

Indonesia

The Development of Integrated Farming Systems in Upland Areas Supervision Report

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

AIF	Agriculture Infrastructure and Facilities
ASC	Agricultural Support Consultant
AWPB	Annual Work Plan and Budget
BANGDA	MoHa - Directorate General of Regional Development (<i>Direktorat Jendral Pengembangan Daerah</i>)
Bappenas	National Planning Agency
Bappeda	District Planning Unit
BED	IsDB Board of Executive Directors
BUM Des	<i>Badan Usaha Masyarakat Desa</i> (Village Level Enterprise)
BPK	National Audit Agency
COSOP	Country Operating Strategy
CPE	Country Programme Evaluation
DA	Designated Account
DED	Detailed Engineering Design
Demplot	Demonstration Plot
Dinas Pertanian	District Department of Agriculture
DG AIF	Directorate General, Agriculture Infrastructure and Facilities
DPIU	District Project Implementation Unit
DSC	Design Supervision Consultants
EFA	Economic and Financial Analysis
ESIA	Environmental and Social Impacts Assessment
ESMP	Environmental and Social Management Plan
FFS	Farmer Field School
GAP	Good Agriculture Practices
GESI	Gender Empowerment and Social Inclusion
FPIC	Free and Prior Informed Consent process
GDP	Gross Domestic Product
GMP	Good Manufacturing Practice
GOI	Government of Indonesia
ha	Hectare
ICT	Information Communication Technology
IsDB	Islamic Development Bank
IFAD	International Fund for Agriculture Development
IFR	Internal Finance Report
IPDMIP	Integrated Participatory Development and Management of Irrigation Sector Project
IPM	Integrated Pest Management
IRF	Integrated Risk Framework
ISFD	Islamic Solidarity Fund for Development
JUKNIS	<i>Petunjuk Teknis</i> - Technical Implementation Manual
KM	Knowledge Management
km	Kilometre
KUBE	<i>Kelompok Usaha Bersama</i> - Joint Business Group which aims to empower poor communities
M&E	Monitoring & Evaluation
MFI	Microfinance Institution
MoA	Ministry of Agriculture
MoF	Ministry of Finance
MoHA	Ministry of Home Affairs
NGO	Non-Government Organization
NOL	No Objection Letter

NPHD	<i>Naskah Perjanjian Hibah Daerah</i> - Regional Grant Agreement
NTB	Nusa Tenggara Barat
O&M	Operations and Maintenance
PIASR	IsDB Project Implementation Assessment and Support Report
PIM	Project Implementation Manual
PIU	Project Implementation Unit
POKJA	<i>Kolompok Kerja</i> - Working Group
PMC	Project Management Consultant
PMU	Project Management Unit
PPP	Public Private Partnership
PRA	Participatory Rural Appraisal
READ SI	Rural Empowerment and Agricultural Development Programme Scaling-up Initiative
RFP	
SECAP	Social and Environment and Climate Assessment Procedures
SM	IFAD Supervision Mission
SME	Small Medium Enterprise
TOC	Theory of Change
UPLAND	Uplands Agriculture Productivity and Markets Project
UNDP	United Nations Development Programme

A. Project Overview

Region: Asia and the Pacific Division Project at Risk Status: Actual problem
 Country: Indonesia Environmental and Social Category: Substantial
 Project Name: The Development of Integrated Farming Systems in Upland Areas Climate Risk Classification: High
 Project ID: 2000002234
 Project Type: Agricultural Development Executing Institution: Ministry of Agriculture
 CPM: Ivan Cossio Cortez Implementing Institutions: Directorate General of Agricultural Infrastructure and Facilities
 Project Director:
 Project Area: Banten, West Java, Central Java, East Java, West Nusa Tenggara, North Sulawesi, and Gorontalo.

Approval Date: 11/12/2019 Last audit receipt: not available yet
 Signing Date: 23/12/2019 Date of Last SIS Mission: 22/04/2022
 Entry into Force Date: 23/12/2019 Number of SIS Missions: 4
 Available for Disbursement Date: 03/07/2020 Number of extensions: 0
 First Disbursement Date: 09/07/2020 Effectiveness lag: 0 months
 MTR Date: not available yet
 Original Completion Date: 31/12/2024
 Current Completion Date: 31/12/2024
 Financial Closure: not available yet

Project total financing

IFAD Financing breakdown	IFAD	\$50,000,000
Domestic Financing breakdown	National Government	\$17,097,000
	Beneficiaries	\$14,034,000
	Private sector local	\$24,000
Co-financing breakdown,	Islamic Development Bank	\$70,500,000
Project total financing:		\$151,655,000

Current Mission

Mission Dates: 10 March - 22 April 2022
 Days in the field: 0 - Remote mission due to COVID-19 pandemic
 Mission composition: Anissa Pratiwi, Mission Leader; Tarek Kotb, Project Technical Lead; Joyce Njoro, ECG Technical Specialist; Julie Imron, Agriculture Specialist; Mariam Rikhana, Programme Management Specialist; Muhammad Iskandar, IFAD Country Programme Analyst; Nurul Mutmainah, Financial Management specialist; Harry Sudewa, Procurement specialist; Stania Yasin, M&E Specialist; IsDB team: Yerzhan Jalmukhanov, Operations Team Leader; Mohammad Adhi Dipo, Programme Management Specialist; Enggar Prasetyaningsih, Field Procurement Officer; Evi Rosantini, Field Disbursement Officer
 Field sites visited: 0 - Meeting are held with all District PIU virtually

B. Overall Assessment

Key SIS Indicator #1	Ø	Rating	Key SIS Indicator #2	Ø	Rating
Likelihood of Achieving the Development Objective		3.43	Assessment of the Overall Implementation Performance		3.5

Effectiveness and Developmental Focus	3	Project Management	4
Effectiveness	4	Quality of Project Management	3
Targeting and Outreach	3	Knowledge Management	4
Gender equality & women's participation	3	Value for Money	3
Agricultural Productivity	3	Coherence between AWPB and Implementation	4
Nutrition	3	Performance of M&E System	4
Adaptation to Climate Change	4	Social, Environment, and Climate Standards requirements	3

Sustainability and Scaling-up	4	Financial Management and Execution	4
Institutions and Policy Engagement	N/A	Acceptable Disbursement Rate	2
Partnership-building	4	Quality of Financial Management	4
Human and Social Capital and Empowerment	4	Quality and Timeliness of Audit	4
Quality of Project Target Group Engagement and Feedback	3	Counterparts Funds	3
Responsiveness of Service Providers	3	Compliance with Loan Covenants	4
Environment and Natural Resource Management	4	Procurement	4
Exit Strategy			
Potential for Scaling-up	4		

Relevance	5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. The UPLAND Project is an integrated agricultural development program co-financed by the Islamic Development Bank (IsDB) and the United Nations International Fund for Agricultural Development (IFAD), in conjunction with the Government of Indonesia (GoI). UPLAND focuses on developing replicable development models for a range of commodities across a diverse assemblage of districts located in upland areas of Indonesia. The UPLAND Project was approved by IFAD's Executive Board on December 2019, and by the IsDB Board of Executive Directors (BED) on 08 September 2019. The UPLAND Project financing totals USD 151.4 million, consisting of: (i) an IFAD loan (No.2000003230) of EUR 44.85 million (approx. USD 50 million); (ii) an IsDB Financing (No. IDN-1024) of USD 70 million under the Lives and Livelihood Fund that is established by the bank and its development partners to provide concessional financing to its low and middle income countries; (iii) an IsDB grant of USD 500,000; (iv) a contribution by GoI of USD 17.09 million, and; (v) expected beneficiary contributions of USD 14.03 million. The IFAD financing agreement entered into force on 23 December 2019, whereas the IsDB financing agreement became effective on 16th April 2020. Project implementation did not begin until 01 July 2020, due to delays in opening the project account following the release of funds to the Ministry of Agriculture (MoA) through the Ministry of Finance (MoF). The delays in implementation continues following the COVID-19 pandemic that affected the budget allocation process which requires multiple revision process.
2. The overall goal of the project is to reduce poverty in upland areas through remunerative, sustainable and resilient livelihoods. The project aims to increase agricultural productivity and farmer's income in upland areas through the development of land and water infrastructure, introducing modern agricultural cultivation techniques and holistic integrated agricultural management systems. The development objective of the project is to directly assist approximately 120,000 rural households to increase their incomes, food and nutritional security, and resilience.
3. UPLAND geographic coverage includes seven provinces (Banten, West Java, Central Java, East Java, West Nusa Tenggara, North Sulawesi and Gorontalo). These provinces were selected by the MoA through a competitive call for proposals from provinces. The proposals were evaluated based on their commitment to develop smallholder agriculture and compliance with criteria such as poverty, unemployment and agricultural and market potential. Within the selected provinces, UPLANDS focuses on 14 districts, which were in turn selected on the basis of poverty levels and distribution, unemployment, and the economic potential for the commodities selected to drive each district's program. Other districts within the seven provinces selected may be added, provided they meet UPLAND Project criteria.
4. The project consists of four components - Component 1: Infrastructure development for productivity enhancement and resilience-building, activities which include supporting the construction, rehabilitation and management of land conservation and irrigation infrastructure, and ensuring that farmers receive commodity-specific training and technical support to enhance their production and management capacities; Component 2: Agribusiness development and livelihood facilitation, which focuses on supporting farmers to profitably engage in post-harvest activities, while improving marketing and financial access; Component 3: Strengthening institutional delivery systems, which strengthens research support and administrative delivery systems in project areas; areas and Component 4: The operational expenses related to the project management and implementation, including the start-up workshop and review activities.
5. The expected outcomes of these components include: (i) increase in poor rural people's productive capacities; (ii) increase rural people's incomes from enhanced processing and/or market participation; and (iii) enhanced delivery of UPLAND services & agricultural research.
6. The five-year project is now in the early stages of the third year of implementation, but the implementation of the project continues to be slow and challenging. The project has been classified by IFAD as a problem project since the last supervision mission (October 2021). The last supervision mission identified a number of challenges and assessed that an improvement plan with key agreed action needs to be in place in order to expedite the implementation on the ground.
7. In this context, this supervision mission will mainly focus on setting the project improvement plan to expedite the implementation. This mission will not only follow up the last agreed action but also will conduct an in-depth analysis and review some key implementation challenges. The mission was undertaken remotely, with a series of meetings to be organised with the different project stakeholders taken place due to travel restriction of COVID 19.
8. Within this framework, the specific objective of this Joint Supervision Mission^[1] is to (i) review the overall project's progress and performance, mainly progress in 13 districts^[2], towards achieving the agreed objectives and results including; (ii) In-depth analysis of the institutional arrangement for project implementation (including Project Management Unit, all consultancy support both firms and individual, and District Project Implementation Unit) and its performance; (iii) Identify key implementation issues and challenges; (iv) Understanding the initial findings of the feasibility studies and how it will affect the project implementation strategies at district level; (v) Review of district level business plan; and (vi) Support the project in expediting implementation, identify actions that can be immediately implemented with considerable disbursements, and improving effectiveness, including a thorough review of the procurement packages. A Project Improvement Plan will be agreed jointly with the PMU and Government of Indonesia and will be attached to this Aide Memoire.
9. The mission kick-off meeting, held on 14 March 2022, was chaired by the Directorate for Food and Agriculture of the National Planning Board (BAPPENAS) and attended by the Director of Agriculture Irrigation, Ministry of Agriculture (MoA), the UPLAND Project Management Unit (PMU), representatives from Ministry of Finance (MoF), and staff from each District Agriculture Office (Dinas Pertanian) as representatives of each project's District Project Implementing Units (DPIU). During the course of the remote mission, the IsDB and IFAD team held various meetings with PMU, MoA and the DPIUs..
10. ^[1] Mission composition: Anissa Pratiwi, Mission Team Leader, IFAD Country Programme Officer; Muhammad Iskandar, Country

Programme Analyst; Tarek Kotb, IFAD Lead Technical Specialist; Joyce Njoro, IFAD ECG Technical Specialist; Mariam Rikhana, Institutional Specialist, Julie Imron, Agriculture Specialist; Stania Yasin, M&E Specialist; Nurul Mutmainah, Financial Management Specialist; Yerzhan Jalmukhanov, Operations Team Leader; Mohammad Adhi Dipo, Programme Management Specialist; Enggar Prasetyaningsih, Field Procurement Officer; Evi Rosantini, Field Disbursement Officer

11. [2](#) Not including Cirebon district

Key Mission Agreements and Conclusions

12. Following the last supervision mission in October 2021, UPLAND was declared a problem project. This joint supervision mission is a follow up to the last mission to review and assess overall progress implementation, covering the whole implementation period of FY 2021 up to March 2022. The mission conducted an in-depth situation analysis to better understand the key factors hindering project implementation. Following its assessment, the mission acknowledges the implementation has been continue progressing, although with some room for improvement. The mission found that the key bottleneck to slow implementation progress are the lack of operational mechanisms and institutional arrangements for implementation within the project structure. At the end of the mission, a set of agreed action was agreed with the PMU and a follow up workshop will be held jointly with the whole project team.
13. Since October 2021, the project has shown quite significant progress. While data accuracy continues to be challenging, the mission has been able to get more information and verified data to support the progress on the ground. Although each districts may progress differently, the mission notes the key milestones achieved by end of 2021, as follows:
 - (i) 656 farmers groups have been formed where 17,463 farmers from 312 farmers groups have actively involved in project activities;
 - (ii) significant progress under land and infrastructure development in 13 districts, with several construction works have been completed in 2021[1](#); (iii) initial commodity on-farm training were deliver to a total of 489 farmers (15% of them are women); (iv) 158 village facilitators have been mobilised (52 are women); (v) feasibility study (FS) have been completed in 12 districts[2](#) and report to be finalised soon; (vi) 42 demonstration plots (demplots) have been established spread in 13 districts; (vii) situation analysis on Farmers Organisations and Value Chains have been completed and is informing the strategy that is currently being initiated under component 2; (viii) two sets of trainings[3](#) for facilitators have been delivered, (ix) five MoUs have been drafted between DPIUs and local banks in 5 pilot districts for the access to finance component, and (x) outlines for the training curriculums of farmers in 13 districts were prepared by the training specialist based on the TNA conducted earlier in 2021.
15. Following the above findings, the Joint SM Mission and MoA have agreed the following key actions to improve and expedite project implementation. In addition to these recommendations, a project improvement plan or the implementation of all the components including key activities are presented as an annex to this Aide Memoire. In the mission's view, there are clear priority activities that shall be addressed before component activities can be consistently delivered across all districts to expedite action and achieve project target by end of 2022. These priorities are:
 1. **Agree on a working mechanism for better and efficient delivery at all level.** Update the TOR for PMC and all individual consultants with agreed key deliverables for the next quarters and clear reporting flows. This will require an exercise where consultants map their services and facilitation supports to respond to PMU and DPIU All consultants' output shall be aligned and coordinated to avoid confusion and overlapping. This includes improving the coordination among procurement stakeholders, i.e. involving the regional procurement officers in managing the procurement from planning and document preparation stage, evaluating and following up on the progress of procurement activities at the sub-national levels.
 2. **Strengthening PMU and DPIUs staff** though a series of refresher training, including to newly recruited staff at district level. The training will include and update and refresher on project sequence activity, project financial management, monitoring and evaluation, procurement and project targeting approach. The mission strongly advises for the Project Director to engage more actively in providing oversight and guidance to the Project Manager, PMU and service providers.
 3. **Revitalize Provincial Agriculture Office (Dinas Pertanian Propinsi)** role to provide support to the participating districts in implementing the project activities, particularly those activities under "Tugas Perbantuan (TP) mechanism". The PMU will discuss with the provincial office to assign the provincial team that will also supervise and monitor the district activities, and submit progress reports, including physical data and financial data to PMU regularly. To support the implementation of the assignment of the provincial team, PMU will allocate the operational budget to the provincial budget structure as necessary.
 4. **Improving PMU delivery capacity** including strengthening support from PMC and individual consultant. PT Trans Intra Asia - the consulting firm deployed for PMC should immediately fill any vacant position (e.g. Procurement specialist). At the same time, the firm should conduct a quick assessment on the performance of each PMC consultant through a client satisfaction survey to PMU and DPIU. Based on this survey, the firm should strengthen or replace any non-performing consultants under the PMC both at the national and regional level.
 5. **Strengthening the capacity of DSC team** is necessary to ensure the quality of infrastructure development starting from design work, construction and supervision process are satisfactory. PT Widya Graha Asana as the service provider deploying for DSC team are to conduct the client satisfaction survey to DPIUs. Following the delay of design and construction work on the ground, PMU and IsDB will review the DSC contract in terms of time and deliverables related to design work.
17. **Targeting and Social Inclusion.** As targeting and social inclusion are central to all project components, there is a need for a common understanding and approach to project targeting among all project implementers and the consultants. The project does not

have specific staff assigned to the role and responsibilities on targeting and social inclusion. This is likely to compromise the project outcomes and sustainability. It is recommended that the project hire a Social Inclusion Specialist to elaborate targeting, gender and social inclusion and prepare a project guide on implementing the targeting strategy.

18. **Following the reduced target land area proposed by the PMU (see table 4)**, a follow up discussion and in-depth assessment will be required between MoA, PMU, IFAD and IsDB to review the associated project costs to inform an updated Economic Financial Analysis (EFA). This discussion will need to take place no later than the third quarter of this year, before the Mid Term Review (MTR) mission takes place.
19. **Monitoring Evaluation and Reporting.** Given the pace of implementation is catching up quickly, M&E become essential management tools to support decision making. For this, having a reliable information on progress implementation is a must. Currently, reliable quantitative and qualitative data are limited due to lack of coordination, which result in unclear data accountability. The mission urges to have all data verified immediately and final documents to be uploaded to the MIS. This could be done through a dedicated M&E session which include refresher training at each district. The session should be led by the PMC M&E specialist and PMU M&E officers with participation of all relevant project team i.e., M&E officers, VF managers, extension agents, and VF in the district to review the implementation of M&E guidelines. Following this process, the project will need to start preparing for the project Annual Outcome Survey to assess the project outcome. A detailed guidance can be found in Annex 1.
20. **Update and revise project replenishment plan.** Revise replenishment plan for both IFAD and IsDB to accommodate actual condition of expenditures and reimbursement progress. The 2022 current plan indicates a disbursement of USD 14 million under IFAD and USD 8.5 million under IsDB. In addition, PMU will process the initial deposit for ISFD loan under IsDB in an amount of approximately USD 500,000 to support microfinance activity under sub-component 2.4.
21. **Audit.** Since the first disbursement was only released in July 2020 and considering the low level of expenditures in 2020 (i.e. USD 485,000), the first financial audit of UPLAND will cover the years 2020 and 2021, and is to be submitted by the latest June 30, 2022. The audit is carried out by Financial Supervisory and Development Board (BPKP). Currently, the field audit is underway in some districts and at the central level.
22. **Project Improvement Plan.** To assist PMU and DPIU accelerate implementation and get out of problem project status, the following critical actions are to be top priority for the next 4 months. IFAD and IsDB are expected to provide closer coordination and oversight to the PMU, through more frequent follow up meetings (bi-weekly). The current oversight schedules are too far apart at the moment to allow proper follow up. The detail technical guidance for implementation of each project component can be found in Annex 1 attached to the Mission aide memoire. It is proposed that a follow up workshop with IFAD and IsDB support take place to walk through the detailed technical guidance with PMU and its supporting team. A follow up implementation support mission will be held in July-August to conduct a short field mission to check the progress of the mission agreed actions. :

23. **Table 1: Key Supervision Agreements for the UPLANDS Project, March-April, 2022**

Actions	Responsibility	Deadline	Status
<p>Establish and strengthened project working mechanism between the service providers PMU and DPIUs</p> <p>Update the TOR of all PMC consultants and individual consultants with key deliverables for the next quarters with clear reporting flow to ensure output alignment of all consultants and establish regular coordination among the consultants at all. This will be conducted in a workshop attended by all service providers, PMU and DPIUs.</p>	PMC, DSC, individual consultants under supervision of PMU	2 nd week of May 2022	agreed
<p>Strengthening PMU and DPIUs' staff (capacity building):</p> <ol style="list-style-type: none"> 1. Refresher training to all staff (including new staff, PMU and DPIUs) on project sequence activity, including refresher training for Finance Management, M&E, Procurement and Project Targeting. 2. Ensure proper training/coaching is provided to finance verification team at central and district level. 3. Project Director to engage more actively in providing oversight and guidance to the Project Manager, PMU and service providers 	PMU, DPIUs, PMC and Village Facilitators with support from IFAD and IsDB	2 nd week of May 2022	agreed

<p>Revitalized Provincial Agriculture Office (Dinas Pertanian Propinsi) role to improve coordination and oversight to district</p> <p>Given that Provincial is providing its authorization to district activities finance by Central level, it is important to include provincial office as part of coordination function. PMU will allocate operational budget to provincial team as necessary.</p>	<p>PMU, MoA, Province Dinas Pertanian</p>	<p>June 2022</p>	<p>Agreed</p>
<p>Improving PMU delivery capacity including strengthening support from PMC, DSC and Individual consultants</p> <p>1. PT TRANS INTRA ASIA (consulting firm/PMC) conduct an assessment of the performance of each PMC team through client satisfaction survey (PMU, DPIU). Based on the survey result, strengthen or replace non performing consultant under PMC Including immediately filled in Procurement Specialist position both at National and Regional level</p> <p>2. Review PMC's regional consultants working time (time sheet and agreed output) to each district under his/her responsibility and re-consider travel cost as needed to ensure adequate support are given to DPIUs</p> <p>3. PT Widya Graha Asana (consulting firm/DSC) conduct an assessment on the performance of each DSC team through client satisfaction survey (PMU & DPIU). Based on the survey result, strengthen or replace non-performing consultant under DSC.</p>	<p>1. PT Trans Intra Asia in consultation with PMU and DPIUs</p> <p>2. PT Trans Intra Asia in consultation with DPIUs</p> <p>3. PT Widya Graha Asana in consultation with PMU and DPIUs</p>	<p>1. First week of June 2022 (completed)</p> <p>2. No later than 10 May 2022</p> <p>3. 1st week of June</p>	<p>agreed</p>
<p>Monitoring Evaluation and Reporting</p> <p>1. Improve data quality. Validate all data in all levels and start input process to MIS with disaggregated all data by gender and age (ethnicity – IPs)</p> <p>2. Improve record management and reporting quality – Interim Financial Report, contract register, supporting document for all transaction (reimbursement)</p> <p>3. Ensure the MDD-W baseline data is analysed and reported in accordance with the COI methodology, and the Nutrition Core Indicators are incorporated into the Project Log frame</p> <p>4. Submit regular bi-monthly progress report including project constraint, challenge and counteraction by PMU</p>	<p>1. PMU/PMC/DPIU, M&E officer in coordination with PMC and individual consultant</p> <p>2. PMU M&E officer</p> <p>3. PMU M&E officer/PMC M&E specialist</p> <p>4. PMU M&E officer/PMC M&E specialist</p>	<p>1. April - August 2022</p> <p>2. June 2022</p> <p>3. May 2022</p> <p>4. June 2022</p>	<p>agreed</p>
<p>Follow up discussion on the reduced target area compare to agreed area during design</p> <p>An in-depth discussion and assessment will be required between MoA, PMU, IFAD and IsDB to review the associated project costs to inform an updated Economic Financial Analysis (EFA). This discussion will need to take place no later than the third quarter of this year, before the Mid Term Review (MTR) mission take place.</p>	<p>PMU, IFAD, IsDB, MoA</p>	<p>End of May 2022</p>	<p>Agreed</p>

<p>Replenishment/Disbursement Plan</p> <p>Revise replenishment plan for both IFAD and IsDB to accommodate actual figure and expenditures and to ensure adequate balance in the DA</p> <p>The 2022 current plan indicates a disbursement of USD 14 million under IFAD and USD 8.5 million under IsDB.</p> <p>PMU will process the initial deposit for ISFD loan under IsDB in amount of approximately USD 500,000 to support microfinance activity under sub-component 2.4</p>	PMU, MoA, MoF	May 2022 (IFAD); August 2022 (IsDB)	Agreed
<p>Audit Report</p> <p>Submission of an audit report covering 2020 and 2021 implementation year</p>	PMU, BPKP	June 30, 2022	Agreed
<p>Additional Recruitment to be completed by Q2</p> <ol style="list-style-type: none"> 1. Agriculture Support Consultant (consider overlap at least 2 months and proper hand over with current individual consultants) 2. Procurement Specialist (as mentioned above) 3. Nutrition Specialist (individual) 4. Livestock Specialist (individual) 5. Website application Specialist (individual) 6. Social Inclusion specialist (Individual) 	PMU, MoA	May 30, 2022	Agreed
<p>Reverse Linkage</p> <p>In line with the Reverse Linkage modality's need to ensure a peer-to-peer engagement in the implementation of the sub-component, the PMU is encouraged to expedite the identification of the focal point/subject matter expert counterparts from the MOA that will work closely with the Max Agri team to achieve the various objectives.</p> <p>Update and finalise schedule of Max Agri's activity for the FY 2021 based on the implementation agreement. The PMU need to verify usage of the initial deposit (transferred in January 2021). This will include the financial report detailing the updated utilisation of the disbursed and remaining undisbursed funds.</p> <p>To this end, Max Agri in coordination with the PMU, are advised to review and jointly agree on a revised schedule and timeline for FY2021 that considers the overall schedule of implementation of the project. The resulting updated schedule can be incorporated in the final implementation plan. In line with the agreed final implementation plan, the PMU will need to prepare the second tranche disbursement for the Max Agri to be submitted to ISDB.</p>	PMU, Max Agri	May 2022	Agreed

24. [\[1\]](#) This includes construction of farm road, rehabilitation of irrigation canals, water harvest facilities, drip irrigation and dams. Complete information can be seen in table xx
25. [\[2\]](#) The feasibility study includes Cirebon district, however Cirebon is still not effectively part of the project. The remaining feasibility study still need to be completed in Minahasa Selatan, and Gorontalo district
26. [\[3\]](#) one training in 2021, focusing on RUKK/project planning/mobilisation and one training in 2022 specifically on their role to support

the agriculture training, FOs and VC work.

