



Investing in rural people

Nepal

Kisankalagi Unnat Biu-Bijan Karyakram

Supervision Report

Main report and appendices

Mission Dates: 31 March -14 April 2018

Document Date: 06/07/2018

Project No. 1100001602

Report No. 4805-NP

Asia and the Pacific Division
Programme Management Department

Abbreviations and Acronyms

AEC	Agro Enterprise Centre
AI	Artificial Insemination
AWPB	Annual Work Plan and Budget
BBA	Buy Back Agreement
DADC	District Agriculture Development Committee
DADO	District Agricultural Development Office
DCCI	District Chamber of Commerce and Industry
DDC	District Development Committee
DLSO	District Livestock Services Office
DoA	Department of Agriculture
FMIS	Financial Management Information System
FNCCI	Federation of Nepalese Chambers of Commerce and Industry
GoN	Government of Nepal
IFAD	International Fund for Agricultural Development
ISFP	Improved Seed for Farmers' Programme
KM	Knowledge Management
KUBK	Kisankalagi Unnat Biu-Bijan Karyakram
M&E	Monitoring and Evaluation
MIS	Management Information System
MoF	Ministry of Finance
MoALMC	Ministry of Agriculture, Land Management and Cooperatives
MoU	Memorandum of Understanding
MTR	Mid Term Review
NACCFL	Nepal Agriculture Cooperative Central Federation Limited
NARC	Nepal Agricultural Research Council
PIM	Programme Implementation Manual
PMO	Programme Management Office
PSC	Programme Steering Committee
PVS	Participatory Varietal Selection
RSTL	Regional Seed Testing Laboratories
SEAN	Seed Entrepreneurs' Association of Nepal
SFACL	
SFDB	Small Farmer Agriculture Cooperatives Limited
SFDB	Small Farmer Development Bank Ltd.
SPG	Seed Producer Group
SQCC	Seed Quality Control Centre
SRR	Seed Replacement Rate
TL	Truthful Label
VDC	Village Development Committee

A. Project Overview

Region:	Asia and the Pacific Division	Project at Risk Status:	Not at risk
Country:	Nepal	Environmental and Social Category:	B
Project Name:	Kisankalagi Unnat Biu-Bijan Karyakram	Climate Risk Classification:	not available yet
Project Id:	1100001602	Executing Institution:	not available yet
Project Type:	Agricultural Development	Implementing Institutions:	not available yet
CPM:	Louise C. Mcdonald		
Project Director:	Kaushal Kumar Paudel		
Project Area:	Rukum, Rolpa, Salyan, Pyuthan, Arghakhanchi and Gulmi Districts		

Approval Date	01/01/-4712	Last audit receipt	14/01/2018
Signing Date	02/12/2012	Date of Last SIS Mission	14/04/2018
Entry into Force Date	02/12/2012	Number of SIS Missions	13
Available for Disbursement Date	02/12/2012	Number of extensions	0
First Disbursement Date	06/06/2013	Effectiveness lag	3 months
MTR Date	29/02/2016		
Original Completion Date	31/12/2019		
Current Completion Date	31/12/2019		
Financial Closure	not available yet		

Project total financing

IFAD Financing breakdown	IFAD	\$5,018,839
	IFAD	\$14,500,900
	Debt Sustainability Framework	\$14,500,900
	IFAD	\$10,000,000
Domestic Financing breakdown	Beneficiaries	\$10,945,140
	National Government (add)	\$631,911
	National Government	\$7,304,500
Co-financing breakdown,	Heifer Project International	\$2,500,000
Project total financing		\$65,402,190

Current Mission

Mission Dates: 31 March -14 April 2018

Days in the field: 5

Mission composition: Mr. Narasimhan Srinivasan, Team Leader and Programme Management Specialist; Mr. Robert Delve, Seed and Agriculture Specialist; Ms. Varsha Mehta, Livestock Specialist; Mr. Pradeep Shrestha, Financial Management Specialist; Mr. Hari Dhakal, Procurement Specialist; Ms. Lakshmi Moola, Country Programme Manager, IFAD
Mr. Bashu Aryal, Country Programme Officer, IFAD

Field sites visited: Rukum, Salyan, Pyuthan and Arghakhanchi

B. Overall Assessment

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

Effectiveness and Developmental Focus	Ø	Rating	Project Management	Ø	Rating
Effectiveness		4	Quality of Project Management		4
Targeting and Outreach		5	Knowledge Management		4
Gender equality & women's participation		5	Value for Money		4
Agricultural Productivity		4	Coherence between AWPB and Implementation		3
Nutrition		N/A	Performance of M&E System		4
Adaptation to Climate Change		4	Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)		

Sustainability and Scaling-up	Ø	Rating	Financial Management and Execution	Ø	Rating
Institutions and Policy Engagement		4	Acceptable Disbursement Rate		3
Partnership-building		4	Quality of Financial Management		3
Human and Social Capital and Empowerment		4	Quality and Timeliness of Audit		5
Quality of Beneficiary Participation		4	Counterparts Funds		6
Responsiveness of Service Providers		4	Compliance with Loan Covenants		4
Environment and Natural Resource Management		4	Procurement		3
Exit Strategy		4			
Potential for Scaling-up		4			

Relevance		4
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The ISFP-KUBK is an IFAD funded programme to support accelerated agricultural growth. The Programme is designed to support two key aspects of agriculture sector for enhancing productivity: (i) improvement of formal seed (cereals and vegetables), and (ii) improvement of smallholder livestock (goats and dairy) in order to increase income of the poor rural households. In terms of the recommendations of the last supervision mission the original programme budget of US \$ 59.7 million was scaled down with a partial cancellation of IFAD financing USD 10.0 million. The amendment to the Financing Agreement to this effect was signed on 21 November 2017. The key objectives of this supervision mission were : (i) to review the performance of the Programme after the last joint review/supervision mission in February 2017; (ii) to assess overall Programme progress towards its development objective; (iii) support the Programme team to identify and resolve any bottlenecks or emerging issues while implementing activities on the ground; (iv) conduct a critical evaluation of Grants to ensure that timeframes for on-time closure, and (v) to assist the Programme team in outlining the AWPB for the remaining Programme period by identifying the activities and amount of resources ensuring optimum utilization towards the intended objectives. The mission visited four programme districts (Rukum, Salyan, Arghakanchi, Pyuthan), discussed with different stakeholders ranging from central ministries to farm households in the programme area, sub-project holders, grantees, implementing partners and staff. Field visits included farm households, grantee sub-projects, service centres constructed with programme support and SFACLs. During field visits the mission was joined by representatives of Ministry of Agriculture, Land Management and Cooperative, National Planning Commission and implementing partner institutions. Meetings with multiple stakeholders and programme staff were also held as part of mission activities. The initial meeting with Ministry of Agriculture, Land Management and Cooperative on 1 April 2018 was attended by other ministries, Planning Commission and implementing partners. There was a debriefing meeting with PMO on 10 April 2018. The final wrap-up meeting was chaired by Shri Yubak Dhoj GC, Secretary of Ministry of Agriculture, Land Management and Cooperatives on 13 April 2018.

Key Mission Agreements and Conclusions

Since the last supervision mission, there has been progress in seed production and marketing with improved benefits flow to households in the 12 months. Targets for staff training, sub-project development and support, engagement of private seed companies and production of breeder, foundation and TL seeds had been significantly achieved. The capacity for production and supply of foundation seeds in demand should be scaled up in NARC. Demonstration of TL seeds should be carried out to improve demand for quality seeds and thereby develop markets for the SPGs. Significant progress has been made in terms of enhanced dairy and goat-meat productivity. With buy-back agreements between grantee producers and grantee buyers; the programme has achieved its targets in terms of productivity enhancement and adoption of improved management practices, and progress vis-à-vis targets against MTR indicators. The Boer buck introduction has been received well in the field, but more attention on animal management, especially nutrition, is required to get optimal results. Marketing efforts need considerable improvement; the issues identified during the last supervision mission continue to hamper the programme. While grant management has improved, tracking and accounting for beneficiary contribution has not been of even quality across the programme. 30 SFACLs have been handed over to SFDB and the remaining 45 are in various stages of planning and establishment. The formation of these 45 SFACLs need to be expedited and should be in place before end of February 2019. The release of funds of \$ 8 million (with a first tranche of \$ 5 million) to SFDB is delayed and should be expedited. With 20 months remaining till programme completion, about 52% of the revised allocation of funds are yet to be utilised. The programme should accelerate the pace of work and double its efforts in all the four components, with special focus on component where there is a lag, but potential for rapid scaling up. also work on consolidating the gains so far achieved and institutionalising the same for an orderly exit. The changes to the structure of government in the country with state governments and municipal self-governing bodies coming in to existence, can have potential adverse effect on programme management especially eroding coordination and supervision at district level. Discussions in the wrap-up meeting indicated the possibility of federal government creating district level mechanisms to continue with the coordination work done with DLSOs and DLDOs. The programme should discuss this with Federal and State level governments and finalise workable solutions to retain orderly coordination and monitoring. *The key conclusions are a) focus on breed improvement both in dairy and goats and ensure that the improved animals are better managed with appropriate nutrition, b) Further improve availability of required foundation seeds through NARC, c) Make extra efforts on marketing initiatives and convert purchase agreements in to actual sales and incomes for farmers and d) Expedite the process of formation of remaining SFACLs and provide the loan funds to SFDB for expanding access to finance for programme households.*

D. Overview and Project Progress

After the MTR and last supervision mission, IFAD loan to the tune of USD 10 million was cancelled and the programme budget was scaled down to USD 46.80 million (including the supplementary loan). The financial progress, even on the reduced size of the programme budget is below 50%. The programme has 20 months remaining till completion with about 52 % of the revised outlay undisbursed. Against AWPB, last year's performance was lower (50%) than that of the previous year (67.6%). Partial loan cancellation, unavailability of grant budget for new proposals, cancellation of support for new activities of Heifer International and the slow pace of work during process of elections to the new three tier governments had hampered the implementation progress.

Component 1: Support to the Extension of the Formal Seed Sector

Ensuring an effective enabling environment

Improving Policy and Regulations: Actions with respect to policy and regulation are slow, except for the support provided, by KUBK, to The Seed Vision roll out.

Increasing the capacity of the DADOs: The KUBK continues its support to the four field-based seed technicians in each of the six Districts. including training and mobility. Of nine proposed ASCs, six are open, two are in the process of hand-over and one is under construction. 44 trained DADO officers rolled out training to 2,968 females and 1,347 male farmers in seed production, processing and marketing and in seed quality control and production of TL seeds.

Improving the seed quality control system: The recruitment of the seed inspectors in each District seems to have increased significantly the raw seed quality being received by the PSC's. 767 seed samples were tested during the last year for quality.

Improved Seed Production

Foundation Seed production (NARC): KUBK provides support to the NARC farms/stations and the Agriculture Farms in Palpa and Rukum under DoA for the production of foundation seeds of cereal and vegetable crops. In the last 12 months the NARC and DoA have delivered most of the required quantities of foundation seeds. All foundation seed has been sent to NARC, which manages the seed balance sheet and distribution of foundation seed for the next seasons. For 2017-18 the target area to be planted was 72 ha, targeting seed production of 88 Mt for cereals and 4 ha for vegetables.

Foundation Seed production (NARC via SPG): Three of the four companies (except Rukmeli) are registered by SQCC to produce foundation seed, all five can produce TL seed. To increase the amounts of foundation seeds available, NARC contracted 12 SPG's from 2015/16 to date to provide foundation seeds of different crops, with direct technical supervision of NARC and quality control by RSTL. They produced a total of 111.6 MT of foundation seed in these three seasons (maize 37.9 MT, rice 37.9 Mt and wheat 35.0 Mt).

Engaging Formal Seed Sector Companies: Since the MTR, four seed companies (Lumbini, Panchashakti, New Shreeram and Rukmeli) have received co-financing for investment which includes buy back agreements between the SPGs and the companies. All grants are expected to be 100% disbursed with matching co-financing by end of July 2018.

Foundation Seed production (National Seed Company): In January 2017, the National Seed Company (a parastatal) signed a two-year agreement to produce foundation seed. They were not able to access grant funds for the agreed co-financing and the agreement was subsequently cancelled.

Breeder seed production (NARC): Due to the increased demand from PvSC and SPGs for foundation seed, there was insufficient breeder seed available in NARC to produce this foundation seed. During the 2016-17 season, NARC was supported to establish and manage 20 ha of cereals and 3 ha of vegetables breeder seed production. From this, NARC produced the following quantities of breeders seed: paddy rice 2.5 ha, 0.95 Mt seed; maize 6.5 ha, 2.5 MT seed, wheat 11 ha, 6.85 Mt seed and vegetables 3 ha, 0.041 Mt seed. Panchashakti, Shreeram and Lumbini seed companies received 90, 80 and 65 percent of the requested maize seeds and 100, 90 and 76 percent for wheat seeds respectively. The ability of NARC to provide sufficient breeder seed for newer varieties needs to be assessed.

Truthfully Labelled (TL) Seed production: Sub-projects participating in TL seed production are supported with subsidised foundation seed, fertilizers, field inspection, seed testing and technical support services. Rehabilitation of 182 irrigation schemes covering 813.75 ha for 5481 beneficiaries and 19 seed storage houses with a capacity of 510 Mt were completed.

The total production of 3,471 MT over last three years represents 93% of the KUBK target of 3,750 MT. This seed has been produced on 123,875 hectares. In all years, the area planted for seed production and quantity of seed produced had been lower than expected. The Programme should investigate this to find out what the challenges are and how to solve them.

TL seed sales: Recorded sales at 1,447 Mt represent only 42 percent of the produced TL seeds. This means that there is either incomplete data collection by KUBK or the seed producers are selling or consuming seed as grain for want of a viable market for the produced seeds. KUBK should assess the reasons for sales being much less than production and revise programme implementation strategy to remedy the situation.

Cost benefit analysis of seed production: Following a mission recommendation, a cost:benefit analysis (CBA) was

conducted for cereal seed crops across all six districts. Interviews with 15 farmers per District were conducted, supplemented by key informant and focus group discussions (FGD). The average CBA across all districts for each crop was maize 1.34, paddy rice 1.42 and wheat 1.35.

Seed replacement rate (SRR): Similarly, a study across all Districts was conducted to assess the SRR. Purposive sampling was conducted to select the sub-population (grantee and non-grantee) within the districts. Included in the sampling framework was accessibility, categorized as (i) Remote (ii) Moderate (iii) Accessible, with 25 respondents from each category. At least one FGD from each category of every district was done. The study indicated a healthy increase in SRR in the programme districts.

Strengthening seed producer groups and cooperatives: In the last year, no new sub-projects have been awarded for seed production. In the remaining 20 months of the programme, the strengthening needs to continue and the SPG's need to be able to source and access foundation seed, and fund their investments in seed production.

KUBK should ensure use of the farmer diaries to collate, analyse and draw conclusions on the work to date.

The FFS manual has been published by KUBK and is being used by the 199 FFS facilitators across the six districts. To date 582 FFS have been completed, which trained 14,944 beneficiaries, There are currently 17 FFS being conducted per district and around 15 per district planned for the 2018/19 season.

Promoting Farmer Demand for TL Seed

KUBK has not formulated a strategy for reaching many households in programme communities and districts and has remained focussed on the seed value chain. This has exposed a large numbers of households in to new varieties and to the benefits of using TL seed. Development of demonstration and dissemination approaches still needs to be developed.

With the remaining implementation period, there are 3-4 cropping seasons and the PVS demonstrations should be scaled-up, and a program of demonstrations showing the benefits of quality seed and good agricultural practices developed. Conducting field days that brings other community members to see and evaluate these demonstrations during the season should be a key part of this[1].

Component 2: Small-holder Livestock Development

As of 15 March 2018, the livestock component had directly benefited 24,803 households, with 202 sub-projects (SPs) & 60 micro-grants (MGs) awarded; of these, 196 SPs and 59 MGs are ongoing (59 dairy, 105 goat, 5 para-vets, 26 slaughterhouses, and 1 livestock market). Significant progress has been made in terms of enhanced dairy and goat-meat productivity, with buy-back agreements between grantee producers and grantee buyers.

Milk market linkages have been facilitated through multi-stakeholder platform discussions and buy-back agreements signed between producers and dairies, both of who are KUBK sub-project grantees.

Position of the Livestock Component Coordinator has been vacant for over 8 months, which has affected programme performance and coordination activities.

Most notable progress is seen in terms of the linkages established between producers and buyers, thus contributing to organized marketing and formalisation of marketing channels. However, the buy-back agreements are only between sub-project grantees, for a duration of three years, making sustainability of the arrangement doubtful.

It is important to ensure continuity of preventive veterinary and AI services and other interventions for productivity enhancement, along with establishment of producers' collectives, including producers not directly supported by the project, and enhancement of institutional capacities for access to financial and technical services and collective marketing.

Dairy Productivity Improvement

17 dairy clusters, in 3 programme districts, have been identified and interventions targeted, but sporadic interventions are spread across all 6 districts instead of just the three recommended.

Issues with dairy livestock productivity enhancement pertain to availability and mobility of trained technicians for AI, which would have an adverse impact on number and productivity of milk cows, and therefore on milk production; Rolpa (4), Pyuthan (3) and Rukum (3) districts have the lowest numbers.

In cross-bred Jersey cows, nutrition standards were found to be poor, with Body Condition Score (BCS) in the range of 2-4, on a scale of 1-9[2]; there appears a need to supplement it with high-protein ingredients, viz., Azolla, seedcakes, pulse by-products, etc. for attaining optimal productivity from improved breed cows.

Goat Productivity Improvement

The performance record of several breeding bucks in the two Breeder Herds (BH) at Gulmi and Arghakhanchi[3], and potentially in the 12 Multiplier Herds (MH) in six programme districts, is a matter of concern from both the productivity and efficiency arguments because of sub-optimal servicing rates by Boer bucks; at Diverna, only 1/3rd of the 12 bucks were found to be servicing optimally. Record-keeping in both BH and MH is sub-standard and incomplete, making it difficult to

assess and analyse overall performance of the herds. Further, the prescribed feeding protocol for breeding bucks in BH and MH is not uniformly being followed, putting the health and performance of the bucks at risk.

Component 3 – Local Entrepreneurship and Institutional Development

During the last two years, 47 courses covering 1700 persons were conducted for VDCs and DADC members. These courses improved planning and implementation capacities at VDC and district levels. 119 agrovets and paravets had been trained on entrepreneurship and technical protocols. More than 17000 persons were trained in aspects relating to business planning, cost-benefit analysis, value chains and gender issues in different courses.

Access to non-financial services: AEC has been functioning as the implementing partner to facilitate access of programme households, groups and institutions to non-financial services. 895 grant applicants were provided business counselling during 2016-17. Buyback agreements for seeds for 2.88 Mt have been finalised till Feb 2018 in the current year (compared to 3.17 MT last year). Buyback agreements for 6 990 goats and 3 200 litres of milk per day are also finalised. AEC's marketing initiatives focus more on seeds and less on livestock sector. There have been deficiencies in appraisal of grantee capacity and willingness to being in own contribution, optimal requirements of equipment, investment cost computation, phasing of sub-project and grantee capacity to account for and document progress. While seed marketing situation had improved, the pricing determined by MSP still favoured the seed companies as a cost-plus approach was being followed. Issues with buyback agreements; seed contracts; storage of seeds; linkages with goat farmer groups, have ensued, thereby not reaching full potential. Major part of the production in seeds, milk and goats is marketed through informal channels, reflecting that non-financial services do not keep pace with production.

The price dissemination to farmers was done through setting information display boards in the district headquarters. The prices should be ideally available in the different villages where the programme groups are located. Usage of FM radio (in the daily news) and mobile based group messaging in the social media groups to disseminate price information relating to major seasonal produce should be explored.

Increasing outreach of microfinance institutions: All the 30 SFACLs formed under the first phase have been linked to SFDB with 29 having already availed SFDB loans. Increased membership, share capital, savings and loans has been reported. The savings and loans growth of more than 70% is a healthy sign of member interest in their cooperative. The average membership of 540 per SFACL reflects 16% increase over last year. SFDB had provided loans to SFACLs, the loan outstanding as of February 2018 stood at NPR 81.08 Million, reflecting an increase of 80% over the last year. The work on second phase of SFACLs should be completed expeditiously and linked to SFDB before end of February 2019. If AWPB allocations do not provide for fast-tracking the work on 20 SFACLs, then the PMO should ensure funding is made available. It was understood that some of the new locations for formation of SFACLs cover more than one ward. In such cases, there might be a need for hiring additional volunteers for mobilising local communities in the interest of expediting completion of work. NFAACL may be allowed to flexibly hire additional volunteers for the purpose on the understanding the volunteers will not continue once the formation of the cooperative is complete. There are other cooperatives in the programme area that are not linked to SFDB. A listing of such institutions should be made and provided to SFDB to allow for evaluation of their readiness and capacity to be linked to SFDB.

Matching grants: In accordance with the last supervision mission report, the grant programme has been restricted to the budget allocated under the MTR. The small grants programme at the district level has also been concluded and no new proposals are being taken up. Grantee monitoring and performance tracking have improved over the last one year. A rating system has been introduced after the last mission report to classify grant sub-projects in to highly satisfactory, moderately satisfactory and poor. The rating system needs improvement as it fails to assess comparative performance clearly. With overall grant disbursements at less than 50% of sanctions the rating of most sub-projects seems to be generous. Of total sanctioned amount, 46% of funds have been brought in by KUBK and Grantees. Against the milestones that take in to account phasing of longer duration projects, the disbursements are at 64%. KUBK has released 48.7 % of its total commitments while grantees brought in 44% of their commitments. The grantee contributions under seeds sector sub-projects are low with only 36.5% of commitments having been contributed whereas the programme has released 45.17% of its commitments. Grantees in seeds sector are reportedly not recording their expenditure on cropping, part of which is reflected as their contribution to the grant sub-project. Despite the reported intensive support given by technicians to SPGs, if the recording of farmers' diaries and accounting for costs is not carried out, it does not reflect well on implementation monitoring. The reasons for slow progress of grant sub-projects in seeds sector and the apparent reluctance to contribute by grantees should be examined and remedial actions taken to complete these on time. The component managers have to focus more on accounting for grantee's own contributions and ensuring that these are indeed received.

