, and recommend such reorientation as may be required to achieve such objectives and remove such constraints.	N/A	MTR not yet due
Section 8.3 (c)	The Borrower/Recipient shall ensure that the recommendations resulting from the Mid-Term Review are implemented within the specified time therefore and to the satisfaction of the Fund. Such recommendations may result in modifications to the Agreement or cancellation of the Financing.	N/A	As above
Article IX	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 four (4) months of the end of each Fiscal Year.	Complied	
Section 9.2 Financial Statements			
Section 9.3 (a)	Each Fiscal Year, have the accounts relating to the Project audited in accordance with auditing standards acceptable to the Fund and the Fund's Guidelines on Project Audits (for Borrowers' Use) by independent auditors acceptable to the Fund;	Complied	The first audit was carried out in 2017 and covered 19 months to 31 December 2016.
Audit Section 9.3 (b)	Within six (6) months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report. The Borrower/Recipient shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof;	Complied	Report submitted on time.
Section 9.3 (c)	If the Borrower/Recipient does not timely furnish any required audit report in satisfactory form and the Fund determines that the Borrower/Recipient is unlikely to do so within a reasonable period, the Fund may engage independent auditors of its choice to audit the accounts relating to the Project. The Fund may finance the cost of such audit by withdrawal from the Loan and/or Grant Accounts.	N/A	Subject to the above