D. Overview and Project Progress

27. As mentioned above, the mission is pleased to note that the project has been making some progress and has achieved a number of important milestones. Although progress is still relatively slower than expected, the project has been on track with their implementation on the ground. However, given its third-year implementation, project will need to expedite to move the implementation to the next level.
28. The total disbursement of IFAD loan amounts to EUR 5.84 million, including initial advance of EUR 5 million and a replenishment of EUR 0.84 million in December 2021. As of March 2022, there is about EUR 2 million (USD 2.2 million) under IFAD financing that is still pending for replenishment. The project plans to submit the next WA documenting the EUR 2 million in April 2022 to maintain adequate balance in project DA. The disbursement under IsDB is USD 14.5 million deposit, with the total expenditure of USD 6.12 million (or approx. 42% of the total disbursement) in Q3 2021. Under IsDB, the project expects a WA of USD 8.5 million in August 2022 (for Installment sale) or will be delayed from the initial plan. While there is no plan in 2022 for the deposit of ISFD mode of financing. The presented replenishment plan is not in-line with the initial disbursement, recent reimbursement progress, and implementation plan of the project.
29. As of December 31, 2021, the project has achieved 77% of their physical target of 2021 AWPB. The annual expenditure for 2021 amounted about USD 9.3 million (IFAD & IsDB), representing 41% of the total 2021 AWPB, a significant increase from 4% during the last mission. This increase mainly contributed by the implementation of activities at district level that are starting to catch-up. The insufficient quality of procurement process continues to be hindering the speed of implementation. The increase in PMU expenditure is mostly contributed by the payment of consultants and training/workshop activities that were carried out in second half of 2021.
30. The on-granting activities started to increase in Q3 2021 after the budget and design issues were resolved, and procurement of equipment was in place. The total on-granting allocation for 2021 was approximately IDR 255 billion (equivalent to USD 17.8 million). However, the total expenditure of on-granting allocation was around USD 7 million with USD 6 million have been reimbursed in 2021. An amount of USD 1 million from 2021 on-granting expenditure (IFAD USD 0.3 million; IsDB USD 0.7 million), was being reimbursed on 12th April 2022. This happen due to expenditure was done too close to closing of financial year so it was inevitable to carry over the reimbursement process to 2022.
31. For 2022 AWPB, IFAD provided a no objection with a total allocation of USD 32 million. As of now, the government has secured USD 14 million for central budget allocation and USD 17.8 million for on-granting in the budget document (DIPA). This 2022 allocation includes the carry over activity and reimbursement from 2021.
32. Table 2: Disbursement Status of UPLAND as of March 16, 2022, in USD million

	Allocation	Total Disbursement as of March 16, 2022	% of disbursement	DA statement as of March 16, 2022	Total Expenditures	% of expenditures to total allocated loan
	A	B	c	d	e = b-d	f = e/a
IFAD	50	6.35	13%	3.10	3.25	6.5%
ISDB	70	14.5	21%	8.38	6.12	8.7%

33. The feasibility study (FS) shows that in several districts, target areas are significantly reduced compared to the target area agreed during design from total 14,201 Ha reduced to 8,176 Ha. However, the FS did not provide clear information and justification on why target areas being reduced. Mission observed that several districts have quite significant change on their target areas. (see table below) For example, Banjarnegara, Gorontalo and Sumenep have increased their target area compared to during design. Meanwhile Sumbawa and Minahasa Selatan significantly reduced their target area. This may significantly impact the project size and the total project outreach. The PMU have indicated that due to this area reduction, there are some adjustments to the total allocation of investment in each district and there will be some unspent balance at the end of project year estimated around 29.1 million, with remaining unspent for IFAD around USD 6.4 million and IsDB around USD 22.7 million. This will require a follow up exercise and discussion between MoA, PMU, IFAD and IsDB, to understand better the situation and agree on the next steps. This could include possibilities for the project to expand area within the same 13 districts or to include other potential activities.

34. In terms of beneficiaries targeting, the progress report shared by the project, current beneficiary selection is at 19,757HH (equivalent to 66% of project target). As previously mentioned, the project has actively involved 312 farmers group, estimating around 17,463 farmers households through infrastructure work and on-farm training activities. The mission is optimistic that the project can reach the design 30,000 HH beneficiary target upon (i) finalisation of beneficiary targeting (ii) identifying additional households outside the CPCL groups (iii) starting activities in Cirebon district. The project has been slow in attaining its women and youth target groups and verification of the IPs target. It is important that the project first verifies the actual beneficiary targeting on the ground (disaggregated by women, youth and IPs) in each district to clarify the current status before moving forward with the target group selection.
35. **Programme Management.** Following its assessment, the mission notes that despite the presence of the consultancy team (including PMC, and individual consultants) both at national and regional levels (6 regions) supporting PMU and DPIU, the project management continues to suffer. The mission observed that there's lack of guidance and direction provided by the Project Director. The weak management was also reflected from the inconsistency of data and information provided by the project. This continues hindering the project implementation on the ground, due to: (i) ineffective coordination and communication among all project staff and all consultants; (ii) limited understanding on project activities at different levels including the among the consultants; (iii) insufficient amount of time in conducting M&E training; (iii) lack of capacity and ownership of the M&E persons in all levels; and (iv) delay on MIS development. Looking at this, the mission recommends that the project needs to improve their working mechanism and operation set up in order to be able to work effectively and strengthen project delivery on the ground.
36. **Component 1: Infrastructure Development for Productivity Enhancement & Resilience Building.** Component 1 aims at increasing farmer's productivity by promoting sustained adoption of improved inputs, technologies or practices, while reducing associated climate and environmental risks.
37. **Sub-component 1.1. Land and Infrastructure Development.** The project is expected to deliver physical infrastructure on sustainable basis in a total of 14,201 Ha, which includes farm road, irrigation canals and land management infrastructure. By the time of the mission, the PMU informed the revised total project target area which now only covers 8,176 Ha. The proposed target area reduction resulted in reduced infrastructure investment, e.g., in warehouses (75%), land terracing (71%), pumping and pipeline canals (58%), irrigation system (52%) and road access farm (35%) while, e.g., the targeted irrigation canals have been multiplied by 4.5. While the FS is almost completed, the report did not provide clear information and justification on this reduction. It is suggested that during the finalisation of FS report, the PMC should consider including this information. These figures, however, need to be reviewed by the MTR mission along with the associated costs to inform an updated EFA. Progress in infrastructure implementation is generally insufficient even though implementation is attributed to revised targets with water reservoirs and farm access roads are better progressing. This is understood given that the actual implementation only started in 2021 while the MTR is scheduled by the third/fourth quarter of this year.
38. By the end of 2021, the project has constructed a total of 102.3 km of farm road; 63.1 km of tertiary canals are rehabilitated; 135 units of pumping and pipe irrigation are installed; 124.9 Ha of irrigation system installed; 204.6 Ha of land terracing; 48 unit of water reservoirs (see the table for complete list of infrastructure work progress). The project addresses some challenges during the implementation of the infrastructure work including: (i) most construction work are rushed towards the end of 2021 allowing only little time for preparatory work, as such it is not clear the quality of infrastructure being delivered. In some district, the actual construction work will need to be carried over to 2022; (ii) towards end of year usually is the starting of rainy season, which results in longer construction work; (iii) land contour in most location are steep slope, design and construction in such contour requires careful process; (iv) water resource availability within the planned water harvest channel and (v) and in some cases the land acquiring and clearing process prior to construction process take longer time. The project team need to provide report on the delivery of infrastructure on regular basis. The issue of the number of farmers per organization should mainly consider the area these farmers benefit from rather than a standard number.
39. Farmers contribution for infrastructure work are agreed for 20% in kind. This has been regulated in the project implementation and operational guidelines. The mission could not find a proper record of the actual farmer's contribution to infrastructure work. The project needs to improve and strengthen its record management on farmers contribution.
40. Table 3: Overall Infrastructure progress

No	Type of Infrastructure	Unit	Overall Target		2021		2022	
			Design Target	Revised Target	Design Target	Actual	Design Target	Actual up to March
			Amount	Amount	Amount	Amount	Amount	Amount
1	Access Farm Road	km	565.00	365	126	104	117.5	n/a
2	Land Terracing	ha	3 882	1 114	476	250	297.5	n/a
3	Water Reservoir	unit	159	136	55	48	68	n/a
4	Retention Basin	ha	200	200	10	0	100	n/a
5	Irrigation System	ha	6 252	2 984	1380	692.63	1341.1	n/a
6	Irrigation Channel	Km	58	262	79	71	52	n/a
7	Pumping and Pipe	unit	1 510	640	278	126	141	n/a
8	Building/Warehouse	unit	108	164	24	2	89	n/a
9	Drying Floor	unit	11	11	5	5	6	n/a
10	UPPO	unit	23	30	8	8	12	n/a
11	Goat House	unit	172	65	27	16	44	n/a

41. Currently the operation and maintenance for infrastructure is not yet established by the farmers group. There are records regarding the plan around infrastructure operation maintenance. This is key to ensure sustainability of the infrastructure investment by the project.

42. Sub-component 1.2. Production and Farm Management. With the support of project's agronomist and training consultant, the project has completed a training need assessment (TNA). Based on the TNA, the project prepared the agriculture training plan including a "curriculum" that shows all the possible topics and sub-topics to be taught to farmers in a kabupaten for the target commodities including the demplot establishment plan. The plan is that each kabupaten will use this as a basis to train farmer representatives and village facilitators (VF) according to their needs. The initial commodity on-farm training were delivered to a total of 489 farmers in 2021.
43. As a positive development, in October to December 2021, the field extension workers (PPL) start the establishment of demplots in each district. A total of 42 demplots finally established in 13 districts. However, the mission observed that given the short time frame the demplots established were considered not effective. In some districts, demplots started didn't start during the normal planting season, as the project tries to disburse money quickly in 2021. Aside from this, the demplots did not demonstrate technology comparison "with or without" to compare yield results and at the same time, it is not clear if all demplots provide proper introduction of new technology(GAP, drip irrigation, bio-fertilizers, etc.) or production systems with only little improvement from the traditional practices. It is also important to note that the agronomist was not yet recruited when demplots/FFS were conducted at the end of 2021 and therefore, limited technical guidance and follow-up could be provided during this process (the guidance was provided by the training specialist).
44. **Component 2: Agribusiness Development and Livelihoods Facilitation.** Because there is no 'one fixed solution' that fits all across the 14 districts, the selection of institution or management unit will vary according to the needs of each value chain. UPLANDS will not create a new entity or management/business unit where an existing institution is functioning efficiently. In this case, the Project will empower existing KUBEs (Farmer's corporation) that are ready to apply for assistance. The previous missions have highlighted the importance of having strategic business planning at district level which could guide the investment decision and build value chain strategy at each district. However, by the time mission arrived, no district business plans were prepared. "Road maps" for 12 districts were however prepared and contain the main aspect of what was requested in the district business plans. The detail provided by each district in those road maps are unequal but reflects efforts from DPIUS to put down on paper their strategy and thinking. These road maps should be used to elaborate further "value chain action plans" presented in the annex.
45. Sub-component 2.1. Farmer Institutional Development. Project immediate implementation focus are heavily on delivery of activities under component 1. However, some preliminary activities in component 2 have started since Value Chain Specialist and Farmer's Institution Specialist have been on board in October 2021. Following Ministry of Agriculture target to form farmer's corporation (*korporasi petani*), UPLAND has started an assessment of the situation in 10 districts (focus group discussions with farmers and key stakeholders). The assessment showed that 3 districts already have farmer organizations from which the project can continue to build on (Magelang, Banjarnegara, Garut). In those districts, the project will only need to strengthen the existing organizations and help these to design a business plan for the target commodities they are involved in. This is being addressed in March-April 2022.
46. Another finding of the assessment is that 5 districts (Lombok Timur, Sumbawa, Minhasala Selatan, Gorontalo and Lebak) do not have any form of farmer organization and will need the project's full attention to socialize to the target community the different types of legal status that could be appropriate to their needs. This process will be facilitated by the institution consultant by the end of June 2022.
47. Sub-component 2.3 Strengthening Market Linkages and Alliances VC analysis was (Garut, Purbalinga, Banjarnegara, Magelang).done in 4 districts. However, more consultation needs to be done with other DPIUs. The only PS partners identified so far are those that are currently working with districts/farmers but no new PS have been specifically identified so far.
48. There were very limited follow-ups by PMU and PIU on the district business plan. Some PIUs have a good vision of what they want to achieve but that is not yet described in the form of a detailed district business plan. However, as mentioned earlier, road maps have been developed for 12 districts and provide the big picture of the districts' plans. In parallel to this, the VC consultant has planned to facilitate the design of business plans for each cooperative. These different initiatives lack synergy and overlap each other.
49. Therefore, rather than pursuing each of these initiatives separately (district business plans/road maps/cooperative business plans), the mission recommends to develop simple "VC action plans" which will put together the vision of DPIUs and farmer organizations for the strengthening of their VCs. This can be facilitated by the VC consultant via discussions with PIUs and farmer representatives to: (1) harmonize their vision on the development of the target commodities value-chains; (2) prepare a 1-2 pages list of action points at district level and at farmer group level to achieve these expected results. Kindly refer to annex 1 for detailed technical guidelines on this.
50. Sub-component 2.4 Access to Financial Services.In August 2021, the Microfinance specialist was recruited and conducted an assessment of the situation most districts. In December 2021-February 2022, discussions between DPIUS and local banks were facilitated in 5 districts and draft MoUs were prepared by the consultants. The project team should provide implementation plan and proposed funds to selected banks in order to channel loans to farmers. The roll-out of this in remaining districts is expected to be managed by DPIUs themselves (without support from the financial consultant). To ensure this, the consultant has prepared a guideline that can be used by DPIUs (guideline to the IsDB. being finalized at the time of the mission).
51. **Component 3: Strengthening Institutional Delivery Systems.** Component 3 aims at providing delivery support and research for UPLAND. The project has planned for a number of capacity building and training activities to support project, including commodity training for each district, and planning to partner with different Agriculture Training Centre under MoA, to deliver these training. A Training Specialist has been on board since August 2021 and have conducted training need assessment (TNA) for the project. Since mid-2021 the project has delivered the capacity building for 13 DPIU, and staff of PMU in relation to financial management, procurement and monitoring and evaluation. However, the effectiveness of the training was not evaluated yet.
52. Initial technical training was provided to the PPL in 2021. This training was conducted in collaboration with Agricultural Training Centers. Despite the intensive technical training conducted in 2021, the evaluation of the training effectiveness was not yet carried out. All the technical training for PPL was designed based on TNA mention earlier. However it is necessary to have an assessment whether the technical training were adequate or if any training curriculum need updating, to ensure the quality of training are meeting the demand of the beneficiaries.

53. Capacity building provided to the VF in 2021 include training on community mobilisation, group leadership and book keeping. In addition to this, in some districts VF were also trained in technical crop training. In 2022, VF will receive more of this technical training to support PPL on the conduct of demplots and field schools.
54. **Adaptive Research.** A number of adaptive researches are also planned in 2022 and should contribute to enhancing environment-friendly practices: biogas, “agricultural low emission”, “biobased economy”, climate-smart agriculture, and cross-breed sheep. The project will need to foster replication of good practices demonstrated during these adaptive research (visits by farmers, etc.).
55. **IFAD – INSURED support to UPLAND.** The Insurance for Rural Resilience and Economic Development Programme (INSURED) managed by IFAD and funded by the Swedish International Development Cooperation Agency (Sida), financed a feasibility study to assess whether offering climate and agriculture insurance products in two value chains (coffee and shallots) of UPLAND is feasible, and, if so, how such insurance scheme could be embedded within UPLAND and subsequently be scaled nationwide to provide coverage to all farmers in the selected value chains. The study finalised in February 2022 by the Technical Service Provider (TSP) Blue Marble and found that there are enabling conditions to develop sustainable Weather Index Insurance (WII) schemes to protect the selected value chains to make them more resilient to climate risks. The Feasibility Study also provided some specific recommendations on how to ensure that such integration within UPLAND’s interventions is successful. After conversations with MoA, it was agreed that INSURED will continue supporting UPLAND by financing the design and implementation of a sustainable WII scheme to protect coffee^[1] in specific districts; and by providing technical assistance to develop a sustainable strategy to integrate the insurance product that is being developed by MoA and JASINDO to protect shallots within specific districts. Currently INSURED is developing the ToRs to select a TSP to carry out these two activities in 2022.
56. ^[1] The MoA suggested that weather index insurance can also be implemented for other perennial crops such as oil palms, vanilla, cocoa, etc

Agreed Action	Responsibility	Agreed Date
<p>Establish and strengthened project working mechanism between the service providers PMU and DPIUs</p> <p>Update the TOR of all PMC consultants and individual consultants with key deliverables for the next quarters with clear reporting flow to ensure output alignment of all consultants and establish regular coordination among the consultants at all. This will be conducted in a workshop attended by all service providers, PMU and DPIUs.</p>	PMC, DSC, individual consultants under supervision of PMU	05/2022
<p>Strengthening PMU and DPIUs’ staff (capacity building):</p> <ol style="list-style-type: none"> 1. Refresher training to all staff (including new staff, PMU and DPIUs) on project sequence activity, including refresher training for Finance Management, M&E, Procurement and Project Targeting. 2. Ensure proper training/coaching is provided to finance verification team at central and district level. 3. Project Director to engage more actively in providing oversight and guidance to the Project Manager, PMU and service providers 	PMU, DPIUs, PMC and Village Facilitators with support from IFAD and IsDB	05/2022
<p>Monitoring Evaluation and Reporting</p> <p>Improve record management and reporting quality – Interim Financial Report, contract register, supporting document for all transaction (reimbursement)</p>	2. PMU M&E officer	05/2022
<p>Replenishment/Disbursement Plan</p> <p>Revise replenishment plan for both IFAD and IsDB to accommodate actual figure and expenditures and to ensure adequate balance in the DA</p> <p>The 2022 current plan indicates a disbursement of USD 14 million under IFAD and USD 8.5 million under IsDB.</p> <p>PMU will process the initial deposit for ISFD loan under IsDB in amount of approximately USD 500,000 to support microfinance activity under sub-component 2.4</p>	PMU, MoA, MoF	05/2022
<p>Revitalized Provincial Agriculture Office (Dinas Pertanian Propinsi) role to improve coordination and oversight to district</p> <p>Given that Provincial is providing its authorization to district activities finance by Central level, it is important to include provincial office as part of coordination function. PMU will allocate operational budget to provincial team as necessary.</p>	PMU, MoA, Province Dinas Pertanian	06/2022

<p>Improving PMU delivery capacity including strengthening support from PMC, DSC and Individual consultants</p> <p>1. PT TRANS INTRA ASIA (consulting firm/PMC) conduct an assessment of the performance of each PMC team through client satisfaction survey (PMU, DPIU). Based on the survey result, strengthen or replace non performing consultant under PMC Including immediately filled in Procurement Specialist position both at National and Regional level</p> <p>2. Review PMC's regional consultants working time (time sheet and agreed output) to each district under his/her responsibility and re-consider travel cost as needed to ensure adequate support are given to DPIUs</p> <p>3. PT Widya Graha Asana (consulting firm/DSC) conduct an assessment on the performance of each DSC team though client satisfaction survey (PMU & DPIU). Based on the survey result, strengthen or replace non-performing consultant under DSC.</p>	<p>1. PT Trans Intra Asia in consultation with PMU and DPIUs 2. PT Trans Intra Asia in consultation with DPIUs 3. PT Widya Graha Asana in consultation with PMU and DPIUs</p>	<p>06/2022</p>
<p>Monitoring Evaluation and Reporting</p> <p>Ensure the MDD-W baseline data is analysed and reported in accordance with the COI methodology, and the Nutrition Core Indicators are incorporated into the Project Log frame</p>	<p>PMU M&E officer/PMC M&E specialist</p>	<p>06/2022</p>
<p>Monitoring Evaluation and Reporting</p> <p>Submit regular bi-monthly progress report including project constraint, challenge and counteraction by PMU</p>	<p>PMU M&E officer/PMC M&E specialist</p>	<p>06/2022</p>
<p>Follow up discussion on the reduced target area compare to agreed area during design</p> <p>An in-depth discussion and assessment will be required between MoA, PMU, IFAD and IsDB to review the associated project costs to inform an updated Economic Financial Analysis (EFA). This discussion will need to take place no later than the third quarter of this year, before the Mid Term Review (MTR) mission take place.</p>	<p>PMU, IFAD, IsDB, MoA</p>	<p>06/2022</p>
<p>Audit Report</p> <p>Submission of an audit report covering 2020 and 2021 implementation year</p>	<p>PMU, BPKP</p>	<p>06/2022</p>
<p>Monitoring Evaluation and Reporting</p> <p>Improve data quality. Validate all data in all levels and start input process to MIS with disaggregated all data by gender and age (ethnicity – IPs)</p>	<p>1. PMU/PMC/DPIU, M&E officer in coordination with PMC and individual consultant</p>	<p>08/2022</p>

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Previous rating: 4

Justification of rating

57. The project effectiveness is rated moderately satisfactory. Overall progress continues to be slow however component activities start showing some progress although with room for some improvement. The initial preparatory activities have better positioned the project to accelerate implementation on the ground. Districts have prepared roadmaps but these vary in quality in terms of content and completeness. A number of districts like Banjarnegara and Magelang have presented most of the information while others like Malang, Lombok Timur, Subang or Minhasa Selatan have limited content. Data related to target production is mostly provided (production, productivity, area, number of farmers) but other data on project costing, timing of activities, crop budgets, strategic linkages to be developed between value-chain stakeholders, is not always presented.

Log-Frame Analysis & Main Issues of Effectiveness

58. The project start-up delay in 2020 (project year 1) has impact the progress of overall implementation on the ground up to now. This delay occurs due to lengthy process in preparing the district on-granting agreement and administration process at district level; slow budget approval process that result in late start for implementation, delay in procurement of service providers to support PMU. Meanwhile in 2021, changes in local government budget format have result in a tight timeline to complete some of the works at district level including the construction works. Adding to that, the COVID pandemic did not help. Restriction of mobility have reduced the effectiveness to interact with district project unit and beneficiaries.
59. The project is now in it's third year of implementation, and have starting to show quite promising progress. The mission believe that with the right support, the project will be able to achieve the development objective. While getting accurate data continues to be challenging, mainly due to data inconsistency and double counting, the mission finally able to verify outreach and output data and information as follow
60. Outreach: As previously mentioned, the mission acknowledge the revised total project target area has significantly reduced from 14,201 Ha to 8,176 Ha. It is agreed that further discussion will be required between MoA (PMU), IFAD and IsDB to review the associated project target and project cost. Meanwhile, currently project have move ahead with mobilising farmers in this reduced target area. 312 of farmer groups (FG) are actively engaged with the project against a target of 600 groups (52%). These FG include 17,463 members against a target of 30,000 (58.2%). However, the number of women beneficiaries is low with around 3,053 (17.5%) of the targeted farmers, well below the logframe target of 40%. Currently youth only represent 15% the total beneficiaries of the targeted farmers classified as youth between the ages of 19 and 39. While indigenous people only exist in four villages in Lebak District covering a total of 157 HHs.

61. **Table 4. Current Project Target Location (Area by Ha) vs. agreed target location at design**

District	Total Area (Ha) During Design	Total Area (Ha) during implementation	Note
Banjarnegara	392	500	for coffee development
Cirebon	1535	0	Did not commit to be part of this project
Garut	200	200	
Gorontalo	20	70	
Lebak	450	450	
Lombok Timur	1640	811	
Magelang	2000	2000	
Malang	300	300	
Minahasa Selatan	2000	600	
Purbalingga	-	320	for pepper development
Subang	2004	1165	
Sumbawa	3000	800	
Sumenep	160	460	
Tasikmalaya	500	500	
Total	14201	8176	

62. Output: While implementation is still at very early stage, progress under component 1 has shown quite significant progress compare to the last mission. A total of 102.3 km of farm road have been constructed; 63.1 km of tertiary canals are rehabilitated; 135 units of pumping and pipe irrigation are installed; 124.9 Ha of irrigation system installed; 204.6 Ha of land terracing; 48 unit of water reservoirs. At the same time the project have manage to establish 42 demplots in 13 districts and commodity on-farm training has been delivered to 489 farmers (including livestock training) of which 72 farmers are women. Under component 2, progress quite vary in each district. While farmers' post-harvest business are yet to be established, some districts are more advance, such as Tasikmalaya district that have constructed 6 processing facilities for rice commodity while four districts^[1] have constructed 8 storage facilities.
63. ^[1] 8 storage facilities in 4 districts in Lebak district for mangosteen, in Garut for potatoes, in Magelang district for organic rice and Sumenep district for Shallots

Development Focus

Targeting and Outreach

Rating: 3

Previous rating: 4

Justification of rating

64. The targeting and outreach considerations are rated moderately unsatisfactory. According to the progress report shared by the project, beneficiary selection is at 17,463 HH (equivalent to 58.2% of project target) composed of 17.5% women and about 2,573 youth. So far, 312 groups have benefited from various infrastructure and trained in various commodity training. Indigenous people only exist in four villages in Lebak District covering a total of 157 HHs. In addition, it was not possible to verify if other outreach activities (such as trainings, demonstrations) had reached the same group members benefiting from infrastructure projects or others.

Main issues

65. Beneficiary targeting: The project has experienced challenges in attaining the planned beneficiary target of 30,000HH and wished to reduce it to 15,000 HH. However, according to the project progress data, the beneficiary selection is already at 19,757 HH (equivalent to 66% of project target). The mission is optimistic that the project can reach the design 30,000 HH beneficiary target upon (i) finalisation of beneficiary targeting (ii) identifying additional households outside the CPCL groups. However, it is important that the project first verifies the actual beneficiary targeting on the ground in each district to clarify the current status. The project should also include a breakdown of beneficiary profiles among those targeted in relation to poverty, male, women, youth and targeting of IPs (in Lebak).

66. According to the project progress report, so far, the project has only attained 17% women beneficiaries against a target of 40%. These are women included in the CPCL^[1] The PIM and PDR suggest a target of 44,400 women beneficiaries as well as 15,000. Despite these discrepancies, the project needs to increase the number of women target through mixed and women only groups. The women only groups would also include women in the male registered households. These women should benefit from the already laid down infrastructures, tailored training based on their role in the selected value chains as well as entrepreneurship and processing support.

67. The project has been slow in meeting its youth project targets. The project intended to create employment opportunities for the youth at different levels of the value chains and also through operation and maintenance activities of the various project infrastructures. The project, as part of its social mobilisation, should intentionally engage the youth to create interest in the project activities, develop their capacities and match them with employment opportunities.

68. Targeting and SI responsibilities: As targeting and social inclusion are central to all project components, there is need for a common understanding and approach to project targeting among all project implementers and the consultants. The project does not have a specific staff assigned the role and responsibilities on targeting and social inclusion. This is likely to compromise the project outcomes and sustainability.