Agreed Action	Responsibility	Agreed Date
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Overview and Project Progress		
<p>Linkages with seed byers</p> <p>Introduce closer linkages between seed companies, programme personnel and SPGs throughout the crop season to ensure quality seed production</p>	PMO/AEC	04/2018
<p>Buy back arrangements</p> <p>The contracts for seeds should be concluded in the beginning of the crop season specifying prices so that farmers can plan their cropping. AEC should ensure that all dairy groups and at least 80% of goat groups have buy back agreements. All the meat Fresh shops should be required to sign BBAs with goat farming groups for purchase of goats.</p>	AEC	04/2018
<p>Recruitment of Livestock Component Coordinator</p> <p>Ensure early recruitment and induction of a Coordinator for the Livestock Component</p>	PMO, DLS/MoALMC	04/2018
<p>Grant proposal finalisation</p> <p>Finalise grant review process for Bijbridhi Company</p>	IFAD	05/2018
<p>Training on seed storage</p> <p>Develop and conduct a training program on on-farm storage for seed</p>	PMU	05/2018
<p>Breeder Seed supply</p> <p>Support NARC to plan for production of requested quantities of breeder seeds, esp. for new varieties</p>	PMU	05/2018
<p>Study of Seed productivity</p> <p>Conduct a review to find out why seed production levels are lower than expected</p>	PMU	05/2018
<p>Strategy for demand creation</p> <p>Develop and implement a TL seed demand creation strategy to demonstrate and promote the use of improved seed linked to good agricultural practices</p>	PMU	06/2018
<p>Study of movement of seed produced</p> <p>Conduct a review to study where the TL seed is sold, accuracy of recorded data and what farmers do with the unsold seed</p>	PMU	06/2018
<p>Organisation of producer groups for sustainability</p> <p>Work with seed, goat and dairy groups to improve marketing skills and market awareness so that they are able to do business on their own at the end of the project. In suitable areas, formation of cooperatives of group members to support their activities may be explored with support from NAFCCCL</p>	PMO/AEC	06/2018
<p>Grant Sub-projects</p> <p>Complete the work on tracking beneficiary contribution and update the accounts; Analyse reasons for under-performance of seeds sector grants projects and project specific initiate remedial action</p>	PMO, M&E, component managers	06/2018

<p>Vaccination</p> <p>Ensure vaccination of left-out livestock through vaccination campaigns in under-covered areas; for cattle, maintain separate records for HS/BQ and FMD vaccination numbers</p>	<p>DLSO, PIU, PMO</p>	<p>07/2018</p>
<p>Improving dairy productivity</p> <p>Increase number of trained AI technicians through training to experienced para-vets in project districts, provide them with AI kits, and facilitate availability of N2 supplies and other equipment at district/ Municipality levels</p> <p>Assess nutrition requirements of cross-bred Boer bucks and cross-bred Jersey cows, provide training to BH and MH keepers, facilitate production and/or procurement of raw materials for improved feed, and monitor performance of bucks in herds (BH and MH) and individual cattle (Jersey cows)</p>	<p>PMO, NLBC</p>	<p>07/2018</p>
<p>Exit strategy</p> <p>Develop an exit strategy for the SPGs to ensure value chain linkages continue after KUBK ends</p>	<p>PMU</p>	<p>07/2018</p>
<p>Updating farmer records</p> <p>Ensure farmer group diaries are entered into the MIS and data analysis used to support decision making</p>	<p>PMU</p>	<p>07/2018</p>
<p>Performance improvement of breeding bucks in BH and MH</p> <p>Undertake close assessment of under-performing Boer bucks in both Gulmi and Arghakhanchi BH, introduce measures for improved performance, and continue monitoring them under expert supervision; devise a rehabilitation plan for under-performing bucks.</p> <p>Improve, update and monitor quality of record-keeping in BH and MH and integrate it in the project MIS, to observe performance of individual breeding bucks, herds and the system overall</p>	<p>NLBC, PIU (Arghakhanchi & Gulmi), PMO</p>	<p>10/2018</p>
<p>Linking other cooperatives</p> <p>Explore possibility of linking other cooperatives in the programme area to SFDB and carry out any required capacity building activities for the same</p>	<p>PMO, SFDB, NAFCCCL</p>	<p>10/2018</p>
<p>Policy brief on goat breed improvement</p> <p>Prepare a policy brief based on results of community-managed breed improvement programme of KUBK</p>	<p>PMO</p>	<p>12/2018</p>
<p>Strengthening community institutions for marketing</p> <p>Formation and/or capacity enhancement of cooperatives and/or federations of sub-project grantees, including non-SP producers, for business planning, improved access to financial services, and collective marketing of produce through formal channels (for milk and meat); facilitate agreements between producer groups and traders/ slaughterhouses/ dairies through negotiations for timely procurement of goods, from source points, at competitive market rates</p>	<p>PMO, NACCFL</p>	<p>12/2018</p>

<p>Formation of SFACLs</p> <p>Complete the formation of 25 SFACLs and link to SFDB. Take up the remaining 20 SFACLs on a priority basis. In proposed SFACL locations with more than two wards under coverage, NAFCCCL may be allowed to use an additional volunteers services as per need PMO to make arrangements for release of funds if any required over and above the AWPB allocation in the current year</p>	<p>PMO, NAFCCL, SFDB</p>	<p>02/2019</p>
<p>Meat and milk consumption analysis</p> <p>Undertake an analysis of local milk and meat production and consumption patterns pre and post-project implementation to assess impact of programme on nutrition standards</p>	<p>PMO</p>	<p>03/2019</p>

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Previous rating: 4

Justification of rating

Considerable improvements in both the seed and livestock sector interventions were visible during field visits, further supported by numbers thrown up by MIS. Formal marketing arrangements are increasingly in use. While household coverage is lagging the total targets, a significant part of outreach is expected to be achieved when all the 75 SFACLs are in place over the next year. Cereal Seed production has been satisfactory. Vegetable seeds production is far short of the targets, but the programme is scaling up its effort to reach higher levels in remaining programme period. The encouraging increase in Seed Replacement Rate is a clear sign of a move towards productive agriculture in the programme area. In livestock sector too, either targets are achieved or likely to be achieved before the end of the programme. But the scope for improvement in quality and range of interventions exists and this could improve the effectiveness of the project further. While on a number of aspects the programme has captured the outcomes in terms of costs, benefits and incomes, clearer measures of outcomes in the of better metrics of measurement and analysis are necessary.

Log-Frame Analysis & Main Issues of Effectiveness

While some of the goal and development related objectives and outcomes have been achieved, most of the remaining targets are likely to have been achieved at completion. Currently, the programme outreach is somewhat limited compared to the original objectives of the programme on account of cancellation of some sub-components as also loan cancellation of USD 10 million. However, the programme will achieve the targeted level of 90000 households at completion as the Financial cooperatives being formed will significantly add to coverage. Goals relating to improvement of food security and reduction of malnutrition are likely to be met during the next year. In outcomes, while seeds production targets will be met in case of paddy and maize, wheat and vegetables seed production are unlikely to achieve the targets unless intensive efforts are made. The outcome targets on household incomes will be met at completion in view of the significant income increases reported during field visits and information gathered through MIS. The second phase of SFACLs formation has started late and hence there might not be adequate time to observe the Annual General Meetings, but the information from the 30 SFACLs promoted in the first phase clearly indicate that the outcome objectives will be comfortably met. In terms of outputs, the target for production of foundation seeds for vegetables is unlikely to be met. The other output related objectives have either been met already or are likely to be achieved at completion. There is a need for the programme to increase awareness of personnel to the requirements of concluding phase and the nature of activities to orient people towards sustainability and institutionalisation of good practices. The data collected and reported on some aspects of the log frame indicators are cumulated which does not accurately measure the achievements against the intended objectives. The programme should annually measure whether indicators such as acreage sown with TL seeds, quantity of seeds produced, milk produced, etc., are achieved annually and meet the targets. The difficulties in making available foundation seeds limits the development outcomes and hampers production of TL seeds. The low conception rates in Boer buck serviced goats is a cause for concern and can have adverse impacts not only on incomes but also on use of Boer bucks for breed improvement among goat farming groups. The decision of the Government of Nepal to scale down the involvement of Heifer International is likely to scale down development outcomes in livestock component. The design assumptions on the goals and objectives and relevance of components to achieve the desired changes seem valid.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Development Effectiveness		
Critical focus areas for development effectiveness Intensely focus on enhancing availability of foundation seeds and improving performance of Boer bucks as these are critical for increasing the income levels of households	PMU	04/2018
Data collection and collation for logframe indicators Avoid using cumulative achievements in those aspects of the programme where annual achievements are more relevant	PMU	04/2018

Development Focus

Targeting and Outreach

Rating: 5

Previous rating: 5

Justification of rating

The geographical, poverty and gender targeting of the programme has been appropriate and in line with the programme design. The marginalised communities have been adequately covered ensuring the equitable distribution of programme benefits. With overwhelming participation of women, the programme has a favourable stance towards women.

Main issues

Villages are identified based on the potentials and the connectivity available based on the nature of the product. Villages in proximity of the transportation facilities are selected for cereal seed production, goat breed promotion and dairy activities whereas the relatively interior villages are chosen for vegetable seed production and multiplication of goat breed. SFACLs also prioritise women from vulnerable households in member enrolment. The size, scale and complexity of interventions fully take in to account the poverty and knowledge levels of the programme households. Tracking of progress of vulnerable households should be done with household specific data with reference to the baseline information already collected.

Gender equality & women's participation

Rating: 5

Previous rating: 4

Justification of rating

Women constitute about 77 per cent of the total (65 709 as at mid-March 2018) beneficiaries. They hold 97 per cent of membership and 93 per cent of key positions in the Programme promoted SFACLs; and have accessed 98 per cent of total lending. Marginalized communities such as Dalit and Janajati represent 17 and 24 per cent of the total beneficiaries. They represent 27 per cent and 22 percent of the members of the SFACLs and have accessed 25 and 27 per cent of the total lending respectively.

Main issues

The Programme continues to maintain high level of women participation as 77 per cent of the beneficiaries are women. The level of participation even increases in the Programme promoted SFACLs in the areas of membership (97%), number of borrowers (98%) and as the active savers (97%). They hold 93 per cent of the Board of Directors position in the Executive Committee of these SFACLs. Besides SFACLs, women hold 59 per cent of the key positions in the seed and livestock production groups. Representation of women in knowledge and technologies front such as FFS and PVS in the seed sector is 72 per cent and in Goat FFS is 90 per cent.

The Programme has supported a number of farm machinery and equipment such as tractor (7), power tiller (25), mini tiller (64), thresher (24), weighing balance (101), corn sheller (280) etc which have helped to reduce the drudgery of women. Gender sensitization trainings are included in the AWPB. As the Programme is heading towards the final years of implementation, the outcome and impact of the implemented activities has to be studied from the gender perspective.

Poverty and Social Inclusion: The Programme operates in among the poorest districts and the land ownership of the beneficiaries, per the baseline data, ranges from 0.25 to 0.6 hectares. Marginalized communities such as Dalit and Janajati constitute 17 and 24 per cent of the total beneficiaries respectively which is in line with the proportion of their population in the Programme area. In SFACLs, these communities share 49 (27+22) per cent of the members; 55 (25+30) per cent of borrowers, 52 (25+27) per cent of the loan portfolio and 31 (8+24) per cent of the Board of Directors positions in the Executive Committee. As the Programme is heading towards the final years of implementation, time has come to start measuring the outcome and impact of the implemented activities from the gender perspective.

Agreed Action	Responsibility	Agreed Date
Development Effectiveness		
Result and Impact Assessment Ensure that sex-disaggregated results and impact data are collected and adequately analysed during the next AOS	GESI Specialist, PMO	03/2019

Agricultural Productivity

Rating: 4

Previous rating: 4

Justification of rating

With improved Seed Replacement Rates, agricultural productivity has been improving. Across the country, between 2010-11 and 2015-16 yield increased by 5.8% in paddy, 2.3% in wheat, 9.7% in Maize and 16% in oilseeds. With increasing adoption of quality seeds productivity gains will be better in the programme districts. The data on productivity should be

collected and analysed so that during project completion appropriate conclusions can be drawn. The demonstration of use of TL seeds suggested earlier is likely to help in productivity improvement.

Nutrition	Rating: N/A
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Adaptation to Climate Change	Rating: 4	Previous rating: 4
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b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 4	Previous rating: 4
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Justification of rating

The programme has taken steps to engage in policy dialogue. The seed sector intervention has brought about partnership between private and public sector with communities becoming the production base. Use of Artificial insemination in goats for breed improvement is an important differentiator in influencing policy. The mission has recommended preparation of policy brief based on the experience of community managed breed improvement especially in goats. The VDC secretaries trained by the programme are playing critical roles in the newly formed local government institutions (Municipalities). The training of DADO and DLSO staff had improved efficiency of service delivery to seed growers and livestock farmers.

Main issues

The programme had been closely working with the district level staff of the government in agriculture and livestock. After the recent changes in the government structure, the district level administrative structures will no longer exist (By mid-July 2018). Other means of coordinating programme activities from the district level have to be found. This might involve engaging one or two existing officials (DADO, DLSO) in the PIUs at the district level so that linkages and supervision continue to be available. Opportunities are emerging for dialogue with state level government in Butwal for collaborative working that can facilitate orderly exit at completion and ensure sustainability of programme interventions and institutions. Some training/exposure courses for the Municipalities in the programme area would pave way for greater support to interventions and better utilisation of programme created institutions in the field.

Agreed Action	Responsibility	Agreed Date
Sustainability and Scaling Up		
Dialogue with provincial government Explore opportunities of collaborating with state government in Butwal to ensure support for programme activities and sustaining the services to communities and institutions at the time programme completion.	PMO	06/2018
Engagement with Municipalities Provide training and exposure on the programme modalities and institutions to elected members and senior staff of Municipalities to secure their support in the field for interventions as also institutions that are set up.	PMO	06/2018

Partnership-building	Rating: 4
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Justification of rating

A range of partnerships have been developed to enhance availability of technical services and access to markets for programme households. Private companies, agrovet entrepreneurs, meat and milk enterprises have been encouraged and incentivised to buy produce from the programme households and in the process, provide technical services on seed production, processing, storage, animal breeding, health care, hygiene and improved slaughter practices.

Main issues

Full benefit of the partners' expertise and experience is not being utilised. At exit, a strong partnership can sustain the programme households through provision of access to knowledge, technology, access to markets and finance. There is a need to involve the partners from the planning of activities whether in livestock or in agricultural production. The seed companies should be brought on board before the sowing season so that crop planning can be done with SPGs and quality and quantities of seed to be procured for marketing can be agreed upon. Similar engagement with agro vets and paravets would improve service availability, timeliness and quality. The objective is to establish a closer relationship

between farmer groups and the private sector entities. Suitable actions have been suggested in an earlier part of this section.

Human and Social Capital and Empowerment

Rating: 4

Previous rating: 5

Justification of rating

Use of community groups for production, productivity and breed improvement has been a significant design feature of this programme. The groups have been mobilised and their awareness and skill levels have been built up. For access to finance, community institutions in the form of cooperatives are being established. The introduction of new practices that enhance quality of livelihoods and group based processes that increase social cohesion and concerted action for the benefit of all members have been clear factors in the achievements so far reported.

Quality of Beneficiary Participation

Rating: 4

Previous rating: 4

Justification of rating

Beneficiary participation in the form of physical and financial contributions as well governance and leadership have been reasonably strong. Tracking of agreed contributions by beneficiaries was weak. In seed sub-projects, beneficiary contributions were behind the programme contributions. As indicated in the section relating to grants, it should be ensured that beneficiary contributions towards their own and group investments are brought in and accounted for. In case of SFACLs, focus on governance training and membership roles and responsibilities in their cooperatives ensures willing participation of members.

Responsiveness of Service Providers

Rating: 4

Previous rating: 4

Justification of rating

The involvement of DADOs and DLSOs has shown improvement over the last year. NARC has responded positively to the demand for breeder/foundation seeds and met a large part of the demand. NARC has arrangements in place to respond better in the next years.

Main issues

The abolition of district level machinery on account of the new three-tier government structure can affect service availability and quality at the district level. The PMU should engage with federal and state level governments to ensure that suitable mechanisms to fill the gaps at the district level are instituted. Actions have been agreed upon with the federal government in the wrap-up meeting.

Environment and Natural Resource Management

Rating: 4

Previous rating: 4

Justification of rating

The rating is the same as in the previous supervision mission. While seed production can lead to increased use of chemical fertilisers and other inorganic inputs, through farmer's field schools appropriate use of inputs including organic inputs is ensured, mitigating any adverse environmental impact. Stall-fed goat rearing as a mainstream intervention deals with problems arising open grazing in the slopes and forests. To prevent unsustainable fodder extraction practices, an active fodder cultivation initiative is also being implemented in the programme areas. The programme activities contribute to optimal natural resource management.

Exit Strategy

Rating: 4

Previous rating: 4

Justification of rating

There is increasing evidence of programme- led interventions stabilising on the ground. The marketing arrangements are being used to a greater extent, reflecting their acceptance which is a prime requirement in the post- programme period. The 30 SFACLs already functional can ensure continued support to the members; there is a need for early completion of setting up of the remaining 45 SFACLs to facilitate exit. As recommended in an earlier section, closer collaboration between seed companies and SPGs is needed. AEC should put in more efforts that the marketing linkages and price dissemination initiatives stabilise before end of the programme. As the programme is slated to close over the next twenty months, attention to exit related activities is necessary. A separate technical note on exit related activities is appended to the report, indicating studies, assessments, information collection and actions best avoided in the last six months.

Agreed Action	Responsibility	Agreed Date
Sustainability and Scaling Up		
Exit related activities Take action according to the separate technical note on exit related aspects, attached.	PMU	04/2018

Potential for Scaling-up	Rating: 4	Previous rating: 3
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Justification of rating

The potential for scaling up was rated as 3 in the previous supervision mission report. Over the last year, the acceptance and adoption of programme-led initiatives have increased and the breed improvement activities under both dairy and goat farming have stabilised. The relative success of community managed breed improvement processes offers scope for replication. Similarly, the SFACLs set up in the first phase have provided significant access to financial services for their members, even before the programme credit line has been made available. This also offers scope for scaling up.

c. Project Management

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

A number of changes for the better have been introduced in managing, monitoring and tracking implementation. Suggestions given in the previous mission report have been, by and large, implemented. There is greater cohesion between components. The partnerships with implementing agencies and private sector entities in marketing have been better managed. The performance of AEC needs further improvement and the programme management should establish clearer objectives and outcomes under the agreement with AEC.

Main issues

There is a distinct shift in the orientation of the programme to capture results and impact, going beyond merely capturing the effort level. However, there is a need to capture field data on results and impact rather than rely on macro estimates. The new MIS is able to capture several pieces of information from the field and produce a variety of reports. Once settled, the MIS would be able to provide details information for monitoring, review and qualitative decision making. The preparatory work towards exit and programme completion has to commence to shortly. Even when working to tight schedules to complete the large physical and financial targets that remain, the staff should invest time in preparing communities and programme households for the post- programme phase. The activities would include strengthening institutions, establishing mechanisms for sustaining good practices and continuation of critical services.

The removal of district administrative structure under the new federal governance framework poses some challenges to management and coordination of implementation activities. Through dialogue with Federal and State governments, options for retaining one or two key personnel from DADO, DLSO offices in the PIU at district level for the next 18 months should be explored. This is particularly necessary in the livestock interventions where access to medicines and semen for AI will not easy for PIU or the Municipal governments.

Agreed Action	Responsibility	Agreed Date
Project Management		
Retention of key officials Dialogue with Federal and State governments for retention of one or two key officials from DADO and DLSO in PIU for coordination and supervision of implementation.	PMO	05/2018
Agreement with AEC Review the agreement with AEC and establish clear objectives and outcomes that focus on marketing and other external linkages that would serve programme households even after KUBK completion.	PMO	05/2018
AWPB Include in the next years AWPB activities that would ensure orderly withdrawal from the programme – for strengthening institutions, sustaining good practices and continuing critical services established during the programme.	PMO	06/2018

Knowledge Management

Rating: 4

Previous rating: 4

Justification of rating

A knowledge management strategy already exists. Knowledge management activities have gathered pace during the year. Seed FFS manual was updated. Manual on Dairy FFS was prepared. GESI training manual was prepared and some video documentaries have been produced. Programme experiences in SFACL implementation have been documented. Profiles of smart women in agriculture are being compiled. A few studies and surveys have been planned. Since the programme is in its last twenty months more documentation in relation to exit will be necessary.

Value for Money

Rating: 4

Justification of rating

The programme is on course to meet most of its physical targets, through a combination of grant led sub-projects and interventions designed to improve enterprise and market linkages. The participation of beneficiaries in their sub-projects with a contribution of about 50% of costs provides depth and ownership among beneficiaries and improves value over a long time.

Main issues

The programme budget has been reduced with cancellation of loan to the tune of about USD 10 million in the last supervision mission. At the current level of reduced costs, the programme is likely to return good value.

The marketing activities needed to be done differently to secure full benefits. In livestock, the benefits arising from import of semen as well as breeding stock of Boer goats will be known after another of year. While initial results are encouraging, the difficulties associated with implementation especially AI using the imported semen for goats has led to stoppage of further imports. The loose linkages especially between slaughterhouses, milk parlours and the livestock farming groups tend to reduce value of benefits. The delays in market linkages lead to benefit streams being delayed, with consequent erosion of value during the programme period. During the last one year, M& E has been geared towards capturing and analysis of cost and benefits data of the different activities. The results are likely to be available during the current year and help the programme understand the comparative value proposition in the different activities.

Coherence between AWPB and Implementation

Rating: 3

Previous rating: 3

Justification of rating

Achievement against AWPB 2016-17 declined to 50% (67% in 2015-16) on account of a variety of reasons, some of which were beyond the control of the programme management. Even in the current year, in the first eight months, the achievement is about 25% of AWPB, though the programme is confident of completing the year at a much higher achievement level compared to last year.

AWPB Inputs and Outputs Review and Implementation Progress

In 2016-17, Component 1 achievements (seed sector) were higher at 57%. In the current year, component III achievements are higher so far at 54.97%. On account of partial cancellation of loan and also reduction of the budget for Heifer International, current year's AWPB at NPR 1122 million is less than the last year's budget at NPR 1391 million. Targets relating to foundation seed production in cereals and vegetables and vegetable TL seed production are not being achieved. In livestock, animal-health related activities such as vaccination, internal parasite control are well behind the targets. The physical achievements in terms of number of farmers to be covered have exceeded the targets. In case of acreage coverage and production of seeds, the achievement numbers are being cumulated instead of reckoning annual achievements giving a false sense of having exceeded programme targets. In case of grant sub-projects, progress is being monitored, but not closely enough. The elections last year, resignation of livestock component coordinator and uncertainties arising from movement of officials from federal and district levels in the aftermath of government restructuring have all contributed to the slow pace of progress last year and the current year. But with most problems having been dealt with, accelerated progress should now be possible.

Performance of M&E System

Rating: 4

Previous rating: 3

Justification of rating

The Programme has made significant progress in the areas of M&E and MIS after the last supervision mission in March 2017. An M&E guideline has been finalized, a software-based MIS system has been put in place and a User Manual for the MIS has been prepared. All the staff members, including the field technicians, are trained on the M&E and MIS system. A tablet-based information collection system with a quality assurance mechanism is fully operational. The system generates 13 different types of reports on Programme activities covering all components. The Programme has also fully complied with the timely reporting requirements such as submission periodic progress reports, RIMS and project financial statements.

M&E System Review

The Mission observed significant improvements in the development of M&E and MIS system during the last year. These include – finalization of the M&E guideline, development of an MIS system and training to all staff members on the operational aspects of M&E and MIS system. A tablet-based MIS system, both on offline and online mode, is now fully operational which enables data segregation by sex, ethnicity and on empowerment index. 60 tablets have been procured and provided to the field staff (seed technicians, dairy technicians and goat technicians) which enables them to collect real-time data from the field. Data collected on offline mode is directly transmitted to the Programme server once they are connected to the internet. PIU checks the quality and sufficiency of the collected data and informs the PMO. Training of the M&E Officer under CLEAR initiatives – a regional grant project by IFAD, has greatly helped the Programme to improve the quality of the M&E and MIS system.

The system is designed to produce reports by type of implemented activities and by components and allows each implementing partners to input data on the implemented activities. The system is able to generate 13 different types of reports including sub-project monitoring, disbursement tracking, buyback arrangements, agreed investments by sub-projects, status of training and workshops, status of grant disbursement, details on FFS, actual grant disbursement vs disbursement plan, sub-project wise milestones tracking etc. Framers' Diary, distributed to each beneficiary under seed and livestock component, forms the basis for data recording by the beneficiary households and also the base for data collection by the technicians.

The Programme adopted the concept of Farmers' Dairy from HVAP – an IFAD funded initiatives under State 6 where beneficiaries are making commendable efforts to maintain them. As the literacy rate among the beneficiaries in the Programme districts is quite low, the mission realized the need of additional training to the groups and cooperatives which will eventually help the Programme to improve the quality of data. The other attention requiring area is the results measurement considering from the outcomes and impacts generated by the Programme in view of the remaining implementation period. As the completion date is December 2019, the Programme should plan for the activities to demonstrate the outcome and impact level results. The MIS Officer, who played a key role in development and operationalization of the MIS system and also contributed significantly in M&E system development has recently resigned; his position should be fulfilled at the earliest to continue with smooth running of MIS and M&E system.

The M&E system provides adequate ground for analysis from the angle of management decision making, identifying the best practices with scaling up potential and extracting knowledge from the implementation to feed into the policy dialogue. However providing information for policy dialogue has yet to receive full attention from the Programme Management. This is more evident from the recent establishment of three tier governing system in the country with sub-national governments struggling to craft the required acts, by-laws regulation, policies and implementation arrangements in place. The PMO is rightly placed in Butwal, the temporary headquarters of State 5, to fully engage with provincial and other sub-national governments in these critical areas of development.

Agreed Action	Responsibility	Agreed Date
Project Management		
Quality improvements in Farmers' Diary Organize on-site coaching to the groups and cooperatives in improving the quality in maintaining the Farmers' Diary	PIUs	04/2018
PCR Processes - Completion Surveys Ensure activities with required resources for the Programme Completion activities such as RIMS and other endline surveys, AOS etc considering the Programme Completion Date (December 2019) in the AWPB	PMO	05/2018
Recruitment of MIS Officer Fulfill the vacant position of MIS Officer on a priority basis	PMO	06/2018
Evidence-based Policy Formulation: Sub-national Level Produce analytical reports from the data generated through M&E and MIS to share with the sub-national governments, Municipal and State Level, to feed into the policy processes; provide demand-based technical support to these agencies related to activities implemented by the Programme	PMO	06/2018

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

Rating:

d. Financial Management & Execution

Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
Domestic Financing breakdown	Beneficiaries	\$10,945,140		
	National Government (add)	\$631,911		
	National Government	\$7,304,500		
Co-financing breakdown,	Heifer Project International	\$2,500,000		

Acceptable Disbursement Rate

Rating: 3

Previous rating: 3

Justification of rating

Automated rating based on IFAD disbursement data

Main issues

The disbursement rate is about 55.96% of revised allocated amount of grant and loan excluding initial deposit and supplementary loan of SDR 3.27 million whereas disbursement percentage is 47.60% of total revised allocated funds of SDR 21.89 million including supplementary loan. Expenses being incurred are less than the budgeted expenses and the project activities are not being implemented as planned which has impacted the disbursement rate. The overall expenditures during eight months of FY 20118 is about 25.75% of the AWPB. The project has to review and plan the activities to be implemented in the remaining project period to achieve overall objective of the project.

Fiduciary Aspects

Quality of Financial Management

Rating: 3

Previous rating: 4

Justification of rating

The accounting software being used for government accounting and reporting has been discontinued now. The new accounting software suitable for the project has not yet been procured. The monthly statement of expenditures are still not being received on time causing delay in reporting and submission of WA. The project did not submit assets maintenance assessment report and consolidated records of fixed assets to the IFAD. The programme ledger is not maintained by PMO and some of the cost centres. Grant has been approved for more than 55% of sub-project cost. The project has complied with 2 agreed actions out of 8 actions. There are many internal control issues. The project is yet to develop new funds flow for the remaining project period.

Main issues

Accounts are being maintained manually at PMO and district cost centres based on the cash basis of accounting used by the Government of Nepal (GoN). The PMO, the DADOs and DLSOs prepare vouchers and maintain Cash Book, Budget Sheet, Advance Register, the monthly expenditure statement and trimester financial and physical progress report in excel spreadsheet. The accounting software being used for government accounting and reporting has been discontinued now. The project is in process of procuring accounting software developed for IFAD funded projects which will help to maintain accounts in dual currencies, generate financial reports required for the government and IFAD and prepare withdrawal application (WA). At present, PMO consolidates financial data received in hard and soft copies from the implementing agencies and partners for preparation of the FMR and WA on trimester basis.

The monthly expenditure statements from some of the implementing agencies are not received within the specified period causing delay in consolidation of monthly expenditure statements, updating status of AWPB, and submission of WA for reimbursement of expenditures on time and problem in monitoring actual expenditures comparing with the budgeted amounts on a regular basis. Monthly exchange gain/loss of DA and reimbursable budget account have not been maintained. The project did not submit assets maintenance assessment report and consolidated records of fixed assets to the IFAD. The programme ledger to be maintained to record and monitor expenses incurred under each activity has not been maintained by the PMO and some of the cost centres. The annual progress report of FY 2016-17 has been submitted. First trimester progress report of FY 2017-18 has been submitted on 7 January 2018 while second trimester progress report is submitted during the supervision mission. The project has complied with two agreed actions out of 8 agreed actions. The project should take initiative to fulfil all actions agreed during supervision mission. DTCO has conducted internal audit of FY 2016-17 and seven months of FY 2017-18 but the internal audit report of FY 2017-18 is yet to be received. The project is yet to develop new funds flow for the remaining project period.

The mission reviewed the project expenditures on sample basis with supporting documents (invoices, receipts, statement of travel expenses, attendance and distribution list and related documents), filing system, accounting system, financial statements and reporting and found some internal control weaknesses. They are: (i) invoices, bills and receipts are not defaced with "PAID" stamp at the time of payment, (ii) no payee's signature for some payments, (iii) no supporting documents of some expenses, (iv) excess payment, (v) short payment due to budget limit, (vi) no goods received notes and inventory record of medicines, (vii) free distribution of fodder samplings and seeds to one road construction contractor, (viii) expenses of sub-projects not included for payment of grant and accounting to beneficiaries contribution, (ix) payment of excess grant to grantees, (x) lack of list of materials distributed to the members, (xi) no travel order and travel claim statement, (xii) there are no photo of meeting, training, field visit, distribution of materials to the members, and hired vehicle to substantiate the expenditures, (xiii) payment of grant for quantities more than budgeted, (xiv) payment of contingency amount to the grantee for construction of ponds, (xv) payment of allowances to technical staff by grantees for providing technical advice and training, (xvi) paid NPR 60,000 for purchase of urea and molasses of NPR 69,900 based on photocopy invoice, and (xvii) payment of grant more than 55% of cost to 29 projects.

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
Develop funds flow Develop funds flow system for the remaining period of the project after closure of the DADOs & DLSOs	PMO	05/0015
Submission of assets maintenance assessment record Submit assets maintenance assessment report and consolidated records of fixed assets to IFAD	PMO	05/0015
Maintain programme ledger Maintain ledger for each program (activity) showing budget, voucher No. date, description and amount of expenditures.	PMO, DADOs & DLSOs	05/0015
Computerize the accounting system Purchase accounting software and computerize the project accounts.	PMO	05/0015
Maintain percentage of grant Make payment of grant to sub-projects within 55% of the project cost	PMO	
Regular submission of financial statements Ensure monthly financial reporting by all the cost centers & Implementing Partners by the 15th of the subsequent month.	All cost centres & implementing partners	

Quality and Timeliness of Audit

Rating: 5

Previous rating: 4

Justification of rating

The annual audit has been submitted on time, the audit has been performed in accordance with INTOSAI standards

Main issues

The set of financial statements documentation is complete and data reconciles with IFAD internal reports.

Management letter should provide a more detailed description on the quality of Internal controls system and process.

Project's management should provide IFAD with it's replies to auditor's observations.

Counterparts Funds

Rating: 6

Previous rating: 5

Justification of rating

Full GON contribution available

Main issues

The budget of NPR 1,122.82 million consisting NPR 201.15 million from GoN source (17.91%), NPR 41.82 million from Heifer International source (3.72%), NPR 414.32 million from IFAD Grant (36.90%) and NPR 465.53 million from IFAD loan (41.46%) has been approved for the FY 2017-18. The counterpart fund is adequate as per percentage of financing. Government of Nepal pre-finances all expenditures of the programme except direct payment and request reimbursement of the expenditures to be funded from IFAD source. The project records the beneficiary contribution from the statement of expenditures submitted by the beneficiaries. However, some of the expenditures incurred by the beneficiaries are not recorded as beneficiary contribution. It is recommended to record actual expenditures incurred by the beneficiaries for reporting actual beneficiaries contribution.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Financial Management & Execution		
Record beneficiaries contribution Calculate correctly the beneficiaries contribution based on statement of expenditures and record for reporting in the financial statements.	PMO	

Compliance with Loan Covenants **Rating: 4** **Previous rating: 5**

Justification of rating

The programme has complied with the most of the covenants of Financing Agreement, Letter to the Recipient and General Conditions for Agricultural Development Financing except few provisions.

Main issues

The Programme has generally complied with all the Loan Covenants except: (i) Section E Para 1 of Financing Agreement (FA) - revision of programme implementation manual, (ii) Schedule I Section II para 6 of FA- vacant positions of Livestock Coordinator and MIS Officer, (iii) Letter to Borrower (LTB) - Para 21 - submission of register of contracts to IFAD Country Programme Manager on monthly basis, (iv) LTB - Para 23 - submission of PMO's replies to the Management letter of Office of the Auditor General (OAG) to IFAD, and (v) Section 7.08 (a) of General Conditions (GC) - insurance of all goods and building used in the project. Appendix 3 summarises the status of compliance with Financing Agreement covenants.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Financial Management & Execution		
Compliance with financing agreement Comply with all the financing covenants within the stipulated time	PMO	04/2018

Procurement

Procurement **Rating: 3** **Previous rating: 3**

Justification of rating

KUBK's procurement remains moderately unsatisfactory. Procurement of services has been delayed with about 5% of the required contracts having been awarded. Bid documents and bid evaluation reports were not of the desired quality and needed improvement. Monitoring of construction works in progress should be done regularly.

Procurement Review

A review was done to the Procurement Management Procedures and Procurement Progress. The review covered the Procurement Plan, Contract Register, and Contract related files. All needed documentations were made available to the mission. Procurement Staff: KUBK is staffed with a Procurement and Contract Manager who is handling all the Procurement tasks under the programme and ensuring compliance with IFAD's Guidelines and Procedures. The Bidding process is managed by the PMO while the evaluation committees are formed from government staff and programme's technical staff. Procurement Plan: The procurement plan has been updated and obtained IFAD's No-objection. Procurement are generally carried out by PMO, whereas some of the Goods procurement are also carried out by DLSOs, NARC, SFDB and NARC. Generally, Quality and Cost Based Selection method is being used which should be used for only with high value assignments. Procurement Progress: During this fiscal year (2017/18), most of the works contract have been awarded. Only about 30% of the contracts for goods have been awarded/procured and remaining are in different stages of procurement. Only two consultants have been recruited for assessment/studies. Only 5% of the consulting/non-consulting services contract have been awarded. Given the low value of actual contract awarded in the procurement of goods, consulting and non-consulting services, additional efforts are to be made for award of contract. Although most of the works contract have been awarded, and are at different locations, they need to be closely supervised by PMO's technical personnel for quality in construction. Prior/Post review requirement: The Prior/Post requirements set in the Plan have been followed as provisioned in the Letter to the Recipient requirements. The Prior Review for the solicitation and award for consulting firms is set at NPR 3 million and NPR 5 million for works/goods. Procurement Processes, documentation and record keeping: Following the review of the Procurement files, it was revealed that the files were complete summarizing all the required Procurement stages and documents, including TORs, Technical Specifications, bidding Documents, evaluation report, acceptance reports and the contracts signed by the programme. The record keeping was done properly. Contract register and contract management: The format for contract register (in

electronic format) being used by the programme is in conformity with IFAD's requirements. The register is up to date.

Agreed Action	Responsibility	Agreed Date
Financial Management & Execution		
Progress reporting Submit Procurement progress as well as contract implementation status on quadrimester basis within 15 days from the end of the quadrimester	PMU	04/2018
Bidding document and bid evaluation report Improve quality of bidding document and bid evaluation report	PMU	04/2018
Supervision of construction Carry out regular and effective supervision of works being constructed at different locations to assess quality of works.	PMU	04/2018

F. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Overview and Project Progress		
Recruitment of Livestock Component Coordinator Ensure early recruitment and induction of a Coordinator for the Livestock Component	PMO, DLS/MoALMC	04/2018
Buy back arrangements The contracts for seeds should be concluded in the beginning of the crop season specifying prices so that farmers can plan their cropping. AEC should ensure that all dairy groups and at least 80% of goat groups have buy back agreements. All the meat Fresh shops should be required to sign BBAs with goat farming groups for purchase of goats.	AEC	04/2018
Linkages with seed byers Introduce closer linkages between seed companies, programme personnel and SPGs throughout the crop season to ensure quality seed production	PMO/AEC	04/2018
Breeder Seed supply Support NARC to plan for production of requested quantities of breeder seeds, esp. for new varieties	PMU	05/2018
Study of Seed productivity Conduct a review to find out why seed production levels are lower than expected	PMU	05/2018
Grant proposal finalisation Finalise grant review process for Bijbridhi Company	IFAD	05/2018
Training on seed storage Develop and conduct a training program on on-farm storage for seed	PMU	05/2018

<p>Study of movement of seed produced</p> <p>Conduct a review to study where the TL seed is sold, accuracy of recorded data and what farmers do with the unsold seed</p>	PMU	06/2018
<p>Grant Sub-projects</p> <p>Complete the work on tracking beneficiary contribution and update the accounts; Analyse reasons for under-performance of seeds sector grants projects and project specific initiate remedial action</p>	PMO, M&E, component managers	06/2018
<p>Organisation of producer groups for sustainability</p> <p>Work with seed, goat and dairy groups to improve marketing skills and market awareness so that they are able to do business on their own at the end of the project. In suitable areas, formation of cooperatives of group members to support their activities may be explored with support from NAFCCCL</p>	PMO/AEC	06/2018
<p>Strategy for demand creation</p> <p>Develop and implement a TL seed demand creation strategy to demonstrate and promote the use of improved seed linked to good agricultural practices</p>	PMU	06/2018
<p>Improving dairy productivity</p> <p>Increase number of trained AI technicians through training to experienced para-vets in project districts, provide them with AI kits, and facilitate availability of N2 supplies and other equipment at district/ Municipality levels Assess nutrition requirements of cross-bred Boer bucks and cross-bred Jersey cows, provide training to BH and MH keepers, facilitate production and/or procurement of raw materials for improved feed, and monitor performance of bucks in herds (BH and MH) and individual cattle (Jersey cows)</p>	PMO, NLBC	07/2018
<p>Vaccination</p> <p>Ensure vaccination of left-out livestock through vaccination campaigns in under-covered areas; for cattle, maintain separate records for HS/BQ and FMD vaccination numbers</p>	DLSO, PIU, PMO	07/2018
<p>Exit strategy</p> <p>Develop an exit strategy for the SPGs to ensure value chain linkages continue after KUBK ends</p>	PMU	07/2018
<p>Updating farmer records</p> <p>Ensure famer group diaries are entered into the MIS and data analysis used to support decision making</p>	PMU	07/2018
<p>Performance improvement of breeding bucks in BH and MH</p> <p>Undertake close assessment of under-performing Boer bucks in both Gulmi and Arghakhanchi BH, introduce measures for improved performance, and continue monitoring them under expert supervision; devise a rehabilitation plan for under-performing bucks. Improve, update and monitor quality of record-keeping in BH and MH and integrate it in the project MIS, to observe performance of individual breeding bucks, herds and the system overall</p>	NLBC, PIU (Arghakhanchi & Gulmi), PMO	10/2018

<p>Linking other cooperatives</p> <p>Explore possibility of linking other cooperatives in the programme area to SFDB and carry out any required capacity building activities for the same</p>	PMO, SFDB, NAFCCCL	10/2018
<p>Strengthening community institutions for marketing</p> <p>Formation and/or capacity enhancement of cooperatives and/or federations of sub-project grantees, including non-SP producers, for business planning, improved access to financial services, and collective marketing of produce through formal channels (for milk and meat); facilitate agreements between producer groups and traders/ slaughterhouses/ dairies through negotiations for timely procurement of goods, from source points, at competitive market rates</p>	PMO, NACCFL	12/2018
<p>Policy brief on goat breed improvement</p> <p>Prepare a policy brief based on results of community-managed breed improvement programme of KUBK</p>	PMO	12/2018
<p>Formation of SFACLs</p> <p>Complete the formation of 25 SFACLs and link to SFDB. Take up the remaining 20 SFACLs on a priority basis. In proposed SFACL locations with more than two wards under coverage, NAFCCCL may be allowed to use an additional volunteers services as per need PMO to make arrangements for release of funds if any required over and above the AWPB allocation in the current year</p>	PMO, NAFCCCL, SFDB	02/2019
<p>Meat and milk consumption analysis</p> <p>Undertake an analysis of local milk and meat production and consumption patterns pre and post-project implementation to assess impact of programme on nutrition standards</p>	PMO	03/2019
Development Effectiveness		
<p>Data collection and collation for logframe indicators</p> <p>Avoid using cumulative achievements in those aspects of the programme where annual achievements are more relevant</p>	PMU	04/2018
<p>Critical focus areas for development effectiveness</p> <p>Intensely focus on enhancing availability of foundation seeds and improving performance of Boer bucks as these are critical for increasing the income levels of households</p>	PMU	04/2018
<p>Result and Impact Assessment</p> <p>Ensure that sex-disaggregated results and impact data are collected and adequately analysed during the next AOS</p>	GESI Specialist, PMO	03/2019
Sustainability and Scaling Up		
<p>Exit related activities</p> <p>Take action according to the separate technical note on exit related aspects, attached.</p>	PMU	04/2018

Dialogue with provincial government Explore opportunities of collaborating with state government in Butwal to ensure support for programme activities and sustaining the services to communities and institutions at the time programme completion.	PMO	06/2018
Engagement with Municipalities Provide training and exposure on the programme modalities and institutions to elected members and senior staff of Municipalities to secure their support in the field for interventions as also institutions that are set up.	PMO	06/2018
Project Management		
Quality improvements in Farmers' Diary Organize on-site coaching to the groups and cooperatives in improving the quality in maintaining the Farmers' Diary	PIUs	04/2018
Agreement with AEC Review the agreement with AEC and establish clear objectives and outcomes that focus on marketing and other external linkages that would serve programme households even after KUBK completion.	PMO	05/2018
Retention of key officials Dialogue with Federal and State governments for retention of one or two key officials from DADO and DLSO in PIU for coordination and supervision of implementation.	PMO	05/2018
PCR Processes - Completion Surveys Ensure activities with required resources for the Programme Completion activities such as RIMS and other endline surveys, AOS etc considering the Programme Completion Date (December 2019) in the AWPB	PMO	05/2018
Evidence-based Policy Formulation: Sub-national Level Produce analytical reports from the data generated through M&E and MIS to share with the sub-national governments, Municipal and State Level, to feed into the policy processes; provide demand-based technical support to these agencies related to activities implemented by the Programme	PMO	06/2018
AWPB Include in the next years AWPB activities that would ensure orderly withdrawal from the programme – for strengthening institutions, sustaining good practices and continuing critical services established during the programme.	PMO	06/2018
Recruitment of MIS Officer Fulfill the vacant position of MIS Officer on a priority basis	PMO	06/2018
Financial Management & Execution		
Develop funds flow Develop funds flow system for the remaining period of the project after closure of the DADOs & DLSOs	PMO	05/0015

<p>Computerize the accounting system</p> <p>Purchase accounting software and computerize the project accounts.</p>	PMO	05/0015
<p>Submission of assets maintenance assessment record</p> <p>Submit assets maintenance assessment report and consolidated records of fixed assets to IFAD</p>	PMO	05/0015
<p>Maintain programme ledger</p> <p>Maintain ledger for each program (activity) showing budget, voucher No. date, description and amount of expenditures.</p>	PMO, DADOs & DLSOs	05/0015
<p>Bidding document and bid evaluation report</p> <p>Improve quality of bidding document and bid evaluation report</p>	PMU	04/2018
<p>Supervision of construction</p> <p>Carry out regular and effective supervision of works being constructed at different locations to assess quality of works.</p>	PMU	04/2018
<p>Compliance with financing agreement</p> <p>Comply with all the financing covenants within the stipulated time</p>	PMO	04/2018
<p>Progress reporting</p> <p>Submit Procurement progress as well as contract implementation status on quadrimester basis within 15 days from the end of the quadrimester</p>	PMU	04/2018
<p>Regular submission of financial statements</p> <p>Ensure monthly financial reporting by all the cost centers & Implementing Partners by the 15th of the subsequent month.</p>	All cost centres & implementing partners	
<p>Record beneficiaries contribution</p> <p>Calculate correctly the beneficiaries contribution based on statement of expenditures and record for reporting in the financial statements.</p>	PMO	
<p>Maintain percentage of grant</p> <p>Make payment of grant to sub-projects within 55% of the project cost</p>	PMO	

Kisankalagi Unnat Biu-Bijan Karyakram

Logical Framework

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2017)	Cumulative Result (2017)	Cumulative Result % (2017)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members							GRIPS			
	Household members			750000							
	1.a Corresponding number of households reached							RIMS	Annual		
	Non-women-headed households			150000	11097	60344	40.2				
	Women-headed households										
	1 Persons receiving services promoted or supported by the project										
	Females			187500	44630	231680	123.6				
Males			187500	12115	70800	37.8					
Goal Increased, competitive, sustainable and inclusive rural growth	Value of agricultural and livestock productions increase by 15% and 10% respectively							MTR and PCR Surveys RIMS		PMO	Political stability and security; Major shocks or crises which could weaken programme effects do not occur
	% of increase of livestock production			10							
	% of increase of agricultural production			15							
	At least 90,000 families increase household food security							MTR and PCR Surveys RIMS		PMO	
	Households		55600	90000	21.99						
	At least 20% HHS show improvement of more than 10% in household assets ownership index							MTR and PCR Surveys RIMS		PMO	
	Households			20	38						
	Reduction of at least 20% in prevalence of child malnutrition							MTR and PCR Surveys RIMS		PMO	
% reduction child malnutrition			20	12.41							

Objective Improved household incomes through sustainable, market-driven agricultural productivity improvements	Productivity increases in goat, crops and milk							National and district statistics, Annual Outcome surveys period surveys RIMS		PMO & M&E Unit	Price volatilities do not reduce profitability; Households respond to opportunities for improved livelihoods and access to market and credit
	% of productivity goat			25							
	% of productivity milk			50							
	% of productivity crops			15							
	At least 75% of supported production groups regularly collecting money for O&M of infrastructure, machinery and equipment							National and district statistics, Annual Outcome surveys period surveys RIMS		PMO & M&E Unit	
	% of supported production groups			70							
	Private purchase contracts established with at least 50% of supported seeds and 35% of dairy production groups							National and district statistics, Annual Outcome surveys period surveys RIMS		PMO & M&E Unit	
% seeds		70	50	69							
% milk		25	35	27							
Outcome Increased Production of TL seeds and marketed	At least 100,000 ha are sown with TL seeds of cereals and vegetables							Periodic reports; trimester and annual reports		PMO M&E unit	Target groups acknowledge the importance of TL seeds production and continued policy support of the Government and role of private sector
	Hectares of land		36040	100000	39488	54000	54.0				
Output NARC & private seed producers produce required foundation seeds	Production of foundation seeds of cereals and vegetables seeds										Beneficiaries respond to market opportunities and improve the quality of production
	Ton of vegetables		5.13	5	3.905	9.486	189.7				
	Ton of cereals		4.15	171	111.51	493.98	288.9				
Output Quality control is ensured by SQCC	Quality of at least 80% of FS & TL seeds ensured										Routine checks on quality of TL seeds
	% quality ensured		90	80							
Output Participation by HH and companies in seed production	At least 9,000 farmers in 360 groups participate in seed production and 5 seeds companies establish buy-back arrangements										Continued policy support and availability of seeds and positive market signals
	No. of farmers			9000							
	Households		10936		4434	12953					
	Agricultural/Livestock production group formed/strengthened										

	No. of groups			720	142	717	99.6				
	People in agricultural/livestock production groups							RIMS	Annual		
	Females				2705	7569					
	Males				1381	5384					
	1.1.4 Persons trained in production practices and/or technologies							RIMS	Annual	PMU	
	Women trained in crop			7500	4921	9714	129.5				
	Men trained in crop			7500	2222	5633	75.1				
	2.1.6 Market, processing or storage facilities constructed or rehabilitated							RIMS	Annual	PMU	
	Market facilities constructed/rehabilitated						1				
	Processing facilities constructed/rehabilitated						1				
Outcome Improved household incomes through sustainable, market-driven agricultural productivity improvement	At least 60% of dairy hh and 25% of goat hh selling produce to markets							Periodic reports; trimester and annual reports		PMO M&E unit	Target groups acknowledge the importance of TL seeds production and continued policy support of the Government and role of private sector
	% dairy HH			60							
	% goat HH			25							
Output Breed improvement	At least 80% of participating HH have improved animals through breed improvement										Continued support from the government
	Households			80							
Output Forage production by dairy groups	At least 60% of dairy HH produce forage										Continued support from the government
	Households			60	70						
Output Stall feeding of animals	At least 50% of dairy and goat groups adopt stall-feeding										Producers response to stall-feeding and market opportunities
	% of groups			50	38						
Output Vaccination against zoonotic diseases	At least 80% dairy animal and goats covered by routine vaccinations										Producers respond to market signals and adopt sustainable practices
	No. of goats		80000		60255	79505					
	% of animals			80	65						
	No. of dairy		49000		21345	45145					
	Agricultural/Livestock production group formed/strengthened										