69. ^[1] CPCL: Calon Petani Calon Lahan: Prospective Farmers Candidate

Agreed Action	Responsibility	Agreed Date
<p>Status of beneficiary targeting</p> <p>The project to immediately verify the actual numbers of project beneficiaries in each district, including those targeted for activities such as trainings, demos etc and build a master register of target beneficiaries disaggregated by sex, age, IPs, poverty.</p>	M&E Officer	05/2022
<p>Youth employment</p> <p>Identify opportunities of employment (VCs and O&M), skill development and access to relevant resources and match these with the youth profiles in each district (male/female/geography, education etc).</p>	VC expert, Infrastructure expert (O&M)	06/2022
<p>Targeting and social inclusion specialist</p> <p>The project to recruit a specialist/focal point to lead on targeting, gender, youth and social inclusion across all project components.</p>	PMU	07/2022
<p>Scope of work for Targeting and social inclusion</p> <p>Elaborate a targeting, gender and social inclusion project guide detailing project beneficiary profiles (and numbers), specific activities designed to ensure inclusion of the various target groups, roles and responsibilities of implementing partners. Prepare training manuals for the GALs methodology training and use for training of the groups and cooperatives, the aim is increase awareness on gender, workload, leadership, access and control over resources Train the project staff (PMU and PIUs), consultants and the VFs on the project beneficiary targeting, their roles and responsibilities.</p>	Social Inclusion Specialist	07/2022

Gender equality & women's participation **Rating: 3** **Previous rating: 3**

Justification of rating

70. The gender equality & women's participation is rated moderately unsatisfactory. The project has shown slow progress in identifying and engaging women beneficiaries with only 17% of its target groups being women. Specific gender related recommendations in the

targeting and gender strategy are yet to be implemented. It is important for the project to increase women targets, organise them into groups and help access relevant services and skills and participation in project activities, including leadership, access and control of resources and decision making.

Main issues

71. **Increasing the women target group:** The project should proactively increase the number of women targeted by the project activities. Special attention needs to be given to female farmers who are the head of the family either to be actively involved as members of producer groups (farmer groups) and / or post-harvest processing groups. Similar attention is needed for young female farmers. The project needs to be proactive in mobilising women, understand their needs and create interest in project activities and registered as beneficiaries of the project. The roll-out of the GALs methodologies should also be rolled out to address main gender constraints and bottlenecks affecting women and increase their participation in project activities.
72. **Gender mainstreaming:** As stated under targeting, a social inclusion specialist/focal point should be identified/recruited by the PMU to be responsible for gender mainstreaming in the program and ensure that the gender mainstreaming process is an inherent part of the program. The specialist can double up as the targeting and social inclusion officer.
73. **VC gender analysis:** A gender and social inclusion analysis of the value chain for each commodity in the working areas of this project to be conducted to identify the level of involvement and challenges faced by women and men, including female heads of household, from various social backgrounds in the production, post-harvest processing and marketing activities. This should also include specific challenges faced by women such as access to resources (e.g. land and finance), workload, financial literacy etc. The results of the gender analysis will be used as the basis for the development of steps for gender mainstreaming and women's empowerment.
74. **Gender capacity:** Gender training and awareness to be rolled out targeting all project implementers. In addition, training will be needed for the VFs including gender specific methods to be used for social mobilisation.
75. **Women in leadership:** For all groups formed (FOs, Cooperatives etc), targeting measures to be applied to ensure that women take on leadership position and that their voice in decision making is heard e.g use of quotas or use of procedures to ensure that women occupy leadership positions. Following the meetings with individual districts, it was reported that each district had identified numbers of potential women and youth beneficiaries. However, the numbers of women and youth participation were well below targeted numbers. As mentioned in the previous section, the women only represent 17.8% and youth represent 5.4%. Further study through the Feasibility Study can further help define more precisely the women and youth presence in the existing targeted farmer groups.

Agreed Action	Responsibility	Agreed Date
Opportunities for integrating women and youth Conduct an assessment to identify opportunities of engaging women in VCs and procurement and processing activities, including involvement in farmers corporations and access to resources and capacities to be developed. potential increase women and youth participation to the project	SI specialist, Agronomist, VC specialist , Farmers Institution Specialist	07/2022
Training on gender Conduct a training on gender for all project staff and VFs, including	Social Inclusion Specialist	09/2022

Agricultural Productivity

Rating: 3

Previous rating: 3

Justification of rating

76. The agriculture productivity is rated moderately unsatisfactory. Compare to the last mission, the project have made quite significant progress and activity has progress on the ground. The project hired a training specialist mobilised since September 2022. With the support of training consultants, the project has completed a training need assessment (TNA) including the agriculture training plan with several "curriculum" that shows all possible topics and sub-topics the selected commodities to be delivered to farmers. As a positive development, in October to December 2021, the field extension workers (PPL) start the establishment of demplots in each district. A total of 42 demplots finally established in 13 districts. The plan is that each kabupaten will use this as a basis to train farmer representatives and village facilitators (VF) according to their needs. The initial commodity on-farm training were delivered to a total of 489 farmers in 2021.

Main issues

77. However, the mission observed that given the short time frame to implement in 2021, the demplots established were considered less effective, as the project tries to disburse budget quickly in 2021. It is also important to note that the agronomist was not yet recruited when demplots/FFS were conducted at the end of 2021 and therefore, limited technical guidance and follow-up could be provided during this process (the guidance was provided by the training specialist). The mission was informed that all demplots have received provision of ag inputs for the demonstration, however due to procurement delay some district receive the input quite late, which is why some demplots considered failed as it was conducted not during the right planning season and it was not clear if all demplots provide proper introduction of new technology(GAP, drip irrigation, bio-fertilizers, etc.) or production systems with only little improvement from the traditional practices.
78. Extension workers are mainly responsible in providing guidance to the demplot and farmer's field schools implementation, the mission acknowledge the heavy workload they might have. Each extension worker will cover more than 1-2 UPLAND villages, but in addition to that they have other responsibility from other programme. The previous mission advised that the VF could provide support

to the extension workers in facilitating demplot/field school process. However, they will required proper training and to still be guided by the extension workers. And from the mission observation, the VF are too busy with supporting the infrastructure and administration work, therefore the coordination between VF and extension worker/PPL was too limited.

79. In order to deliver much better and effective demplots, FFS and commodity training, the mission suggest the project to improve its demplots and FFS approach. Possible areas of improvement regarding the demplot approach include: (1) smaller demplots but closer to farmers and involving more representatives (5-6 representative per group); (2) more frequent learning sessions following the crop cycle; (3) include comparison between farmers' traditional production system and the improved system promoted by the project (i.e. "conventional vs. SOP") to demonstrate to farmers the increased productivity when following SOP; (4) use of the "kartu kendali" (control card) drafted by the agronomist, and (5) collecting some minimum data for economic assessment (yield, prices), farmers feedback, etc.
80. The mission have prepared a detailed technical guideline (annex1) in order to help project in improving the demplots and technical training delivery on the ground. It is then advised that all designs for demplots/FFS prepared by PIUs for 2022 are shared with the project's agronomist to provide suggestions for improvement before deemplots are being implemented. It will also be important to ensure clarity in target numbers for those demplots/FFS (number of groups – not federation (gapoktan)-, number of farmers representatives joining the FFS sessions, size of plot, etc).

Agreed Action	Responsibility	Agreed Date
<p>Identifying sources of seeds for after 1st input package distributed</p> <p>Clearly identify for each district sources of quality varieties for farmers to use when the support on seeds from the project will end. This is key and could require to set up linkages with private sector or establish seed production groups. Request the private sector to participate in farmers field days where they provide small packs of improved seeds. Farmers can start with this and demand more when they have seen performance on their farms.</p>	Agronomist and DPIUs	05/2022
<p>Trainings</p> <p>TNA should include identification of good trainers/training facilities to facilitate the different trainings provided for farmers. And ensure that those trainings are delivered by qualified persons, following quality standards such as pre/post-tests, use of disaggregated participants lists, training materials adapted to the level of farmers (relatable, practical).</p>	Training specialist with input from Agronomist and DPIUs	05/2022
<p>Improve the approach on demplots</p> <p>Agronomist to provide guidance/recommendations to PIUs on (1) demplots/FFS implementation and (2) use of the reviewed kartu kendali (general meeting with all PIUs). The kartu kendali should be reviewed as per suggestions listed earlier.</p>	Agronomist	05/2022
<p>Review all SOPs</p> <p>Each PIU have developed SOPs for their related commodities. It is recommended that the PIUs share these SOPs with the consultant agronomist for possible improvement.</p>	Agronomist	05/2022

Nutrition

Rating: 3

Previous rating: 3

Justification of rating

81. Targeted support through nutrition-sensitive interventions, such as nutrition trainings, social marketing events, nutrition awareness sessions, and homestead gardens is yet to commence. A rapid nutrition assessment was planned at design, to help identify the key challenges and opportunities specific to project districts and define context specific nutrition interventions at relevant stages of the value chain; but this is yet to be conducted. The project plans to conduct nutrition trainings and hire a nutrition specialist this year, which will be vital for the implementation of nutrition-sensitive interventions.

Main issues

82. **Nutrition mainstreaming strategy and action plan:** This action plan should include a comprehensive nutrition situation analysis that includes district contextual differences), cover nutrition-targeting, nutrition-sensitive interventions, implementing arrangements, roles and responsibilities and targets. The strategy and action plan will benefit from the planned rapid assessment to identify appropriate nutrition interventions at each stage of the value chain to be conducted in each of the 14 project districts. It is also important to clearly define the main target group for the nutrition interventions and the delivery mechanisms through which they will be reached. In the PIM, it states 5,000 women will be targeted for nutrition awareness training and social marketing events and homestead gardens. The project needs to ensure they are targeting the nutritionally vulnerable population groups, at a minimum, pregnant and lactating women and mothers with children under 2 years.
83. **Nutrition Specialist:** There is the need for a technical nutrition specialist to assist with the development and implementation of the nutrition-sensitive interventions within the programme. The recruitment of a nutrition specialist is planned for this year.
84. **Nutrition M&E:** IFADs nutrition core indicator 1.2.8 (Minimum Dietary Diversity for Women) was included in the baseline survey but

issues have been raised regarding the analysis and reporting of the data collected, which does not follow the stipulated methodology defined for the indicator according to the IFAD Core Outcome Indicator Guidelines. The outcome indicator needs to be incorporated into the logframe. For the nutrition outreach CI 1.1.8, data should be disaggregated by all relevant multipliers (Household head, gender, age, IPs).

Agreed Action	Responsibility	Agreed Date
Nutrition Specialist Recruitment of the nutritionist positions to support implementation of the nutrition mainstreaming activities, including development of the action plan and capacity building activities.	PMU	07/2022
Nutrition Assessment Conduct the planned nutrition study in all project districts, to identify the challenges and opportunities specific to each district and the appropriate nutrition interventions to address those challenges.	PMU/Nutrition Specialist	08/2022
Nutrition action plan The action plan will provide a road map for the implementation of nutrition-sensitive interventions and mainstreaming across the project components. The nutrition study will provide key input to assist in the development of the action plan	Nutrition Specialist	08/2022
Homestead garden Introduce homestead gardens for women through the demplots.	Agronomist/Nutrition Specialist	08/2022

Adaptation to Climate Change

Rating: 4

Previous rating: 4

Justification of rating

85. Micro-irrigation was introduced in demplots of Garut, Subang and Minahasa Selatan. The project should follow-up on this initiative and roll-out to more farms and districts. This intervention should be done in partnership with the private sector (micro-irrigation suppliers). In such partnerships the private sector could be requested to provide technical guidance to farmers on the use of their products, follow-up in the long term, subsidized prices to farmers, provide promotional materials (e.g., small starter packs), designing cheap drip-irrigation kits (gravity fed) which are more accessible to poorer HHs, designing visual leaflets to promote the use of micro-irrigation. The first step will be to meet with a range of micro-irrigation suppliers and identify some willing and able to enter into such partnerships with the project. And later to prepare partnership agreements detailing the contributions from the project and the private sector
86. IFAD – INSURED support to UPLAND. The Insurance for Rural Resilience and Economic Development Programme (INSURED) managed by IFAD and funded by the Swedish International Development Cooperation Agency (Sida), financed a feasibility study to assess whether offering climate and agriculture insurance products in two value chains (coffee and shallots) of UPLAND is feasible, and, if so, how such insurance scheme could be embedded within UPLAND and subsequently be scaled nationwide to provide coverage to all farmers in the selected value chains.
87. The study finalised in February 2022 by the Technical Service Provider (TSP) Blue Marble and found that there are enabling conditions to develop sustainable Weather Index Insurance (WII) schemes to protect the selected value chains to make them more resilient to climate risks. The Feasibility Study also provided some specific recommendations on how to ensure that such integration within UPLAND’s interventions is successful. After conversations with MoA, it was agreed that INSURED will continue supporting UPLAND by financing the design and implementation of a sustainable WII scheme to protect coffee in specific districts; and by providing technical assistance to develop a sustainable strategy to integrate the insurance product that is being developed by MoA and JASINDO to protect shallots within specific districts. Currently INSURED is developing the ToRs to select a TSP to carry out these two activities in 2022.

b. Sustainability and Scaling up

Institutions and Policy Engagement

Rating: N/A

Partnership-building

Rating: 4

Previous rating: 3

Justification of rating

88. Partnership building rated as moderately satisfactory. The project brings a unique partnership between the MoA with IFAD and the IsDB, making an important contribution to key government priorities such as poverty alleviation, employment, women and youth empowerment and economic growth in rural areas. In addition, the project will have a distinct focus on public private partnership along the value chain and partnership with regional development banks to promoted inclusive microfinance for smallholder producers.
89. Following Ministry of Agriculture target to form farmer’s corporation (korporasi petani), UPLAND has started an assessment of the situation in 10 districts (focus group discussions with farmers and key stakeholders). The assessment showed that districts that

already have farmer organizations from which the project can continue to build on. Korporasi Petani is seen as prerequisite entity to receive infrastructure/equipment support from the project and also to be the form of farmer's association's legal entity to enter into business relationships with the private sector).

The private sector partners identified are those that already work with farmer groups or DPIUs. For example "kampong marketer" in Purbalinga is a group of young entrepreneurs who established an online marketing platform. In addition, the Microfinance specialist was recruited and conducted an assessment of the situation most districts. In December 2021-February 2022, discussions between DPIUS and local banks were facilitated in five districts and draft MoUs were prepared by the consultant. However, a follow up are required by DPIU to signed this MoUs and roll-out the microfinance scheme in 2022.

Agreed Action	Responsibility	Agreed Date
<p>Access to finance: initiate consultations with banks and MFIs (Micro-Finance Institutions) in district which were not part of the pilot facilitated by consultant</p> <p>Based on the guideline prepared by consultant and experience from the 5 pilot districts, other districts should start consultations with banks to establish MoUs. Consider extending consultant's contract as it might be difficult for PIUs to do that alone given their limited experience working with banks. More than 1 bank should be selected and should consider working with private banks too.</p>	Microfinance	06/2022
<p>Facilitate simple VC action plan for PIUs and cooperatives</p> <p>Rather than pursuing the development of district business plans, the VC consultant will facilitate discussions with PIUs and farmer representatives to (1) harmonize their vision on the development of the target commodities value-chains, (2) prepare a 1-2 pages list of action points at district level and at FO level to achieve these expected results. This work will begin with the review of the value-chain mapping work that was prepared at design stage for each district. See notes below for guidance on this process. Note that the project needs to prioritize this process in districts that will be the first ones to harvest (clearly identify buyers)</p>	VC Specialist	08/2022
<p>Diversify the range of marketing possibilities</p> <p>to promote the use of auctions for cooperatives to sell their products. This could be a good model in some districts but there needs to be other strategies as well (wholesale market, wet market, online marketing platforms, supermarkets, etc.). This should go along with the identification of buyers and facilitating those linkages and discussions.</p>	VC Specialist	08/2022
<p>MoUs with banks in pilot districts</p> <p>Five MoUs have been drafted so far with banks in 5 districts. These MoUs need to be finalized, signed and start implementation as soon as possible.</p>	DPIU, Microfinance Specialist under supervision of PMU	12/2022

Human and Social Capital and Empowerment

Rating: 4

Justification of rating

90. The Human and Social Capital and empowerment are rated moderately satisfactory. The UPLAND Project aims at supporting the establishment of individual enterprises or small group enterprises through empowering smallholder farmers, including women, and youth. In 2021, a number of trainings and capacity building were delivered to farmers group mainly on group management, leadership, operation and maintenance of infrastructure. The commodity on-farm training has been delivered to 489 farmers (including livestock training) of which 72 farmers are women. Further empowerment of farmers will be done through the capacity building of farmers' organisation in 2022 to enable them to manage their organization and build sustainable viable business models.
91. Following Ministry of Agriculture target to form farmer's corporation (korporasi petani), UPLAND has started an assessment of the situation in 10 districts (focus group discussions with farmers and key stakeholders). The assessment showed that 3 districts (Magelang, Banjarnegara, Garut) already have farmer organizations from which the project can continue to build on to strengthen the existing organizations and help these to design a business plan for the target commodities they are involved in. Other districts that do not have any form of legalised farmer organization will receive project's full support and will need to socialize to the target community the different types of legal status that could be appropriate to their business needs. This process will be facilitated by the institution consultant by the end of June 2022.

Quality of Project Target Group Engagement and Feedback

Rating: 3

Previous rating: 3

Justification of rating

92. The quality of beneficiary is rated moderately unsatisfactory. Although farmers group are formed and mobilised, as mentioned above, the target beneficiaries and outreach will need to be improve. A gender and social inclusion analysis of the value chain for each

commodity in the working areas of this project to be conducted to identify the level of involvement and challenges faced by women and men, including female heads of household, from various social backgrounds in the production, post-harvest processing and marketing activities

93. The Project has actively engage 17,463 farmers that have benefited from various infrastructure and trained in various commodity training. The project reported that farmers' are contributing to the infrastructure work for 20% in kind, which are aligned with the project guideline. The in-kind contribution are generally accounted as farmers labour, and contribution in buying the materials for construction work.
94. While the previous mission advised to consider the reduction of farmers group size (from 100 farmer per group to smaller size) for more effective delivery, it seems that the PIU still uses one demplot to cater hundreds of farmers although it was only the group representatives who are expected to attend each session and then transfer the knowledge to the other group members. The mission observed this may not be an effective model, also it is possible that different farmer representative attend at each session which means no continuity. The project also needs to evaluate and monitor the knowledge transfer process if they wish to continue with this approach. However, the mission proposes to consider developing smaller size demplots that are closer to farmers in order for more farmers to be able to visit and learn from these demplots.

Responsiveness of Service Providers	Rating: 3	Previous rating: 3
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Justification of rating

95. The project have deployed two consulting firms for the Project Management Consultant (PMC) and the Design Supervision Consultants (DSC). The PMC is a key support to PMU in project management as well as completing the feasibility study. PMC not only support the PMU but also support DPIU by deploying consultants at regional level. However, the mission observed that the PMC still failed to fill some key important position such as procurement specialist, one at national level and two at regional level. In addition the quality of these consultants will need to be improved to provide better support to PMU.
96. As a support to DPIU, PMC deployed regional consultant to six region, where one region could cover 2-3 districts. However, according to DPIU, the visit of the regional consultants under PMC was insufficient due to the area coverage and distance between districts. The time duration of visit to each district fairly limited and during visit consultants were not able to provide the expected support to DPIU. Travel duration to all districts was similar regardless the distance and travel time. This will need to be assessed and revisit to ensure better support are given to DPIU. The mission suggest that
97. While PMC are providing overall management support, DSC are responsible for preparing detail engineering design following the results of feasibility study and supervision of the infrastructure development. DSC are to work closely with DPIU and famers group the implementation of infrastructure work from design preparation stage, supervision of construction work and supervision of quality of infrastructure upon completion.
98. In addition to this, a number of individual technical consultants such as agronomist, training specialist, value chain specialist and farmers organisation specialist were being recruited. However the mission observed there's a huge disconnect and lack of coordination among all these consultants that result in confusion among the project.
99. The mission recommends to update the TOR for PMC and all individual consultants with agreed key deliverables for the next quarters and clear reporting flow. This will require an exercise where consultants map their services and facilitation supports to respond to PMU and DPIU need. IN addition, a client satisfaction survey will be conducted as a performance assessment by the two consulting firms of PMC and DSC. Based on the survey result, strengthen or replace non performing consultant under PMC Including immediately filled in Procurement Specialist position both at National and Regional level.

Environment and Natural Resource Management	Rating: 4	Previous rating: 3
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Justification of rating

100. Environment and NRM is rated as moderately satisfactory. Overall, there are good efforts to promote improved environment and natural resource management. Demplots are meant to demonstrate Good Agricultural Practices, use of biopesticides, compost. In 2021, several districts have established compost making facilities and integrated pest management (IPM) clinics. In 2022, Integrated Pest Management (IPM) will also be integrated in the FFS curriculum. So far, micro-irrigation was introduced in 2-3 districts only. The project should follow-up on this initiative and roll-out to more farms and districts. This intervention should be done in partnership with the private sector (micro-irrigation suppliers). In such partnerships the private sector could be requested to provide technical guidance to farmers on the use of their products, follow-up in the long term, subsidized prices to farmers, provide promotional materials (e.g., small starter packs), designing cheap drip-irrigation kits (gravity fed) which are more accessible to poorer HHs, designing visual leaflets to promote the use of micro-irrigation
101. A number of adaptive researches are also planned and should contribute to enhancing environment-friendly practices: biogas, "agricultural low emission", "biobased economy", climate-smart agriculture. The project will need to foster replication of good practices demonstrated during these adaptive research (visits by farmers, etc.).

Exit Strategy	Rating:
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Potential for Scaling-up	Rating: 4
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Justification of rating

102. The project only at a very early stage of implementation. However the project offers an opportunity to develop a platform for fostering

an approach that can be scaled up by the Government for achieving its strategic vision for agriculture growth and development, and also to inform future policy and public expenditure. As indicated earlier, the MoA have indicated the potential participation of other districts.

103. Given the significant reduced area, possibility of expanding within current district (adding more villages) are being assessed, although option to expand to new districts are less favourable. While in the context of agriculture insurance scheme developed for shallots under the partnership with IFAD-INSURED, there has been high interest from Ministry of Agriculture, Directorate of Agriculture Financing to expand the pilot of this insurance scheme to other district within Central Java and Sumatra. This will be further discuss with IFAD and Ministry of Agriculture,

c. Project Management

Quality of Project Management	Rating: 3	Previous rating: 4
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Justification of rating

104. Following it's assessment, the mission note that despite the presence of the consultancy team (including PMC, and individual consultants) both at national and regional levels (6 regions) supporting PMU and DPIU, the project management continues to suffer. The mission observed that there's lack of guidance and direction provided by the Project Director. The weak management also reflected from the inconsistency of data and information provided by the project.

Main issues

105. Following the mission objectives, the mission has conducted an in-depth analysis on the functionality and operational arrangement between the PMU and the service providers. Since September 2021 the PMU has mobilized the following service providers: (i) Design and Supervision Consultant (DSC) Team under PTP T. Widy Graha Asana to support district, (ii) Project Management Consultant (PMC) Team, under PT. Trans Intra Asia, at national and regional levels (6 regions to support 13 DPIUs) consisting of Project Management Specialist, Financial Management Specialist, Monitoring and Evaluation Specialist, and Procurement Specialist; and (iii) six individual consultants comprising of Project Implementation Advisor; Agronomist; Capacity Building Specialist; Value Chain Specialist, Micro-Finance Specialist, and Farmer Institution Development Specialist. However, by the time of the mission, Procurement Specialist at national level under PMC has resigned and the position is currently vacant. This will require immediate action from the consulting firm to re-fill this position. In addition, PMU and DPIU staff in general are not working full time (in average 10-40 hours per week).

106. Due to staff promotion and or rotation at district level, turn over staff at DPIU is relatively high and quite unavoidable. Unfortunately, the new appointed staff replacement are not properly trained resulting in the different levels of understanding about the project. The Regional Consultants deployed by PMC (Project Management, Financial Management, Monitoring and Evaluation, and Procurement) were not able to provide ample supports to the DPIUs due to capacity and comprehension of the project, as well as the lack intensity of communication between all project actors. The mission also note the limited guidance and coordination provided by the Project Director. The only coordination meeting between PMU and Project Director are only focusing on project disbursement, no discussion on project implementation, planning and strategy.

107. While district office are managing activities finance using on-granting, provincial office are supporting PMU to channel the fund for district activities that are using "Tugas Perbantuan" (TP) fund flow mechanism (such as training). However, aside from budget channelling, provincial did not have any specific responsibilities, not even supervision and monitoring support in project implementation.

108. Given the lack of coordination and weak operational set up, it is important for the project to establish a proper working mechanism to ensure output alignment of all consultants and establish efficient workflow among the consultants and project staff at all level. This will require an exercise where consultants map their services and facilitation supports to respond to PMU and DPIU need. All consultants' output shall be aligned and coordinated to avoid confusion and overlaps.

Knowledge Management	Rating: 4	Previous rating: 4
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Justification of rating

109. The knowledge management are considered to be moderately satisfactory. The project does not have a dedicated KM staff and no KM plan prepared yet. However, the mission observed that the M&E guidelines includes project plan to generate knowledge of best practices and learning during implementation. This will later be generated and capture in the MIS system featuring communication platform to share findings, stories and lessons learn.

110. Meanwhile the project have Instagram account for each districts and youtube channel to share project activities and promote general information on the selected commodities from each districts. This has shown the huge initiatives from project to disseminate stories and learning.

111. As previously mention, the project is looking at supporting dissemination of the "on shelf" technologies developed by research institute to farmers, through sub-component 3.2 adaptive research activities. The adaptive research will be conducted this year. Knowledge and learning generated from this studies should be captured through the project M&E system and used to inform policy and public investment.

Value for Money	Rating: 3	Previous rating: 3
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Justification of rating

112. The project is expected to deliver physical infrastructure on sustainable basis in a total of 14,201 Ha, which includes farm road, irrigation canals and land management infrastructure. By the time of the mission, the PMU informed the revised total project target area which now only covers 8,176 Ha. The proposed target area reduction resulted in reduced infrastructure investment, e.g., in warehouses (75%), land terracing (71%), pumping and pipeline canals (58%), irrigation system (52%) and road access farm (35%) while, e.g., the targeted irrigation canals have been multiplied by 4.5. The PMU have indicated that due to this area reduction, there are some adjustments to the total allocation of investment in each district and there will be some unspent balance at the end of project year estimated around 29.1 million, with remaining unspent for IFAD around USD 6.4 million and IsDB around USD 22.7 million. This will require a follow up exercise and discussion between MoA, PMU, IFAD and IsDB, to understand better the situation and agree on the next steps. This could include possibilities for the project to expand area within the same 13 districts or to include other potential activities.
113. Following this, a follow up discussion and in-depth assessment will be required between MoA, PMU, IFAD and IsDB to review the associated project costs to inform an updated Economic Financial Analysis (EFA). This discussion will need to take place no later than the third quarter of this year, before the Mid Term Review (MTR) mission take place.

Coherence between AWPB and Implementation	Rating: 4	Previous rating: 3
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Justification of rating

114. The coherence between the AWPB and implementation is rated moderately satisfactory. As of December 31, 2021, the project has achieved 77% of their physical target. The annual expenditure for 2021 amounted about USD 9.3 million (IFAD & IsDB), representing 41% of the total 2021 AWPB, a significant increase from 4% during the last mission. This increase mainly contributed by the implementation of activities at district level that are starting to catch-up. The insufficient quality of procurement process continues to be hindering the speed of implementation. The increase in PMU expenditure is mostly contributed by the payment of consultants and training/workshop activities that were carried out in second half of 2021.

AWPB Inputs and Outputs Review and Implementation Progress

115. About 41% budget as presented in 2021 AWPB has been spent, mainly focusing on activity under Component 1, 2, and 4 of the project. Due to pending reimbursement of on-granting activities in 2021, the achievement could have been potentially higher to 71% of the budget. The realization of on-granting expenditures is about 33% of the budget, increased from about 5% from the previous mission. As for the TP and NPMU, the actual expenditure is around 68% of the allocation in AWPB 2021.
116. There are only a small gap between the physical and financial achievement (including the carried over expenditures to 2022). This gap mainly due to the delay on recording the expenditures as supporting documents should be fulfilled before a payment can be made. As for gap between the target in AWPB and actual achievement in 2021, several factors such as COVID-19, revision on the design after DSC was on-board, delay in procurement process, changes in local government budget format, and tight timeline to complete the construction mainly contributes to relatively low achievement of 2021 expenditures
117. The on-granting activities started to increase in Q3 2021 after the budget and design issues were resolved, and procurement of equipment was in place. The total on-granting allocation for 2021 was approximately IDR 255 billion (equivalent to USD 17.8 million). However, the total expenditure of on-granting allocation was around USD 7 million with USD 6 million have been reimbursed in 2021. An amount of USD 1 million from 2021 on-granting expenditure (IFAD USD 0.3 million; IsDB USD 0.7 million), was being reimbursed on 12th April 2022. This happened due to expenditure being effected too close to closing of financial year so it was inevitable to carry over the reimbursement process to 2022.
118. For 2022 AWPB, IFAD provided a no objection with a total allocation of USD 32 million. As of now, the government has secured USD 14 million for central budget allocation and USD 17.8 million for on-granting in the budget document (DIPA). This 2022 allocation includes the carry over activity and reimbursement from 2021.

Performance of M&E System	Rating: 4	Previous rating: 4
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Justification of rating

119. The project has established a comprehensive M&E guideline in mid-2021 as a guide and tools for data collection, data verification process and reporting. However, in mission views, getting reliable project data and information remains a huge challenge. As M&E is essential for supporting the management in making decision, having a reliable information on project's physical and financial progress is a must. Currently, there is a lack of reliable quantitative and qualitative data due to lack of coordination an unclear of data accountability.

M&E System Review

120. Coordination and reporting flow was not clear resulting inconsistency data across the project, thus making it difficult to assess the project situation. M&E system did not function as expected and this situation need to improve immediately as project activities are catching up. Proper M&E system will be required to ensure project are able to track and monitor its progress.
121. MIS development was slower than expected, due to huge delay in the procurement process. Currently the system is already running, and the project have started testing the system, by inserting project planning (AWPB) and project database such as farmers' profile and farmers' group profile, training information and information around infrastructure construction and/rehabilitation. The system also features the project GIS mapping, allowing project to show location of beneficiaries, the location for land and infrastructure development as well as location of farm demplots.
122. Baseline survey was done in partnership with Agriculture Institute of Bogor (IPB). IPB have almost finalised the baseline survey and during the mission, a discussion was held to provide input to the draft report. Timeline of the study completion was an issue due to

covid restriction on mobility resulting on limitation to conduct proper interview. Unfortunately, the main information related to household asset index was not properly reported making it difficult to understand. The mission suggests IPB to improve and finalise the report following feedback from the mission. PMU will need to provide supervision and oversight during this process.

Social, Environment, and Climate Standards requirements	Rating: 3	Previous rating: 4
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Justification of rating

123. The compliance with SECAP is rated moderately unsatisfactory. The ESMP has defined specific activities to be implemented by the project to address environmental, social and institutional risks. The social risks to be addressed through adequate social mobilisation, Detailed information and engagement with stakeholders including farmers, disadvantaged groups, women and youth. Final plan and design to be endorsed by representative stakeholders; screening of IPs and FPIC, putting in place a functional grievance redress mechanism and guidelines for minor land acquisition to be prepared and approved . Land acquisition programmed and implemented.

Agreed Action	Responsibility	Agreed Date
SECAP Project to familiarise themselves with the SECAP requirements and the ESMP activities and responsibilities	PMU	06/2022
Grievance redress mechanism Put in place functional GRM for use by project beneficiaries and other stakeholders	PMU	06/2022
Social Mobilisation Conduct social mobilisation and project stakeholder engagement to enhance participation, decision making, ownership as well as compliance with social and environmental safeguards.	PMU	07/2022

d. Financial Management & Execution

Acceptable Disbursement Rate	Rating: 2.0	Previous rating: 2
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Justification of rating

124. The disbursement is rated as being unsatisfactory. The total disbursement amount to EUR 5 million, including an advance for start-up costs of EUR 0.3 million in July 2020 and the remaining initial advance of USD 4.7 million in February 2021. The low disbursement trend is due to delay in project start-up and delay implementation at district level. As of August 31, 2021, the total expenditures amount to EUR 485,515.82. The disbursement under IsDB is USD 4.5 million for the initial deposit.

Main issues

125. The level of expenditures remains low both at NPMU and district level, at USD 422,290 and USD 63,226 respectively, due to the delay in the procurement process of Design Supervision Consultant (DSC) and Project Management Consultant (PMC) in early 2021. The expenditure is estimated to increase from September 2021 onwards as PMC and DSC were already on board which may lead to an increase in implementation at the regional and district levels. In addition, some districts have started pre-financing for on-granting and some documents were already sent to the central level for verification to further process the reimbursement.

126. The project has not yet submitted the first WA for the replenishment of the DA which is long overdue. The project has shared a draft WA for review and inputs to the draft were already provided. The project should formally submit the WA to ICP after incorporating the inputs and finalizing the application. The project should regularly submit the WA every 90 days, or when the expenditure is equivalent to 30% of the previous

Agreed Action	Responsibility	Agreed Date
Replenishment/Disbursement Plan Revise replenishment plan for both IFAD and IsDB to accommodate actual condition of expenditures and reimbursement progress The 2022 current plan indicates a disbursement of USD 14 million under IFAD and USD 8.5 million under IsDB.	NPMU	05/2022

Fiduciary aspects

Quality of Financial Management	Rating: 4	Previous rating: 4
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Justification of rating

127.1. The quality of FM is maintained at “moderately satisfactory” in line with the assessment from the last SM. The project has

adequate staffs at PMU and district level and has also developed the MIS for on-granting mechanism. The low expenditures rate is explained by the slow implementation pace of project's activities, especially at district level. Budgeting and flow of funds remain major risk area, that need to be closely monitored as implementation catches up in the districts (i.e. ensure timely budget availability and reimbursement request process). The preparation of community bookkeeping manual should be accelerated as district level implementation improves. The training on manual should be delivered to regional and district FM personnel

Main issues

128. **Organization and Staffing.** The FM team at PMU is fully staffed, with one FM manager and five support staff. The FM specialist was recruited under PMC in mid-September 2021. The FM specialist has experience with IFAD-funded project but not with the financial reporting requirements. There are another seven FM personnel under PMC assigned at regional level; each personnel handling two districts. The on-granting officers in all districts are now already hired. The FM consultant should finalize a manual for community bookkeeping and deliver training on this manual to district personnel.
129. **Budgeting.** The 2021 government-budget document secured IDR 104 billion (EUR 7 million) under IFAD financing, of which 80% is from the on-granting component. As of September 2021, from 2021 total allocation of on-granting (IFAD, IsDB) of IDR 241 billion; the actual realization is only around IDR 9.13 billion (4%). There is a potential balance under 2021 on-granting allocation totaling IDR 97 billion. The project should optimize the implementation in October and November to ensure the reimbursement will be made on-time. The project should finalize the 2022 AWPB and start the preparation of on-granting budget to ensure adequate funds are available for implementation.
130. **Funds Flow & Disbursement arrangement.** The project has not yet submitted the first WA for replenishment of DA; however, the draft of the first WA for replenishment totaling EUR 347,000 has been recently prepared and it was shared for a final review prior to its submission to IFAD through CP.
131. The funds flow to district government is conducted with 2 methods: on-granting (pre-financed) and *Tugas Pembantuan* (budget is assigned to local taskforce). For on-granting construction activity, the LG will transfer the grants to farmers group's bank account in two tranches (70%, 30%). The 2nd tranche is made after implementation reaches 50% and the utilization report is submitted. All withdrawal proposals will be verified by facilitators. This mechanism, however, has not been captured in a guideline. The mechanism and reporting format should be included in the manual prepared by FM specialist. Further assessment on implementation of on-granting at district level should be conducted once implementation improved.
132. **Internal Control.** Payments are generally supported with documents and verification worksheet signed by authorized personnel. However, the review shows some gaps that need to be corrected, such as: (1) hotel payments for meeting held in February and April 2021 are not supported with contract, invoice, or documents for basis of the payment made; (2) the specification of each item listed in the quotation from supplier for procurement of PMU's field equipment is not clear, thus indicating an overpriced for few items; (3) payment for training meeting to coffee research centre is not supported with contract, invoice, training materials, and event report; (4) payment for vehicle rental includes GST 10%.
133. **Accounting & Financial Reporting.** The project has developed on-granting application to facilitate the reimbursement process from district to central level. The application/system will be incorporated to MOA's server and will be shared to IFAD for further inputs once the issue is resolved. The project should explore the use of application by applying dashboard to reflect some statistics or financial progress, not limited to the document upload feature. The project may also coordinate with READSI for the improvement of application. The bi-annual IFR that due on August 15, 2021, has not been submitted to IFAD.
134. From the last SM, some recommendations, such as development of community bookkeeping manual and MIS for project financial reporting, have not been followed up yet.

Agreed Action	Responsibility	Agreed Date
MIS for on-granting Finalize MIS for reimbursement verification process by July 2021; liaise closely with READSI. Conduct training on reimbursement process and the application of the reimbursement MIS to district team	NPMU	07/2021
Training for project financial management All project's FM staff to carry out the on-line IFAD FM training. Tailored training will be provided by IFAD RO.	NPMU	07/2021
Manual for Community Bookkeeping The FM specialist to prepare the manual for community bookkeeping, including reporting format and beneficiaries contribution recording mechanism. Training on this manual to FM personnel and related personnel of UPLAND	MOA, PMC	11/2021
IFR and Unaudited Financial Statement The project to prepare quarterly Interim Financial Reports and unaudited financial statement as stated in the LTB.	NPMU, PMC	05/2022
Manual for Community Bookkeeping Finalization of manual for community bookkeeping and deliver the training/coaching on this manual to regional and district personnel	NPMU	06/2022
On-granting Application To accelerate the implementation of on-granting application, to provide training/refresher to the district and regional units	NPMU, PMC	06/2022
Audit Report Submission of an audit report covering 2020 and 2021 implementation year	NPMU, BPKP	06/2022

Quality and Timeliness of Audit

Rating: 4

Justification of rating

135. FMD hasn't received the Audit report for 2020-2021 and is not aware of the FM situation independently observed

Counterparts Funds

Rating: 3

Previous rating: 3

Justification of rating

136. The counterpart contribution is rated as being moderately unsatisfactory. The counterpart's allocation was budgeted at IDR 0.4 billion for FY 2020 and IDR 41 billion for the FY 2021. Gol contribution has been provided to the project in terms of salaries of all PMU, PIU, extension workers and by waiving taxes and duties. However, the project has not yet developed a system to capture, monitor and report the Gol contribution that can be claimed under the UPLAND project. The project will accelerate the reporting on counterpart contribution by preparing the manual/guideline as well as reporting format to record contribution from various sources of funds including beneficiaries. This manual is estimated to complete before the end of 2021.

Main issues

137. According to the PDR, the Gol will contribute US\$ 17.1 million (11.3%) by financing salaries of all NPMU, PIU, extension workers and by waiving taxes and duties. The project beneficiaries are expected to contribute US\$ 14 million (9.3%) to co-finance the purchase of basic and advanced machinery, equipment, building storage and production facility under component 1 and 2 –and “private sector partners” –which are companies investing on seed potato and potato commodities-related activities -will contribute US\$ 24,000 of the total project cost.

138. The project has not yet implemented the recommendation to set up mechanism for capturing, monitoring, and reporting the cash and in-kind contribution from Gol, beneficiaries, and the private sector. Through the PMC that was on board in September 2021, the project will start the preparation to set up the mechanism by preparing a guideline which will consist of recording mechanism, reporting format, verification process, and required supporting documents.

Compliance with Loan Covenants

Rating: 4

Previous rating: 4

Justification of rating

139. The project is compliant with most of legal covenants of the FA and GC, with the exception of counterpart financing progress, but it is also noted that most covenants are still ongoing and not complete and not yet due or continuous.

Procurement

Procurement	Rating: 4	Previous rating: 4
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Justification of rating

140. The UPLAND project procurement performance is considered moderately satisfactory. In principle, the project has conducted procurement activities in accordance both to Indonesian Presidential Regulation 16/ 2018, which are in line with IFAD procurement guidelines. However due to the usage of a second system, namely the IsDB procurement guidelines, has caused some administrative delays during implementation, as the PMU needed to adapt itself to this other system.

Procurement Review

141. The mission conducted a follow up review on the implementation of the recommendation from the previous supervision mission held in October 2021. A separate procurement review will be undertaken in the next few months to update the performance rating in the procurement section. The project had signed a contract with PT Trans Intra Asia (PT. TIA) on 1st September 2021 to deploy the PMC team. PT TIA has to deploy the consultants as agreed in the contract agreement. During the mission, as informed by the project, the procurement specialist consultant has not reported to the project since February 2022. PT. TIA has deployed four regional procurement officers for two interim regional procurements. However, the mission found out that the two interim regional procurement officers do not have the expected qualification as agreed in the contract agreement, i.e. no procurement certification from the LKPP. Hence, it is crucial to ensure the availability of the qualified regional procurement officer to assist the Project Region 3 (Magelang, Purbalingga, and Banjarnegara Districts) and Region 4 (Malang and Sumenep Districts).

142. The mission observed that there is a lot of improvement needed on the quality of procurement plan and identification of need prepared by the project. The planning documents in general were in poor quality due to lack of coordination and limited involvement of the procurement specialist and procurement officers. The mission found out that the procurement plan was prepared by the Project Implementation Advisor, who does not have qualifications and proper understanding in GoI Procurement mechanism and regulation. Therefore, link to the proposed improvement of working mechanism, the segregation of duty based on expertise of the respective project personnel are clearly needed.

143. In December 2021, IFAD has communicated the revised LTB on the provision of project procurement. Therefore, it is important for the PMU to update the PIM with taking into account the revision of certain IFAD's requirement. For instance, provision on contract monitoring, procurement method, prior and post review threshold, etc

144. In addition to the agreed action in the table 1 above, following are some technical details that require follow up by the Procurement Officer and Procurement Specialist under PMU and PMC.

e. Key SIS Indicators

Likelihood of Achieving the Development Objective	Rating: 3.43	Previous rating: 3.35
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Assessment of the Overall Implementation Performance	Rating: 3.5	Previous rating: 3.53
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F. Relevance

Relevance	Rating: 5	Previous rating: 4
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Justification of rating

145. The relevance of the project is rated satisfactory. The current design approach is consistent with national development priorities in increasing diversified agricultural production in uplands areas. The UPLAND Project aligns with and directly contributes to national medium-term and sector strategy targets related to poverty reduction, reducing inequality and improvements in smallholder farmer welfare through community empowerment, group strengthening and market linked enterprise development.

G. Agreed Actions

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Overview and Project Progress		

<p>Establish and strengthened project working mechanism between the service providers PMU and DPIUs</p> <p>Update the TOR of all PMC consultants and individual consultants with key deliverables for the next quarters with clear reporting flow to ensure output alignment of all consultants and establish regular coordination among the consultants at all. This will be conducted in a workshop attended by all service providers, PMU and DPIUs.</p>	<p>PMC, DSC, individual consultants under supervision of PMU</p>	<p>05/2022</p>
<p>Strengthening PMU and DPIUs' staff (capacity building):</p> <ol style="list-style-type: none"> 1. Refresher training to all staff (including new staff, PMU and DPIUs) on project sequence activity, including refresher training for Finance Management, M&E, Procurement and Project Targeting. 2. Ensure proper training/coaching is provided to finance verification team at central and district level. 3. Project Director to engage more actively in providing oversight and guidance to the Project Manager, PMU and service providers 	<p>PMU, DPIUs, PMC and Village Facilitators with support from IFAD and IsDB</p>	<p>05/2022</p>
<p>Monitoring Evaluation and Reporting</p> <p>Improve record management and reporting quality – Interim Financial Report, contract register, supporting document for all transaction (reimbursement)</p>	<p>2. PMU M&E officer</p>	<p>05/2022</p>
<p>Replenishment/Disbursement Plan</p> <p>Revise replenishment plan for both IFAD and IsDB to accommodate actual figure and expenditures and to ensure adequate balance in the DA The 2022 current plan indicates a disbursement of USD 14 million under IFAD and USD 8.5 million under IsDB. PMU will process the initial deposit for ISFD loan under IsDB in amount of approximately USD 500,000 to support microfinance activity under sub-component 2.4</p>	<p>PMU, MoA, MoF</p>	<p>05/2022</p>
<p>Revitalized Provincial Agriculture Office (Dinas Pertanian Propinsi) role to improve coordination and oversight to district</p> <p>Given that Provincial is providing its authorization to district activities finance by Central level, it is important to include provincial office as part of coordination function. PMU will allocate operational budget to provincial team as necessary.</p>	<p>PMU, MoA, Province Dinas Pertanian</p>	<p>06/2022</p>
<p>Improving PMU delivery capacity including strengthening support from PMC, DSC and individual consultants</p> <ol style="list-style-type: none"> 1. PT TRANS INTRA ASIA (consulting firm/PMC) conduct an assessment of the performance of each PMC team through client satisfaction survey (PMU, DPIU). Based on the survey result, strengthen or replace non performing consultant under PMC Including immediately filled in Procurement Specialist position both at National and Regional level 2. Review PMC's regional consultants working time (time sheet and agreed output) to each district under his/her responsibility and re-consider travel cost as needed to ensure adequate support are given to DPIUs 3. PT Widya Graha Asana (consulting firm/DSC) conduct an assessment on the performance of each DSC team though client satisfaction survey (PMU & DPIU). Based on the survey result, strengthen or replace non-performing consultant under DSC. 	<p>1. PT Trans Intra Asia in consultation with PMU and DPIUs 2. PT Trans Intra Asia in consultation with DPIUs 3. PT Widya Graha Asana in consultation with PMU and DPIUs</p>	<p>06/2022</p>
<p>Monitoring Evaluation and Reporting</p> <p>Ensure the MDD-W baseline data is analysed and reported in accordance with the COI methodology, and the Nutrition Core Indicators are incorporated into the Project Log frame</p>	<p>PMU M&E officer/PMC M&E specialist</p>	<p>06/2022</p>
<p>Monitoring Evaluation and Reporting</p> <p>Submit regular bi-monthly progress report including project constraint, challenge and counteraction by PMU</p>	<p>PMU M&E officer/PMC M&E specialist</p>	<p>06/2022</p>

<p>Follow up discussion on the reduced target area compare to agreed area during design</p> <p>An in-depth discussion and assessment will be required between MoA, PMU, IFAD and IsDB to review the associated project costs to inform an updated Economic Financial Analysis (EFA). This discussion will need to take place no later than the third quarter of this year, before the Mid Term Review (MTR) mission take place.</p>	PMU, IFAD, IsDB, MoA	06/2022
<p>Audit Report</p> <p>Submission of an audit report covering 2020 and 2021 implementation year</p>	PMU, BPKP	06/2022
<p>Monitoring Evaluation and Reporting</p> <p>Improve data quality. Validate all data in all levels and start input process to MIS with disaggregated all data by gender and age (ethnicity – IPs)</p>	1. PMU/PMC/DPIU, M&E officer in coordination with PMC and individual consultant	08/2022
Development Effectiveness		
<p>Status of beneficiary targeting</p> <p>The project to immediately verify the actual numbers of project beneficiaries in each district, including those targeted for activities such as trainings, demos etc and build a master register of target beneficiaries disaggregated by sex, age, IPs, poverty.</p>	M&E Officer	05/2022
<p>Identifying sources of seeds for after 1st input package distributed</p> <p>Clearly identify for each district sources of quality varieties for farmers to use when the support on seeds from the project will end. This is key and could require to set up linkages with private sector or establish seed production groups. Request the private sector to participate in farmers field days where they provide small packs of improved seeds. Farmers can start with this and demand more when they have seen performance on their farms.</p>	Agronomist and DPIUs	05/2022
<p>Trainings</p> <p>TNA should include identification of good trainers/training facilities to facilitate the different trainings provided for farmers. And ensure that those trainings are delivered by qualified persons, following quality standards such as pre/post-tests, use of disaggregated participants lists, training materials adapted to the level of farmers (relatable, practical).</p>	Training specialist with input from Agronomist and DPIUs	05/2022
<p>Improve the approach on demplots</p> <p>Agronomist to provide guidance/recommendations to PIUs on (1) demplots/FFS implementation and (2) use of the reviewed kartu kendali (general meeting with all PIUs). The kartu kendali should be reviewed as per suggestions listed earlier.</p>	Agronomist	05/2022
<p>Review all SOPs</p> <p>Each PIU have developed SOPs for their related commodities. It is recommended that the PIUs share these SOPs with the consultant agronomist for possible improvement.</p>	Agronomist	05/2022
<p>Youth employment</p> <p>Identify opportunities of employment (VCs and O&M), skill development and access to relevant resources and match these with the youth profiles in each district (male/female/geography, education etc).</p>	VC expert, Infrastructure expert (O&M)	06/2022
<p>Targeting and social inclusion specialist</p> <p>The project to recruit a specialist/focal point to lead on targeting, gender, youth and social inclusion across all project components.</p>	PMU	07/2022

<p>Scope of work for Targeting and social inclusion</p> <p>Elaborate a targeting, gender and social inclusion project guide detailing project beneficiary profiles (and numbers), specific activities designed to ensure inclusion of the various target groups, roles and responsibilities of implementing partners.</p> <p>Prepare training manuals for the GALs methodology training and use for training of the groups and cooperatives, the aim is increase awareness on gender, workload, leadership, access and control over resources</p> <p>Train the project staff (PMU and PIUs), consultants and the VFs on the project beneficiary targeting, their roles and responsibilities.</p>	Social Inclusion Specialist	07/2022
<p>Opportunities for integrating women and youth</p> <p>Conduct an assessment to identify opportunities of engaging women in VCs and procurement and processing activities, including involvement in farmers corporations and access to resources and capacities to be developed. potential increase women and youth participation to the project</p>	SI specialist, Agronomist, VC specialist , Farmers Institution Specialist	07/2022
<p>Nutrition Specialist</p> <p>Recruitment of the nutritionist positions to support implementation of the nutrition mainstreaming activities, including development of the action plan and capacity building activities.</p>	PMU	07/2022
<p>Nutrition Assessment</p> <p>Conduct the planned nutrition study in all project districts, to identify the challenges and opportunities specific to each district and the appropriate nutrition interventions to address those challenges.</p>	PMU/Nutrition Specialist	08/2022
<p>Nutrition action plan</p> <p>The action plan will provide a road map for the implementation of nutrition-sensitive interventions and mainstreaming across the project components. The nutrition study will provide key input to assist in the development of the action plan</p>	Nutrition Specialist	08/2022
<p>Homestead garden</p> <p>Introduce homestead gardens for women through the demplots.</p>	Agronomist/Nutrition Specialist	08/2022
<p>Training on gender</p> <p>Conduct a training on gender for all project staff and VFs, including</p>	Social Inclusion Specialist	09/2022
Sustainability and Scaling up		
<p>Access to finance: initiate consultations with banks and MFIs (Micro-Finance Institutions) in district which were not part of the pilot facilitated by consultant</p> <p>Based on the guideline prepared by consultant and experience from the 5 pilot districts, other districts should start consultations with banks to establish MoUs. Consider extending consultant's contract as it might be difficult for PIUs to do that alone given their limited experience working with banks. More than 1 bank should be selected and should consider working with private banks too.</p>	Microfinance	06/2022