	No. of groups				77	861					
	People in agricultural/livestock production groups						RIMS	Annual			
	Females				8399	19194					
	Males				3618	5282					
	Households receiving animals from distribution/restocking						RIMS	Annual			
	Households				426	7610					
	People accessing facilitated advisory services						RIMS	Annual			
	Females				1880	3965					
	Males				928	2236					
	Staff of service providers trained						RIMS	Annual			
	Females				94	322					
	Males				431	1315					
	People trained in community management topics						RIMS	Annual	PMU		
	Women trained in other				7215	22889					
	Men trained in other				1652	8501					
	1.1.4 Persons trained in production practices and/or technologies						RIMS	Annual	PMU		
	Women trained in livestock			4800	5569	18675					389.1
	Men trained in livestock			7200	1818	4826					67.0
Outcome Improved household incomes through rural finance interventions	At least 65 SFCALs with satisfactory financial governance, regular savings by 95% of members, cumulative repayment of loans more than 95%, annual general body meeting held and regular election processes used						Periodic reports; trimester and annual reports		PMO M&E unit	Institutional framework and financial incentives make it possible for SFCALs to access capital from financing institutions	
		No. of SFCALs		30	65	30					30
Output Local institutions	At least 80% of participating local institutions received training on good governance									Local institutions respond to project's initiatives	
		% participating local institutions			80						
		No. of VDCs		182		182					182

Output Increasing outreach of micro-finance	At least 30 SFCALs covered									Beneficiaries respond to project initiatives	
	Households		14213								
	No. of SFCALs		75	30		30	100.0				
	People in savings and credit groups formed/strengthened						RIMS	Annual			
	Females				1622	15525					
	Males				172	495					
	Savings/credit groups formed/strengthened						RIMS	Annual			
	No. of savings and credit groups				185	2429					
	Value of gross loan portfolio (USD'000)						RIMS	Annual			
	USD'000 value of gross loan portfolio				2316						
	Value of voluntary savings mobilized (in USD'000)						RIMS	Annual			
	USD' 000 currency value				267	982					
	2.1.2 Persons trained in income-generating activities or business management						RIMS	Annual	PMU		
	Persons trained in IGAs or BM (total)				8441	9174					
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services						RIMS	Annual	PMU		
	Males				101	1087					
	Females				574	6163					
	2.1.1 Rural enterprises accessing business development services						RIMS	Annual	PMU		
	Rural enterprises				496	2851					
	1.1.5 Persons in rural areas accessing financial services						RIMS	Annual	PMU		
Men in rural areas accessing financial services - savings				525	848						
Women in rural areas accessing financial services - credit				1935	7603						

	Men in rural areas accessing financial services - credit				40	92				
	Women in rural areas accessing financial services - savings				466	13565				



Investing in rural people

Nepal

Kisankalagi Unnat Biu-Bijan Karyakram

Supervision Report

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

Mission Dates: 31 March -14 April 2018

Document Date: 06/07/2018

Project No. 1100001602

Report No. 4805-NP

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, as at 14 March 2018

Financier	Appraisal (USD '000)	Revised Appraisal# (USD'000)	Disbursements (USD '000)	Percent disbursed
IFAD loan*	19,516.20	14,359.36	8,606.19	59.93
IFAD grant*	19,516.20	14,410.36	8,574.53	59.50
Government	7,304.50	5,360.42	2,156.98	40.24
Heifer International	2,507.40	2,507.40	2,151.78	85.82
Beneficiary contribution	10,907.10	5,638.35	3,470.08	61.54
IFAD Supplementary Loan	5,000.00	4,528.00	-	-
Total	64,751.40	46,803.89	24,959.56	53.33

* IFAD Loan and Grant includes actual expenditures of USD 1,241,129 yet to be claimed and initial deposit of USD 2.50 million based on actual Flexcube data.

The revised appraisal is calculated based on actual expenditures incurred up to 15 July 2016 and amounts estimated for the remaining project period from FY 2016/17 as per revised cost tables.

Table 1B: Financial performance by financier by components (USD '000) as at 14 March 2018

Component	IFAD loan			IFAD grant			Government			Heifer International			Beneficiaries			IFAD Supplementary Loan			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Support to Expansion of Formal Seed Sector	3,511.46	2,249.44	64	4,209.46	2,266.95	54	1,268.49	687.20	54				2,827.15	1,266.08	45				11,816.56	6,469.68	55
Smallholder livestock commercialization	3,451.52	1,989.84	58	4,974.52	1,912.02	38	1,461.27	460.30	32	2,507.40	2,151.78	86	2,257.28	1,130.44	50				14,651.99	7,644.38	52
Local Institutional & Entrepreneur Development	5,248.69	1,365.72	26	2,715.69	1,388.10	51	740.48	306.16	41				553.92	1,073.56	-	4,528.00	-	-	13,786.78	4,133.54	30
Programme Coordination & Management	2,147.69	1,751.18	82	2,510.69	1,757.46	70	1,890.18	703.31	37										6,548.56	4,211.95	64
Total	14,359.36	7,356.19	51	14,410.36	7,324.53	51	5,360.42	2,156.98	40	2,507.40	2,151.78	86	5,638.35	3,470.08	62	4,528.00	-	-	46,803.89	22,459.56	48

- Note: (1) Expenditures incurred till 14 March 2018 of the PMO and the first trimester of the districts and implementing partners except NARC.
(2) The expenditures incurred from the source of the Government, Heifer International and beneficiary have been calculated in USD using average exchange rates of the monthly exchange rates of concerned fiscal year.
(3) Expenditures incurred in the second trimester of FY 2017/18 and yet to be claimed have been converted into USD at an exchange rate of NPR 103.98 per USD and USD 1.45367 per SDR prevailing on 31 March 2018.
(4) The difference for IFAD Loan and Grant between Table 5A and 5B is due to the initial deposit of USD 2.50 million.

Table 1C-a: IFAD loan disbursements (SDR, as at 14 March 2018)

Category	Category description	Original Allocation	Current Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
122055	GRANTS AND SUBSIDIES	2,320,000.00	1,880,000.00	1,115,763.88	145,040.56	764,236.12	59.35
122056	CONSULTANCIES	550,000.00	402,000.00	381,863.28	-	20,136.72	94.99
122057	TRAINING I	3,420,000.00	1,179,000.00	1,147,474.79	68,733.62	31,525.21	97.33
122058	GOODS, SERVICES AND INPUT	3,720,000.00	2,135,000.00	1,363,096.96	78,735.73	771,903.04	63.85
200010	CREDIT, GUARANTEE FUNDS	0.00	2,170,000.00	-	-	2,170,000.00	-
122059	OPERATING COSTS	1,590,000.00	1,526,000.00	836,081.75	87,508.48	689,918.25	54.79
122060	UNALLOCATED	1,250,000.00	0.00			-	-
074975	DA – Initial advance		0.00	828,764.07		(828,764.07)	-
	Total	12,850,000.00	9,292,000.00	5,673,044.73	380,018.40	3,618,955.27	61.05

Table 1 C-b : IFAD DSF Grant disbursements (SDR, as at 14 March 2018)

Category	Category description	Original Allocation	Current Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
122061	GRANTS AND SUBSIDIES	2,320,000.00	1,880,000.00	1,115,763.85	145,040.56	764,236.15	59.35
122062	CONSULTANCIES	550,000.00	902,000.00	381,863.25	-	520,136.75	42.34
122063	TRAINING I	3,420,000.00	779,000.00	812,528.58	68,733.62	(33,528.58)	104.30
200019	TRAINING II	0.00	400,000.00	-	-	400,000.00	-
122064	GOODS, SERVICES AND INPUT	3,720,000.00	3,845,000.00	1,578,243.80	172,488.70	2,266,756.20	41.05
122065	OPERATING COSTS	1,590,000.00	1,526,000.00	836,081.76	87,508.48	689,918.24	54.79
122066	UNALLOCATED	1,250,000.00	0.00			-	
074964	DA – Initial advance		0.00	828,764.07		(828,764.07)	
	Total	12,850,000.00	9,332,000.00	5,553,245.31	473,771.37	3,778,754.69	59.51

Table 1 C-c: IFAD additional loan disbursements (SDR, as at 14 March 2018)

Category	Category description	Original Allocation	Current Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200010	CREDIT, GUARANTEE FUNDS	3,270,000.00		-	-	3,270,000.00	-
	Total	3,270,000.00		-	-	3,270,000.00	-

Note: The expenditures incurred but yet to be claimed have been reported in the W/A pending column using exchange rate of NPR 103.98 per USD and USD 1.45367 per SDR prevailing on 31 March 2018.

Compliance with Financing Agreement covenants

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
FA - Section B Para 6	Counterpart financing shall be provided for the Programme in the amounts of approximately USD 4.35 million from the Borrower/Recipient and approximately USD 4.60 million from beneficiaries both in cash and in kind. The contribution of the Borrower/Recipient shall cover (i) taxes and duties foregone on all the Programme inputs, (ii) the salaries of the Programme Manager and Accounts Officer and other deputed staff, and (iii) audit fees for the Programme. It is also expected that Heifer International will provide additional financing for activities related to the Programme in the amount of USD 2.5 million.	During implementation period	Ongoing compliance	Being provided.
FA - Section C Para 1	The Lead Programme Agency shall be the Borrower/Recipient's Ministry of Agricultural Development (MOAD)		Complied	
FA - Section C Para 2	The following are designated as additional Programme Parties: Ministry of Federal Affairs and Local Development, Ministry of Finance, Ministry of Cooperatives and Poverty Alleviation, Federation of Nepalese Chambers of Commerce and Industries, Nepal Agricultural Cooperative Central Federation, Small Farmer Development Bank, District Agricultural Development Offices, District Livestock Service Offices, District Development Committees, Village Development Committees, Heifer International and Agro Enterprise Center.		Complied	
FA - Section E Para 1	The following are designated as additional general conditions precedent to withdrawal: (i) the Programme Steering Committee and the Programme Management Office (PMO) shall have been established and the members designated; (ii) the Programme Manager and the Accounts Officer, both acceptable to the Fund based on the approved terms of reference, shall have taken up their posts; (iii) the Programme Implementation Manual shall have been approved by the Programme Steering Committee after non-objection by the Fund; (iv) the Programme Implementation Manual shall have been duly updated prior to the provision of the Supplementary Loan; and (v) a Subsidiary Lending Agreement (SLA), satisfactory to IFAD, shall have been concluded between the Borrower/Recipient and SFDB prior to the disbursements against the "Credit, Guarantee Funds"	Before disbursement of initial advance and Credit, Guarantee Funds	Partially complied	(i) Designated Account denominated in USD opened with Nepal Rastra Bank. (ii) PIM has not been updated prior to the provision of the Supplementary Loan.

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	Category under the Loan and the Supplementary Loan.			
FA - Schedule 1 Section II para 1	The Programme shall be implemented by the overall direction of Programme Steering Committee Chaired by the Secretary of the Lead Programme Agency.		Complied	
FA - Schedule 1 Section II para 6	The Programme Management Office (PMO) shall include a Programme management team comprised of a Programme Manager, Deputy Programme Manager, Senior Programme Advisors (Seed Coordinator, Livestock Coordinator and LEID Coordinator), Accounts Officer, Monitoring and Evaluation/Knowledge Management Officer, Planning Officer, M & E Officer, Contracts and Procurements Manager, Financial Management Specialist, Crops/Seed Development Officer, Livestock/Veterinary Officer and a Gender and Social Inclusion (GESI) Advisor and other staff.		Partially complied	Livestock Coordinator and MIS office have resigned and new staff needs to be recruited for these positions.
FA - Schedule 1 Section II Para 7 (a)	Programme staff and experts, other than deputed MOAD personnel will be recruited from the local market through a contracted recruitment agency following a competitive selection process.		Complied	Most of the appointments have been done through recruitment agency and the rest through competitive process
FA - Schedule 1 Section II Para 7 (c) and (d)	Heifer International and Agricultural Enterprises Centre be designated as Implementation Partner on the basis of MoU satisfactory to the Fund		Complied	MoU with Heifer International signed on 16 th April 2014 and with AEC was signed on 13 August 2013.
FA - Schedule 1 Section II Para 7 (e)	SFDB shall enter into a SLA with the Borrower/Recipient in order to operate the credit line dedicated to the Programme.		Complied	MOU with SFDB was signed on 2 February 2018.
FA - Schedule 1 Section II Para 8	Programme Implementation Manual (PIM) shall have been submitted to the Fund for no objection and to the PSC for approval.		Complied	
FA - Schedule 1 Section II Para 9	A Mid Term Review (MTR) shall be conducted at the end of Programme Year three to prepare Phase II of the Programme.		Complied	Conducted during February 29 th to March 22 nd , 2016
LTB - Para 5	The proceeds of the financing may not be used to pay taxes.		Complied.	
LTB - Para 6	In accordance with Section 4.04(d) of the General Conditions, immediately after entry into force of the Financing Agreement, there shall be a Designated Account denominated in the USD to be opened in an Bank. acceptable to IFAD, through which IFAD funding shall be channeled. The borrower shall inform the Fund on the officials authorized to operate the Designated Account. In accordance with section 3.1 of the LDH, the Designated Account will be administered following Imprest Fund arrangements.		Complied	
LTB - Para 7	Upon fulfillment of conditions precedent to withdrawal and the Borrower's request, the Fund shall make one (or more) withdrawal(s) of up to USD 2.5 million for the loan and the grant in the aggregate		Complied	

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	and deposit such amount(s) into the Designated Account.			
LTB - Para 11	Before withdrawal can begin, IFAD receives from the Ministry of Finance a letter designating the names of officials authorized to sign withdrawal applications, which includes their authenticated specimen signatures.		Complied	
LTB - Para 12	The following are designated as additional conditions precedent to withdrawal: (i) the Programme Steering Committee and the PMO shall have been established and the members designated; (ii) the Programme Manager and the Accounts Officer, both acceptable to the Fund based on the approved terms of reference, shall have taken up their posts; (iii) the Programme Implementation Manual shall have been approved by the Programme Steering Committee after non-objection by the Fund; and (iv) the designated account shall have been duly opened and the names of officials authorized to sign withdrawal applications shall have been submitted to the Fund.		Complied	
LTB - Para 13	Section 4 of the LDH provides details regarding the use of the Statements of Expenditure (SOE) facility for withdrawals for certain expenditures types from the Loan and Grant Account.		Being complied	
LTB - Para 14	The thresholds for all expenditures pertaining to all categories up to USD 30,000.		Being complied	
LTB - Para 17	As provided in IFAD's Procurement Guidelines, each procurement plan shall include the proposed contracts, methods of procurement and related IFAD review procedures, procurement of goods, works and services financed by IFAD would follow the Government of Nepal's Procurement Act and Regulations, to the extent that they are consistent with the IFAD Procurement Guidelines. Any future amendment of the Government of Nepal's Procurement Act and Regulations will be subject to IFAD review. Annual procurement plans for each year will identify the method and procedures in order to ensure consistency with the IFAD procurement Guidelines. The procurement shall follow the procurement thresholds of the Government of Nepal's Procurement Act, regulations and Guidelines.		Being complied	
LTB - Para 18	Whenever possible, procurement of goods and works will be bulked into sizeable bid packages to attract competitive bidding and to make the bidding process more cost effective. The procurement of goods above USD 200,000, of works above USD 1 million and o services above USD 100,000 will follow the International Competitive Bidding		Being complied	

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	method of procurement.			
LTB - Para 19	The following shall be subject to prior review by the Fund: (i) award of any contract for goods and works estimated to costs USD 50,000 or more, and (ii) award of any contract for consulting services estimated to cost USD 20,000 or more.		Being complied	
LTB - Para 21	All contracts, with or without prior IFAD approval, shall be listed in the Register of Contracts with the dates of approval and submitted to the IFAD Country Programme Manager on a monthly basis.		Partially complied	Register of contracts is not submitted on a monthly basis rather it is submitted along with WA.
LTB - Para 22	An appropriate accounting software shall be identified and a chart of accounts shall be set up for the Programme Accounting and Financing Reporting Acceptable to the Fund.		Complied	Accounting software developed for projects funded by IFAD has been identified but is yet to be procured.
LTB - Para 23	The auditors shall submit three separate opinions (on the consolidated financial statements, on the Designated Account and on the SOEs). Their opinion shall describe the acceptability of the programme financial statements and determine whether the Designated Account has been correctly accounted for and has been used in accordance with the Financing Agreement. They will also determine the adequacy of supporting documents and controls on the use of the SOEs as a basis for disbursements. The auditors shall also furnish a separate Management Letter which will identify any material weakness in accounting and internal controls at all levels, will report on the degree of compliance with financial agreement covenants, including with regard to the procurement of goods, works and consultant services. A certified copy of the annual audit report of the programme together with the PMO's replies to the Management Letter will be sent to IFAD prior to 15 January of each programme year.		Partially complied	PMO's replies to the Management Letter are not submitted to IFAD.
LTB - Para 25	The log of audit observations should be maintained and updated regularly.		Being complied	
General Conditions - Section 4.02	Application for Withdrawal, or Special Commitment	Initial advance to the DA and replenishment for each WA	Ongoing compliance	
General Conditions - Section 4.08	The financing shall be used exclusively to finance expenditure meeting eligibility requirements.	Ongoing	Being complied	
General Conditions - Section 7.01 (b)	The LPA shall submit the draft AWPB and Procurement Plan to the Fund no later than 60 days before the beginning of the project year	Each Programme	Complied	The draft AWPB for the year 2017-18 was submitted on

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
		Year		31 March 2017 but the final revised AWPB was submitted on 24 August 2017 and IFAD provided no-objection on 28 August 2017. The draft AWPB of FY 2018-19 has been submitted to the IFAD on 3 February 2018.
General Conditions - Section 7.03(b)	Borrower/Recipient shall make available to the Project Parties during the Project Implementation Period counterpart funds from its own resources in accordance with its customary national procedures for development assistance.	During implementation period	Ongoing compliance	Government of Nepal pre-funds the Programme as per its national procedures.
General Conditions - Section 7.05 (a)	Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the B/R's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the B/R in order to ensure consistency with the IFAD Procurement Guidelines.	During implementation period	Ongoing compliance	The Procurement Plan is being prepared.
General Conditions - Section 7.06	All goods, services and buildings financed by the Financing shall be used exclusively for the purposes of the Project.	Ongoing	Being complied	
General Conditions - Section 7.08 (a)	All goods and buildings used in the project shall be insured against such risks and in such amounts as shall be consistent with sound commercial practice.	During implementation period	Partially complied	Third party insurance of vehicles and motorbikes only.
General Conditions - Section 7.09 (a) & (c)	Subsidiary Agreements. (i) The B/R shall ensure that no Project Party shall enter into any Subsidiary Agreement, or consent to any modification thereof, inconsistent with the Financing Agreement or the Project Agreement. (ii) No provision of any Subsidiary Agreement to which the B/R is a party shall be assigned, waived, suspended, abrogated, amended or otherwise modified without the prior consent of the Fund.		Complied	Subsidiary Agreements with AEC and SFDB have been entered into after no objection from IFAD.
General Conditions - Section 7.11	The LPA shall appoint the Project Director and all other key Project Personnel in the manner specified having qualification and experiences in the Agreement or otherwise approved by the Fund. The Borrower/recipient shall exercise best efforts to ensure continuity in key project personnel throughout the Project Implementation Period and shall insure key personnel against health and accident risks to the extent consistent with sound commercial practice or its customary practice in respect of national civil service, whichever is appropriate.	Ongoing	Being complied	
General Conditions - Section 8.01	The project shall maintain records and documents adequate to reflect their operations in implementing the project until the Project	Ongoing	Being complied	

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	Completion Date, and shall retain such records and documents for at least ten years thereafter.			
General Conditions - Section 8.02 (a)	The LPA shall establish and thereafter maintain an appropriate information management system in accordance with the Fund's operational guidelines and Results Measurement Framework.		Complied	
General Conditions - Section 8.03 (a)	The LPA shall furnish to the Fund periodic progress reports on the Project, in such form and substance as the Fund shall reasonably request.	Six monthly and Yearly	Complied	Yearly and trimester progress reports are being submitted.
General Conditions - Section 8.03 (b)	The Lead Project Agency and the Fund shall jointly carry out a review of Project implementation no later than the midpoint of the Project Implementation Period (the "Mid-Term Review") based on terms of reference prepared by the LPA and approved by the Fund.		Complied	Conducted during February 29 th to March 22 nd , 2016
General Conditions - Section 8.05	The Project Parties shall furnish to the Fund promptly upon their preparation, such plans, design standards, reports, contract documents, specifications and schedules relating to the Project, and any material modifications subsequently made therein.	During implementation period	Being complied	
General Conditions - Section 9.01	The Project shall maintain separate accounts and records in accordance with consistently maintained appropriate accounting practices adequate to reflect the operations, resources and expenditures related to the project until the Financing Closing Date and retain such accounts and records for at least ten years thereafter.	Ongoing	Being complied	
General Conditions - Section 9.02	The B/R shall deliver to the Fund detailed financial statements of the operations for each fiscal year prepared in accordance with standards and procedures acceptable to the Fund within 4 months of the end of each Fiscal Year.	15 th November of every year	Complied	
General Conditions - Section 9.03	Audit Report as per the IFAD Guidelines on Project Audit	15 th January of every year	Complied	
General Conditions - Section 11.01	(a) The Financing and all Loan Service Payments shall be exempt from all Taxes, and all Loan Service Payments shall be made free and clear of Taxes. (b) The Agreement shall be exempt from any Taxes on signature, delivery or registration. (c) The use of any proceeds of the Financing to pay for Taxes is subject to the Fund's policy of requiring economy and efficiency in the use of its Financing. Therefore, if the Fund at any time determines that the amount of any such Tax is excessive, discriminatory or otherwise unreasonable, the Fund may, by notice to the Borrower/Recipient, reduce the percentages of Eligible Expenditures to be financed by the Financing which are specified in the Financing Agreement.	Ongoing	Being complied	Government finances the taxes.