<p>Facilitate simple VC action plan for PIUs and cooperatives</p> <p>Rather than pursuing the development of district business plans, the VC consultant will facilitate discussions with PIUs and farmer representatives to (1) harmonize their vision on the development of the target commodities value-chains, (2) prepare a 1-2 pages list of action points at district level and at FO level to achieve these expected results. This work will begin with the review of the value-chain mapping work that was prepared at design stage for each district. See notes below for guidance on this process. Note that the project needs to prioritize this process in districts that will be the first ones to harvest (clearly identify buyers)</p>	VC Specialist	08/2022
<p>Diversify the range of marketing possibilities</p> <p>to promote the use of auctions for cooperatives to sell their products. This could be a good model in some districts but there needs to be other strategies as well (wholesale market, wet market, online marketing platforms, supermarkets, etc.). This should go along with the identification of buyers and facilitating those linkages and discussions.</p>	VC Specialist	08/2022
<p>MoUs with banks in pilot districts</p> <p>Five MoUs have been drafted so far with banks in 5 districts. These MoUs need to be finalized, signed and start implementation as soon as possible.</p>	DPIU, Microfinance Specialist under supervision of PMU	12/2022
Project Management		
<p>SECAP</p> <p>Project to familiarise themselves with the SECAP requirements and the ESMP activities and responsibilities</p>	PMU	06/2022
<p>Grievance redress mechanism</p> <p>Put in place functional GRM for use by project beneficiaries and other stakeholders</p>	PMU	06/2022
<p>Social Mobilisation</p> <p>Conduct social mobilisation and project stakeholder engagement to enhance participation, decision making, ownership as well as compliance with social and environmental safeguards.</p>	PMU	07/2022
Financial Management & Execution		
<p>MIS for on-granting</p> <p>Finalize MIS for reimbursement verification process by July 2021; liaise closely with READSI. Conduct training on reimbursement process and the application of the reimbursement MIS to district team</p>	NPMU	07/2021
<p>Training for project financial management</p> <p>All project's FM staff to carry out the on-line IFAD FM training. Tailored training will be provided by IFAD RO.</p>	NPMU	07/2021
<p>Manual for Community Bookkeeping</p> <p>The FM specialist to prepare the manual for community bookkeeping, including reporting format and beneficiaries contribution recording mechanism. Training on this manual to FM personnel and related personnel of UPLAND</p>	MOA, PMC	11/2021
<p>IFR and Unaudited Financial Statement</p> <p>The project to prepare quarterly Interim Financial Reports and unaudited financial statement as stated in the LTB.</p>	NPMU, PMC	05/2022

<p>Replenishment/Disbursement Plan</p> <p>Revise replenishment plan for both IFAD and IsDB to accommodate actual condition of expenditures and reimbursement progress The 2022 current plan indicates a disbursement of USD 14 million under IFAD and USD 8.5 million under IsDB.</p>	NPMU	05/2022
<p>Manual for Community Bookkeeping</p> <p>Finalization of manual for community bookkeeping and deliver the training/coaching on this manual to regional and district personnel</p>	NPMU	06/2022
<p>On-granting Application</p> <p>To accelerate the implementation of on-granting application, to provide training/refresher to the district and regional units</p>	NPMU, PMC	06/2022
<p>Audit Report</p> <p>Submission of an audit report covering 2020 and 2021 implementation year</p>	NPMU, BPKP	06/2022

Indonesia

The Development of Integrated Farming Systems in Upland Areas Supervision Report

Logical Framework

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

The Development of Integrated Farming Systems in Upland Areas

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
Outreach	1.a Corresponding number of households reached							PMU reports	Annual	PMU & PIUs	
	Women-headed households					3 053					
	Non-women-headed households					14 409					
	Households		15 000	30 000	0	17 463	58.21				
	1.b Estimated corresponding total number of households members							PMU reports	Annual	PMU & PIUs	
	Household members					69 851					
	1 Persons receiving services promoted or supported by the project							PMU reports	Annual	PMU & PIUs	
	Males					14 409					
	Females		5 000	15 000		3 053	20.4				
	Young		5 000	7 500		2 573	34.3				
	Indigenous people					517					
Total number of persons receiving services		5 000	15 000		17 462	116.4					
Project Goal Reduce poverty and enhance food security in upland areas through remunerative, sustainable and resilient livelihoods.	Population below the poverty line in the 14 project districts							Indonesia Bureau of Statistics	Mid-term review & project closing	PMU	Continued Gol commitment to promote uplands agriculture
	People	13.9		13							

Results Hierarchy	Indicators						Means of Verification			Assumptions		
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility	
Development Objective Assist rural households to increase smallholders' agriculture productivity, incomes, livelihoods and resilience in the targeted uplands	Households that have increased their asset ownership							Third Party Survey by the Project	Mid-term review & Project Completion survey	PMU	Local and international demand for key crops does not suffered prolonged collapse in prices or demand volumes. Farmers do not suffer from prolonged or repeated draughts or other adverse climate conditions or natural disasters.	
	Households											
	Households		5 000	20 000								
	UPLANDs HHs receiving project investments, technical support and/or services (including nutrition)							Third Party Survey by the Project	Mid-term review & Project Completion survey	PMU		
	Households		10 000	30 000								
	Women		5 000	15 000								
Youth		5 000	7 500									
Outcome 1. Increase in poor rural people's productive capacities	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices						Project survey	Semi-annual	PMU & project partners	Sufficient numbers of upland smallholder are interested in improving their production rather than leaving farming or switching to other production systems entirely. Good quality genetics and other critical are available in sufficient quantities to allow widespread adoption.		
	Households		8 000	20 000								
	1.2.4 Households reporting an increase in production						Project survey	Semi-annual	NPMU & project partners			
	Households		6 000	22 000								

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility
Output 1.1 Physical Infrastructure schemes constructed or rehabilitated	3.1.4 Land brought under climate-resilient practices							Project reports	Semi-annual	PMU & project partners	Sufficient numbers of upland smallholder are interested in improving their production rather than leaving farming or switching to other production systems entirely. Good quality genetics and other critical are available in sufficient quantities to allow widespread adoption.
	Hectares of land		5 000	14 000		250	1.786				
	1.1.4 Persons trained in production practices and/or technologies							Project reports	Semi-annual	PMU & project partners	
	Men trained in crop					335					
	Women trained in crop	2 800	12 000			66					
	Young people trained in crop					0					
	Men trained in livestock					91					
	Women trained in livestock					6					
	Young people trained in livestock					0					
	Men trained in forestry					0					
	Women trained in forestry					0					
	Young people trained in forestry					0					
	Total persons trained in crop	2 800	12 000			401					
	Total persons trained in livestock					97					
	Total persons trained in forestry					0					

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility
Output 1.2 Production technical support and machinery provided on sustainable basis	Farmer groups operating & maintaining machinery & equipment							Project reports	Semi-annual	PMU & project partners	Sufficient numbers of upland smallholder are interested in improving their production rather than leaving farming or switching to other production systems entirely. Good quality genetics and other critical are available in sufficient quantities to allow widespread adoption.
	Farmer groups		200	600							
	1.1.5 Persons in rural areas accessing financial services						Project reports	Semi-annual	PMU & project partners		
	Men in rural areas accessing financial services - credit					0					
	Women in rural areas accessing financial services - credit		1 200	4 000		0				0	
	Young people in rural areas accessing financial services - credit					0					
	Total persons accessing financial services - credit		1 200	4 000		0				0	
	Enterprises					0					
Active Borrowers (Enterprises)					0						
Outcome 2. Increase poor rural people's incomes from enhanced processing and/or market participation	2.2.6 Households reporting improved physical access to markets, processing and storage facilities						Project survey and M&E data	MTR and project Completion surveys	PMU	Agribusiness interested in expanding market links with upland smallholders	
	Households reporting improved physical access to markets		50	80							
	Households reporting improved physical access to processing facilities										
	Households reporting improved physical access to storage facilities										
	2.2.5 Rural producers' organizations reporting an increase in sales						Project survey and M&E data	MTR and project Completion surveys	PMU		
	Percentage of rural POs		40	70							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
	HHs reporting improved incomes from improved processing/market linkages							Project survey and M&E data	MTR and project Completion surveys	PMU	
	Households		5 000	22 000							
	Female		2 000	4 000							
Output 2.1 Farmer post-harvest business established, equipped and supported on sustainable basis	2.1.6 Market, processing or storage facilities constructed or rehabilitated							Project reports	Semi-annual	PMU & project partners	Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of MoA to have genuine PPP with private firms.
	Total number of facilities		30	180		16	8.889				
	Market facilities constructed/rehabilitated		30	180		0	0				
	Processing facilities constructed/rehabilitated					14					
	Storage facilities constructed/rehabilitated					2					
Output 2.2 Business management and technical training delivered	2.1.2 Persons trained in income-generating activities or business management							Project reports	Semi-annual	PMU & project partners	Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of MoA to have genuine PPP with private firms.
	Females		50	200		0	0				
	Persons trained in IGAs or BM (total)		50	200		0	0				
Output 2.3 Commodities with higher value participation in markets											

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
Output 2.4 Farmer/businesses with enhanced access to finance	1.1.5 Persons in rural areas accessing financial services							Project reports	Semi-annual	PMU & project partners	Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of MoA to have genuine PPP with private firms.
	Men in rural areas accessing financial services - credit					0					
	Women in rural areas accessing financial services - credit		2 000	8 000		0	0				
	Young people in rural areas accessing financial services - credit					0					
	Total persons accessing financial services - credit		2 000	8 000		0	0				
	Enterprises					0					
	Active Borrowers (Enterprises)					0					
Outcome 3. Enhanced delivery of UPLANDs services and research	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices							Project survey and M&E data	MTR and Project Completion surveys	PMU	Smallholders willness to engage in commercialization of target commodities
	Households		33	80							
	PIUs on schedule with on-granting, procurement targets							Project survey and M&E data	MTR and Project Completion surveys	PMU	
	PIUs on schedule		50	95							
Output 3.1 Commodity training courses prepared and delivered	Extension receiving commodity specific training							Project reports	Semi-annual	PMU & project partners	Capacity building and technical support timely and of adequate quality
	Extension		231	231							
Output 3.2 Intensive PIU on-granting and procurement mentoring	PIU staff trained in on-granting and procurement							Project reports	Semi-annual	PMU & project partners	Capacity building and technical support timely and of adequate quality
	PIU staff trained		28	28							

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

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

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

Table 1A: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD Loan	50,000	6,354	13%
IsDB Loan	70,000	14,500	21%
IsDB Grant	280	-	0%
Government	17,097	1,259	7%
Beneficiary	14,034	1,332	10%
Private Sector	24	-	0%
Total	151,435	23,445	16%

Table 1B: Financial performance by financier by component (USD '000)

Component	IFAD loan			ISDB Loan			ISDB Grant			Government			Beneficiary			Private Sector			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Productivity enhancement and resilience building	36,050	1,808	5	43,516	4,007	9				11,534	1,259	11	11,833	1,332	11				102,934		0
2. Agribusiness and Livelihood Facilitation	4,517	53	1	11,140	297	3				1,388			2,201			22			19,269		0
3. Strengthening Institution Delivery System	2,733	96	4	1,608	0	0	280			462									5,084	0	0
4. Project Management	6,700	1,332	20	13,736	1,816	13				3,713									24,169	1,084	5
5. DA		3,065			8,380															11,445	
Total	50,000	6,354	13	70,000	14,500	21	280	0	0	17,097	1,259		14,034	1,332	10				151,435	23,445	16

Table 1C: IFAD loan disbursements (USD, as at March 16, 2022)

Category	Category	Original Allocation	Disbursement	W/A pending	Exp. not yet submitted	Balance	%
1	Consultancies	420	104			316	25%
2	Grants and Subsidies	5,399	483			4,916	9%
3	Good, Services and Inputs	31,791	1,252			30,539	4%
4	Training	9,171	575			8,596	6%
5	Equipment and Material	183	0.00			183	0%
6	Operating Cost	3,036	875		0	2,161	29%
7	Advance Account		3,065			(3,065)	
	Total	50,000	6,354	0	0	43,646	13%

Appendix 3: Compliance with legal covenants: status of implementation

Section	Covenant	Target / Action Due Date	Compliance Status / Date	Remarks
Financing Agreement				
B 6	There shall be one Designated Account in EURO, opened and maintained by the Ministry of Finance ("MOF"), at Bank Indonesia ("BI), or any other bank assigned by the Ministry of Finance for the exclusive use of the Project. The Borrower shall inform IFAD of the officials authorized to operate the Designated Account	Program launch	Complied	Designated Account in EURO have been opened at BI
B 7	The Borrower shall provide counterpart financing to the project in the amount of approximately fifteen million three hundred thousand euro (EUR 15 300 000) in the form of taxes on project expenditure, staffing costs and other in-kind contributions.	Continuous	On-going	The project shall develop a mechanism to capture government and beneficiaries in-cash and in-kind contribution for the project, as well as detail per component for each contribution
C3	A Mid Term Review will be conducted early in year three of the Project and as specified in Article VII, Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid Term Review of the implementation of the Project	2022	Not yet due	
C4	The Project Completion Date shall be the fifth anniversary of the date of entry into force of this Agreement and the Financing Closing Date will be established as specified in the General Conditions		Not yet due	
E 2 (a)	The IFAD no objection to the PIM shall have been obtained;	Conditions precedent to withdrawal	Complied	
E 2 (b)	PMU shall have been established and key staff in the PMU shall have been appointed, (Project Manager/Director, Financial Officer and Monitoring and Evaluation Officer); and	Conditions precedent to withdrawal	partially	
E 2 (c)	The designated Account shall been dully opened and the names of the authorized signatories shall have been submitted to IFAD	Conditions precedent to withdrawal	Complied	

GC Section 7.01 (b) (ii) AWPB	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.	31 October of each year	Complied and ongoing	The AWPB 2022 was submitted on November 8, 2021 and approved by IFAD on February 7, 2022.
GC Section 8.01	Maintenance of records and documents adequate to reflect project operations until project completion date and for at least ten years thereafter.	Continuous	Complied and on-going	
GC Section 8.02	Establishment and maintenance of information management system	Continuous	Partially complied	Only MIS for on-granting that was complete.
GC Section 8.03 a	Submission of periodic progress reports to IFAD	Continuous	Complied and on-going	
GC Section 9.01	Maintenance of separate accounts and records until the Financing Closing Date, and at least ten (10) years thereafter.	Continuous	Complied and on-going	
GC Section 9.02	Submission to IFAD of detailed financial statements for each Fiscal Year within four (4) months of the end of each Fiscal Year.	Continuous	Complied and ongoing	The 2020 unaudited financial statement was submitted with delay. The 2021 F/S is due on April 30, 2022.
GC Section 9.03	Audit of accounts for each Fiscal Year and submission to IFAD of audit report and management letter within six (6) months of the end of each Fiscal Year	Continuous	Not yet due	The first audit report covers 2020 and 2021 will be due on June 30, 2022.
GC Section 11.01 (a)	Financing shall be exempt from all taxes	Continuous	Partially Complied	Few transactions were identified including taxes. Refund to DA has yet to be made.
Letter to Borrower				
Para 24	As provided in Section 7.05 of the General Conditions, procurement of goods, works and services shall be carried out in accordance with the National Procurement Laws (Perpres 16/2018) and any subsequent amendments to the extent such are consistent with IFAD Procurement Guidelines	Continuous	Complied	
Para 36	Submission of interim financial reports within 45 days of the end of each quarter	Continuous	Complied with delay	IFR 2 nd semester 2021 was submitted on time, by end of Feb 2022.
Para 39	Log of Audit Observations to be maintained and updated regularly. A copy of this log is to be included as part of supervision and mid term review reports	Continuous	Not yet due	

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Appendix 2: Physical progress measured against AWP&B

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
1. Banjarnegara							coffee, sheeps/goats
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
	- farm roads	metre	47,883	16,085	18,391	114.34%	
	-irrigation system (pump,pe,tanks)	metre	30,477	8,277	6,112	73.84%	
<u>Sub-Component 1.2: Production and Farm Management.</u>							
A. Extension, Demonstration Support							
1. Production Input	Coffee nursery development-seedling	seeds	671,700	521,700	388,200	74.41%	
	Demplot/Demfarm	pack	4	4	4	100.00%	TP
	Technical course for beneficiaries	pack	1	1	1	100.00%	TP
3. Sub district animal health center	Drug store	unit	4	1	1	100.00%	
	Veterinary equipment	set	4	1	1	100.00%	
4. Livestock facilities	Forage legume seed						
	for sheeps	seeds	71,538	71,538	16,000	22.37%	
	for goats	seeds	35,000	35,000	6,000	17.14%	
Extension services	Extension staff	pers.month	63	63	33	52.38%	0
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.1: Farmer institutional development</u>							
1.Processing Facility	Fertilizer Processing Equipment	pack	27	14	14	100.00%	
Component 4: Project Management							
Sub-Komponen 4.1: Pendampingan Tenaga Ahli							
A. Fasilitator Desa	4.1. Technical Assistant						
	1.Village Facilitators	months	1,104	276	184	66.67%	
	Operational cost VFs	months	1,104	276	184	66.67%	
	Distrcit Manajer VF	months	48	12	2	16.67%	
Sub-Component 4.2: Operational Management	communication	months	48	12	12	100.00%	
	Duty Travel	Lumpsums	4	1	1	100.00%	
	incentive technical team	pack	4	33	33	100.00%	
	Vehicles operatrional cost	months	54	12	12	100.00%	
	OGO incentives	months	96	24	10	41.67%	
	Stationaries	pack	4	1	1	100.00%	
	office equipment	pack	1	1	1	100.00%	
	Monitoring meeting	pack	4	10	10	100.00%	
2. Cirebon							Gedong Manggoes
3. Garut							Potatoes nurseries
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
	Sprinkler	ha	200	25	25	100.00%	
	-Shallow well	unit	30	4	4	100.00%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	- farm roads	km	24	6	6	100.00%	
Sub-Component 1.2: Production and Farm Management.							
A. Extension, Demonstration Support	seed nursery development-seedling	ha	200	40	40	100.00%	
	Demplot/Demfarm	pack	3	3	3	100.00%	TP
	Nursery training and Potatoes cultivation	pack	1	1	-	0.00%	TP
B. Extensions	Travelling	person	240	60	-	0.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
Sub-Component 2.2: Market Infrastructure and Equipment							
1. Building of storage	Storage	unit	3	3	1	33.33%	
2. Processing Facility	Sewing machine	unit	20	4	4	100.00%	
	Sacks	unit	100,000	32,480	32,480	100.00%	
	Digital scale	unit	16	8	8	100.00%	
	Compressor	unit	4	4	4	100.00%	
	Trolley	unit	4	4	4	100.00%	
	Containers	unit	3,000	1,000	1,000	100.00%	
	Post harvest equipment	unit	4	1	1	100.00%	
	Agriculture production machinery	unit	4	1	1	100.00%	
Component 4: Project Management							
4.1. Technical Assistant	1. Village Facilitators	months	240	48	36	75.00%	
	2. Manajer Village Facilitators	months	48	12	9	75.00%	
	3 operational cost VFs	months	240	48	36	75.00%	
	3.Operational cost MVF	months	48	12	9	75.00%	
Sub-Component 4.2: Operational Management							
4.2. Project Operating Cost	communication	months	48	12	12	100.00%	
	Duty Travel	Lumpsums	4	1	1	100.00%	
	incentive technical team	pack	4	33	33	100.00%	
	Vehicles operational cost	months	54	12	12	100.00%	
	OGO incentives	months	96	24	18	75.00%	
	Stationaries	pack	4	1	1	100.00%	
	office equipment	pack	1	1	1	100.00%	
	Monitoring meeting	Lumpsums	4	10	10	100.00%	
4. Gorontalo							Grape Bananas
Component 1: Development for Productivity Enhancement & Resilience Building							
Sub-Component 1.1: Land Development and Infrastructures							
1. Infrastructure	Pumping & pipe irrigation	unit	5	1	1	100.00%	
Sub-Component 1.2: Production and Farm Management.							
A. Extension, Demonstration Support	Duty Travels	orang	96	24	-	0.00%	TP
B. Agriculture equipments	Hand Sprayer (knap Sack)	unit	10	10	10	100.00%	
	Cultivator	unit	3	2	2	100.00%	
	Demplot/Demfarm	pack	3	3	2	66.67%	TP

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	Training and seeds nurseries of bananas	pack	1	1	1	100.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.2: Market Infrastructure and Equipment</u>							
3. Transportations	3-wheeled vehicles	unit	6	2	-	0.00%	
	Pick up	unit	2	2	-		
Component 4: Project Management							
4.1. Technical Assistant							
A. Village Facilitation	Village Facilitator	months	96	24	10	42%	
	Operational cost VF	months	96	24	10	42%	
<u>Sub-Komponen 4.2: Manajemen Operasional</u>							
4.2. Project Operating Cost	communication	months	48	12	12	100%	
	Duty Travel	pack	4	8	8	100%	
	incentive technical team	pack	4	1	-		
	Vehicles operational cost	months	54	12	5	42%	
	OGO incentives	months	48	12	-		
	Stationaries	pack	4	2	2	100%	
	office equipment	pack	1	1	1	100%	
	Monitoring meeting	pack	4	1	1	100%	
5. Lebak							Manggo stains
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
1. Infrastructure	Land terracing	ha	330	101	-	0.00%	
	Small dams	Unit	7	3	3	100.00%	
	Solar pump	pack	4	4	-	0.00%	
	Drip irrigation	ha	330	101	-	0.00%	
	Access/farm road	km	39	7	7	100.00%	
<u>Sub-Component 1.2: Production and Farm Management.</u>							
A. Extension, Demonstration Support							
1. Agriculture input	Seeds and nurseries	seeds	37,000	11,055	7,755	70.15%	
	organic fertilizes	kg	1,318,750	246,225	72,725	70.15%	
	anorganic fertilizer (NPK)	kg	270,000	20,100	14,100	70.15%	
	Insektisida	litres	700	201	141	70.15%	
	fungicide	kg	700	251	176	70.15%	
	<u>Existing Area</u>						
	Organic Fertilizer	kg	750,000	290,400	290,400	100.00%	
	Anorganic Fertilizes (NPK)	kg	75,000	24,000	24,000	100.00%	
	insecticide	litres	960	200	200	100.00%	
	Fungicide	kg	960	240	40	100.00%	
	Demplot/Demfarm	pack	3	3	5	166.67%	TP
	Training of cultivation and seedling of mangos stain	pack	1	1	1	100.00%	TP
B. Agriculture extensions	Duty Travels	person	432	108	-	0.00%	TP
B. Agriculture equipments	Hand sprayer	Unit	115	56	56	100.00%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	Electric Mower	Unit	72	24	24	100.00%	
	Post harvesting and pruning equipments	Unit	2,250	550	550	100.00%	
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.2: Market Infrastructure and Equipment</u>							
1. Building and storages	KUBE storage	unit	7	3	-	0.00%	
2. Processing Facilities	packaging equipment	unit	2,997	740	-	0.00%	
	Pruning equipment	unit	14	6	-	0.00%	
3. Transportations	3-wheeled vehicles	unit	40	9	-	0.00%	
Component 4: Project Management							
4.1. Technical Assistant							
A. Village Facilitation	1.Village Facilitators	months	432	108	80	74%	
	2.District VF Managers	months	48	12	5	42%	
	Operational cost VF	months	432	108	80	74%	
	Operational cost MVF	months	48	12	5	42%	
<u>Sub-Component 4.2: Operational Management</u>							
4.2. Project Operating Cost	communication	months	48	12	12	100%	
	Duty Travel	Lumpsums	4	1	1	100%	
	incentive technical team	pack	4	33	33	100%	
	Vehicles operational cost	months	54	12	12	100%	
	OGO incentives	months	96	24	10	42%	
	Stationaries	Lumpsums	4	1	1	100%	
	office equipment	Lumpsums	1	1	1	100%	
	Monitoring meeting	Lumpsums	4	10	10	100%	
6. Lombok Timur							Garlic
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
1. Infrastruktur	Land Terazings	ha	811	50	54	108.00%	
	water pond	Unit	10	5	5	100.00%	
	-Shallow well	unt	10	5	5	100.00%	
	farm road	km	25	5	5	100.00%	
<u>Sub-Component 1.2: Production and Farm Management.</u>							
A. Extension, Demonstration Support	Demplot/Demfarm	pack	3	3	3	100.00%	TP
	Onion Training	pack	1	1	1	100.00%	TP
B. Extensions	Duty Travels	person	576	144	-	0.00%	TP
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	576	108	36	33%	
	2.District VF Managers	months	48	12	4	33%	
	Operational cost VF	months	576	108	36	25%	
	Operational cost MVF	months	48	12	4	33%	
<u>Sub-Component 4.2: Operational Management</u>							
4.2. Project Operating Cost	communication	months	48	12	12	100%	
	Duty Travel	Lumpsum	4	1	1	100%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	incentive technical team	pack	4	2	2	100%	
	Vehicles operational cost	months	54	12	12	100%	
	OGO incentives	months	96	24	10	42%	
	Stationaries	pack	4	1	1	100%	
	office equipment	pack	1	1	1	100%	
	Monitoring meeting	pack	4	1	1	100%	
7. Magelang							Organic rice
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
	water pond	Unit	4	2	2	100.00%	
	Rehabilitation of tertiary system	ha	2,000	650	635.63	97.79%	
	farm road	km	30	10	9,571	95.70%	
	Small dams	unit	11	4	4	100.00%	
	Pumping & pipe irrigation	km	4	2	2	100.00%	
<u>Sub-Component 1.2: Production and Farm Management.</u>							
A. Extension, Demonstration Support	Nurseries development	paket	2	1	1	100.00%	
	nurseries, fertilizer, pesticide	ha	2,000	650	650	100.00%	
	organic fertilizer processing unit	unit	23	6	6	100.00%	
	Demplot/Demfarm	paket	3	3	3	100.00%	TP
	organic rice training	paket	1	1	1	100.00%	TP
B. Extensions	Duty Travels	orang	1,584	396	-	0.00%	TP
C. Agriculture equipments	Hand Tractor	unit	20	8	8	100.00%	
	Power Weeder	unit	30	12	12	100.00%	
	Paddy Mower	unit	20	7	7	100.00%	
	IPM Equipment	unit	3	1	1	100.00%	
	Power Thresher	unit	15	7	7	100.00%	
	Hand Sprayer	unit	100	53	53	100.00%	
	Mini Rice Transplanter /b	unit	20	6	6	100.00%	
	Biological Control Laboratoty	unit	3	1	1	100.00%	
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.2: Market Infrastructure and Equipment</u>							
1. Building and storages	Building of RMU	unit	2	1	1	100.00%	
	Collecting storage	unit	2	1	1	100.00%	
	Drying Floor	unit	3	1	1	100.00%	
2. Rice processing equipments	Drying	unit	3	1	1	100.00%	
	RMU	unit	3	1	1	100.00%	
	Packaging equioment	unit	3	1	1	100.00%	
3. Transportations	Truck	unit	3	1	-	0.00%	
	3-wheeled vehicles	unit	17	5	5	100.00%	
	Pick Up	unit	3	1	1	100.00%	
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	1,584	396	330	83%	
	2.District VF Managers	months	48	12	10	83%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	Operational cost VF	months	1,584	396	330	83%	
	Operational cost MVF	months	48	12	10	83%	
Sub-Component 4.2: Operational Management							
4.2. Project Operating Cost	communication	months	48	12	10	83%	
	Duty Travel	Lumpsums	4	1	1	100%	
	incentive technical team	pack	4	33	32	97%	
	Vehicles operational cost	months	54	12	6	50%	
	OGO incentives	months	96	24	20	83%	
	Stationaries	Lumpsums	4	1	1	100%	
	office equipment	Lumpsums	1	1	1	100%	
	Monitoring meeting	Lumpsums	4	10	10	100%	
8. Malang							Onion
Component 1: Development for Productivity Enhancement & Resilience Building							
Sub-Component 1.1: Land Development and Infrastructures							
	water ponds	unit	4	3	3	100.00%	
	Pumping & pipe irrigation	km	50	14	16,12	#VALUE!	
Sub-Component 1.2: Production and Farm Management.							
A. Extension, Demonstration Support	Demplot/Demfarm	pack	3	3	3	100.00%	TP
	Onion Training	pack	1	1	1	100.00%	TP
B. Extension	Duty Travels	person	144	36	-	0.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	162	36	24	67%	
	2.District VF Managers	months	54	12	8	67%	
	Operational cost VF	months	162	36	24	67%	
	Operational cost MVF	months	54	12	8	67%	
Sub-Component 4.2: Operational Management							
4.2. Project Operating Cost	communication	months	48	12	8	67%	
	Duty Travel	Lumpsums	4	1	1	100%	
	incentive technical team	pack	4	33	2	6%	
	Vehicles operational cost	months	54	12	7	58%	
	OGO incentives	months	96	24	16	67%	
	Stationaries	Lumpsums	4	1	1	100%	
	office equipment	Lumpsums	1	1	1	100%	
	Monitoring meeting	Lumpsums	4	10	9	90%	
9. Minsel							Petatoes
Component 1: Development for Productivity Enhancement & Resilience Building							
Sub-Component 1.1: Land Development and Infrastructures							
	Sprinkle Irigasi	ha	100	16	16	100.00%	
	Deep well	unit	25	5	5	100.00%	
	water pond	unit	20	3	3	100.00%	
	farm roads	km	15	3	3,12	#VALUE!	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
<u>Sub-Component 1.2: Production and Farm Management.</u>							
A. Extension, Demonstration Support	Potatoes nurseries	kg	720,000	84,000	84,000	100.00%	
	anorganic fertilizers (NPK)	kg	180,000	21,000	-	0.00%	
	Organic liquid fertilizes	liter	6,000	350	-	0.00%	
	anorganic liquid fertilizers	liter	6,000	10,500	-	0.00%	
	Demplot/Demfarm	paket	3	3	3	100.00%	TP
	Petatoes Nurseries and cultivation trainings	paket	1	1	1	100.00%	TP
B. Extensions	Duty Travels	orang	480	120	-	0.00%	TP
C. Agriculture equipment	Cultivators	unit	60	16	16	100.00%	
	Hand sprayers	unit	1,200	245	245	100.00%	
	Power Sprayer	unit	57	10	10	100.00%	
	Tractors & Trailers	unit	2	1	1	100.00%	
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.2: Market Infrastructure and Equipment</u>							
1. Transportations	3-wheeled vehicles	unit	7	2	2	100.00%	
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	480	120	50	42%	
	2.District VF Managers	months	48	12	5	42%	
	Operational cost VF	months	480	120	50	42%	
	Operational cost MVF	months	48	12	5	42%	
<u>Sub-Component 4.2: Operational Management</u>							
4.2. Project Operating Cost	communication	months	48	12	9	75%	
	Duty Travel	paket	4	8	6	75%	
	incentive technical team	paket	4	20	20	100%	
	Vehicles operatrional cost	months	54	12	4	33%	
	OGO incentives	months	96	24	12	50%	
	Stationaries	paket	4	1	1	100%	
	office equipment	paket	1	1	1	100%	
	Monitoring meeting	paket	4	2	1	50%	
10. Purbalingga							Goats
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
	farm roads	km	17	4	4,68	#VALUE!	
	Pumping & pipe irrigation	unit	29	15	15	100.00%	
<u>Sub-Component 1.2: Production and Farm Management.</u>							
Subdistrict animal health centre	medicines	Unit	2,464	1,232	1	0.08%	
	veteriner equipments	pack	2	1	1	100.00%	
	Vet USG	unit	1	1	1	100.00%	
		Demplot/Demfarm	pack	3	3	3	100.00%
	Livestock /goat trainings	pack	1	1	1	100.00%	TP
1. fattening of goat model	- Breeding Does (Goat - Male)	tiles	800	400	-	0.00%	
	- Breeding Does (Goat - Female)	tiles	60	32	32	100.00%	
	- Breeding Does (Goat - Male)	tiles	10	5	5	100.00%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
2. Goat house	- Fattening goat	tiles	45,600	800	-	0.00%	
	goat house	unit	32	16	16	100.00%	
	Forage legume seed	seeds	320,000	160,000	160,000	100.00%	
	organic fertilizer	kg	3,200	27,200	-	0.00%	
	concentrate feeds	kg	45,600	28,800	28,800	100.00%	
B. Extensions	Duty Travels	person	1,056	264	-	0.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
Sub-Component 2.2: Market Infrastructure and Equipment							
2. Processing facilities	organic fertilizer processing unit	unit	32	16	16	100.00%	
Sub-component 2.4: Access to Financial Services							
	Farmer access to seasonal finance	farmers	425	200	-	0.00%	
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	1,056	264	176	67%	
	2.District VF Managers	months	48	12	-		
	Operational cost VF	months	1,056	264	176	67%	
	Operational cost MVF	months	48	12	-		
Sub-Component 4.2: Operational Management							
4.2. Project Operating Cost	communication	months	48	12	12	100%	
	Duty Travel	Lumpsum	4	245	245	100%	
	incentive technical team	paket	4	33	33	100%	
	Vehicles operatrional cost	months	54	12	6	50%	
	OGO incentives	months	96	24	16	67%	
	Stationaries	Lumpsum	4	4	4	100%	
	office equipment	Lumpsum	1	7	7	100%	
	Monitoring meeting	Lumpsum	4	250	212	85%	
	consumtion meeting	menwork		240	240	100%	
extension operational cost	men month		192	191	99%		
11. Subang							Manggoestains
Component 1: Development for Productivity Enhancement & Resilience Building							
Sub-Component 1.1: Land Development and Infrastructures							
	Land Terazing	ha	200	200	200	100.00%	
	large water pond (800 m3)	Unit	2	1	1	100.00%	
	Small water pond (200 m3)	Unit	3	2	2	100.00%	
	Small Dam	Unit	10	5	5	100.00%	
	Pumping & pipe irrigation	km	180	55	52	94.55%	
	farm roads	km	49	39	39	100.00%	
Sub-Component 1.2: Production and Farm Management.							
A. Extension, Demonstration Support	Demplot/Demfarm	pack	3	3	3	100.00%	TP
	Nurseries and cultivation manggoestains traing	pack	1	1	1	100.00%	TP
B. Extension	Duty Travels	person	1,632	408	-	0.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
Component 4: Project Management							

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
4.1. Technical Assistant	1.Village Facilitators	months	1,632	408	204	50%	
	2.District VF Managers	months	48	12	6	50%	
	Operational cost VF	months	1,632	408	204	50%	
	Operational cost MVF	months	48	12	6	50%	
<i>Sub-Component 4.2: Operational Management</i>							
4.2. Project Operating Cost	communication	months	48	12	12	100%	
	Duty Travel	Lumpsums	4	1	1	100%	
	incentive technical team	pack	4	33	33	100%	
	Vehicles operational cost	months	54	12	12	100%	
	OGO incentives	months	96	24	24	100%	
	Stationaries	Lumpsums	4	1	1	100%	
	office equipment	Lumpsums	1	1	1	100%	
	Monitoring meeting	Lumpsums	4	10	10	100%	
accomodation and consumptions	pack	3	3	3	100%		
12. Sumbawa							Onion
Component 1: Development for Productivity Enhancement & Resilience Building							
<i>Sub-Component 1.1: Land Development and Infrastructures</i>							
	Pumping & pipe irrigation	unit	81	20	20	100.00%	
	-Shallow well	unit	187	70	85	121.43%	
	farm road	km	3	2	2.55	127.25%	
<i>Sub-Component 1.2: Production and Farm Management.</i>							
A. Extension, Demonstration Support	Demplot/Demfarm	pack	3	3	3	100.00%	TP
	Nurseries onion training	pack	1	1	1	100.00%	TP
B. Extension	Duty Travels	person	480	120	-	0.00%	TP
C. Agriculture equipments	Cultivators	unit	83	3	3	100.00%	
	Hand Sprayers	unit	200	10	10	100.00%	
	Hand Tractors	unit	83	3	3	100.00%	
	Mist Blower	unit	83	10	10	100.00%	
	Small scale drier	unit	17	2	-	0.00%	
Component 2: Agribusiness Development & Livelihood Facilitation							
<i>Sub-Component 2.2: Market Infrastructure and Equipment</i>							
2. Processing Facilities	Digital Scales	unit	21	1	-	0.00%	
	packaging equipment	unit	5	1	-	0.00%	
3. Transportation	3-wheeled vehicles	unit	13	3	-	0.00%	
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	912	300	200	67%	
	2.District VF Managers	months	48	12	8	67%	
	Operational cost VF	months	912	300	200	67%	
	Operational cost MVF	months	48	12	8	67%	
<i>Sub-Component 4.2: Operational Management</i>							
4.2. Project Operating Cost	communication	months	48	12	6	50%	
	Duty Travel	paket	4	1	1	90%	
	incentive technical team	paket	4	12	7	56%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	Vehicles operational cost	months	54	12	12	100%	
	OGO incentives	months	96	24	12	50%	
	Stationaries	paket	4	1	1	100%	
	office equipment	paket	1	1	1	100%	
	Monitoring meeting	paket	4	10	10	100%	
13. Sumenep							Onion
Component 1: Development for Productivity Enhancement & Resilience Building							
Sub-Component 1.1: Land Development and Infrastructures							
	water pond (12 x 13 x 3 m)	Unit	4	2	2	100.00%	
	water pond (2 x 3 x 1,5 m)	Unit	40	13	13	100.00%	
	Irrigation system (pump, pipes, & tanks)	ha	80	13	13	100.00%	
	farm road	km	10	3	9	300.00%	
	Solar pump	unit	16	5	5	100.00%	
Sub-Component 1.2: Production and Farm Management.							
A. Extension, Demonstration Support	Nurseries, fertilizers, pesticides	ha	460	52	52	100.00%	
	Demplot/Demfarm	pack	3	3	3	100.00%	TP
	Onions nurseries training	pack	1	1	1	100.00%	TP
B. Extension	Duty Travels	person	720	180	-	0.00%	TP
B. Agriculture equipments	Harvesting Equipment						
	terpaulin	unit	320	78	78	100.00%	
	Wheel barrow (not powered)	unit	240	78	78	100.00%	
	light trap	ha	80	16	16	100.00%	
	harvesting and post harvest equipments	pack	2	1	1	100.00%	
Component 2: Agribusiness Development & Livelihood Facilitation							
Sub-Component 2.2: Market Infrastructure and Equipment							
1. Building and storages	Instore Drying	unit	4	1	1	100.00%	
2. Processing Facilities	Sacks	unit	160,000	51,600	1,600	100.00%	
	Digital Scales	unit	80	13	13	100.00%	
	Sewing Machines	pack	80	13	13	100.00%	
3. Transportations	3-wheeled vehicles	unit	21	6	-	0.00%	
	4-wheeled vehicles	unit	10	3	-	0.00%	
Sub-component 2.4: Access to Financial Services							
	Farmer access to seasonal finance	farmers	450	400	-	0.00%	
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	720	180	90	50.00%	
	2.District VF Managers	months	48	12	6	50.00%	
	Operational cost VF	months	720	180	90	50.00%	
	Operational cost MVF	months	48	12	6	50.00%	
Sub-Component 4.2: Operational Management							
4.2. Project Operating Cost	communication	months	48	12	12	100.00%	
	Duty Travel	Lumpsums	4	1	1	100.00%	

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
	incentive technical team	pack	4	33	-		
	Vehicles operational cost	months	54	12	8	66.67%	
	OGO incentives	months	96	24	8	33.33%	
	Stationaries	Lumpsums	4	1	1	100.00%	
	office equipment	Lumpsums	1	1	1	100.00%	
	Monitoring meeting	Lumpsums	4	10	3	30.00%	
14. Tasikmalaya							Padi Organik
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
	water pond/small Dam	Unit	8	4	4	100.00%	
	farm road	ha	10	4	4	100.00%	
	Irrigation system (pump, pipes, & tanks)	km	3	1	1	100.00%	
<u>Sub-Component 1.2: Production and Farm Management.</u>							
A. Extension, Demonstration Support	Nurseries, fertilizer and pesticides	ha	500	250	250	100.00%	
	Organic fertilizers processing unit	unit	4	2	2	100.00%	
	Demplot/Demfarm	pack	3	3	8	266.67%	TP
	Organic rice training	pack	1	1	1	100.00%	TP
B. Extension	Duty Travels	person	192	48	-	0.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.2: Market Infrastructure and Equipment</u>							
1. Building and Storages	Drying floor	unit	8	4	4	100.00%	
Component 4: Project Management							
4.1. Technical Assistant	1.Village Facilitators	months	192	48	40	83.33%	
	2.District VF Managers	months	48	12	10	83.33%	
	Operational cost VF	months	192	48	40	83.33%	
	Operational cost MVF	months	48	12	10	83.33%	
<u>Sub-Component 4.2: Operational Management</u>							
4.2. Project Operating Cost	communication	months	48	12	12	100.00%	
	Duty Travel	Lumpsum	4	1	1	100.00%	
	incentive technical team	paket	4	33	33	100.00%	
	Vehicles operational cost	months	54	12	12	100.00%	
	OGO incentives	months	96	24	10	41.67%	
	Stationaries	Lumpsum	4	1	1	100.00%	
	office equipment	Lumpsum	1	1	1	100.00%	
	Monitoring meeting	Lumpsum	4	10	10	100.00%	
	Extension transportation	menmonths	48	48	48	100.00%	
15. NPMU							National
Component 1: Development for Productivity Enhancement & Resilience Building							
<u>Sub-Component 1.1: Land Development and Infrastructures</u>							
	Agriculture extension and demplots	pack	13	8	-	0.00%	TP
Component 2: Agribusiness Development & Livelihood Facilitation							
<u>Sub-Component 2.3: Strengthening Market Linkages and Alliances</u>							
	Strenghtening of marketing access	pack	6	1	0	0.00%	TP

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
Component 3: Strengthening Institutional Delivery Systems							
3.1 Capacity Building for government staff	Government staff training and meeting pack	mendays	2,400	600	-		
	Transportation Government staff training	mentrips	1,200	300	-		
	Basic training VF	person	600	205	192	94%	
	Operational cost for travelling an mobilization of VF	person	600	205	192	94%	
Component 4: Project Management							
4.1. Technical Assistant							
Project Management Consultants	1. Project Management Consultants-PMC	pack	1,294	348	116	33%	
	2. Agronomics Specialist (individual Consultant)	menmonths	4	2	2	100%	
	3. Microfinance Specialist (individual Consultant)	menmonths	8	4	4	100%	
	4. Agricultural Support Consultant	menmonths	817	204	-		
	5. Monitoring & Evaluation Specialist (individual Consultant)	menmonths	1	1	-		
	6. Auditor Specialist (Individual Consultant)	menmonths	4	4	-		
	7. Capacity Building Specialist ((individual Consultant)	menmonths	8	4	4	100%	
	8. Procurement Spesialist (individual Consultant)	menmonths	1	3	-		
	9. Project Implementation Advicer	menmonths	50	12	12	100%	
	10. Design and Supervision Consultant (DSC)	pack	433	144	72	50%	
4.2. Project Operating Cost	Baseline survey	Lumpsum	1	1	1	100%	
E. NPMU Operating Cost	Communications	months	54	12	12	100%	
	Travel allowance	lumpsum	5	1	1	100%	
	Office consumable	lumpsum	5	1	1	100%	
	Media Publication/Video Documentary	lumpsum	1	1	1	100%	
	Office equipment / furniture	pack	20	4	4	100%	
	photo copy, multiplication	Unit	240	60	60	100%	
	Monitoring meeting	Unit	756	156	156	100%	
	start up workshop	Unit	144	36	36	100%	
	other workshop	months	268	60	60	100%	
	Bilingual Officer	pack	4	1	-		
	Information System of UPLAND Project	pack	3	3	3	100%	
	Media Publikasi	pack	20	2	2	100%	

Appendix 3: Compliance with legal covenants: status of implementation

Indonesia

The Development of Integrated Farming Systems in Upland Areas Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

District	Component/outcome	unit	Target/ AWPB	Year 2021	Realization (Dec 2021)	%	Comodity
Component 3: Strengthening Institutional Delivery Systems							
3.1 Capacity Building for government staff	Government staff training and meeting pack	mendays	2,400	600	-		
	Transportation Government staff training	mentrips	1,200	300	-		
	Basic training VF	person	600	205	192	94%	
	Operational cost for travelling an mobilization of VF	person	600	205	192	94%	
Component 4: Project Management							
4.1. Technical Assistant							
Project Management Consultants	1. Project Management Consultants-PMC	pack	1,294	348	116	33%	
	2. Agronomics Specialist (individual Consultant)	menmonths	4	2	2	100%	
	3. Microfinance Specialist (individual Consultant)	menmonths	8	4	4	100%	
	4. Agricultural Support Consultant	menmonths	817	204	-		
	5. Monitoring & Evaluation Specialist (individual Consultant)	menmonths	1	1	-		
	6. Auditor Specialist (Individual Consultant)	menmonths	4	4	-		
	7. Capacity Building Specialist ((individual Consultant)	menmonths	8	4	4	100%	
	8. Procurement Spesialist (individual Consultant)	menmonths	1	3	-		
	9. Project Implementation Advicer	menmonths	50	12	12	100%	
	10. Design and Supervision Consultant (DSC)	pack	433	144	72	50%	
4.2. Project Operating Cost	Baseline survey	Lumpsum	1	1	1	100%	
E. NPMU Operating Cost	Communications	months	54	12	12	100%	
	Travel allowance	lumpsum	5	1	1	100%	
	Office consumable	lumpsum	5	1	1	100%	
	Media Publication/Video Documentary	lumpsum	1	1	1	100%	
	Office equipment / furniture	pack	20	4	4	100%	
	photo copy, multiplication	Unit	240	60	60	100%	
	Monitoring meeting	Unit	756	156	156	100%	
	start up workshop	Unit	144	36	36	100%	
	other workshop	months	268	60	60	100%	
	Bilingual Officer	pack	4	1	-		
	Information System of UPLAND Project	pack	3	3	3	100%	
	Media Publikasi	pack	20	2	2	100%	

Appendix 3: Compliance with legal covenants: status of implementation

Section	Covenant	Target / Action Due Date	Compliance Status / Date	Remarks
Financing Agreement				
B 6	There shall be one Designated Account in EURO, opened and maintained by the Ministry of Finance ("MOF"), at Bank Indonesia ("BI), or any other bank assigned by the Ministry of Finance for the exclusive use of the Project. The Borrower shall inform IFAD of the officials authorized to operate the Designated Account	Program launch	Complied	Designated Account in EURO have been opened at BI
B 7	The Borrower shall provide counterpart financing to the project in the amount of approximately fifteen million three hundred thousand euro (EUR 15 300 000) in the form of taxes on project expenditure, staffing costs and other in-kind contributions.	Continuous	On-going	The project shall develop a mechanism to capture government and beneficiaries in-cash and in-kind contribution for the project, as well as detail per component for each contribution
C3	A Mid Term Review will be conducted early in year three of the Project and as specified in Article VII, Section 8.03 (b) and (c) of the General Conditions; however, the Parties may agree on a different date for the Mid Term Review of the implementation of the Project	2022	Not yet due	
C4	The Project Completion Date shall be the fifth anniversary of the date of entry into force of this Agreement and the Financing Closing Date will be established as specified in the General Conditions		Not yet due	
E 2 (a)	The IFAD no objection to the PIM shall have been obtained;	Conditions precedent to withdrawal	Complied	
E 2 (b)	PMU shall have been established and key staff in the PMU shall have been appointed, (Project Manager/Director, Financial Officer and Monitoring and Evaluation Officer); and	Conditions precedent to withdrawal	partially	

E 2 (c)	The designated Account shall be dully opened and the names of the authorized signatories shall have been submitted to IFAD	Conditions precedent to withdrawal	Complied	
GC Section 7.01 (b) (ii) AWPB	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.	31 October of each year	Complied with delay and ongoing	The AWPB 2022 was submitted on November 8, 2021 and approved by IFAD on February 7, 2022.
GC Section 8.01	Maintenance of records and documents adequate to reflect project operations until project completion date and for at least ten years thereafter.	Continuous	Complied and on-going	
GC Section 8.02	Establishment and maintenance of information management system	Continuous	Partially complied	Only MIS for on-granting that was complete.
GC Section 8.03 a	Submission of periodic progress reports to IFAD	Continuous	Complied and on-going	
GC Section 9.01	Maintenance of separate accounts and records until the Financing Closing Date, and at least ten (10) years thereafter.	Continuous	Complied and on-going	
GC Section 9.02	Submission to IFAD of detailed financial statements for each Fiscal Year within four (4) months of the end of each Fiscal Year.	Continuous	Complied and ongoing	The 2020 unaudited financial statement was submitted with delay. The 2021 F/S is due on April 30, 2022.
GC Section 9.03	Audit of accounts for each Fiscal Year and submission to IFAD of audit report and management letter within six (6) months of the end of each Fiscal Year	Continuous	Not yet due	The first audit report covers 2020 and 2021 will be due on June 30, 2022.
GC Section 11.01 (a)	Financing shall be exempt from all taxes	Continuous	Partially Complied	Few transactions were identified including taxes. Refund to DA has yet to be made.
Letter to Borrower				
Para 24	As provided in Section 7.05 of the General Conditions, procurement of goods, works and services shall be carried out in accordance with the National Procurement Laws (Perpres 16/2018) and any subsequent amendments to the extent such are consistent with IFAD Procurement Guidelines	Continuous	Complied	
Para 36	Submission of interim financial reports within 45 days of the end of each quarter	Continuous	Complied with delay	IFR 2 nd semester 2021 was submitted on time, by end of Feb 2022.

Para 39	Log of Audit Observations to be maintained and updated regularly. A copy of this log is to be included as part of supervision and mid term review reports	Continuous	Not yet due	
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The Development of Integrated Farming Systems in Upland Areas Supervision Report

Appendix 4: Technical background analysis

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

Appendix 4: Logical Framework for Project Outcomes Progress

Logical Framework

Results Hierarchy	Indicators				Means of Verification			Assumptions	Project Yr 3 (Up to Dec 21)			
	Name	Base-line	Mid-Term	End Target	Source	Frequency	Responsibility		Year Targets	Year Results	Cumulative	
Outreach	1.a Corresponding number of households reached				PMU reports	Annual	PMU & PIUs					
	Women-headed households - Households										3,053	3,053
	Non-women-headed households - Households										14,409	14,409
	Households - Households		15000	30000							17,463	17,463
	1.b Estimated corresponding total number of households members				PMU reports	Annual	PMU & PIUs					
	Household members - Number of people										69,851	69,851
	1 Persons receiving services promoted or supported by the project				PMU reports	Annual	PMU & PIUs					
	Males - Males										14,409	14,409
	Females - Females		5000	15000							3,053	3,053
	Young - Young people		5000	7500							2,573	2,573
Indigenous people - Indigenous people									517	517		
Total number of persons receiving services - Number of people			250000						17,463	17,463		
Project Goal Reduce poverty and enhance food security in upland areas through remunerative, sustainable and resilient livelihoods.	Population below the poverty line in the 14 project districts				Indonesia Bureau of Statistics	Mid-term review & project closing	PMU	Continued Gol commitment to promote uplands agriculture				
	People - Percentage (%)	13.9		13								
Development Objective Assist rural households to	Households that have increased their asset ownership				Third Party Survey by the Project	Mid-term review & Project Completion survey	PMU	Local and international demand for key crops does not suffered prolonged collapse in prices or demand volumes.				