1. Summary Audit Table

Fiscal Year	Audit Observation as per Audit Report		Audit Observation Settled		Audit Observation Outstanding	
	Number	Value (NPR)	Number	Value (NPR)	Number	Value (NPR)
2012-13	4	19,500.00	1	19,500.00	3	-
2013-14	15	297,100.00	1	-	14	297,100.00
2014-15	19	9,570,389.00	6	6,107,114.00	13	3,463,275.00
2015-16	13	11,694,536.23	2	11,694,536.23	11	-
2016-17	13	8,983,860.60	-	-	13	8,983,860.60
		30,565,385.83		17,821,150.23		12,744,235.6

2. Detailed Audit Table

Sr. No.	Financial Year	Class: Serious / General	Audit Ref.	Audit Observation	Total Amount per observation (NPR)	Action taken by the project/PMO (Reply of Para wise)	Present status (Auditors Validation Result)	Total outstanding amount (NPR)	Remarks
1	2012-13	General	7	Reimbursement: According to Rule 27 of the Financial Procedure Regulation 2064, reimbursable expenses pre-financed by GoN should be claimed for reimbursement with donor within 45 days. Programme should pay attention towards amount of NPR 18.996 million expended by the programme before audit report which is to be reimbursed as per legal provision.	-	Management is in the line of submitting Withdrawal Application.	Settled	-	PMO
2	2012-13	General	10	Program wise account head: Project has not maintained program wise ledger. In the absence of such ledger it is difficult to get the activities wise actual financial status, variance with activity wise budget. If such ledger is maintained than it would be easier to program for measuring effectiveness & output of implemented program. This issue has not been addressed despite of audit observation on the last years audit. Program-Wise account should be maintained.	-	Management has assured for implementing such type of ledger.		-	PMO

3	2012-13	General	12	Direct Procurement: As per the public procurement rule, 2064 part 8 (2), there is not provision of splitting the purchase of items so as to limit the competition and as per Rule 84(1) of the Public Procurement Regulation, 2064, provision has made for sealed quotation for the goods and services up to NPR. 1 million; construction works of up to NPR. 2 million and as per rule 85 (1), provision has been made for direct purchase of the construction works up to NPR. 0.50 million or goods and services of up to NPR. 0.30 million; as per rules 85 (1 kha), there is no provision of direct purchase for than budget boundary either once or repeatedly; or from same person, firm, company or organization. But the program has purchased some items directly from quotation not by sealed quotation or bidding. In discussion.	-	For establishment of the office immediately, procurement was made directly and from next time, all the procurement related work will be carried out abiding the rules and regulations.		-	PMO
4	2012-13	General	15	Advance Tax Deduction: According to Income Tax Act 2058 clause 88 (1) any payment made against service charge to person having residence in Nepal is subjected to deduct advance tax privilege to income tax act i.e. 15%. Technical Adviser Mr. Deependra Shyam Ghimire was paid NPR 250,000 after deducting NPR. 18,000 only	19,500	The said amount has been recovered by concern person.	Settled	-	PMO
				Sub-total of FY 2012-13	19,500			-	
1	2013-14	General	2.5	Reimbursement of Expenditure: According to Rule 37 Of the Financial Procedure Regulation 2064, reimbursement should be claimed with donor within 45 days for all the expenses pre-finance by GoN. Total outstanding reimbursement of the program for the period 2070 Chaitra to 2071 Ashadh is NPR 117.52 million (USD 1,071,038.33) which was to be settled within 2071 Bhadra 15 (31 st August 2014) has been reimbursed in 28 th October 2014 only after two months. The reimbursement should be claimed according to the provision of the regulation.	-	From the coming days reimbursement will be claimed from donor as per the provision in financial procedure regulations 2064.	Settled	-	PMO
2	2013-14	General	2.6	Program wise account: As per the agreement, the office has to maintain program wise account of the program's budget. However, the office has not maintained the record of Program-wise account. This issue has not been addressed despite of audit observation on the last year audit. Program-wise account should be maintained.	-	Program wise account of the program's budget will be maintained from next fiscal year in planned way. Till the period program cost record has been maintained manually.		-	PMO
3	2013-14	General	2.7	Budget allocation and ration of expenditure: This year's budget allocation and release/expenditure has figured NPR 240.056 million and NPR 138.34 million respectively. Only 57.63% of the total budget has been utilized. Affecting the utilization of grant amount and program expenditure. Delay in preparing Grant Operating Guideline and inability of recruiting the consultant in times is the main reason for less expenditure. Annual procurement plan should be prepared for full utilization of the annual budget.	-	Recruitment of consultant has been finished, Grant Operating Guideline has been finalized, request from Groups/Cooperatives for matching grant will be complied, annual		-	PMO

						procurement plan already been prepared and expenditure will be made as per the procurement plan.			
4	2013-14	General	3	Target v/s progress: As per Financial Regulation 2064 rule 23, progress should have been achieved according to the annual plan. Office has submitted annual progress report covering the progress of only 64.3%. It seems that the office was unable to utilize the budget. It was due to delay in preparation of grant operating guideline, lacking in implanting the AWPB and effectiveness of program monitoring.	-				PMO
5	2013-14	General	4	Expenditure incurred on last trimester and in the month of Ashadh: Ministry of finance has issued directives along authorization for expenditure that the expenditure should not be more than 40% and 20% of total budget in last trimester period and in the month of Ashadh respectively. Out of total expenditure during this year, the expenditure of third trimester was NPR 76.878 million or 55.57% and expenditure of Ashadh was NPR 35.976 million or 26.01%. This has affected the execution of programs and quality of work.	-	Most of the construction work has been started at 2 nd trimester but the payments are claimed at 3 rd trimester so that the expenditure was occurred on this way, this will be maintained according to financial rules and regulation of GoN.			PMO
6	2013-14	General	5.1	Contract management related work: According to Financial Procedure Regulation 2064, there is a provision for preparing cost estimation & tender acceptance program which should be accomplished within first trimester. But it is observed that project has not followed such rules. This has created the mass volume of expenses on last trimester which lead for compromising in efficiency and quality of work.	-				PMO
7	2013-14	General	5.2	Insurance: According to Public Procurement Regulation 2064, any construction or procurement work above NPR 1 million is to be insured with additional 10% of contract value for accidental insurance of equipment, machinery and labor worker. But in some instant this clause has not been followed by contractor & supplier which has not even been monitored by project.	-				PMO
8	2013-14	General	5.3	Cost Estimation for Building Construction: According to Public Procurement Act, 2063, Regulation 2064, construction work should be accomplished on the basis of prepared Cost Estimation. But it is observed that the project has not followed such act & rules which effects in transparency on selection process of contractor.	-				PMO

9	2013-14	General	5.4	Performance bond: According to Public Procurement Regulation 2064, performance bond should cover additional one month after maturity of amendment period. But there is some instance where bidder has not followed such provision which had caused high risk on supplying & delivering of goods. This was due to lack in proper monitoring of bid document by the project.	-				-	PMO					
10	2013-14	General	5.5	Master Plan & Annual procurement Plan: According to Section 6 of the Public Procurement Act, 2063, and Rule 7 & 8 of the Public Regulations 2064, an entity should prepare annual procurement plan for the construction and procurement work exceeding NPR 1 million and master procurement plan for the procurement of work exceeding NPR 100 million. Though the office has incurred total NPR 240.056 million during this year, it has not prepared its master plan for procurement. This issue has been repeated despite of audit observation in last year. Though the entity have prepared annual procurement in plan this year, it has not included consultancy service and civil construction work.	-	From the next fiscal year every procurement activities like procurement plan, master plan will be prepared and implemented efficiently as per the public procurement Act, 2063 and regulation 2064.			-	PMO					
11	2013-14	General	6.1	Seed Processing Plant: According to Public Procurement Regulation 2064, it is clearly stated that all the expenses should be accounted on the basis of bill & receipts. As per the agreement entered between PMO & NARC on 28 th August 2015, fund was released to Wheat Research Program Bhairahawa for establishment of Seed Processing Plant but expenses were booked without any bill, receipt & work completion report.	-				-	PMO					
12	2013-14	General	6.2	Implementation of Agreement: According to the agreement entered on 29 th Shrawan 2070 between MOAD and SFDB/NACCFL/AEC, it is stated that SFDB, NACCFL & AEC will provide trimester physical & financial progress report to PMO on prescribe format. But it is observed that physical & financial progress reports have not been submitted by those organizations causing non-compliance with the provisions of the agreement.	-				-	PMO					
13	2013-14	General	3	Outstanding Advance: There is outstanding advances provided to various individuals at the year-end.	297,100.00			297,100.00		DADO Arghakhachi					
14	2013-14	General		Aide Memoirs: Comments mentioned in Aide memoire from monitoring of supervision mission should be implemented in prescribed time frame. However, comments of Aide memoire by mission's monitoring (14 to 28 April 2014) has not been implemented by project management office. The following are few examples of such comments that have not been implemented within audit period.	-				-						
				<table border="1"> <thead> <tr> <th>Accepted Assignments</th> <th>Status of Implementation</th> </tr> </thead> <tbody> <tr> <td>1.Deputing JTA in each VDC</td> <td>Not implemented</td> </tr> </tbody> </table>	Accepted Assignments	Status of Implementation	1.Deputing JTA in each VDC	Not implemented							
Accepted Assignments	Status of Implementation														
1.Deputing JTA in each VDC	Not implemented														

				2.New staff selection and procurement	Implemented after 3 month						
				3.Formulation of specification for semen purchase	Implemented after 1 month						
				4.Tender call for semen and Boer goat purchase	Not implemented						
				5.Support for fodder nursery	Not implemented						
				6.Demand for Organizational support	Postponed						
15		General		Financial Covenant: According to agreement with IFAD and project analysis report some of Financial covenant has not been implemented Examples are given below: a)Still not prepared the software which has to prepare up to 31 st August 2014. b)Monthly report preparation has to be initiated from implementing partners within 16 July 2014 but not implemented yet. c)In agreement, there is a provision of trimester withdrawal application to be submitted after 45 days from lasting of trimester but the last trimester withdrawal application was submitted late. d)MIS should be prepared up to 31 August 2014 but not prepared till date. e)In Annual Procurement Plan, Consultancy and Future civil works should be included up to 15 may 2014 but not mentioned till date.		-			-		
				Sub-total of FY 2013-14		297,100.00			297,100.00		
1	2014-15	General	1	Outstanding Reimbursement of Expenditure: According to Financial Regulation Procedure 2064 Rule 37, reimbursement of expenses should be claimed with donor within 45 days for all the expenditure pre-finance by GoN. It is observed till the reporting period that outstanding reimbursable expenses have not been claimed from donor.		3,297,694.00		All the reimbursable expenditure till 15 th December 2015 including outstanding reimbursable amount of FY 2071-72 has been claimed through WA 7.	Settled	-	PMO
2	2014-15	General	2	Source to be Changed: According to the record presented by program regarding disbursement, source of IFAD grant should be changed to IFAD loan.		2,808,091.00		Letter has been forwarded requesting to change the source from IFAD Grant to IFAD Loan to Ministry of Finance through Ministry of Agricultural Development.	Auditor Validation remain	2,808,091.00	PMO
3	2014-15	General	3	Audit of Direct Financing: Direct payment of NPR 41.32 million has been paid to Heifer International. Though the amount of		-		As per the MOU between GoN MoAD		-	PMO

				direct payment has been included in the financial statement, books of account for the said amount was not presented during the audit.		& Heifer International, the external audit of Heifer managed expenditures will be conducted by an independent auditor appointed by Heifer International.			
4	2014-15	General	4	Inventory & Assets Management: According to Inventory verification report submitted by program, some assets were damaged. So, it is recommended to pay attention to strengthen the inventory management taking necessary action..	-	Management will short out the damaged assets and go in the process of auction.			PMO
5	2014-15	General	5	Ownership of Inventory: As per the MOU between GoN & implementing partners it is clearly stated that vehicle and equipment shall be handed over to PMO at programme closure, but it is observed that statement has not been submitted by implementing partners and the PMO has also not maintained the record of vehicle & equipment.	-	Management has notified the entire implementing partner to submit the statement of fixed assets. The management will carry out physical verification of equipment & vehicle procured by implementing partner.			PMO
6	2014-15	General	6	Trimester Expenditure: Ministry of finance has issued directives along with authorization for expenditure that the expenditure should not be more than 40% and 20% of total budget in last trimester period and in the month of Ashadh respectively. Statement provided by programme reveals that NPR 128.34 million has been spent in the third trimester which is 56.06% of the total expenditure and NPR 93.27 million has been spent in the month of Ashadh which is 40.74% of the total expenditure during this year. This may affect the execution of programs and quality of work.	-	Due to the devastated earthquake in the country, the programme completion was suppressed and final payment of most of the infrastructures was made in the third trimester which caused huge amount of expenses in third trimester & in the month of Ashadh.			PMO
7	2014-15	General	7	Target v/s Achievement: The project was able to achieve 80.64% of physical progress and 54.24% of financial progress of the approved annual program of FY 2071/72. The overall progress status of program shows only 8.79% of financial progress whereas 37% of programme time has already been elapsed.	-	In future the programme will be very much cautious regarding its financial progress.			PMO

8	2014-15	General	8	Low competition: The programme has awarded various contracts for construction of service centers & procurement of vehicle but it has been observed that there was low competition on procurement. So, it is advisable to make construction work more competitive.	-	In future the programme will be very much cautious in involvement of maximum vender in procurement competition.	-	PMO
9	2014-15	General	9	Incomplete Construction Work: D.N.D Builders could not completed construction of Livestock Service Centre, Thada & Agriculture Service Centre, Hansapur. There is a provision for termination of contract & blacklisting of contractor in Section 53 of the Public Procurement Act, 2063. It is advisable to complete construction work as soon as possible with effective implementation of legal provision taking actions against the contractor.	-	In future the programme will follow the provision guided by Public Procurement Act & Rules.	-	PMO
10	2014-15	General	10(a)	Advance: Programme has provided advances to carry out various training & workshop but it is observed that without settling previous advance additional advance has been provided to same staff and all the advances are settled at the end of Fiscal Year.	-	Corridor based training & workshop was conducted due to the geographical scenario which consumed time for completion of all activities that lead for delay in settlement of advances.	-	PMO
11	2014-15	General	10(b)	Cost Estimate: According to Rule 36(5) of the Financial Procedure Regulation, cost estimate should be prepared and approved. Though the project has approved cost estimate of such programs, the remaining amounts have been refunded after carrying out the programs. As a result, it is observed that there is difference between the actual and cost estimate causing refund of advance after completion of activities.	-	In future the programme will strictly follow the Financial Regulation & prepare const estimation before providing advances.	-	PMO
12	2014-15	General	11	Income Tax: Short advance income tax was deducted from remuneration of the consultants.	38,920.00	The said amount has been recovered from concern consultants.	Settled	PMO
13	2014-15	General	12	Outstanding Advances: Advance provided to Shaktidevi Petrol Station is outstanding till the audit period.	100,000.00	All the outstanding advances has been settled.	Settled	PMO
14	2014-15	General	13(a)	The proof and report of supervision and monitoring of the programs conducted by the concerned Ministry and PMO were not submitted by AEC. So, it is advisable to submit evidence regarding such monitoring and its report by the Ministry and PMO otherwise the whole amount should be recovered from AEC.	68,500.00	Report of all monitoring activities conducted by Ministry & PMO are attached along with.	Settled	PMO

15	2014-15	General	13(b)	AEC has accounted expenses for monitoring of its activities but there was no practice of presenting report to PMO. Hence, it seems that AEC is concerned to account expenses rather than improving program through monitoring. Therefore, report and proof of monitoring and evaluation should be submitted otherwise the amount should be recovered.	1,300,000.00	Monitoring & evaluation report is attached herewith.	Settled		PMO
16	2014-15	General	14	The AEC programme activities continue to be monitored for effective implementation and for weakness & leakage prevention. AEC should continue to be monitored by PMO and Ministry focusing to the activities.	-	In future PMO will focus on regular monitoring of all the activities accomplished by AEC.	Auditor Validation remain	-	PMO
17	2014-15	General	1	Outstanding Advance: Various individuals were provided advance to conduct Farm Field School but till the audit period outstanding advances were:	1,302,000.00	All the outstanding advances has been settled.	Settled		DADO Rolpa
18	2014-15	General	10	Outstanding Advance: There is outstanding advances provided to various individuals at the year-end.	628,000.00			628,000.00	DADO Rukum
19	2014-15	General	8	Deposit of advance income tax deduction: The advance income tax deducted at source has not been deposited to Income Tax office.	27,184.00			27,184.00	DADO Salyan
				Sub-total of FY 2014-15	9,570,389.00			3,463,275.00	
1	2015-16	General	2.8	Insurance: Public Procurement Regulation has clearly sighted the provision to cover insurance of construction work above NPR 1 million. Though BOQ has covered the provision but insurance was not done while awarding the contract.	-	In future project will strictly follow the provision.			PMO
2	2015-16	General	3	Trimester Expenditure: Project should conduct all its activities on trimester basis according to approved AWP&B. It has been observed that among the total expenditure of NPR. 490,695,221.08 third trimester alone covers 66.65% while in the month of Ashadh 26.14% of the expenses has been booked. Project was unable to conduct its activities according to procurement plan which lead to huge expenses on third trimester. This has affected in the execution of programs and assurance of work quality.	-	In future project will implement the programme according to trimester allocation			PMO
3	2015-16	General	4.1-2	Overall target v/s Achievement: After 4th year completion of implementation, project was able to consumed 19.26% only among the allocated fund. Project has mandate to consumed all the allocated fund within the 7 th year of project implementation but due low disbursement; it is difficult to consumed the allocated fund within stipulated timeframe. Also the auditor team was unable to get cumulative physical progress status as of FY 2072-73 during the course of audit.	-	MTR has reallocated some of the target of project so, project will be cautious on achieving the set target in future.			PMO
-	2015-16	General	5.1-4	Purchase of Boer Goat Frozen Semen: According to approved AWPB, project had the target of procuring 10,000 dose of Bore Goat Frozen Semen which was awarded to Sindhu Surgical	-	In future project will use its experience on preparing cost			PMO

				Concern Pvt. Ltd. through NCB for NPR 14,450,000. Among the contracted amount & quantity only 2939 doses was procured for which NPR 4,246,855 was paid to the vendor also it is noted that till the reporting period project was unable to use any semen. The vendor was unable to provide all the semen's within the contract period but no any reasonable justification was provided. Also, it is noted that base of calculating cost estimation for purchase of Boer Goat Frozen Semen was missing.		estimation, due to technical problem in production of semen lead for increment in delivery period and also the procure semen's are to be used in FY 2073-74 too.			
5	2015-16	General	6.1-4	Bore Goat: According to annual program 50 live Boer Goat was procured from Met Group Pvt. Ltd., for the value of 12,200,000. Cost estimation for 50 live Bore Goat was prepared on assumption for NPR 15,000,000 but there was lack on base of calculating such estimation.	-	Estimation was prepared based on the specification provide by Livestock Breeding Directorate.			PMO
6	2015-16	General	7.1-2	Pure Jersey Sex Semen: According to annual program 1000 dose of Pure Jersey Sex Semen was procured from Met Group Pvt. Ltd., for the value of NPR 2,757,200. The Cost estimation was prepared on assumption for NPR 2,757,200 but there was lack on base of calculating such estimation. Further, warranty period provided by the contractor is only for six month but till the reporting period project was unable to used the procured Jersey Sex Semen.	-	Estimation was prepared based on the specification provide by Livestock Breeding Directorate.			PMO
7	2015-16	General	8.2	Implementing Partners: AS Per MoU, implementing partners are required to furnish original invoice and receipts of the expenses disbursed to them for management cost on trimester basis. The project has disbursed management cost this year as below, however, no such documents are obtained by the project.	-	Management cost has been provided according to MoU signed between implementing partners. Management has issued letter to all partners for submission of invoice & receipts			PMO
				Agro Enterprise Center/FNCCI (AEC)	3,905,000.00	Original invoice and receipts of the expenses are included	Settled		AEC
				Small Farmers Development Bank (SFDB)	3,000,000.00	Original invoice and receipts of the expenses are included	Settled		SFDB
				Nepal Agriculture Cooperative Central Federation Limited (NACCFL)	4,100,000.00	Original invoice and receipts of the expenses are included	Settled		NACCFL
8	2015-16	General	8.3	Procurement & Assets status: As per the financial provision on MoU signed with implementing partners, the implementing partners will follow their own procurement procedure following	-	Project has maintained the consolidated fixed			IP

				the principle of Public Procurement directive of GoN & IFAD procurement directive. Such procured vehicle & equipment are to be handover to project after completion of project. It is observed that project has not maintained any record of procured vehicle & equipment. In the absence of such record it will be difficult to comply the MoU		assets log which has been incorporated on un-audited project account too.			
9	2015-16	General	8.4	Monitoring & Supervision: As per the Monitoring and Supervision provision in MoU signed with implementing partners (AEC/FNCCI, NACCFI & SFDB), the activities conducted by implementing partners are to be monitored and supervised by PMO/Ministry, however, PMO/ Ministry has no monitoring plan specifying the dates and activities to be monitored.	-	Monitoring & supervision committee has been formed at PMO to monitor & supervise the activities of implementing partners. In future PMO will be cautious on functioning of such committee.			PMO
10	2015-16	General	8.5	Progress of Implementing Partner: Till the reporting period 44% of agreed amount was provided to all Implementing partners. But the cumulative achievement made by partner after accomplishment of activities was missing. In the absence of such data it has been difficult to identify the compliance of agreement with partners.	-	Overall progress of project has been compiled on AWPB.			PMO
11	2015-16	General	9	Grant Disbursement: Within the FY 2072-73 project has agreed 194 sub-project under Support to Expansion of Formal Seed Sector (Component 1) and 68 sub-project under Smallholder Livestock Commercialization (Component 2) for the amount of NPR 257.80 million but only NPR 62.92 million i.e. 24 % of total agreed amount was disbursed till the reporting period. As per the milestone NPR 106.80 million has to be disbursed but only 59% was disbursed till the reporting period. Project should classify the grant recipients according to grantee performance on Low, Medium & High performing so that it can be easier to boost the performance of concern grant recipients.	-	Project will classify all the grant recipients according to grantee performance on Low, Medium & High performing and act accordingly to boost the performance of concern grant recipients.			PMO
12	2015-16	General	10	Quality of Source Seed: According to the grant implementation monitoring report submitted by project, it is observed that quality of Source Seed provided to grantee who are engaged on production of cereal & vegetable seeds found to be of low quality. Group who are engaged on production of seed are directly affected due to low quality of Source Seed which will not help to achieve the project objectives.	-	In future project will strictly follow the provision.			PMO
13	2015-16	General	11	Reallocation: As per the Unaudited Project Account prepared by project, it is observed that GoN counterpart fund has to be reallocated from IFAD Loan & Grant.	689,536.23	reallocated from IFAD Loan & Grant to GoN Fund.	Settled		PMO
				Sub-total of FY 2015-16	11,694,536.23				
1	2016-17	General	2	Implementing Partners: Till the end of FY 2073-74, Project has made payment of Rs 29,87,43,526.00 to implementing partners. The Implementing Partners used to submit annual	-	The implementing partners have been submitting monthly,			PMO

				audited report to project but they didn't submit how they assist to achieve project Indicators.		trimester and annual financial and physical progress reports which are used to prepare the overall progress report of the project.			
2	2016-17	General	4	International Exposure Visit: Air tickets of NPR 1,628,814 for 42 officials for two international exposure visit to Bangkok and New Delhi have been purchased from travel agency instead of entering an agreement to economize the expenses as per Annex 3 of Rule 21(1) of Public Procurement Regulation 2007.	-	Project has committed to economize expenses in future.			PMO
3	2016-17	General	4.1	International Exposure Visit: Project has included 13 persons which are not related to project and incurred expenses of NPR 1,282,697.60 for the international exposure visit to Bangkok and New Delhi.	1,282,697.60	Staffs of Ministry of Agricultural Development, NARC, RSTLs & Chapa Farm included in the exposure visit are related to the project and staff directly related to the project will be included in such visit.			PMO
4	2016-17	General	6	Trimester Expenses: In the FY 2016-17, the expenditures of project in 1 st , 2 nd & 3 rd trimester were 6.07, 8.35 & 33.82 percent respectively of AWPB 2016/17 and only in the month of Ashadh, the expenditures were about 17.12 percent of total budget. Expenses should be incurred as per AWPB as quality may be low if high expenses are incurred at the end of the year.	-	In future, activities of the trimester will be implemented to achieve annual target.			PMO
5	2016-17	General	7	Internal Control System: Internal control system should be developed as required by the Rule 95(1) of Financial Procedure Regulation 2007 to carry out activities as per nature of the project and achieve the objective.	-	Internal control being followed by the project will be improved and monitoring and inspection system will be implemented effectively.			PMO
6	2016-17	General	9	Activities not performed: The activities which has not been performed in FY 2016-17 are construction of two agriculture & livestock service center, bull shed and compound wall, procurement of motorcycles/scooters, four wheel pick up/jeep, grant disbursement for foundation seed production to private seed companies.	-	Late issuance of No Objection by IFAD, contract entered at the year-end, partial work was done but payment was not made.			PMO
7	2016-17	General	10	There are no details of overhead expenses of NPR 15.062 million to be paid to AEC for seven years.	-	Overhead expenses are not included in AWPB but overhead expenses are paid as			PMO

						per regulation of the project to spend in necessary activities.			
8	2016-17	General	11	There were closing stock of 10,939 dozes of semen and 13,061 dozes were purchased but 4,170 dozes were only used and 19,830 dozes are the closing balance causing closing balance of 82.62 percent of purchase. Initiative should be taken to use balance semen.	-	Semen could not be used due to lack of skilled manpower. Semen will be used in coming days.			PMO
9	2016-17	General	15	Tax Deducted at Source: Advance income tax @15% should be deducted on payment of NPR 43,674,000 made to Implementing partner Agro Enterprise Centre (AEC) as tax exemption certificate has not been submitted.	6,551,100.00	Income tax has not been deducted on payment being implementing partner. AEC is tax exempt organisation.			PMO
10	2016-17	General	16	Sub-Project: Proof of operation of Taja Tarkari Bali Uthpadan Krishak Samuha,Rolpa which has received NPR 134,000 and been cancelled should be obtained.	134,000.00	This Sub-project is at present in operation.			PMO
11	2016-17	General	21	Excess payment in Construction Bill: Excess amount paid to the Contractor Shreekhadapur Nirman Sewa for stone boulder in contract No- 6/2073-74 should be recovered.	76,497.00	PMO has already recovered that amount.			PMO
12	2016-17	General	22	Recovery of short liquidated damage: Short liquidated damage recovered from the contractor, P.S. Construction Sewa for construction Agriculture Service Center, Chaurjhari, (Construction no. 5/2072-73) due to recovery of NPR 1,66,393 instead of NPR collect Rs 1,81,959 should be recovered.	15,566.00	PMO has already recovered that amount			PMO
13	2016-17	General	28	Advance Payment: Mobilization advance of NPR 924,000 to P.S. Construction Sewa is outstanding at the year-end.	924,000.00	This amount has been settled on 19/10/2074.			PMO
				Sub-total of FY 2016-17	8,983,860.60				

Nepal

Kisankalagi Unnat Biu-Bijan Karyakram

Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 31 March -14 April 2018

Document Date: 06/07/2018

Project No. 1100001602

Report No. 4805-NP

Asia and the Pacific Division
Programme Management Department

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)
1.1.3.C4	Training in collaboration with SOCC for private sector seed inspectors and seed sample collector.	1 event will be organized (25 persons)	700	0			30	Event	1	1	6583	700000		1	14.1		700	700
Total Budget Output 1.1.3			775	4 800	1 125	-	14	34	-	6	4	46 553	4 950 000	3	13	-	1 146	56
Total Budget Sp. 1.1			28 620	45 530	36 900	-	319	118	-	77	27	623 531	66 300 000	73	100	-	1 313	1 651
1.2	Sub-Component 1.2: Improved Seed Production	Improved enabling environment for seed production																
1.2.1	Output 1.2.1: Foundation Seed Production	7 centers from NARC and 2 Government farms will be strengthened with improved equipment and infrastructure. 70 farmer groups (Average 25 members per group) with correct farming.																
A. Breeder Seed Production - NARC																		
1.2.1.A1	Breeder seed production of Cereal crop (Rice, Maize and Paddy)	Breeder seed of Rice,wheat and Maize will be planted in 20 Ha of land.	750	1250				3	Ha	20	20	2351	250000				84,30010909	47
1.2.1.A2	Breeder seed production of vegetable crops	Breeder seed of vegetables (Radish, Onion, Bean, Broad leaf mustard etc) will be produced in 3 ha	400	400	400				Ha	3	3	3762	400000					11
B. Foundation Seed Production - NARC																		
1.2.1.B1	Cereals foundation seed production	60 hectare of land brought under Cereal Foundation seed (paddy, wheat, maize) production through different station of NARC	4000	2000					ha	60	60	940	100000	415	475	2068.2	200.1636364	56
1.2.1.B2	Vegetables foundation seed production	9 hectare of land will be brought under Vegetable foundation seed production through NARC (8 Ha) and GoN (4 Ha) Farm	775	1050	900				ha	51	12	2136	227083	20	32	321.78		26
C. Foundation Seed Production - Private Seed Companies																		
1.2.1.C1	Foundation seed production of Cereal crops (Rice, Maize and Paddy) (Private sector)	75 ha. land used for foundation seed production through contract arrangement	10000	5000					Ha	75		1881	200000					141
1.2.1.C2	Foundation seed production of Vegetable crops (private sector)	8 ha. land used for foundation seed production through contract arrangement	1200	1200					Ha	8		2821	300000					23
D. Infrastructure and Equipment - NARC																		
1.2.1.D1	Capital grant to NARC research center for Infrastructure and Facilities Support (Bharahwa, Sunhet, Pokhara and Department of Seed science, Khumaltar)	3 Infrastructure will be constructed							No	6								17
1.2.1.D2	Capital grant for NARC (for research station infrastructure and facility support (seed Processing Plant) NMRP chitwan, RARS Nepalgunj)	NARC capital grant support	300	1200	4500				No.	2	1	56428	6000000				111.2836364	56
1.2.1.D3	Purchase of equipments for NARC seed division and Research Station (desktop computer, Laptop, printer, scanner, multimedia, digital camera)	5 set purchased		5000					Sets	5	5	9405	1000000				74.74	47
1.2.1.D4	Capital grant to NARC (for completing the work of threshing floor and seed store house in Dasharathpur)	grant for completion for threshing floor and store house	125	500	1675				NO.	1	1	23512	2500000					24
E. Vehicle																		
1.2.1.E1	Four wheel jeep / pick up purchased for NARC central office and R. station	2 pickup / jeep will be purchased, in coordination with NARC 1 will be provided to SSTO another one will be provided to commodity specific programme (Research station)		11600					NO.	2	2	54547	5800000				106.5090909	109
1.2.1.E2	Purchased of motorbike / scooter for NARC research station	10 MB/ scooter purchased - As above		2500					No	10	10	2351	250000				22.95454545	24
Total Budget Output 1.2.1			20 550	22 250	17 125	-	1 937	27	-	197	97	169 134	17 627 083	452	549	-	61 796	600
1.2.2	Output 1.2.2 : Strengthening Seed producer Groups and Cooperatives	a.400 Cereal seed producer groups (average 25 members) will be involved in supplying seed requirements . b. 320 Vegetable seed producer groups/Coops (average 25 members) will be involved in supplying seed requirements.																
A. Cereal seed production																		
1.2.2.A1	Distribution of production materials (50 % grant)	12 group supported with production materials such as Improved Seed, Threshers, Power tillers etc on Matching grant scheme.							PMO	320								0
1.2.2.A2	District level training on quality seed production, processing and marketing to Grant Recipient (3 days)	18 events of district training will be organized for 360 Participants. Representative of Grantees having decision making role will be prioritized for the district level training.	750	750	750				DADO	72	17	1176	125000	12	29	79.2		21
1.2.2.A3	Truthful label related training to group and cooperative (field level)	180 events of training will be organized (2700 persons)	504	1080	576				DADO	600	240	113	12000	71	236	99	45.0	20
1.2.2.A4	Financial management training to Grant Recipient	18 events of training cum orientation on financial claim will be organized (360 persons). Participants from newly contracted group/cooperative will be trained on on financial claim procedure.	480	480	480				PMO	60	18	14	752	80000	12	26	66	14
1.2.2.A5	Farmer level tour to India	1 tour organized							PMO	3							49.5	
B. Vegetable seed production from existing groups																		
1.2.2.B1	Distribution of production materials (50 % grant)	320 Vegetable seed producer groups/Coops (average 25 members) will be involved in supplying seed requirements.							PMO	320								0
1.2.2.B2	Matching Grant for seed producer groups, cooperatives	120 (cereal and vegetable) producer groups/cooperative supported with grant	15000	20000	25000				PMO	720	216	Group/Coops	120	120	4702	500000	140	260
1.2.2.B3	Matching grant to Agrovet for supply chain management based programme	10 agrovet supported with matching grant	1000	1000	1000				PMO	25	12	No	6				206.27	22.25672727
1.2.2.B4	Competitive grant to cereal and vegetable seed production and processing related seed company/seed traders/ agri business	3 seed company/traders supported with competitive grant		20000	10000				PMO	0	6	No	3	1	94047	10000000		1
1.2.2.B5	Small grant to group and cooperative	48 groups and cooperatives supported with small grant		5400	9000				DADO	48	48	2821	300000					135
C. Grant screening and Evaluation Committees																		
1.2.2.C1	Field verification for Matching Grant Scheme	Field verification will be conducted for the screening of Grant Applicant	200	500	200				PMO	4		lumpsum	3	3	2821	300000	2.8	5.8
1.2.2.C2	Competitive Grant Scheme field verification	Field verification will be conducted for the screening of Grant Applicant	100	300	100				PMO	2		lumpsum	3	3	1567	166667	2.8	5.8
1.2.2.C3	Cost related to screening and evaluation of proposals	Number of grant proposal selected	500	500	500				PMO	10		lumpsum	3	3	4702	500000	3	6
1.2.2.C4	Competitive Grant and matching Grant Scheme operating manual publication with validation workshop	1 CGS & MGS operating manual prepared							PMO	NA		unit	1	1				
1.2.2.C5	Small grant pre screening, field verification and evaluation	Small grant screening, field verification and evaluation will be conducted		360	360				DADO	600	48	48	141	15000	1	49		7
1.2.2.C6	Grant support to NSC	One station out of 2 stations under NSCL based on KUBK working area supported for Processing plant installation based on 80-20 ratio.		8000	12000				PMO		1	unit	1		18804	20000000		0
1.2.2.C7	Agricultural machinery and equipment, operation and maintenance training for grantee groups and coops	4 events conducted (100 persons) Grantees with Farm machinery trained on farm machinery (Mini Tractor, Power Tiller, Tresher, Com Sheller etc.) operation, maintenance and management.		3200					PMO	10	No	10	4	3009	320000		23	30
1.2.2.C8	H Seed act, rules and regulation training for agrovet	1 event organized (25 persons) Agrovet people most probably from grantees trained on existing seed rules, regulations, and policies for quality seed trading in the program areas.		500					PMO	3	Event	1		4702	500000		7	5
D. Study, Training and Workshops																		
1.2.2.D1	Seed production technology related material will be prepared and published	Seed production technology related material will be prepared and published							PMO	5		time					104.51	
S. STUDIES																		
1.2.2.D.S1	Mapping of Seed producer groups, cooperatives and traders in the programme districts	Manual printed and distributed							PMO	NA		No		1			NA	
1.2.2.D.S2	Feasibility study on establishment of private seed company	Study will be conducted and report produced							PMO	1		time					20.35	
1.2.2.D.S3	Study through national level consultant for required amendment of seed law and policy	Study will be conducted and report produced							PMO	3	1	time					59.4	510.1
1.2.2.D.S4	Seed value chain analysis study on cereal crops (paddy, maize, wheat)	Study will be conducted and report produced							PMO	2		time					39.6	
1.2.2.D.S5	Seed value chain analysis study on vegetable (onion, radish and broad leaf mustard)	1270 test will be carried out							RSTL	7620		test						
1.2.2.D.S6	Study on seed replacement rate (SRR) in program districts	1 study conducted	47.5	190	712.5				PMO	1	2	Times	1	1	8934	950000		1
1.2.2.D.S7	Operational support for field inspection and seed testing to RSTL Bharahwa and Nepalgunj	1270 inspection and testing done	400	600	270				RSTL	NA	1270	unit	9	100	100	100		12
1.2.2.D.S8	Remuneration for private sector seed inspector and sample collector	Remuneration provided	360	360	360				PMO	36			282	30000				10
1.2.2.D.S9	Impact study on grant disbursement	1 study conducted	50	200	750				PMO		3		9405	1000000			42.2	9
1.2.2.D.S10	Study and analysis on seed rule and regulation through FAO	Study will be conducted and report produced		12500	12500				PMO	1		time					235	28 000
E. EXTENSION MATERIALS																		
1.2.2.D.E1	Farmers Field school operation manual preparation and publication	FFS guidelines updated and published	49.5	198	742.5				PMO			Times	1	1	9311	990000		1
1.2.2.D.E2	FFS guidelines updates and publication	FFS guidelines updated and published							PMO			Times	1	1	9311	990000		1
1.2.2.D.E3	Seed production technology related material preparation and publication	Profile prepared							PMO			time						
1.2.2.D.E4	Weed (harpat) identification in cereal and vegetable seed related manual preparation (color print)	Profile prepared							PMO			time						

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)							
1.2.2.D.E5	Preparation of profile of seed production, processing and marketing related farmer group, cooperative and group of programme area	Study conducted			PMO	6	man month					23.76					937.899	938							
1.2.2.D.E6	Seed production material printing, publication and distribution	materials printed and published	92.5	370	1387.5	PMO			17399	1850000				17	1 850										
1.2.2.D.E7	Booklet brochure and report publication on seed act, rules regulation.			1250		PMO	1		11756	1250000			20.4	12	1 250	658		658							
1.2.2.D.W	W. WORKSHOPS AND STUDY TOURS																								
1.2.2.D.W1	Group orientation and start-up for new groups	42 Group orientation will be conducted			PMO	250	Groups			101	101		97				2074.031	2.074							
1.2.2.D.W2	Group orientation and start-up for existing groups	30 group orientation will be conducted			PMO	120	Groups			75	75		41.58				1595.27	1.088							
1.2.2.D.W3	Group orientation and start-up for new groups	36 Group orientation will be conducted			PMO	320	Groups			72	72		6.0				2744.25	2.744							
1.2.2.D.W4	Group orientation and start-up for existing groups	45 group orientation conducted			PMO	320	Group			45	45		160				1895.76	1.896							
1.2.2.D.W5	Orientation workshop on Grant disbursement for cereal seed producer group/coops	80 group orientation conducted in field	900	900	900	PMO		90	282	30000				25	2 700										
1.2.2.D.W6	Orientation workshop on Grant disbursement for vegetable seed producer group/coops	30 groups oriented - Conducted together with Cereal Seed Producer orientation (1.2.2.D.W5) where possible	300	300	300	PMO		30	282	30000				8	900										
1.2.2.D.W7	Study tour related to Seed development and Marketing of seed sector				PMO		NA																		
1.2.2.D.W8	Workshops (Central and district level)	1 central level workshop workshop conducted about the performance and effectiveness of the programme in seed sector.			PMO	6	3	Event			7		30.5	16.9			2146.592	2.147							
1.2.2.D.W9	Central level interaction on cereal and vegetable seed production and marketing of programme implementation areas	1 events will be organised (25 persons)		500	PMO	1		Event	1	4702	50000	1	19.8		5	500	488.26	488							
1.2.2.D.W10	District level interaction workshop on seed production, demand and marketing (seed balance and seed demand) of programme districts (with coordination of SCCC and PMO)	6 event will be organised (150 persons)		450	DADO	24		Event	6	705	75000	6	7.28		4	450	440	421.51	861						
1.2.2.D.W11	Interaction workshop on seed act/rules and regulation with SEAN members	1 events organised		400	PMO		3	Event	1	3762	40000			14.1	4	400									
	Training for Trainers for Farmers Mobilizers	4 training conducted, 100 farmers mobilizers prepared			PMO	6		nos					150												
	Total Budget Output 1.2.2		20 734	79 788	78 389				11 445	591		1 902	436	615 298	65 424 667	655	1 090	1 293	7 536	1 683	178 910	109 596	93 805	203 401	
	Total Budget SC 1.2		41 284	102 038	95 514				13 382	528		2 099	533	775 433	82 451 750	1 107	1 639	63 089	8 136	2 246	238 835	129 503	147 578	277 081	
1.3	Sub component 1.3 Promoting Farmer demand for TL seeds	30,000 smallholder household (5.00 per district will reach to use TL seed within project period																							
1.3.1	Output 1.3.1 Demonstration	1200 demonstration will be carried out at farmers field						1200	300																
1.3.1.1	Demonstration through Farmers Field School by DADO staff/ seed technicians	24 Demonstration will be done (480 farmers participate)		972	972	DADO	300	100	No	24	24		762	81000	198	222	352.03		18	1 844	1 808	18573.241		20 381	
1.3.1.2	Demonstration through Farmers Field School by farmers facilitators	78 Demonstration will be done (1560 farmers participate)		2280	3648	DADO	900	200	No	78	78		715	76000	213	291	704.07		56	5 928	5 556	9623.82		15 180	
	Total Budget Output 1.3.1			3 252	4 620					102	102		1 477	157 000	411	513	1 056		74	7 872	7 364	28 197		35 561	
1.3.2	Output 1.3.2 PVS																								
1.3.2.1	Participatory varietal selection	60 PVS conducted through NARC		1500	1500	3000	NARC	270	180	No	60	60		940	100000	112	172	237.62	151.7401964	56	6 000	6 000	7154.19	13 154	
	Total Budget Output 1.3.2			1 500	1 500	3 000	NARC	270	180	No	60	60		940	100 000	112	172	238	152	56	6 000	6 000	7 154	13 154	
	Total Budget SC 1.3			1 500	4 752	7 620	#VALUE!	1 470	480	#VALUE!	162	162		2 417	257 000	523	685	1 294	152	130	13 872	13 364	35 351	48 715	
	Total Investment Costs C1 (PMO)		69 404	152 320	140 034	#VALUE!	15 171	1 126	#VALUE!	2 338	722	1 481 380	149 088 750	1 703	2 424	65 695	9 938	3 402	361 757	201 404	282 302	309 938	225 369	483 706	
	Recurrent costs																								
1.1	Technical Experts																								
1.1.1	Seed Component Coordinator	Seed component coordinator recruited		640	640	640	PMO	84		months	13	13	1389	147692	21	34	110.89		18	1 820	1 908	3780		5 686	
1.1.2	District seed Coordinator	6 District Seed Coordinators recruited		1440	1440	1440	PMO	288		months	78	78	521	55385	122	192	221.78		41	4 320	3 640	6651.98		10 092	
1.1.3	Engineer	1 Engineer recruited		400	400	500	PMO	5		months	13	13	940	100000	21	34	278.81		12	1 300	1 213	2418.16		3 631	
1.1.4	Seed Technicians	36 Seed Technicians recruited		4500	3600	3600	PMO	1080	1092	months	468	464	235	25000	447	911	360.1	356.43	360.1	110	11 700	9 080	5045.68	13 126	
1.1.5	Sub-engineer	6 Sub engineers recruited		1200	960	960	PMO	216	273	months	78	78	376	40000	0	70	95.05	128.6	29	3 120	2 864	485		3 349	
1.2	Other Administrative costs																								
1.2.1	Driver-2	2 driver recruited		120	96	96	PMO			months	26	13	113	12000	22	35			3	312	242	494.274		736	
1.3	Travel and per Diem																								
1.3.1	DADOs/RSTLs			653	654	653	DADOs/RSTLs	56		lumpsum	8	8	2304	245000	25	33	142.57		18	1 860	1 714	3443.5		5 158	
1.3.2	RADs			167	167	166	RADs	12		lumpsum	2	2	2351	250000	7	9	35.64		5	500	497	999.91		1 496	
1.3.3	PMO (Monitoring expenses)	for component -1 activity		1000	1000	1000	PMO	7		lumpsum	1	1	28214	3000000	2.66	3.66	33.72		28	3 000	2 900	2650		5 550	
1.3.4	Field allowance for seed technicians.	(12 month *36 persons)		432	432	432	PMO			lumpsum	432			3000					12	1 296					
1.4	Office management and Vehicle O&M for DADOs and Labs and RADs			333	334	333	DADORADRSTL	60		lumpsum	10	10	940	100000	51	61	38.11		9	1 000	906	1629.093		2 535	
1.5	Support staffs for RSTL Bhairahawa and Nepalgunj	Support staff recruited		180	144	144	RSTL	48		Manmonths	26	13	169	18000		13	9.13		4	468	204	38.38		242	
	Total Recurrent Costs C1 (PMO)		11 063	9 867	9 964		1 851	2 373		1 155	677	37 254	3 996 077	719	1 396	360	1 322	517	291	30 896	23 965	27 636		51 601	
	Total Budget C1 (PMO)		80 469	162 187	149 998	#VALUE!	17 022	3 499	#VALUE!	3 493	1 399	1 438 934	153 094 827	2 421	3 819	360	67 018	10 456	3 693	392 653	225 369	309 938	225 369	535 307	
2	Component 2 : Smallerholder Livestock Development : To improve Productivity of livestock systems which are more closely linked to markets	1. At least 80 % of animals in dairy and goats HHs covered by routine vaccination against main diseases (Dairy- HS,BQ,FMD; Goat- PPR) RIMS 2. At least 80 % of the participating HHs have improved animals through breed improvement program																							
	Investment costs (PMO)																								
2.1	Sub Component 2.1 Improving Dairy Productivity																								
2.1.1	A. Infrastructure and Equipment																								
2.1.1.A	Water overhead tank construction for office lab and shed management purpose	1 overhead tank (10000 ltr capacity) constructed				PMO		No			1	1													
2.1.1.A2	Construction and extension of bio-technology laboratory collection yard	1 bio-technology laboratory collection yard constructed				PMO		No																	
2.1.1.A3	Construction of wall surrounding liquid nitrogen plant	1 wall constructed				PMO		No																	
2.1.1.A4	Shed construction for National buffalo resource centre in Livestock Development farm Pokhara	1 shed constructed		500	2000	7500	PMO			No.	1	1	94047	10000000					94	10 000	5 146			5 146	
2.1.1.A5	Bull shed construction in NARC, Livestock breeding division	1 shed constructed		500	2000	7500	PMO			No.	1	1	94047	10000000					94	10 000					
2.1.1.A6	Furnishing on communication hall of NLBC with Multimedia	1 sets procured			500		PMO			sets	1		4702	500000					5	500					
2.1.1.A7	Office equipments for Animal Breeding Division, NARC	1 PCR machine, 1 electroforosis tank, 1 jedhak camera, 1 laptop, 1 desktop supported					PMO	NA		No					9									2733.018	2 733
2.1.1.A8	Machinery support for NLBC, Pokhara	1 defolizer, 1 lammer airflow vertical, 1 milpore water filter (2 Laptop, 2 printer has been supported)					PMO	NA		No					7	7									1 787.43
2.1.1.A9	Machinery (Laptop & printer) support for NLBC, Pokhara	1 laptop and 1 printer supported					PMO	2		No					2										130
2.1.1.A10	Purchase and fitting of Desktop computer with printer-2 sets, A/C fitting -3 sets, GPS machine-1, Microscope-1, Deep freez -1, CC camera -1, fire extinguisher-6 for RVL, surbhet	1 sets procured			1000		PMO			sets	1		9405	1000000						9	1 000				
2.1.1.A11	Support to regional vet lab , Surbhet (PCR, geltdog and electrophoresis)	1 sets procured			3000		PMO			sets	1	1	28214	3000000					28	3 000	2 373				2 373
2.1.1.A12	RLTC - Pokhara(Multimedia fitting, furnishing, laptop, photocopy machine, digital camera, printer etc	2 sets for 2 halls of RLTC		0	1600	0	PMO			lumpsum	2														