Results Hierarchy	Indicators				Means of Verification			Assumptions	Project Yr 3 (Up to Dec 21)		
	Name	Base-line	Mid-Term	End Target	Source	Frequency	Responsibility		Year Targets	Year Results	Cumulative
increase smallholders' agriculture productivity, incomes, livelihoods and resilience in the targeted uplands	Households - Percentage (%)							Farmers do not suffer from prolonged or repeated draughts or other adverse climate conditions or natural disasters.			
	Households - Number		5000	20000							
	UPLANDs HHs receiving project investments, technical support and/or services (including nutrition)				Third Party Survey by the Project	Mid-term review & Project Completion survey	PMU				
	Households - Number		10000	30000						17,463	17,463
	Women - Number		5000	15000						3,053	3,053
	Youth - Number		5000	7500						2,573	2,573
Outcome 1. Increase in poor rural people's productive capacities	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices				Project survey	Semi-annual	PMU & project partners	Sufficient numbers of upland smallholder are interested in improving their production rather than leaving farming or switching to other production systems entirely. Good quality genetics and other critical are available in sufficient quantities to allow widespread adoption.			
	Households - Households		8000	20000							
	1.2.4 Households reporting an increase in production				Project survey	Semi-annual	NPMU & project partners				
	Households - Households		6000	22000							
Output 1.1 Physical Infrastructure schemes constructed or rehabilitated	3.1.4 Land brought under climate-resilient practices				Project reports	Semi-annual	PMU & project partners	Sufficient numbers of upland smallholder are interested in improving their production rather than leaving farming or switching to other production systems entirely. Good quality genetics and other critical are available in sufficient quantities to allow widespread adoption.			
	Hectares of land - Area (ha)		5000	14000						250	250
	1.1.4 Persons trained in production practices and/or technologies				Project reports	Semi-annual	PMU & project partners				
	Men trained in crop - Males									489	489
	Women trained in crop - Females	2800	12000							335	335
	Young people trained in crop - Young people									0	0
	Men trained in livestock - Males									91	91
	Women trained in livestock - Females									6	6

Results Hierarchy	Indicators				Means of Verification			Assumptions	Project Yr 3 (Up to Dec 21)			
	Name	Base-line	Mid-Term	End Target	Source	Frequency	Responsibility		Year Targets	Year Results	Cumulative	
	Young people trained in livestock - Young people								0	0		
	Men trained in forestry - Males								0	0		
	Women trained in forestry - Females								0	0		
	Young people trained in forestry - Young people								0	0		
	Total persons trained in crop - Number of people	7000	30000						401	401		
	Total persons trained in livestock - Number of people								97	97		
	Total persons trained in forestry - Number of people								0	0		
Output 1.2 Production technical support and machinery provided on sustainable basis	Farmer groups operating & maintaining machinery & equipment				Project reports	Semi-annual	PMU & project partners	Sufficient numbers of upland smallholder are interested in improving their production rather than leaving farming or switching to other production systems entirely. Good quality genetics and other critical are available in sufficient quantities to allow widespread adoption.				
	Farmer groups - Number			200					600		0	0
	1.1.5 Persons in rural areas accessing financial services				Project reports	Semi-annual	PMU & project partners					
	Men in rural areas accessing financial services - credit - Males										0	0
	Women in rural areas accessing financial services - credit - Females			1200					4000		0	0
	Young people in rural areas accessing financial services - credit - Young people										0	0
	Total persons accessing financial services - credit - Number of people			3000					10000		0	0
	Enterprises - Enterprises										0	0
Active Borrowers (Enterprises) - Enterprises						0	0					
Outcome 2. Increase poor rural	2.2.6 Households reporting improved physical access to markets, processing and storage facilities				Project survey	MTR and project	PMU					

Results Hierarchy	Indicators				Means of Verification			Assumptions	Project Yr 3 (Up to Dec 21)		
	Name	Base-line	Mid-Term	End Target	Source	Frequency	Responsibility		Year Targets	Year Results	Cumulative
people's incomes from enhanced processing and/or market participation	Households reporting improved physical access to markets - Percentage (%)		50	80	and M&E data	Completion surveys		Agribusiness interested in expanding market links with upland smallholders		0	0
	Households reporting improved physical access to processing facilities - Percentage (%)									0	0
	Households reporting improved physical access to storage facilities - Percentage (%)									0	0
	2.2.5 Rural producers' organizations reporting an increase in sales				Project survey and M&E data	MTR and project Completion surveys	PMU				
	Percentage of rural POs - Percentage (%)		40	70						0	0
	HHs reporting improved incomes from improved processing/market linkages				Project survey and M&E data	MTR and project Completion surveys	PMU				
	Households - Number		5000	22000						0	0
Female - Number		2000	4000					0	0		
Output 2.1 Farmer post-harvest business established, equipped and supported on sustainable basis	2.1.6 Market, processing or storage facilities constructed or rehabilitated				Project reports	Semi-annual	PMU & project partners	Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of MoA to have genuine PPP with private firms.			
	Total number of facilities - Facilities									15	0
	Market facilities constructed/rehabilitated - Facilities		30	180						0	0
	Processing facilities constructed/rehabilitated - Facilities									14	0
	Storage facilities constructed/rehabilitated - Facilities									2	0
Output 2.2 Business management and technical training delivered	2.1.2 Persons trained in income-generating activities or business management				Project reports	Semi-annual	PMU & project partners	Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of			
	Females - Females		50	200						0	0

Results Hierarchy	Indicators				Means of Verification			Assumptions	Project Yr 3 (Up to Dec 21)		
	Name	Base-line	Mid-Term	End Target	Source	Frequency	Responsibility		Year Targets	Year Results	Cumulative
	Persons trained in IGAs or BM (total) - Number of people		250	600				MoA to have genuine PPP with private firms.		0	0
Output 2.3 Commodities with higher value participation in markets								Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of MoA to have genuine PPP with private firms.			
Output 2.4 Famer/businesses with enhanced access to finance	1.1.5 Persons in rural areas accessing financial services				Project reports	Semi-annual	PMU & project partners	Private entrepreneurs and businesses are interested to run service businesses in programme districts development. Willingness of key parts of MoA to have genuine PPP with private firms.			
	Men in rural areas accessing financial services - credit - Males									0	0
	Women in rural areas accessing financial services - credit - Females		2000	8000						0	0
	Young people in rural areas accessing financial services - credit - Young people									0	0
	Total persons accessing financial services - credit - Number of people		6000	18000						0	0
	Enterprises - Enterprises									0	0
	Active Borrowers (Enterprises) - Enterprises										0
Outcome 3. Enhanced delivery of UPLANDs services and research	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices				Project survey and M&E data	MTR and Project Completion surveys	PMU	Smallholders wiliness to engage in commercialization of target commodities			
	Households - Percentage (%)		33	80						0	0
	PIUs on schedule with on-granting, procurement targets				Project survey and M&E data	MTR and Project Completion surveys	PMU				

Results Hierarchy	Indicators				Means of Verification			Assumptions	Project Yr 3 (Up to Dec 21)		
	Name	Base-line	Mid-Term	End Target	Source	Frequency	Responsibility		Year Targets	Year Results	Cumulative
	PIUs on schedule - Percentage (%)		50	95					0	0	
Output 3.1 Commodity training courses prepared and delivered	Extension receiving commodity specific training				Project reports	Semi-annual	PMU & project partners	Capacity building and technical support timely and of adequate quality			
	Extension - Number		231	231						306	306
Output 3.2 Intensive PIU on-granting and procurement mentoring	PIU staff trained in on-granting and procurement				Project reports	Semi-annual	PMU & project partners	Capacity building and technical support timely and of adequate quality			
	PIU staff trained - Number		28	28						11	11

Indonesia

The Development of Integrated Farming Systems in Upland Areas Supervision Report

Appendix 5: Mission preparation and planning, TORs, schedules, people met

Mission Dates: 10 March - 22 April 2022
Document Date: 14/06/2022
Project No. 2000002234
Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

Appendix 5: Mission preparation and planning, TORs, schedules, people met.



Terms of Reference for Consultants and IFAD staff to participate in Supervision Mission to UPLAND Project, Indonesia

MISSION DETAILS	
Country of Assignment/Location:	Republic of Indonesia
Mission Name:	Supervision Mission of the Development of Integrated Farming System in Upland Areas (UPLAND, Loan 2000002234)
Mission Start Date:	10 March 2022
Mission End Date:	25 March 2022
Division/Department:	Asia and Pacific Division
Reports to (name and title):	Ivan Cossio, Country Director & Saleh Jelassi IsDB Regional Hub Manager

MISSION COMPOSITION (Team members' full name and specialization)	
Name:	Specialization:
Ivan Cossio	Country Director
Anissa Pratiwi	Country Programme Officer
Tarek Kotb	IFAD Lead Global Technical Specialist, Water and Rural Infrastructure
Joyce Njoro	IFAD Lead Technical Specialist, Nutrition
Julie Imron	Agronomist and Value Chain Specialist
Nurul Mutmainah	Financial Management Specialist
Muhammad Iskandar	Country Programme Analyst, Procurement
Stania Yasin	M&E specialist
Saleh Jelassi	IsDB Regional Hub Manager
Yerzhan Jalmukhanov	IsDB Operations Team Leader
Mohammad Adhi Dipo	IsDB Project Management Specialist
Bashir Jama Adan	IsDB Agriculture Development Expert
Enggar Prasetyaningsih	IsDB Field Procurement Officer
Evi Rosantini	IsDB Field Disbursement Officer

MISSION SCHEDULE	
10 March	Kick off meeting in Jakarta (virtual) and mission team meeting
10 March	Technical Meeting with PMU
11 March	Meetings and discussions – Progress Component Activities
14 March	Meetings and discussions – Project Targeting and outreach
16 March	Meetings and discussions – FM (disbursement progress, and audit)
16 March (afternoon)	Meetings and discussions – M&E (baseline and logframe progress)
17 March	Meetings and discussions – Procurement
18 April	Pre-wrap up with PMU
22 April	Wrap up

BACKGROUND

The UPLAND project, a co-financed project by the Islamic Development Bank (IsDB) and the International Fund for Agricultural Development (IFAD) jointly with the Government of Indonesia, focus in developing replicable development models for a range of commodities across a diverse range of districts in upland areas. Sustainable management of upland areas is being increasingly recognized as a key issue and UPLAND will assist in developing a sustainable, integrated approach to upland commodity production based on high economic value commodities.

The expected outcomes of UPLAND include: (i) increase in poor rural people's productive capacities; (ii) increase poor rural people's incomes from enhanced processing and/or market participation; (iii) enhanced delivery of UPLAND services & agricultural research.

UPLAND is being implemented across 14 District in 7 Provinces. The selection of districts was driven by the identification of high potential and the comparative advantage the area has in the commodity selected. Implemented by Ministry of Agriculture, the project is managed by the Project Management Unit under Directorate Agriculture Irrigation, Directorate General of Agriculture Infrastructure and Facilities. While at District level, the District Project Implementation Unit (DPIU) will be hosted by District Agriculture Agency.

The five-year project is now in the early stages of the third year of implementation, but the implementation of the project continues to be slow and challenging. The project has been classified by IFAD as a problem project since the last supervision mission (October 2021). The last supervision mission identified a number of challenges and assessed that a improvement plan with key agreed action need to be in place in order to expedite the implementation on the ground.

In this context, this supervision mission will mainly focus on setting the project improvement plan to expedite the implementation. This mission will follow up the last agreed action and review some key progress as of the last mission. The mission will be undertaken remotely, with a series of meetings to be organised with the different project stakeholders with a potential field visit towards the end of the mission.

MISSION OBJECTIVES AND OUTPUTS

The main objective of this supervision mission is to understand the implementation progress and to consolidate the achievements and identify actual constraints that affected project performance to date and agree on improvement plan with the PMU to expedite the implementation on the ground. This will include reviewing the progress and follow up the agreed actions from last supervision mission in October 2021.

The specific objectives of the missions are:

- (i) Review the project's progress and performance towards achieving the agreed objectives and results;
- (ii) In-depth analysis of the institutional arrangement for project implementation (including PMU, Consultancy support and DPIU) and its performance;
- (iii) Identify key implementation issues and challenges;
- (iv) Understanding the initial findings of the feasibility studies and how it will affect the project implementation strategies at district level;
- (v) Review of district level business plan;
- (vi) Follow-up on the implementation of recommendations of the supervision mission of October 2021, and on other discussions and agreements reached between IFAD and the MoA/PMU; and
- (vii) Support the project in expediting implementation, identify actions that can be immediately implemented with considerable disbursements, and improving effectiveness, including a thorough review of the procurement packages.

The outputs of the mission will be:

- (i) An aide-memoire, agreed and signed by BAPPENAS, MOA, IsDB and IFAD, including IsDB & IFAD's assessment of implementation;
- (ii) A Supervision Report including the recommendation and agreed action;
- (iii) A full review of the procurement packages and recommendations to improve and accelerate the procurement processes;
- (iv) Agreed Performance Improvement Plan (PIP)

DOCUMENTATION

The following documentation will be made available to consultants prior to the assignment:

- Project design report;
- UPLAND Supervision Report and Aide memoire Oct 2021
- Project Implementation Manual;
- Project Procurement Plan;
- Financing agreement and LTB;
- LGS report on financial history;
- AWPB 2021;
- IFAD Supervision Report Template;
- IsDB PSIAR template
- Reporting requirements.

List of Institution to Meet

- UPLAND PMU;
- Ministry of Agriculture, DG Agriculture Infrastructure and Facilities
- Bappenas, Directorate of Food and Agriculture;
- Ministry of Finance, Directorate Loan and Grant;
- Ministry of Finance, Directorate Cash Management;
- Ministry of Finance, Directorate of Special Transfer Fund, DJPK ;
- District Agriculture Office/DPIU
- Procurement Committee of Ministry of Agriculture and District Agriculture Agency
- IPB on baseline survey
- PT Trans Intra Asia (PT. TIA) Service provider of Project Management Consultant
- PT Widya Graha Asana service provide of Design and Supervision Consultant

Clearance by COM if TORs include communication activities (see section 4.7.iii):

Name: **Signature:** **Date:**
.....

Clearance by ACD if TORs include financial management responsibilities:

Name: **Signature:** **Date:**
.....

IMPORTANT NOTE:

IFAD will accept only reports that have been properly formatted by using the template, which will be provided separately. The team leader is responsible for preparing the main report and annexes in the required format, and ensuring that the working papers submitted by the individual team members are consolidated in one single document and in the correct format. S/He will compile the full report, including her/his own contributions and those of all the mission members into one consistent final and complete report and submit it to IFAD on or before the agreed deadline.

Annex 1 (to the Aide Memoire): Technical guidelines and project improvement plan

The following are technical guidance and action to be followed up closely by the responsible individuals within the project structure, as part of the project improvement plan. Each action item will require close monitoring and quality control by PMU with support from PMC.

Targeting and Social Inclusion (including Gender)

(Focal Point: Targeting and Social Inclusion Specialist in coordination with PMC, DSC, all individual consultants and village facilitator)

Targeting and SI responsibilities: As targeting and social inclusion are central to all project components, there is need for a common understanding and approach to project targeting among all project implementers and the consultants. The project does not have a specific staff assigned the role and responsibilities on targeting and social inclusion. This is likely to compromise the project outcomes and sustainability.

Women and Gender Mainstreaming: The project needs to be proactive in mobilising women, understand their needs and create interest in project activities and registered as beneficiaries of the project. The roll-out of the GALs methodologies should also be rolled out to address main gender constraints and bottlenecks affecting women and increase their participation in project activities. Special attention needs to be given to female farmers who are the head of the family either to be actively involved as members of producer groups (farmer groups) and / or post-harvest processing groups. Similar attention is needed for young female farmers. The women only groups would also include women in the male registered households. These women should benefit from the already laid down infrastructures, tailored training based on their role in the selected value chains as well as entrepreneurship and processing support.

As stated under targeting, a social inclusion specialist/focal point should be identified/recruited by the PMU to be responsible for gender mainstreaming in the program and ensure that the gender mainstreaming process is an inherent part of the program. The specialist can double up as the targeting and social inclusion officer.

A gender and social inclusion analysis of the value chain for each commodity in the working areas of this project to be conducted to identify the level of involvement and challenges faced by women and men, including female heads of household, from various social backgrounds in the production, post-harvest processing and marketing activities. This should also include specific challenges faced by women such as access to resources (e.g. land and finance), workload, financial literacy etc. The results of the gender analysis will be used as the basis for the development of steps for gender mainstreaming and women's empowerment. Gender training and awareness to be rolled out targeting all project implementers. In addition, training will be needed for the VFs including gender specific methods to be used for social mobilisation.

As part mentioned later, related to the “VC action plan” (see component 2), the PIUs and farmers should identify key opportunities to involve additional women/youth in specific activities along the VC. A number of opportunities had already been included at design stage and should be considered. This includes working with youth for O&M of machinery or with women for quality control in post-harvest facilities. More opportunities can be identified: women and youth in IPM Clinics, youth to support marketing, women in processing activities, etc

Youth: The project has been slow in meeting its youth project targets. The project intended to create employment opportunities for the youth at different levels of the value chains and also through operation and maintenance activities of the various project infrastructures. The project, as part of its social mobilisation, should intentionally engage the youth to create interest in the project activities, develop their capacities and match them with employment opportunities.

Actions	Responsibility	Deadline	Status
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<p>Targeting and social inclusion specialist: The project to recruit a specialist/focal point to lead on targeting, gender, youth and social inclusion across all project components.</p> <p>Scope of work for Targeting and social inclusion : Elaborate a targeting, gender and social inclusion project guide detailing project beneficiary profiles (and numbers), specific activities designed to ensure inclusion of the various target groups, roles and responsibilities of implementing partners. Prepare training manuals for the GALs methodology training and use for training of the groups and cooperatives, the aim is increase awareness on gender, workload, leadership, access and control over resources Train the project staff (PMU and PIUs), consultants and the VFs on the project beneficiary targeting, their roles and responsibilities.</p>	<p>PMU</p> <p>Social Inclusion Specialist</p> <p>Social Inclusion Specialist</p>	<p>July/ 2022</p>	<p>[proposed] or [agreed]</p>
<p>Opportunities for integrating women and youth: Conduct an assessment to identify opportunities of engaging women in VCs and procurement and processing activities, including involvement in farmers corporations and access to resources and capacities to be developed. potential increase women and youth participation to the project</p>	<p>SI specialist, Agronomist, VC specialist , Farmers Institution Specialist</p>	<p>July/ 2022</p>	<p>Proposed</p>
<p>Status of beneficiary targeting: The project to immediately verify the actual numbers of project beneficiaries in each district, including those targeted for activities such as trainings, demos etc and build a master register of target beneficiaries disaggregated by sex, age, IPs, poverty.</p>	<p>M&E officer</p>	<p>May/ 2022</p>	<p>[proposed] or [agreed]</p>
<p>Training on gender: Conduct a training on gender for all project staff and VFs, including</p>	<p>Social Inclusion Specialist</p>	<p>September/2022</p>	
<p>Youth employment: Identify opportunities of employment (VCs and O&M), skill development and access to relevant resources and match these with the youth profiles in each district (male/female/geography, education etc).</p>	<p>VC expert Infrastructure expert (O&M)</p>	<p>June/2022</p>	

Nutrition mainstreaming strategy and action plan
(Focal point: Nutrition Specialist with support from PMC and under the supervision of PMU)

This action plan should include a comprehensive nutrition situation analysis that includes district contextual differences), cover nutrition-targeting, nutrition-sensitive interventions, implementing arrangements, roles and responsibilities and targets. The strategy and action plan will benefit from the planned rapid assessment to identify appropriate nutrition interventions at each stage of the value chain to be conducted in each of the 14 project districts. It is also important to clearly define the main target group for the nutrition interventions and the delivery mechanisms through which they will be reached. In the PIM, it states 5,000 women will be targeted for nutrition awareness training and social marketing events and homestead gardens. The project needs to ensure they are targeting the nutritionally vulnerable population groups, at a minimum, pregnant and lactating women and mothers with children under 2 years.

Nutrition Specialist: There is the need for a technical nutrition specialist to assist with the development and implementation of the nutrition-sensitive interventions within the programme. The recruitment of a nutrition specialist is planned for this year.

Actions	Responsibility	Deadline	Status
<p>Nutrition Specialist: Recruitment of the nutritionist positions to support implementation of the nutrition mainstreaming activities, including development of the action plan and capacity building activities.</p>	<p>PMU</p>	<p>July/ 2022</p>	<p>[proposed] or [agreed]</p>
<p>Nutrition Assessment: Conduct the planned nutrition study in all project districts, to identify the challenges and opportunities specific to each district and the appropriate nutrition interventions to address those challenges.</p>	<p>PMU/Nutrition Specialist</p>	<p>August/ 2022</p>	<p>[proposed] or [agreed]</p>
<p>Nutrition action plan: The action plan will provide a road map for the implementation of nutrition-sensitive interventions and mainstreaming across the project components. The nutrition study will provide key input to assist in the development of the action plan</p>	<p>Nutrition Specialist</p>	<p>August/2022</p>	
<p>Homestead gardens: Introduce homestead gardens for women through the demplots.</p>	<p>Agronomist/Nutrition Specialist</p>		

**Component 1 all implementation under the supervision of PMU
 Subcomponent 1.1 (Focal Point: DSC in coordination with Agronomist and PMC.)**

Micro-irrigation was introduced in demplots of Garut, Subang and Minahasa Selatan. The project should follow-up on this initiative and roll-out to more farms and districts. This intervention should be done in partnership with the private sector (micro-irrigation suppliers). In such partnerships the private sector could be requested to provide technical guidance to farmers on the use of their products, follow-up in the long term, subsidized prices to farmers, provide promotional materials (e.g., small starter packs), designing cheap drip-irrigation kits (gravity fed) which are more accessible to poorer HHs, designing visual leaflets to promote the use of micro-irrigation.

The first step will be to meet with a range of micro-irrigation suppliers and identify some willing and able to enter into such partnerships with the project. And later to prepare partnership agreements detailing the contributions from the project and the private sector.

Actions	Responsibility	Deadline	Status
Explore the use of cheap drip irrigation systems for more districts Review if drip/sprinkler systems could be introduced in other districts for shallot, garlic, fruit trees. This should be done in partnership with the private sector for provision of services to farmers by their field agents.	Agronomist	May/ 2022	Proposed
Operation and Maintenance Manuals and guidelines for O&M of road, land development and irrigation O&M of market and value chain infrastructure will be handed over to farmers institution (Federation/corporation) Training on O&M			
Farmers contribution Proper record for farmers contribution to the construction work in cash and in kind			

Subcomponent 1.2 (Focal point: Agronomist)

The implementation control should be in coordination with DSC to selected infrastructure investment respond to farmers needs and align with the suggested improved technology (mainly for irrigation and water management).

It is also advised to ensure the model chosen by PIUs for demplots and FFs is efficient. Possible areas of improvement regarding the demplot approach include: (1) smaller demplots but closer to farmers and involving more representatives (5-6 representative per group), (2) more frequent learning sessions following the crop cycle, (3) include comparison between farmers' traditional production system and the improved system promoted by the project (i.e. "conventional vs. SOP") to demonstrate to farmers the increased productivity when following SOP (4) use of the "kartu kendali" drafted by the agronomist, and (5) collecting some minimum data for economic assessment (yield, prices), farmers feedback, etc.

Regarding the kartu kendali, it is suggested to make these a simple format with clear objectives. The main objectives of these kartu kendali should be:

- (1) have written records that can then be verified by an agronomist to see if the demplot really followed SOP (agronomist from ASC for example),
- (2) for the village facilitator to record problems encountered and consult with PPL to get advice because PPL has no time to facilitate this themselves,
- (3) recording total expenses/income from the different parts of each demplot. Such record keeping should be presented to farmers at the end of a FF

These suggestions should be discussed as soon as possible with all PIUs through an online meeting.

It is then advised that all designs for demplots/FFS prepared by PIUs for 2022 are shared with the consultant agronomist to provide suggestions for improvement before these are being implemented. It will also be important to ensure clarity in target numbers for those demplots/FFS (number of groups – not gapoktan-, number of farmers representatives joining the FFS sessions, size of plot, etc.).

PPLs appeared to have limited time to train UPLANDS farmers in target commodities production. Therefore, while Farmers Agriculture Training Centre (P4S) will most likely be responsible to implement FFS and demplots, village facilitators will be a key stakeholder to follow-up farmers in the long term. However many/most village facilitators (VF) do not have an agriculture background. Therefore, it is highly recommended that VFs are trained on crops together with farmers in 2022. We also need to ensure PIUs and PPL can work closely with VF: improve coordination, regular exchanges, guidance on technical issues, coordination meetings, etc. This process needs to be enforced by PMUs to all DPIUs. Capacity building of VF will also be important for the monitoring of farmers when the FFSs have been completed and all group members are provided seeds with the expectation to replicate what farmer representatives have been taught during the FFS.

Coordination with Training specialist is required to improve training quality (pre/post tests, use of proper participants lists, ensuring quality trainers are selected, etc.). The role of training specialist is not to provide / deliver the training itself. In addition coordination with VC Specialist, Farmers Institution Specialist to move farmers group to the next level along the value chain, mainly on how to improve production to respond to market demand. As the project is now in the process of hiring consultant firms as Agriculture Support Consultant (ASC), it is important to ensure overlap between individual consultants and ASC to ensure continuity with the work that is being started only recently by individual consultants. Could also integrate some of the most performing individual consultants in the ASC team.

An important part of improving implementation of component 1.2 will also be the Annual Outcome Survey described earlier in the main agreed action points. Indeed, this will provide a better understanding of the efficiency of the demplots and FFS implemented so far and unable adjustments accordingly.

Actions	Responsibility	Deadline	Status
Identifying sources of seeds for after 1st input package distributed Clearly identify for each district sources of quality varieties for farmers to use when the support on seeds from the project will end. This is key and could require to set up linkages with private sector or establish seed production groups. Request the private sector to participate in farmers field days where they provide small packs of improved seeds. Farmers can start with this and demand more when they have seen performance on their farms.	Agronomist and DPIUs	May/ 2022	Proposed
Trainings TNA should include identification of good trainers/training facilities to facilitate the different trainings provided for farmers. And ensure that those trainings are delivered by qualified persons, following quality standards such as pre/post-tests, use of disaggregated participants lists, training materials adapted to the level of farmers (reliable, practical).	Training specialist with input from Agronomist and DPIUs	End of May 2022	Proposed
Improve the approach on demplots Agronomist to provide guidance/recommendations to PIUs on (1) demplots/FFS implementation and (2) use of the reviewed kartu kendali (general meeting with all PIUs). The kartu kendali should be reviewed as per suggestions listed earlier.	Agronomist	End of April 2022	
Review all SOPs Each PIU have developed SOPs for their related commodities. It is recommended that the PIUs share these SOPs with the consultant agronomist for possible improvement.	Agronomist	May 2022	

Component 2

Rather than pursuing the development of district business plans, the VC consultant will facilitate discussions with PIUs and farmer representatives to (1) harmonize their vision on the development of

the target commodities value-chains, (2) prepare a 1-2 pages list of action points at district level and at FO level to achieve these expected results. This work will begin with the review of the value-chain mapping work that was prepared at design stage for each district. See notes below for guidance on this process.

Note that the project needs to prioritize this process in districts that will be the first ones to harvest (clearly identify buyers)

Guidance to prepare the “VC action plans”:

1. Review existing VC mapping that was prepared at design stage for each district. The review will be done with PIUs AND representative of farmers to ensure a common vision and understanding. This review will include:

- learnings from the results of the VC analysis conducted by the VC consultant,
- progress/suggestions made by DPIUs in road maps,
- updating the numbers to the current situation (volume potentially produced, Hectares, etc.)
- assessing if all market (and value added) opportunities have been explored in those maps. Need to ensure the potential volume produced will be absorbed by the market at a good price.
- Identifying specific potential private sector partners to approach. These can be small MSMEs or large companies, agritechs, other farmer groups (seed production groups) that are not part of current UPLAND beneficiaries, and their activity could range from input supply to transport, processing, market, extension, etc.
- Identifying key opportunities to involve additional women/youth in specific activities along the VC
- Identifying opportunities for financing to the private sector along the VC (e.g., MFIs, banks, etc)

The output of this review will be a 1-page updated VC map

2. Establish a list of key action points for PIUs (1 page) to achieve the vision mapped above. Action points will include:

- type, number and location of infrastructures to be built
- trainings needed (on production, processing, farmer organizations, post-harvest, marketing, etc.)
- scheduled consultations with private sector
- purchase of equipment, etc.
- Access to financing

Provide a timeline (until end of project) and PIC for each action point. For 2022, these action points need to be streamlined with what has already been planned by each PIU.

3. Support FOs representatives to prepare a 1 page business plan using the Business Model Canvas tool. This business plan will be in line with the updated VC mapping but be more specific to the FO's plan for developing and marketing their products.