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)					
2.1.2.5	2.1.2.5 Procurement of Murrah bull semen	3000 dose procured		672	PMO	10000	Dose	3000	3000	2	224	3000	50.5	6	672	671	IV	671					
2.1.2.6	2.1.2.6 Hormone and medicine procurement for buffalo and cow heat synchronization camp	500 animal synchronized		400	PMO	10000	Number	500	500	8	800	500	28.155586182	4	400	400	IV	400					
2.1.2.7	Procurement of Boer Semen (For previous years continuation)	7061 dose of semen for the payment of previous years continuation		10846			Dose	7061	5000	14	1536	5000	28.155586182	102	10846	10003	IV	10203					
Total output 2.1.2				9 319	889	11 063		118 722	50 060	17 592	14 349	780	82 954	10 430	24 779	707	200	21 270	15 467	8 379	23 846		
2.1.3	Output 2.1.3 Nutrition and Management	855 demonstration on terrace risers and bunds, 513 fodder production demonstration, 24 fodder resource centre/ nurseries established				8500	Hrs						793.4										
2.1.3.1	2.1.3.1 Group formation and mobilization	33 groups mobilized at dairy clusters(at least 3 groups / cluster)		99	DLSO		No	33	33	28	3000	36	69	1	99	93	IV	340	433				
2.1.3.2	2.1.3.2 Muata forage seed import from Thailand	200 kg on seed imported and distributed			PMO		kg																
2.1.3.3	2.1.3.3 Establishment of Forage resource center	11 forage resource center established		1650	DLSO		No	11	8	1411	150000	6	14	16	1 650	1 150	IV	1088.65	2 239				
2.1.3.4	2.1.3.4 Winter forage demonstration of berseem	100 paw participated in demo			DLSO	513	No					90							378.44	378			
2.1.3.5	2.1.3.5 Extension of forage production	200 farmer engaged in forage production			DLSO	7430	Person					18							384	384			
2.1.3.6	2.1.3.6 Fodder nursery establishment	11 nursery established		1100	DLSO	57	No	11	11	940	100000	12	23	10	1 100	1 000	IV	854	1 854				
2.1.3.7	2.1.3.7 Fodder tree sapling plantation at group level in community forest	33000 sapling planted with fodder trees		165	DLSO	171	No	33000	32150	0	5	15	32165	2	165	147	IV	208	355				
2.1.3.8	2.1.3.8 Support supply for Chaffers Machine	150 chaffers machine distributed			DLSO	1112	No					180	180						3122	3122			
2.1.3.9	2.1.3.9 Distribution of urea, molasses block	3600 block distributed		240	DLSO	240	No	3600	1700	2	200	3000	4700	7	720	705	IV	402	1 107				
2.1.3.10	2.1.3.10 Fodder seedlings distribution	110000 seedlings distributed		550	DLSO	2430000	No	110000	111300	0	5	111300		5	550	550	IV	600	1 150				
2.1.3.11	2.1.3.11 Forage expansion on terrace,risers and bunds (C.O. 3, C.O. 4, Muata)	22000 forage planted		660	DLSO		No	22000	22035	0	3	22035		6	660	650	IV		650				
2.1.3.12	2.1.3.12 Forage campaign (Grass plantation and management, 1 Wk,2 times annually in 1 cluster) 5000.00 per times	22 events		550	DLSO		Event	22	12	470	50000		12	10	1 100	750	IV		750				
2.1.3.13	2.1.3.13 Steel bucket (Can) distribution in 130 cluster	Steel milk can distributed		1100	DLSO		No	1100	1100	9	1000		1100	10	1 100	1 100	IV		1 100				
2.1.3.14	2.1.3.14 Shed Improvement				DLSO	8550	No					600	600				I	2950	2 950				
Total output 2.1.3				889	4 090	2 165		2 447 833		367 777	366 549	2 881	304 213	3 957	370 506	7 144	6 145		10 327	16 472			
2.1.4	Output 2.1.4 Improved veterinary services	88 VAHW trained, 20 private paravets trained, 121500 animal vaccinated against HS,BQ and FMD, 63 events of veterinary camp organised																	0				
2.1.4.1	2.1.4.1 Training to Private paravets on entrepreneurship development and capacity enhancement	1 training (15 person) conducted		525	PMO	20	Person	1	1	4937	525000	11	12	5	525	417	III	583.57	1 000				
2.1.4.2	2.1.4.2 VAHW Training (35 days)	22 persons trained		1650	PMO	88	Person	1		15518	1650000	16	16	14 75251909	55.67	16		1120	1 120				
2.1.4.3	2.1.4.3 Vaccination (HS/BQ/FMD)	22000 animals vaccinated		1320	DLSO	121500	No	22000	21345	1	60	21800	43145	12	1 320	1 230	IV	534	1 764				
2.1.4.4	2.1.4.4 Parasite control	11000 animals with parasite control		550	DLSO	150000	No	11000	11275	1	100	7500	18775	10	1 100	1 098	IV	685.53	1 784				
2.1.4.5	2.1.4.5 Veterinary Camps in Dairy	14 veterinary camps conducted for dairy		400	DLSO	63	No	14	11	940	100000	17	28	13	1 400	1 400	IV	1369	2 769				
2.1.4.6	2.1.4.6 Buffalo bull health checkup	39 events of health checkup will be done		140	DLSO	240	No	39	20	94	10000	20		4	390	168	IV	59	227				
2.1.4.7	2.1.4.7 Support to private paravets	10 Paravets supported. It is for the capacity enhancement and providing services at less access area of the project area		2000	PMO	20	No	10		1881	200000	1	1	19	2 000		IV	1128.2	1 128				
2.1.4.8	2.1.4.8 Support to VAHW for establishment of Vet shop	Establishment of vet shop (7). It is support to VAHW to develop their capacity and to provide their services at the less accessed area.		539	PMO	171	No	7		724	77000		0	5	539		IV						
2.1.4.9	2.1.4.9 Support for Vet. shop in Dairy cluster	22 shop supported. This is for the establishment of group fund for support to good animal husbandry services.		544.5	DLSO	110	No	22	19	466	49500		19	10	1 089	1 042	IV		1 042				
Total output 2.1.4				1 635	4 599	3 780		122 102	375 377	33 094	32 671	24 562	2 611 660	29 345	62 016	15	198	457	94	10 913	5 354	5 479	10 834
2.1.5	Output 2.1.5 Training and Workshops	a. 1002 batch group level on site training, 57 batch nursery operators training, 342 events inter district exposure visit organised b. Annual planning workshop, interaction programme among implementing partner and farmers level organised																	0				
2.1.5.1	Training on Livestock enterprise development and marketing to farmers	20 participants have been trained			PMO	50	No					1	1				III	417.85	418				
2.1.5.2	Improved dairy management training for farmers	6 trainings conducted for 3 days			DLSO		No					6	6				III	600	600				
2.1.5.3	Fodder forage management training to farmers (3 Days)	6 events conducted in six district			DLSO		No					6	6				III	1160	1160				
2.1.5.4	Animal fodder management training	6 events conducted			DLSO		No					6	6				III	580	580				
2.1.5.5	Nursery management and operation training	6 persons trained			DLSO	57	Person	6		0	0	0	0				III	132	132				
2.1.5.6	Self help group management training (By community facilitators) for farmers	30 event training organised			DLSO		No			730	730						III	1173.75	1 174				
2.1.5.7	Cornerstone training to women groups	700 women get trainings for 4 days			DLSO		persons			700	700						III	490.173	490				
2.1.5.8	Gender trainings for farmers	30 events conducted			DLSO		No			65	65						III	1603	1 603				
2.1.5.9	District level workshop on Dairy Pocket mapping (identification) and VDC selection	6 workshops conducted			PMO		No			6	6						III	1171.96	1 172				
2.1.5.10	District level orientation on dairy and goat program implementation approach	1 workshop conducted			PMO		No			1	1						III	486.82	487				
2.1.5.11	District level interaction on dairy enterprises and farmers for liquid milk marketing	6 workshops conducted			PMO		No			6	6						III	1071.81	1 072				
2.1.5.12	Validation workshops on value chain study reports	1 workshop conducted			PMO		No			1	1						III	425.975	426				
2.1.5.13	VAHW Learning workshops	18 events conducted			DLSO	18	No	0	0	30	30						III	1729	1 729				
2.1.5.14	Participatory self review and planning in group level	35 events conducted			DLSO		No	0	0	35	35						III	200	200				
2.1.5.15	Workshop on Livestock insurance	12 events organised			DLSO		No	12	0	0	11	11					III	550	550				
2.1.5.16	Planning workshop with involvement of programme stakeholder	6 events conducted			DLSO		No			6	6						III	610	610				
2.1.5.17	Training on dairy diversification and marketing (5 days)	20 participants trained, 1 event		600	PMO	15	pax	1	1	5643	600000	22	23	6	600	507	III	817.85	1 325				
2.1.5.18	Improved animal rearing training	11 events organised (275)		1100	DLSO		No	11	11	940	100000	12	23	10	1 100	1 100	III	1160	2 260				
2.1.5.19	One days workshop on Zoonotic disease management	6 workshops conducted		600	DLSO	40	No	6	6	940	100000	12	18	6	600	600	III	601.755	1 202				
2.1.5.20	Training to milk chilling operators	15 participants trained		450	PMO	28	Person	15	15	282	30000	1	16	4	450	428	III	440.57	868				
2.1.5.21	Nursery operation technology training for farmer level (1 week)	1 training event conducted		800	PMO	25	event	1	1	7524	800000		1	8	800	683	III		683				
2.1.5.22	Farmers level Commercial livestock rearing and management training. (Practical in livestock)	15 events(375 Participants)		525	PMO	30	event	15	15	329	35000		15	5	525	448	III		448				
2.1.5.23	Awareness program on Commercialization of small holder livestock farmers	Orientation to dairy producer, collector/processor and distributors on commercialization (6 events, 1 each district)		200	PMO	6	lumpsum	6	2	940	100000		2	6	600	200	III		200				
2.1.5.24	Farmer tour (Inter district level)	6 tour organised			DLSO		No	6	0	0	10	10					III	4013.71	4 014				
2.1.5.25	Inter district farmers visit (7 days,40*9 persons) organized in Learning route	9 event organized (360 persons)		3600	DLSO	50	Event	9	9	4702	500000		9	279.8838545	4 500	4 500	III		4 500				
2.1.5.26	Inter district visit for program related staffs (1 for 7 days /30 staffs)	organize as learning route (30 persons)		1250	PMO		event	1	1	11756	1250000		1	12	1 250	1 000	III		1 000				
2.1.5.27	One day inception workshop on component-2 - to mitigate for delayed component start-up	1 workshop conducted with all stakeholder		800	PMO		1 event	1	1	7524	800000		1	8	800	788	III		788				
2.1.5.28	2.1.3.15 Orientation workshop on annual program and budget component-2	6 workshop organized for orientation of AWPB under component-2		360	DLSO		Event	6	6	564	60000		6	3	360	340	III		340				
2.1.5.29	Record keeping training	11 events organised (275 prsons)		1100	DLSO		Event	11	11	940	100000		11	10	1 100	1 088	III		1 088				
Total output 2.1.5				1 960	7 025	3 700		100	226	125	79	42 086	4 475 000	1 673	1 752	280	8	68	119	12 685	11 680	19 436	31 116
2.1.6	Output 2.1.6 Milk market linkage development																						
2.1.6.1	Support to Dairy entrepreneurs for business promotion	6 entrepreneurs supported			PMO	15	Person					1	1				I	570.39	570				
2.1.6.2	Support of establish milk chilling vat (500 lt); competitive grant scheme	5 vat supported			PMO	10	No					1	1				I	100	100				
2.1.6.3	Dairy value chain study	1 study conducted for dairy value chain			PMO																		

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)								
2.2	Sub-Component 2.2 Improving Goat Productivity																									
2.2.1	2.2.1 Vehicle, building and equipment support													11471												
2.2.1.A	A. Infrastructure and Equipment																									
2.2.1.A1	Programs for DLSOs (goat pen construction and forage plantation)										1	1			IV	541	541									
2.2.1.A2	Capital grant for Goat pen construction at NARC station (Bandipur)	1 pen constructed			NARC	1	No				1	1	NA		IV	6143.36	6143									
2.2.1.A3	Construction of shed for buck management	1 shed constructed			PMO		No				1	0			IV	653.6	654									
2.2.1.A4	Furnishing of Training and communication hall, at NARC Bandipur	1 sets support		1000	PMO		sets	1	9405	1000000				9	1 000											
2.2.1.B	B. Vehicles																									
2.2.1.B1	Purchased of Motorbikes	17 bike purchased for goat technicians		4250	PMO		No.	17	2351	250000			63.33	40	4 250											
2.2.1.B2	Purchased of Four wheel pickup	1 pick up purchased for goat component activity		5800	PMO		No.	1	54547	5800000			5454716449	55	5 800	5 800	IV	5 800								
	Total Output 2.2.1			11 050		1	18	19	66 303	7 050 000	2	3	118	104	11 050	5 800	7 638	13 438								
2.2.2	Output 2.2.2 Breed Improvement																									
2.2.2.3	Pocket Identification with resource person from NARC and DLS	2 pockets/VDC Selected					No				2	2					167.14	167								
2.2.2.4	Pocket Identification with resource person from NARC and DLS for Boar Multiplication in 6 district	12 pockets will be identified				2	No				10	10		3.7			200.57	201								
2.2.2.5	Goat Breeder Farm Development 2 VDC	2 breeder farm established																								
2.2.2.6	Boar Buck Import (5 line boar buck)	60 boar buck imported			PMO	478	50	No					788.78	160.7			12200	12 200								
2.2.2.7	Boar Semen Import (5 line)	10000 doze semen imported			PMO	38760	10000	No					426.4	656.5			4246.855	4 247								
2.2.2.8	Productivity record management, stationery, tagging machine, ear tag, file etc.	5000 Households managed			PMO			No		5200	5200		37.71				334.28	334								
2.2.2.11	Goat weighing measurement chart	Chart published and distributed				19288		No					2.12													
2.2.2.10	Weighing Machine	90 big machine distributed		550	PMO	606		No	90	6111	150	150	103.53		5	550	IV	1516.31	1 516							
2.2.2.11	Castrator machine	96 machine distributed		720	720	PMO	342		96	96	141	15000	30	126		37.62		100.28	1 456							
2.2.2.12	Group formation and mobilization	10 groups will be mobilized in BH	134	134	132	DLSO		30	30	188	20000	20	50		4	400	351	IV	183.57	535						
2.2.2.13	Group Mobilization for development of boar M. farm	For 2 breeder herd	700	700	700	DLSO		48	No	720	508	27	2917	55	563		113.532	20	2 100	1 135	IV	483.71	1 619			
2.2.2.14	Productivity record management, stationery, tagging machine, ear tag, file etc.	60 ear tag machine purchased and other production stationery distributed in breeder Herd		600		PMO		nos	60	60	94	10000	600	660		6	600	298	IV	501.42	600					
2.2.2.15	Data Analysis and Reporting	data analysis and report produced from breeder groups.		750	750	PMO		40	times	10		1411	150000	1	1		56.766	14	1 500		III	250	250			
2.2.2.16	Ear tag (for MH)	15000 ear tag purchased for MH		750		PMO		No	15000	15000	0	50		15000		7	750	678	IV		678					
2.2.2.17	Procurement of hormone for heat synchronization in Breeder herd	for 2 breeder herd		600		PMO		No	500	500	11	1200		500		6	600	500	IV		500					
2.2.2.18	Artificial insemination for goat	500 goat inseminated		60	30	60	DLSO		1000	No	500	146	3	300	49	195		13.910	1	150	150	IV	51	201		
2.2.2.19	Goat productivity improvement programme in addition 4 district (VDC selection)	24 VDC selection in 4 district (Ropa, Rukum Salyan and Pnyahan) for initiating goat program		800		PMO		No	4		1881	200000		0		8	800		IV							
2.2.2.20	Boar buck feeding and management in Bandipur	2 month (Boar buck kept for 2 month in Bandipur for acclimatized before sending to BH)		500		PMO		1	1	4702	500000			1		5	500	493	IV		493					
2.2.2.21	Goat shed improvement in MH	750 goat shed improved in MH of 6 district		3750		DLSO		NO.	750	750	47	5000		750		35	3 750	3 750	IV		3 750					
2.2.2.22	Goat productivity related technical material publication and distribution	Material published and distributed		500		PMO		times	1	4702	500000		1			5	500		III	200						
	Total Output 2.2.2		2 794	8 484	2 362		59 474	11 170	30	17 752	17 091	13 286	1 410 576	6 118	23 209	1 396	1 016	128	13 640	8 711	20 435	29 146				
2.2.3	Output 2.2.3 Nutrition and management																									
2.2.3.A	A. Fodder and Forage																									
2.2.3.A1	Group formation and mobilisation (Goat productivity improvement)	30 group formed and mobilized				DLSO		No			30	30														
2.2.3.A2	Fodder Demonstration (On farm)										90	90		86.77												
2.2.3.A3	Fodder Production expansion	990 member involve in expansion the fodder production					12722	Person																		
2.2.3.A4	Fodder nursery establishment (Coordination with Heifer)	2 nursery established				DLSO	6	550	50000																	
2.2.3.A5	Fodder seedlings distribution (Coordination with Heifer)	40000 seedlings distributed					120000	0	10																	
2.2.3.A6	Forage demonstration	300 person involved in demonstration					4056	Person																		
2.2.3.A7	Forage production in group	60 group produced forage						No						55.8												
2.2.3.A8	Fodder seedlings distribution - BH	30000 seedlings distributed for BH and MH		90		DLSO	7387000	No	30000	31025	0	3		31025		1	90	90	IV	800	890					
2.2.3.A9	Fodder saplings distribution -MH	In MH (150000)		750		DLSO		No	150000	150240	0	5		150240		7	750	745	IV		745					
2.2.3.A10	Fodder nursery establishment - BH	2 nursery established BH		150		DLSO	54	nos	2	2	705	75000	7	9		29.7		1	150	150	IV	503	653			
2.2.3.A11	Fodder nursery establishment - MH	12 nurseries MH		900		DLSO		No	12	9	705	75000		9				8	900	575	IV		575			
2.2.3.A12	Fodder tree plantation on community forestry groups in BH	In B reeder herd (fodder tree)		80		DLSO		No	16000	16165	0	5		16165		1	80	80	IV		80					
2.2.3.A13	Fodder tree plantation on community forestry group in MH	In MH (48000 planted)		240		DLSO		No	48000	48185	0	5		48185		2	240	245	IV	300	545					
2.2.3.A14	Forage expansion on terrace, risers and bonds (C.O. 3, C.O. 4, Multato) - BH	In Breeder herd		120		DLSO		Person	60000	60230	0	2		60230		1	120	110	IV		110					
2.2.3.A15	Forage expansion on terrace, risers and bonds (C.O. 3, C.O. 4, Multato) - MH	300000 forage planted in MH		900		DLSO		No	300000	29865	0	3		29865		8	900	890	IV		890					
2.2.3.A16	Winter forage expansion (Oat, Berseem in BH)	In B reeder herd (BH)		180		DLSO		Lumsung	12000	12042	0	15		12042		2	180	180	IV		180					
2.2.3.A17	production support for winter grass in field in MH	In MH (for 12 herd)		1020	1020	DLSO		Herd	12	12	1599	170000		12		19	2 040	1 766	IV		1 766					
2.2.3.A18	Forage production expansion in group(Oat,berseem) -MH	In 11 Multiplier herd (MH)		2750		DLSO		No	11	11	2351	250000		11		26	2 750	2 598	IV	150	2 748					
2.2.3.B	B. Shed Improvement																									
2.2.3.B1	Goat shed improvement	400 shed improved					18468	No			336	336		1015.84												
2.2.3.B2	Goat shed improvement (Coordination with Heifer)	200 shed improved						No			132	132		1015.84												
2.2.3.B3	Goat shed improvement (75 in aghakhanchi,60 in Gumi)	For breeder herd only		675		DLSO		No	135	135	47	5000		135		6	675	525	IV		525					
	Total Output 2.2.3		675	6 190	2 010		7 542 308	550	50 010	616 172	5 408	575 030	601	601	3 220	82	8 875	7 954	7 413	15 367						
2.2.4	Output 2.2.4 Improved Veterinary Services																									
2.2.4.1	Goat Vaccination Program	157 veterinary camp organised, Animal vaccination against PPR, demonstration on drenching				DLSO		No			750	750		45.4												
2.2.4.2	Goat vaccination campain	1500 goat vaccinated				DLSO	240000	nos			1500	1500														
2.2.4.3	Drenching gun handling demonstration	98 demonstration in group level conducted				DLSO	80	group			22	22		1.14												
2.2.4.4	Drenching gun distribution	100 gun distributed				DLSO	770				100	100		31.35												
2.2.4.5	PPR Vaccination (Animal Health Service)	3200 goat vaccinated with PPR				DLSO		No	3200	3200																
2.2.4.6	PPR Vaccination (Coordination with Heifer)	1800 goat vaccinated with PPR				DLSO		No			0	0														
2.2.4.7	PPR Vaccination (Boar Multiplication Herd)	60000 goat vaccinated with PPR		1200		DLSO		No	60000	60255	0	20	6000	66255		11	1 200	749	IV	355	1 104					
2.2.4.8	Internal parasite control campain	1500 goat with internal parasite controlled				DLSO		nos			1500	1500														
2.2.4.9	Internal Parasite control program (Animal Health Service)	3200 goat controlled with internal parasite				DLSO		No			1600	1600														
2.2.4.10	Internal Parasite control program (Coordination with Heifer)	1600 goat controlled with internal parasite				DLSO		No			0	0														
2.2.4.11	Internal Parasite control program (Boar Multiplication Herd)	50000 goat controlled with internal parasite		1500		DLSO		No	50000	50250	0	30	750	51000			56 765 8291	14	1 500	1 499	IV	555 469	2 054			
2.2.4.12	Veterinary Camp for goat	18 Camps conducted		600	600	600	DLSO		157	72	No	18	16	940	100000	13	29		107.94	102.2	17	1 800	1 795	IV	891	2 686
	Total Output 2.2.4		2 100	600	1 800		1																			

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)								
2.1.5	Livestock specialist (6)	6 livestock recruited		2400	1820	1920	PMO		82	months	78	78	752	80000		78	69.4	59	6 240	3 292	II			3 292		
2.1.6	Goat Assistant (22 person)	22 CGA recruited for BH and MH in 6 districts placed other VDC than HN VDC		3300	2840	2640	PMO		682.5	months	286	143	282	30000	135	278	225	81	8 580	3 767	II	4600.33		8 367		
2.1.7	Dairy Assistant (22) person)	22 CDA recruited		3300	2840	2640	PMO		455	months	286	143	282	30000	90	233	150	81	8 580	3 112	II	3249.99		6 362		
2.2	Other costs																									
2.2.1	Field monitoring and travel expenses for RDLs and DLSOs			700	800	1000	RDLs/DLSO			Lumpsum	8	8	2939	312500	17	25		24	2 500	2 128	V	3105.48		5 233		
2.2.2	Office operation and maintenance expenses for RDLs, DLSOs & NLBC			266.66	266.66	266.68	RDLs/DLSO			Lumpsum	16	16	470	50000	12.22	28.22		8	800	671	V	1683.911		2 355		
2.2.3	Field monitoring and travel expenses for PMO			900	900	1200	PMO			Lumpsum	1	1	2814	3000000	1	2		28	3 000	2 850	V	651.05		3 501		
2.2.4	Field allowances for CGA and CDA			528	528	528	PMO		630	Lumpsum	528			3000		0	17.8	15	1 584		V					
	Total Recurrent Costs C2 (PMO)			12 193	10 335	10 935			1 866				1 216	402	#DIV/0!	#DIV/0!	300	702	463	314	33 264	17 735		18 508	36 233	
	Total Budget C2 (PMO)			63 800	194 691	136 137			10 299 851	881 206	50 040	1 164 550	402	#DIV/0!	#DIV/0!	68 578	68 980	295	6 535	10 087	37 111	394 628	235 605		187 914	423 720
	Programmes Managed By Heifer																									
	Investment costs (Heifer)																									
1	Output 1. Implementation managements																									
1.1	1.1.1 Motorcycle	2 motorcycle has been procured					Heifer			No																
1.2	1.2 Laptop with software	2 Laptop with software has been procured					Heifer			Set	2	2		4.84												
1.3	1.3 Printer 4 in 1	2 sets 4 in 1 printer (printer, scanner, photocopier and fax) has been procured					Heifer			Set	2	2		1.56												
1.4	1.4 Projector	1 projector will be procured					Heifer				1	1														
	Total Output 1			0	0	0																				
2	Output 2. Goat Productivity Improvement Programme																									
2.1	2.1.1 N. G. O. Selection (6 unit)						Heifer			Time	1	1														
2.2	2.2 Cornerstone Training (For Project Partner selection)	6 nos. partner will be selected					Heifer			Time	1	1														
2.3	2.3 Cornerstone TOT (Project Partner)	1 event training to PP staff					Heifer			Time	2	2		12.65												
2.4	2.4 Cornerstone Training (For District Govt. Offices)	1 event training					Heifer			Time	1	1														
2.5	2.5 Cornerstone Training (For KUBA staff - PMD team)	1 event training					Heifer			Time	1	1														
2.6	2.6 Self Help Group Management Training (Staff)	1 event training to PP staff					Heifer			Time	2	2		8.25												
2.7	2.7 Gender Training (Project Partner)	1 event training to PP staff 5 days					Heifer			Time	1	1		12.65												
2.8	2.8 D.C. Level baseline surveys	Surveyed in 6 VDCs					Heifer			Time	1	1		7.48												
2.9	2.9 Production Record File distribution	2000 animal record files published and distributed					Heifer			No	2	2		1.16												
	Total Output 2			7 000										4000	4000											
2.10	2.10 Goat weighing machine	5 goat weighing machine purchased and distributed					Heifer			No	650															
2.11	2.11 Technical Orientation for Program Coordinator and Technical Coordinator - 3 days	2 event 3 days orientation					Heifer			Time	2	2		940	100000	2	4									
2.12	2.12 Technical Orientation on imp. Goat health & husbandary for Govt. Veterinary Staff - 2 days	1 event 2 days orientation					Heifer			Time	2	2		#DIV/0!	#DIV/0!	1	1									
2.13	2.13 Goat Enterprise Devt. Training for PC, TC and CF - 5 days	1 event 5 days training organised					Heifer			Time	4	4		6583	700000	1	2									
2.14	2.14 Nutrition security training - 5 days	1 event 5 days training organised					Heifer			Time	1	1		3292	350000	1	2									
2.15	2.15 Cooperative management training 3 days	1 event organised for staff					Heifer			Time	1	1		3292	350000	1	3									
2.16	2.16 Book-keeping training 4 days	1 event organised					Heifer			Time	3	3		1881	200000	1	2									
2.17	2.17 Annual monitoring survey	1 event conducted					Heifer			Time	3	3		5079	540000	1	2									
2.18	2.18 Agrivet enterprise development training - 7 days (CAVE)	1 event organised					Heifer			Time	1	1		5173	550000	1	2									
2.19	2.19 Cornerstone Training (Stakeholders)	6 PPs trained					Heifer/Project Partner			Time	14	14				14	14									
2.20	2.20 District coordination meeting & District Project Advisory Committee formation	1 time meeting each for 6 PPs					Heifer/Project Partner			Time	14	14				14	14									
2.21	2.21 Project Implementation and Monitoring Committee / Project Management Committee	12 events organised					Heifer/Project Partner			Group	6	6		1.54												
2.22	2.22 Project monitoring and implementation meeting (PIMC)	56 events organised					Heifer/Project Partner			No	56	24		6214	24	48										
2.23	2.23 DPAC - District Project Advisory Committee meeting & monitoring report presentation	14 events organised					Heifer/Project Partner			No	14	12		84	10000	12										
2.24	2.24 DPAC field monitoring and report presentation	14 events of monitoring organised and report produced					Heifer/Project Partner			No	14	12		336	35714	2	14									
2.25	2.25 Project management meeting with old group	56 events organised					Heifer/Project Partner			Event	56	49		32	3357	19	68									
2.26	2.26 Participatory Self Review and Planning (Organisation level)	303 events organised					Heifer/Project Partner			No	303	232		9	960	54	286									
2.27	2.27 Travel (TOT, Training, Staff, facilitator etc) - 6 PP	For 12 PPs					Heifer/Project Partner			month	12	12		2994	318333	14	26									
2.28	2.28 Corner stone training for value chain actor	1 training					Heifer			Time	1	1		3292	350000	1	1									
2.29	2.29 Cooperative management training for members (5 days)	1 training for members					Heifer			Time	1	1		3292	400000	1	4									
2.30	2.30 Cooperative capacity development training (5 days)	15 trained					Heifer			Time	3	3		1881	200000	1	3									
2.31	2.31 Training kit preparation and distribution	15 kit prepared					Heifer			Time	15	5		376	40000	5	6									
2.32	2.32 Entrepreneurship and business plan development training for goat entrepreneur	12 persons					Heifer			Time	12	0		31	3333	0	0									
2.33	2.33 Forage seed distribution for farmers	100 nos					Heifer			Time	100	100		38	4000	100	400									
2.34	2.34 Buruzo castrator (large animals)	34 castrators					Heifer			Time	34	34		180	19118	34	6									
2.35	2.35 Interaction meeting with animal assets security fund (private sector, coops, DLSO and PP)	2 interactions					Heifer			Time	2	2		470	50000	2	1									
2.36	2.36 Meeting with partner NGOs						Heifer			Time	1	1		2118	225000	2	2									
	Total Output 2			3 601	4 175	4 366			8 185		899	502	#DIV/0!	#DIV/0!	4 404	4 906		269	114	12 142	10 074		14 190	24 264		
3	Output 3. Project Partner Mobilization																									
3.1	3.1 Group formation and mobilization (48 groups)	Goat group formed and mobilised, recurrent and administrative cost to NGO					Heifer/Project Partner																			
3.2	3.2 Project Partner Staff remuneration cost (Program Coordinator, Technical Coordinator, CAVE, Comm. Facilitator, Accountant) - 14PP	For 14 PPs for 2 district					Heifer/Project Partner			month	12	12		17587	1869983	14	26									
3.3	3.3 Administration Cost - 14PP	For 14PPs					Heifer/Project Partner			month	12	12		1942	206000	14	26									
	Total Output 3			8 631	6 905	6 905					12	12		19 529	2 076 483	28	52		765	234	24 918	24 777		24 978	49 758	
4	Output 4. Farmers Training																									
4.1	4.1 Self Help Group Management Training (Farmers)	62 groups member trained					Heifer/Project Partner			group	193	48				48										