4. Establish a list of key actions for the FO. This will be the continuity of the PIU level action plan but more specific to what the FO has to do to achieve the expected goal. Include timing and PIC (can be one year only). Action points may include: meeting with offtaker, consult with new FGs to be part of the FO, legalization of the FO, purchase of inputs, establish FO management and membership rules, identify service provider for O&M of equipment, discussion with bank, etc.

As part of this process as well, it is important to diversify the range of marketing possibilities for farmers. Indeed, the VC consultant is planning to promote the use of auctions for cooperatives to sell their products. This could be a good model in some districts but there needs to be other strategies as well (wholesale market, wet market, online marketing platforms, supermarkets, etc.).

Identification of marketing possibilities should go along with the identification of buyers and facilitating those linkages and discussions.

Guidance on partnerships with banks (points below can be included in the MoUs with banks to make sure it happens):

What needs to be done by the bank:

- Propose products that are suitable for farmers. For example, loans that are reimbursed only at harvest (not earlier)
- Make sure bank staffs know how to analyse proposals from farmers which are specific to the agriculture sector (different profile as other clients such as MSMEs, etc.). Trainings of bank staff related to this might be needed.
- Offer reasonable loan conditions for farmers, especially, interest rate and for collaterals.

What needs to be done by the project:

- monitor if the funds lent to the banks are indeed used for project beneficiaries only and if the loan size is indeed what was agreed between the project and bank. To do that, the project should regularly meet a sample of farmers from the list of beneficiaries provided by the banks and ask them these questions,
- make sure farmers are reimbursing the banks (and if not, why). This is important as it can compromise the expansion of the MoUs,
- Given the important amount of money channelled through these MoUs, there should be regular evaluations organized by the project (6-monthly for example) to verify if implementation of MoUs is as per the agreement. This could be done by the financial consultant for example. This is important to avoid funds get lost or are not used for project needs.

It is also important that the microfinance consultant has a counterpart within the implementing agency to make sure continuity and knowledge transfer. If needed, the microfinance consultant could organize a meeting with Asbanda (Asosiasi Bank Pembangunan Daerah), OJK and BPDs from other targeted districts (that were not yet part of the pilot in the 5 districts) to present the overall ideas of these MoUs to all districts. After this general meeting, each district can then develop their own MoUs with the selected banks. This will help officialise and fasten the process for other districts.

Actions	Responsibility	Deadline	Status
<p>Facilitate simple VC action plan for PIUs and cooperatives</p> <p>(1) harmonize their vision on the development of the target commodities value-chains, (2) prepare a 1-2 pages list of action points at district level and at FO level to achieve these expected results. This work will begin with the review of the value-chain mapping work that was prepared at design stage for each district</p>	Value Chain Consultant	June/ 2022 for at least 5 districts (support by VC consultant) And remaining districts by September 2022 by the ASC consultant.	[proposed] or [agreed]
<p>Financial Literacy Education (FLE)</p> <p>Need to take quick action on FLE: the training of farmers should happen before farmers access loans in the 6 pilot districts at least. UPLANDS should consult with READSI and IPDIMIP on how to do that (identify trainers, ToT and use IPDMIP training materials)</p>	Microfinance	May / 2022	[proposed] or [agreed]
<p>MoUs with banks in pilot districts</p> <p>Five MoUs have been drafted so far with banks in 5 districts. These MoUs need to be finalized, signed and start implementation as soon as possible.</p>	DPIU, Microfinance Specialist under supervision of PMU	[month] / [year]	[proposed] or [agreed]
<p>Access to finance: initiate consultations with banks and MFIs (Micro-Finance Institutions) in district which were not part of the pilot facilitated by consultant</p> <p>Based on the guideline prepared by consultant and experience from the 5 pilot districts, other districts should start consultations with banks to establish MoUs. Consider extending consultant's contract as it might be difficult for PIUs to do that alone given their limited experience working with banks. More than 1 bank should be selected and should consider working with private banks too.</p>	Microfinance	June/ 2022	[proposed] or [agreed]

Financial Management

In addition to the agreed action in the main text, following are some technical details that requires follow up by the Finance Officer and Financial Management Specialist under PMU and PMC.

Actions	Responsibility	Deadline	Status
FM Personnel at central, regional, and district level To assign responsibilities and tasks of each FM personnel at central, regional and district level (including OGO), to be consistent with TOR in the contract.	PMU	June 30, 2022	Proposed
Manual for Community Bookkeeping Finalization of manual for community bookkeeping and deliver the training/coaching on this manual to regional and district personnel	PMU, Finance Specialist PMC and DPIU	June 30, 2022	Proposed
On-granting Application To accelerate the implementation of on-granting application, to provide training/refresher to the district and regional units	PMU and DPIU	June 30, 2022	Proposed
Interim Financial Report The project to prepare (1) quarterly Interim Financial Reports and (2) unaudited financial statement as stated in the LTB.	PMU	1. May 15, 2022; 2. April 30, 2022	Proposed
Internal Control and Financial Reporting Strengthening The FM consultant PMC should provide refresher on category/component assignment for each type of expenditure to ensure no mischarge among category or component and to accelerate the process	PMC	June 30, 2022	Proposed

Procurement

In addition to the agreed action in the main text, following are some technical details that requires follow up by the Procurement Officer and Procurement Specialist under PMU and PMC

Actions	Responsibility	Deadline	Status
Comprehensive joint planning between PMU and each district The Regional Procurement Assistant and the on-granting officer should involve in the development of AWPB & Procurement Plan at Sub-National level and monitoring the procurement activities under the on-granting scheme. The Procurement Specialist and the PMU's Procurement focal point should involve in the development of AWPB and Procurement Plan at national level and coordinate the regional procurement officers.	Project Manager, PMU, DPIU & PMC	30 Apr 2022	Proposed
Procurement Revised the procurement provision in the PIM with taking into account the revised LTB (as communicated by IFAD on 7 Dec 2021). The 2022 procurement plan shall applying the procurement provision as stipulated in the revised LTB and IsDB procurement procedures The project shall update the ICP-Contract Monitoring in timely manner.	Procurement Specialist	30 Apr 2022	Proposed

Monitoring and Evaluation

(Focal Point: PMC M&E specialist in coordination with all M&E officers with supervision from PMU M&E officer)

Monitoring and Evaluation responsibilities: As M&E is essential for supporting the management in making decision, having a reliable information on project's physical and financial progress is a must. Currently, there is a lack of reliable quantitative and qualitative data due to lack of coordination and unclear of data accountability.

Management needs to urgently focus on resolving this to ensure a proper M&E system will be implemented in future. The mission is recommending following steps to be taken i.e.:

- a. Conduct 2-3 days of M&E & MIS training in each district where ALL related stakeholder is participating mainly:
 - i. PMU/PMC who should be leading this process to review and identify what has and has not been working when M&E guideline is being put into practice (focus on data flow/PIC and forms) so then improvement can be made in future.
 - ii. The FFs and FFS Manager, Ext Agents, and district M&E (from PMC and appointed by Gov) should bring their validated data (soft and hard copy focusing on target beneficiaries, demoplot, training, and infrastructure) and then exercise as much as they can to input the data to the MIS (along with data verification process to be in place).
- b. Review the current structure under PMC where one M&E person is in charge for 2-3 districts with limited travel time of maximum 3 days as it is obviously insufficient.
- c. Ensure full time availability of the MIS developer to be able to provide support to the project

As many activities has been conducted specifically demonstration plot, input provision and training on commodities on farm/livestock, the project then will need to follow up for assessing the outcome of those activities by conducting an Annual Outcome Survey (or Midline Survey if Midterm Review is confirmed) around end of Q4. Besides preparing the TOR and the procurement process for selecting the 3rd party to conduct the survey, other preparations needed are: (i) building a simple M&E tool for assessing the adoption rate in the farm level by coordinating with the agronomist to be included in the questionnaire and (ii) be clear on the reporting requirements for this AOS by coordinating with the team thus selected party able to present the survey result as expected. The AOS should also be able to assess the visibility of the training quality and needs when put into practice thus training materials could be improved. Other thing that should be captured in the survey is the input availability and affordability.

Actions	Responsibility	Deadline	Status
Prepare AOS/Midline survey			
1. Develop TOR (inc. the questionnaire and reporting requirement)	1. PMC M&E Specialist	Sep/ 2022	
2. Prepare Procurement Process	2. PMU	Sep/ 2022	
3. Develop M&E tool for assessing the adoption rate in farm level for each commodity/district	3. PMC M&E Specialist in coordination with the Agronomist Specialist	Sep/ 2022	[proposed]
4. AOS/Midline Survey Implementation and reporting	4. Selected 3 rd Party	Oct – Dec 2022	

Indonesia

The Development of Integrated Farming Systems in Upland Areas Supervision Report

Appendix 7: Integrated Project Risk Matrix (IPRM)

Mission Dates: 10 March - 22 April 2022

Document Date: 14/06/2022

Project No. 2000002234

Report No. 6103-ID

Asia and the Pacific Division
Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	Substantial	Substantial
<i>Political Commitment</i>		<i>No risk envisaged - not applicable</i>
<i>Governance</i>		<i>No risk envisaged - not applicable</i>
<i>Macroeconomic</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Fragility and Security</i>		<i>No risk envisaged - not applicable</i>
Sector Strategies and Policies	Moderate	Moderate
<i>Policy alignment</i>		<i>No risk envisaged - not applicable</i>
<i>Policy Development and Implementation</i>	<i>Moderate</i>	<i>Moderate</i>
Environment and Climate Context	Moderate	Moderate
<i>Project vulnerability to environmental conditions</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Project vulnerability to climate change impacts</i>	<i>Moderate</i>	<i>Moderate</i>
Project Scope	Substantial	Moderate
<i>Project Relevance</i>		<i>No risk envisaged - not applicable</i>
<i>Technical Soundness</i>	<i>Substantial</i>	<i>Moderate</i>
Institutional Capacity for Implementation and Sustainability	Substantial	Moderate
<i>Implementation Arrangements</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Monitoring and Evaluation Arrangements</i>	<i>Moderate</i>	<i>Low</i>
Project Financial Management	Moderate	Low
<i>Project Organization and Staffing</i>	<i>Moderate</i>	<i>Low</i>
<i>Project Budgeting</i>	<i>Moderate</i>	<i>Low</i>
<i>Project Funds Flow/Disbursement Arrangements</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Project Internal Controls</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project Accounting and Financial Reporting</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project External Audit</i>	<i>Moderate</i>	<i>Low</i>
Project Procurement	Moderate	Low
<i>Legal and Regulatory Framework</i>	<i>Moderate</i>	<i>Low</i>
<i>Accountability and Transparency</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Capability in Public Procurement</i>	<i>Moderate</i>	<i>Low</i>
<i>Public Procurement Processes</i>	<i>Moderate</i>	<i>Low</i>
Environment, Social and Climate Impact	Moderate	Low
<i>Biodiversity Conservation</i>		<i>No risk envisaged - not applicable</i>
<i>Resource Efficiency and Pollution Prevention</i>	<i>Moderate</i>	<i>Low</i>
<i>Cultural Heritage</i>		<i>No risk envisaged - not applicable</i>
<i>Indigenous People</i>	<i>Moderate</i>	<i>Low</i>
<i>Labour and Working Conditions</i>		<i>No risk envisaged - not applicable</i>

Risk Category / Subcategory	Inherent risk	Residual risk
<i>Community Health and Safety</i>		<i>No risk envisaged - not applicable</i>
<i>Physical and Economic Resettlement</i>		<i>No risk envisaged - not applicable</i>
<i>Greenhouse Gas Emissions</i>		<i>No risk envisaged - not applicable</i>
<i>Vulnerability of target populations and ecosystems to climate variability and hazards</i>		<i>No risk envisaged - not applicable</i>
Stakeholders	Substantial	Moderate
<i>Stakeholder Engagement/Coordination</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Stakeholder Grievances</i>		<i>No risk envisaged - not applicable</i>
Overall	Moderate	Moderate

Country Context	Substantial	Substantial
Political Commitment		<i>No risk envisaged - not applicable</i>
Not relevant for this project.		
Governance		<i>No risk envisaged - not applicable</i>
Not relevant for this project.		
Macroeconomic	Substantial	Substantial
Risk: In order to respond to the ongoing COVID-19 crisis, the Government reallocated a big portion of the national public budget to deal with the health emergency, which affects all sectors, ministries, provinces and districts. In this context, the available resources to provide counterpart to international financing from IFAD and other development partners have been reduced in 2020 and will be reduced even more in 2021. This situation will affect the whole project implementation and represents a substantial risk on which IFAD has no control.	Substantial	Substantial
Mitigations: IFAD is working with the Ministry of Agriculture and, more specifically, with the project PMU, to prioritize the project activities that would have short term impact on food production and availability aiming at: (i) contribute to respond to the COVID-19 emergency, and (ii) minimize, as much as possible, the project budget reduction by convincing to the Ministry of Finance that the activities to be implemented would contribute to the emergency response.		
Fragility and Security		<i>No risk envisaged - not applicable</i>
Not relevant for this project.		
Sector Strategies and Policies	Moderate	Moderate
Policy alignment		<i>No risk envisaged - not applicable</i>
Not relevant for this project.		

Policy Development and Implementation	Moderate	Moderate
Risk: Institutional capacities in the agricultural sector at national, province and district levels are not sufficient to implement the policies to which the project is aligned, namely diversification of small farmer's production and access to markets.	Moderate	Moderate
Mitigations: Adequate staffing and budget allocation at Ministry of Agriculture, jointly with strengthening institutional capacities at national, province and district levels are essential to mitigate this risk. The project foresees concrete actions in this direction.		
Environment and Climate Context	Moderate	Moderate
Project vulnerability to environmental conditions	Moderate	Moderate
Risk: Many of the sub-projects involve irrigation schemes. The project also strengthens road infrastructure. As (a) Indonesian governance is weak, historically road infrastructure has led to forest degradation and deforestation / land conversion and (b) forested watersheds are necessary in the production of water, there is a risk of project failure without additional support for increased environmental law enforcement governance and, if necessary, land rehabilitation of existing damaged watershed.	Moderate	Moderate
Mitigations: Co-ordination with district level KLH Dinas Kehutanan should be made through Bappeda. Further support from KLH may be required on the provincial level. Initial activities should include community support for forest estate gazettement and boundary marking in project areas, and other possible outreach from KLH to gain community support for governance and enforcement. Activities involving rehabilitation of upland watershed are not included in the project design and may warrant further consideration if needed. The feasibility studies should include land legality and land cover analysis in the areas adjoining the proposed project sites to identify possible re-existing environmental risks.		
Project vulnerability to climate change impacts	Moderate	Moderate
Risk: Climate change is affecting water availability and rain predictability in the uplands, what is a risk considering the kind of crops and plantations to be supported by the project.	Moderate	Moderate
Mitigations: Climate change adaptation will be carefully planned and implemented including; (i) undertaking climate change analysis with focus on adaptation; (ii) embedding into the project adaptation activities based on this analysis, prioritizing sustainable soil and water management; (iii) promoting access to seeds and varieties better adapted to ongoing climate impacts; (iv) improving access to climate information to enhance the preparedness to face extreme climate events.		
Project Scope	Substantial	Moderate
Project Relevance		No risk envisaged - not applicable
Not relevant for this project.		
Technical Soundness	Substantial	Moderate

<p>Risk:</p> <p>The project aims at supporting small farmers in the Uplands to diversify their production by incorporating crops with higher market and nutritional value, while ensuring the sustainable management of water, land and soil. This is the essence of the project and by definition entails risks linked to difficulties to be faced by small farmers to switch from their traditional rice production to new more market oriented crops, due to their insufficient knowledge on the new crops, and the necessary change in their economic approach towards more commercial agriculture.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Capacity building of small farmers to develop the necessary skills to successfully engage on higher market value and more commercial crops. This requires availability of and access to qualified technical services.</p>		
Institutional Capacity for Implementation and Sustainability	Substantial	Moderate
Implementation Arrangements	Substantial	Moderate
<p>Risk:</p> <p>Decentralization and on-granting mechanism The project will be implemented under a decentralized scheme including the Ministry of Agriculture at national level, and the provincial and the district governments. In most activities an on-granting mechanism will be applied, meaning that the provinces and districts have to implement project activities using their own resources and the Ministry of Finance will reimburse them after activities completion. Acknowledging the importance of decentralization and of the on-granting mechanism as one of its instruments, they entail the following risks: (i) the on-grating is relatively new and many local governments don't have sufficient knowledge to implement it; (ii) many provinces and districts don't have enough incentives to allocate their own resources upfront; (iii) the expected reimbursement from the national government to local governments creates some uncertainty and could discourage local governments to allocate their own resources to the project; (iv) the national government didn't provide the necessary training to local governments on this mechanism.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>(i) Strengthen PMU support to provinces and districts on the on-granting mechanism. (ii) Ministry of finance to strengthen its own capacity for a faster reimbursement of spent resources to provinces and districts.</p>		
Monitoring and Evaluation Arrangements	Moderate	Low
<p>Risk:</p> <p>(i) M&E data is not collected regularly and is not used for management purposes (ii) Baseline is not available</p>	Moderate	Low
<p>Mitigations:</p> <p>The project includes provisions for M&E staff, an M&E software system and capacity building for national and sub-national level staff. Additionally, IFAD is providing technical assistance to the PMU strengthen their capacity to set up a solid M&E system and to manage it.</p>		
Project Financial Management	Moderate	Low
Project Organization and Staffing	Moderate	Low

<p>Risk:</p> <p>The FM team at the central level is supported by adequate staffs at NPMU and also an FM specialist under the PMC contract. The current FM specialist was previously a bridging FM consultant for UPLAND.</p> <p>The six FM personnel at the regional level have all been on-board since November last year. The on-granting officers in all 13 districts are also fully staffed. The responsibilities of regional consultants often overlap with OGO since most of the work are heavy on reimbursement document verification.</p>	Moderate	Low
<p>Mitigations:</p> <p>1) The clear arrangement of responsibilities and assignment of OGO, FM consultant regional and central level as well as project FM team under PMU at the central level.</p> <p>2) Training on IFAD FM reporting to the consultant at the regional level by the national FM consultant.</p>		
<p>Project Budgeting</p>	Moderate	Low
<p>Risk:</p> <p>There is significant progress in on-granting expenditure from only 4% in the last mission to about 33% of the on-granting allocation. This was due to a delay in implementation because of revision on the infrastructure design, procurement issues on an equipment purchase, etc. As for non-on-granting expenditure, the realization is about 68%, increasing from only 22% in the last mission.</p> <p>The AWPB 2022 has been approved by IFAD in November 2021. The budget at the central level has been secured since January 2022 while at the district level, it was secured in March 2022</p>	Moderate	Low
<p>Mitigations:</p> <p>1) The NPMU and district to speed up the implementation process in 2022 as the budget is already available</p> <p>2) The verification for reimbursement process FY2022 within MOA should be accelerated and improved. The coordination with MOF should be strengthened.</p>		
<p>Project Funds Flow/Disbursement Arrangements</p>	Moderate	Moderate
<p>Risk:</p> <p>The first WA replenishment totaling USD 800k was submitted to IFAD in November 2021 and the overall disbursement was complete in December 2021. As of March 2022, there are about EUR 2 million expenditures that have incurred but not yet submitted to IFAD for replenishment. The project plans to submit another WA in April 2022 to account for EUR 2 million.</p> <p>The project also submitted a replenishment plan for 2022 but the plan appears to be incorrect as it does not consider the imprest method and authorized allocation under UPLAND.</p> <p>There is also pending 2021 reimbursement that was carried over to 2022 totaling USD 1 million (IFAD USD 0.3 million, IsDB USD 0.7 million). The USD 1 million was finally reimbursed to LG on April 12, 2022.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>1) Submit a revised replenishment plan that has considered imprest method and AA based on LTB.</p> <p>2) Submit the next WA plan no later than May 2022 for expenditures totaling EUR 2 million.</p> <p>3) Coordinate with MOF to accelerate reimbursement for 2022. Strengthen communication with MOF to avoid pending reimbursement of 2022 activities</p>		
<p>Project Internal Controls</p>	Substantial	Moderate

<p>Risk:</p> <p>The bookkeeping manual for the community has included information on the flow of funds, as well as recording and reporting format for community groups activities. However, this has not been finalized and distributed yet in a form of training to wider implementing units at the district level.</p> <p>Most of the cases of inadequate supporting documents from previous SM were already resolved, except for a refund on VAT that is included in vehicle rental payment. The refund to DA is still underway. From the current expenditure review, most of the samples have been provided and supporting documents are sufficient.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>1) Finalization of manual for community bookkeeping and deliver the training/coaching on this manual to regional and district personnel 2) Ensure proper training/coaching is provided to the verification team at the central and district levels.</p>		
<p>Project Accounting and Financial Reporting</p>	Substantial	Moderate
<p>Risk:</p> <p>For government contribution, the project has not set up the mechanism for recording the tax waive and salaries of NPMU. As for the beneficiary's contribution, the project through DSC records the 20% contribution in a form of labor and material for infrastructure construction and contribution to the procurement of farming equipment</p> <p>The project has completed the on-granting application to facilitate the reimbursement process but still records the 2021 on-granting manually using an excel sheet and collecting the hardcopy documents.</p> <p>The assignment of category/component for each expenditure at the district level is still performed by the central team.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>1) To finalize the reporting mechanism of contribution from both government and beneficiaries and deliver the training or coaching to implementation units at the district and central level 2) To accelerate the implementation of the on-granting application, to provide training/refresher to the district and regional units 3) The FM consultant PMC should provide a refresher on category/component assignment for each type of expenditure to ensure no mischarge among categories or components and to accelerate the process</p>		
<p>Project External Audit</p>	Moderate	Low
<p>Risk:</p> <p>Since the first disbursement was released in July 2020 and considering the low level of expenditures in 2020 (i.e. USD 485,000), the first financial audit of UPLAND will cover the years 2020 and 2021, and be submitted by June 30, 2022. The audit will be carried out by BPKP. Currently, the field audit is underway in some districts and at the central level.</p>	Moderate	Low
<p>Mitigations:</p> <p>The project should submit an audit report on June 30, 2022, covering an audit of the implementation year of 2020 and 2021.</p>		
<p>Project Procurement</p>	Moderate	Low
<p>Legal and Regulatory Framework</p>	Moderate	Low

<p>Risk:</p> <p>The risk that the Borrower's regulatory and institutional capacity and practices (including compliance with the laws) are inadequate to conduct the procurement in a manner that optimizes value for money with integrity.</p>	Moderate	Low
<p>Mitigations:</p> <p>1). Review periodically the application procurement in accordance with national procurement law, regulations and project implementing arrangements. 2). Review and clear project procurement plan (consolidated) encouraging the use of competitive procurement methods 3). Provide consolidated procurement information on project website (opportunities and awards)</p>		
<p>Accountability and Transparency</p>	Substantial	Moderate
<p>Risk:</p> <p>The risk that accountability, transparency and oversight arrangements (including the handling of complaints regarding, for example, SH/SEA and fraud and corruption) are inadequate to safeguard the integrity of project procurement and contract execution, leading to the unintended use of funds, misprocurement, SH/SEA, and/or execution of project procurements outside of the required time, cost and quality requirements.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>1). Provide confidential report of complains received, under investigation and resolved. 2). Establish appropriate level of procurement reviews post and prior based on risk 3). Identify and report on risk flags during procurement supervision 4). Use IFAD standard bidding documents, which include provisions for prohibitive practises and safeguards</p>		
<p>Capability in Public Procurement</p>	Moderate	Low
<p>Risk:</p> <p>The PMU does not appoint the necessary qualified staff to properly and timely conduct all procurement processes.</p>	Moderate	Low
<p>Mitigations:</p> <p>1). IFAD to demand that the PMU appoints the procurement qualified staff. 2). Close follow up to procurement processes through no objections and during supervision and implementation support missions.</p>		
<p>Public Procurement Processes</p>	Moderate	Low
<p>Risk:</p> <p>The risk that procurement processes and market structures (methods, planning, bidding, contract award and contract management) are inefficient and/or anti-competitive, resulting in the misuse of project funds or sub-optimal implementation of the project and achievement of its objectives.</p>	Moderate	Low
<p>Mitigations:</p> <p>1). To be updated during 2020 supervision mission</p>		
<p>Environment, Social and Climate Impact</p>	Moderate	Low
<p>Biodiversity Conservation</p>		No risk envisaged - not applicable
<p>Not relevant for this project.</p>		

Resource Efficiency and Pollution Prevention	Moderate	Low
Risk: Risk of some increased used of pesticide is envisaged due to agriculture intensification.	Moderate	Low
Mitigations: Guidance and training will be provided in safe and environmentally sound practices for pesticide use.		
Cultural Heritage		No risk envisaged - not applicable
Not relevant for this project.		
Indigenous People	Moderate	Low
Risk: There is already an identified risk in Lebak District for inclusion of the indigenous highlander Kasepuhan people being excluded from the design. Similar possibilities may also exist in Lombok Timur for the highland Sasak Budo (traditional belief systems practitioners) community. Feasibility studies and the M&E framework should include identification of ethnic and religious affinity, including consideration of practitioners of adat belief systems. Similarly, considerations over economic status of participants regardless of ethno-religious status is a concern for the risk of elite capture.	Moderate	Low
Mitigations: Existing status of the social-ethnic profile should be included in design and M&E of the project, to monitor risks.		
Labour and Working Conditions		No risk envisaged - not applicable
Not relevant for this project.		
Community Health and Safety		No risk envisaged - not applicable
Not relevant for this project.		
Physical and Economic Resettlement		No risk envisaged - not applicable
Not relevant for this project.		
Greenhouse Gas Emissions		No risk envisaged - not applicable
Not relevant for this project.		
Vulnerability of target populations and ecosystems to climate variability and hazards		No risk envisaged - not applicable
Not relevant for this project.		
Stakeholders	Substantial	Moderate
Stakeholder Engagement/Coordination	Substantial	Moderate

<p>Risk:</p> <p>The three levels of decentralized implementation (national, province and district), with diverse stakeholders at each level, add complexity to project implementation and require particular support for an adequate project management.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Strengthen mechanisms to ensure fluent interaction and complementarities between the PMU at national, provincial and district governments. Provision of consistent support to PMU by IFAD and IsDB to establish effective project management with capacity to lead and interact with the province and district stakeholders.</p>		
<p>Stakeholder Grievances</p>		<p>No risk envisaged - not applicable</p>
<p>Not relevant for this project.</p>		