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)					
7.2	7.2 Internal parasite control for Goat	19880 goats treated		198.75	Heifer/Project Partner	83000	nos	19880	24988	0	10	75000	99988	18.32	IV	1240.771	1.491						
7.3	7.3 Vaccination for Goat	13250 goat vaccinated		132.5	Heifer/Project Partner	53000	nos	13250	11773	0	10	20000	31773	5.89	IV	282.15	389						
7.4	7.4 Vaccination for Chicken	3000 chicken vaccinated		60	Heifer/Project Partner	44300	nos	3000	2856	0	20		2856	19.49	IV	177.03	226						
7.5	7.5 Internal parasite control for Chicken	3000chicken treated		60	Heifer/Project Partner	41000	nos	3000	3000	0	20		3000	1.8	IV	164.05	215						
7.6	7.6 Goat Insurance	For 4276 animals			Heifer/Project Partner		No	7310				3299	3299	32.22	IV	5033.9	6.034						
7.7	7.7 Microscope/Castrator/Cool Box	For 18 CAVE			Heifer/Project Partner		No	34				34	34	9.50	IV	810.916	811						
7.8	7.8 Veterinary medicine fund	For 100 CAVE		419.4	Heifer/Project Partner	34	No	100	76	39	4194	34	110	11.22	IV	1019.9	1.421						
Total Output 7				419	451	228 712		39 230	42 693	40	4 254	98 401	141 094	127	8	871	857	10 890	11 747				
Total Investment Costs C2 (Heifer)				15 878	20 125	16 457		268 487	120		51 343	54 677	#DIV/0!	#DIV/0!	114 708	169 385	2 172	34	493	52 460	50 311	118 035	168 346
Recurrent costs (Heifer)																							
1. Technical experts																							
1.1	1.1.1 Goat Specialist	1 Goat specialist recruited		550	447	447	Heifer	48	month	12	12	1139	121123	20	32	70.85	14	1 463	1 463	II	2319.255	3 772	
1.2	1.2 Admin. And Finance Officer	1 Admin. and finance officer recruited		283.22	226.89	226.89	Heifer	48	month	12	12	578	61449	20	32	62.98	7	797	797	II	1206.195	1 943	
1.3	1.3 Country Director	1 Country Director recruited		122	98	98	Heifer	2	month	6	6	4994	53000	12.4	13	318	271	II	448.85	720			
1.4	1.4 Program Director - KUBK Focal Person	1 Program Director - KUBK Focal Person recruited		143	114	114	Heifer	7	month	1.8	1.2	1936	20582	13.2	14.4	22.45	3	974	279	II	600.92	880	
1.5	1.5 Program Director - Field	1 Program Director - Field recruited		196	157	157	Heifer	10	month	2.4	2.4	1997	21255	13.6	16	22.45	5	510	508	II	836.21	1 348	
1.6	1.6 Animal Well Being Manager	1 Animal Well being Manager recruited		114	91	91	Heifer	10	month	2.4	2	1159	12266	13.6	15.6	12.38	3	298	291	II	521.98	723	
1.7	1.7 Planning Monitoring and Evaluation Manager	1 Planning Monitoring and Evaluation Manager recruited		35	27	28	Heifer	7	month	1.8	1.8	472	50141	13.2	15	6.29	1	90	90	II	309.77	400	
1.8	1.8 Program Officer	1 Program Officer recruited		529	423	423	Heifer	48	month	12	12	1078	114583	32	44	38.89	13	1376	1 376	II	1298.57	2 674	
1.9	1.9 Breeding Expert	1 Breeding Expert recruited		149	120	120	Heifer	12	month	3	2	1218	129555	14	16	16.45	4	389	251	II	784	1 035	
1.10	1.10 Program Manager - Field - Nepalgunj	1 Program Manager based on Nepalgunj recruited		127	103	103	Heifer	12	month	3	2	1045	111163	14	16	14.56	3	353	220	II	681.78	902	
1.11	1.11 Finance Manager	1 Finance Manager recruited		70	60	60	Heifer	2	month	1.2	1.2	1534	16360	12.8	14	8.64	2	198	183	II	307.21	500	
1.12	1.12 Training Manager	1 Training Manager recruited		84	68	68	Heifer	7	month	1.8	1.5	1152	122462	13.2	14.7	9.69	2	220	220	II	403.92	624	
2. Other operational costs																							
2.1	2.1 Monitoring from MOA and related offices	For 12 months			100	Heifer	4	times	1	1	840	100000		1	100	1 135	II	100			1 235		
2.2	2.2 Travel Expense (Heifer)	For 12 months		835.34	835.33	835.33	Heifer	48	month	12	12	1964	20833	20	32	132.6	24	2 605	2 605	II	5730.475	8 426	
2.3	2.3 Administrative Expense (Heifer)	For 12 months		123.34	123.33	123.33	Heifer	42	month	12	12	290	30833	20	32	27.5	3	379	379	II	760.59	1 131	
Total Recurrent Costs C2 (Heifer)				3 376	2 894	2 895		318	19	16	31 487	2 284 728	232	308	483	87	9 263	9 260	16 318	35 381			
Total Budget C2 (Heifer)				19 254	23 019	19 451		268 797	120		51 422	54 753	#DIV/0!	#DIV/0!	114 940	169 693	2 635	34	581	61 728	60 301	134 346	194 647
Additional Budget for Heifer																							
ALivestock and freight																							
	Breeding buck-OG (including insurance and travel) (HEIFER)	240 buck purchased		1800	2400	1800	Heifer		no.	240		235	25000		56	6 000	II						
	Breeding buck-POG (including insurance and travel) (HEIFER)	600 bucks		4500	6000	4500	Heifer		no.	600		235	25000		141	15 000	II						
	Goats (HEIFER)	7000 goats distributed		14700	19600	14700	Heifer		no.	7000		66	7000		461	49 000	II						
B. Horticulture and Freight																							
	Fodderforage support for group (HEIFER)	for 240 groups		1080	1440	1080	Heifer		no. of groups	240		141	15000		34	3 600	II						
	Vegetable, fruits seeds/saplings (HEIFER)	for 6000 families		540	720	540	Heifer		no. of families	6000		3	300		17	1 800	II						
C. Agriculture equipments and supplies																							
	Anthelmintics for small animals (HEIFER)	48000 animals		216	288	216	Heifer		no. of animals	48000		0	15		7	720	II						
	Vaccination for small animals (HEIFER)	41000 animals		123	164	123	Heifer		no. of animals	41000		0	10		4	410	II						
D. Anthelmintics for local poultry																							
	Agrovet set up fund for CAVEs (HEIFER)	90 CAVEs		810	1080	810	Heifer		no. of CAVEs	90		282	30000		25	2 700	II						
	Animal shed construction and improvements (HEIFER)	2000 families		3000	4000	3000	Heifer		no. of families	2000		47	5000		94	10 000	II						
E. Travel and vehicle operation																							
	Project site visit (HEIFER)	360 man months		1296	1728	1296	Heifer		No. of months	360		113	12000		41	4 320	II						
	HPIN KUBK office visit (HEIFER)	360 man months		162	216	162	Heifer		months	360		14	1500		5	540	II						
F. Trainings																							
Social Mobilization																							
	CST -OG (HEIFER)	240 SHG		504	672	504	Heifer		SHG	240		66	7000		16	1 680	II						
	CST-Stakeholders (HEIFER)	240 events		5040	6720	5040	Heifer		Events	240		668	70000		158	16 800	II						
	CST-Spouse			0	0	0						0			0								
	CST-Youth			0	0	0						0			0								
	CST-POG (HEIFER)	100 events		210	280	210	Heifer		Events	100		66	7000		7	700	II						
	SHG Management Training (HEIFER)	240 events		288	384	288	Heifer		Events	240		38	4000		9	960	II						
	Gender Training			0	0	0						0			0								
	Mentoring Team Mobilization (HEIFER)	100 numbers		240	320	240	Heifer		No.	100		75	8000		8	800	II						
	Club formation-Youth			0	0	0						0			0								
Technical Training																							
	Fodderforage training (HEIFER)	240 events		108	144	108	Heifer		Events	240		14	1500		3	360	II						
	Improved Animal Management Training for OG (HEIFER)	240 events		504	672	504	Heifer		Events	240		66	7000		16	1 680	II						
	Improved Animal Management Training for POG			0	0	0			Events			0			0								
	CAVEs training (HEIFER)	90 (no.) CAVE - Deals with crop and livestock		1890	2520	1890	Heifer		No.	90		658	70000		59	6 300	II						
	DPAC formation and meetings (District project advisory committee)(HEIFER)	30 Events		90	120	90	Heifer		Events	30		94	10000		3	300	II						
	PMC and PIMC Formation (HEIFER)	60 events		90	120	90	Heifer		Events	60		47	5000		3	300	II						
Training and field support																							
	Travel cost for attending TOT (HEIFER)	15 PPS		325	325	325	Heifer		No. of PP	15		611	65000		9	975	II						
	Travel food expenses (HEIFER)	15PPS		1125	1125	1125	Heifer		No. of PP	15		2116	225000		32								

(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)							
Community Facilitator (HEIFER)	90 persons		7650	6120	6120	Heifer	No. of manmonth	1170		160	17000		187	19 890										
Accountant (HEIFER)	30 persons		2850	2280	2280	Heifer	No. of manmonth	390		179	19000		70	7 410										
Office expenses and services																								
Office rent (HEIFER)	for 360 months for different NGOs		756	1008	756	Heifer	no. of month	360		66	7000		24	2 520										
Communication expenses (HEIFER)	for 360 months for different NGOs		324	432	324	Heifer	no. of month	360		28	3000		10	1 080										
Office stationaries (HEIFER)	for 360 months for different NGOs		324	432	324	Heifer	no. of month	360		28	3000		10	1 080										
Guest Hospitality (HEIFER)			0	0	0		no. of month	0		0	0		0	0										
Office Equipments (HEIFER)	Motor bike-4, Laptop-6, weighing balance -dard printers30 PPS ()		900	1200	900	Heifer	No. of PPs	30		940	100000		28	3 000										
Field Office Equipments (HEIFER)	field office equipments for 31 PPS		450	600	450	Heifer	No. of PPs	30		470	50000		14	1 500										
Total Additional Budget From Heifer			64 840	74 510	61 060			112 540		11 152	1 185 825		1 885	200 410										
Total Budget C2 (All sources)			147 894	292 220	216 648			10 568 648	881 326	50 040	1 328 512	55 155	#DIV/0!	#DIV/0!	183 518	238 673	295	9 171	10 121	6 177	656 763	298 108	322 260	618 367
C3	Local Entrepreneurship and Institutional Development	1. Strengthening of participating local institutions through training: (a) participating VDCs - 50 %; (b) participating Production groups and Cooperatives - 70% ; (c) participating Agrovets - 80%. At least 50 % of groups formed/strengthened with women in leadership position. At least 80 % of members of new SFACs and bank branches access production loans. At least 5 multi-stakeholder platforms functioning in the programme area.																						
PMO																								
Investment costs (PMO)																								
SC 3.1 Institutional strengthening																								
Output 3.1.1 Strengthening of District Agriculture Development Committee																								
6 DADCs will be involved in the programme activities																								
3.1.1.1 Workshop/training on Planning of Agriculture sector inclusion at local level																								
DADCs from six districts involved in the workshop																								
3.1.1.2 3.1.1.2 Program implementation and feed back workshop with DADC member (Regional level)																								
2 workshop organized at regional level. it is useful for sharing practices in different district																								
3.1.1.3 3.1.1.3 Program implementation and feed back workshop with DADC member (District level)																								
6 onkshap organized																								
Total output 3.1.1			1 200	450	750			4		7	8 484	900 000	10	17		18	23	2 400	1 780	2 924	4 713			
Output 3.1.2 Strengthening of Village Development Committees																								
Representative from programme VDCs involved in planning																								
3.1.2.1 3.1.2.1 Planning workshop regarding agriculture activities incorporate in VDC level plan																								
12 events organized. It has not yet covered all VDC of project district. Rest will be covered																								
3.1.2.2 3.1.2.2 Training on regional level planning and monitoring to VDC secretary																								
4 events organized																								
3.1.2.3 3.1.2.3 Participation in local level planning workshop from DADO and DLSO (VDC)																								
132 VDC																								
3.1.2.3 3.1.2.3 Orientation on local level planning and program for DADO, DLSO and PIU (VDC level / Area level)																								
180 event in VDC and area level. Due to change scenario after MTR, this forum will be more effective to orient them.																								
Total Output 3.1.2			1 140	1 140	1 140			568		192	1 495	159 000	148	156		345	32	3 420	845	3 869	4 715			
3.1.3 Capacity development of agrovets																								
3.1.3.1 3.1.3.1 Market entrepreneur value chain and business capacity development training for Agrovets, Paravet																								
2 events (50 participants)																								
3.1.3.2 3.1.3.2 Capacity development of DADO/DLSO technicians																								
2 event (50 participants)																								
3.1.3.3 3.1.3.3 GESI sensitization training workshop for technicians																								
Sub-project management training 1event (25 participants)																								
3.1.3.4 3.1.3.4 Development activities management training (6 days)																								
800																								
3.1.3.5 3.1.3.5 Capacity development of district TA Team																								
1 event (25 participants)																								
3.1.3.6 3.1.3.6 TOT training on benefit cost analysis of agro crops for officers (6 days)																								
1 event (25 participants)																								
3.1.3.7 3.1.3.7 TOT training on benefit cost analysis of agro crops for field technicians (6 days)																								
1 event (25 participants)																								
3.1.3.8 3.1.3.8 GESI sensitization training workshop for field technicians (5 days)																								
2 event (50 participants)																								
3.1.3.9 3.1.3.9 Corner stone training for project staff																								
1 event (25 participants)																								
Total Output 3.1.3			3 750	2 200	600			11		10	10	#DIV/0!	#DIV/0!		60	62	6 550	6 473			6 473			
Output 3.1.4 Strengthening of Production groups/cooperatives																								
2 event (50 participants)																								
3.1.4.1 3.1.4.1 Training related to Agriculture and veterinary protocols, Agriculture/livestock activities/ All Health managements																								
6 training events conducted one in each district, 25 member in each training, participants from farmers group and cooperatives																								
3.1.4.2 3.1.4.2 Training on Benefit- Cost Analysis of a Agri-business (3 days) field level																								
6 training events conducted one in each district, 25 member in each training, participants from farmers group and cooperatives																								
3.1.4.3 3.1.4.3 Training on Business Management (3 days), Business development (3 days), Account and Book-Keeping Operation (3 days), Financial and cash flow management (3 days)																								
6 training events conducted one in each district, 25 member in each training, participants from farmers group and cooperatives																								
3.1.4.4 3.1.4.4 Training on Gender and social Inclusion (2 days)																								
120 training for group/ coops members																								
3.1.4.5 3.1.4.5 Office Management Support to Groups and Cooperatives																								
40 groups/cooperative supported with furnitures and/or ICTs																								
3.1.4.6 3.1.4.6 Training on Gender and social Inclusion to field staffs (2 days)																								
120 field staffs trained																								
3.1.4.7 3.1.4.7 Observation tour (with in country) farmer group and cooperative member																								
2 tour organized																								
3.1.4.8 3.1.4.8 Case study and documentary preparation (GESI)																								
1 study conducted to access the gender																								
3.1.4.9 3.1.4.9 Training on benefit cost analysis of agro crops for for grantees (3 days)																								
120 training (3000 participants)																								
3.1.4.10 3.1.4.10 Training on Value chain analysis for Grantees																								
120 training (3000 participants) Training for different value chain (and their analysis for production, marketing, pricing)																								
3.1.4.11 3.1.4.11 Accounting / Book keeping training for coop. members (5 days)																								
6 training (150 persons)																								
3.1.4.12 3.1.4.12 Good Governance training for groups / coops																								
6 training (150 persons)																								
3.1.4.13 3.1.4.13 Farmers Diary publication and distribution																								
5000 diary published																								
3.1.4.14 3.1.4.14 Accounting and book keeping register for groups and cooperatives , publication and distribution																								
250 account register published																								
Total Output 3.1.4			4 525	3 900	5 700			795	27 046	5 624	5 596	12 806	1 361 650	586	6 182	839	396	133	14 125	11 136	24 239	35 375		
3.1.5 Implementation Management																								
3.1.5.1 3.1.5.1 Vehicle (4*4 pickup)																								
1 vehicle supported to implement PMO Component																								
3.1.5.2 3.1.5.2 Office equipments and furnitures																								
ICT materials and 5 set of furnitures supported																								
Total Output 3.1.5																								
Total Investment Costs SC 3.1 (PMO)			10 615	7 680	8 190			1 372	27 057	5 834	5 596	12 806	1 361 650	586	6 182	839	396	133	14 125	11 136	24 239	35 375		
Recurrent costs (PMO)																								
Implementation Management																								
3.1.1 Cross component/ Local entrepreneurship developemnt coordinator																								
1 full time Local intrapreneurship developemnt coordinator recruited																								
3.1.2 Driver																								

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)						
3.2.1.5	3.2.1.5 Investment Window Establishment				AEC	6				6	6	1500			III	1457.746		1.458						
3.2.1.6	3.2.1.6 Private sectors investment promotion on quality seed production and processing workshop				AEC	42				1	1	1450			II	200		200						
3.2.1.7	3.2.1.7 Travel and trips to identify potential investors within and outside of the country				AEC	3						7000			II									
3.2.1.8	3.2.1.8 Cross country buyer seller meetings				AEC	6						13500			II									
3.2.1.9	3.2.1.9 Private sectors investment promotion on livestock production, processing and marketing workshop	1 workshop organised			AEC	2	No			1	1	8.8			II	850.19		850						
3.2.1.10	3.2.1.10 Participation in PPD to develop market links of identified commodities by the project organized by PMO				AEC	6						7100			II									
3.2.1.11	3.2.1.11 Development Model of Business planning, operational planning and sustainability planning of private investor / processors, cold storage etc.	5 business plan and operational plan prepared			AEC	6	No			3	3	16.5			II	1500		1500						
3.2.1.12	3.2.1.12 District level Orientation Programme	6 event of orientation organised. Orientation will be about the grant operating guideline, role of DCCIs & private sector in KUBK, Roles and Responsibilities of DCCIA/CIW etc. As the DCCI members and their members are frequently changed, this orientations are necessary to streamline the understanding		300	300	AEC	42	Event		6	6	940	100000	6	12	92.41	6	600	300	III	1426.77		1.727	
3.2.1.13	3.2.1.13 Orientation program on regional market centre	1 event, Regional market hub based orientation program is specially for potential grantees for Window III. As per the SOG, large companies are eligible for grant under window 3 for Seed and LS both, so these orientation will be organized in regional market hubs to orient on SOG to large companies related to seed, milk and meat.			200	AEC		Event		1		1881	200000		0		2	200		III				
Total output 3.2.1				300	500					7	7	2 821	300 000	71	71	30 745	8	800	300		9 049		9 349	
3.2.2	3.2.2. MSP and marketing activities																							
3.2.2.1	3.2.2.1 MSP at local level (4 VC)	24 no.		600	600	AEC		No.		24	24	470	50000		24		11	1 200	1 197	IV			1 197	
3.2.2.2	3.2.2.2 MSP at district level (4 value chain)	12 no.			600	600	AEC			12	12	940	100000		12		11	1 200	1 200	IV			1 200	
3.2.2.3	3.2.2.3 MSP at regional level (4 value chain)	2 no.			1000	1000	AEC			2	1	9405	1000000		1		19	2 000	998	IV			998	
3.2.2.4	3.2.2.4 B2B meeting at regional level	1 no.			750	AEC		No.		1	1	7054	750000		1		7	750	750	III			750	
3.2.2.5	3.2.2.5 Private sector investment promotion workshop on livestock product processing and marketing	1 workshop			700	AEC		Event		1	1	6583	700000		1		7	700	699	III			699	
3.2.2.6	3.2.2.6 Market relationship workshop between SFACL and private seed company	2 workshop			400	400	AEC			2	5	3762	400000		5		8	800	795	III			795	
Total output 3.2.2				600	3 300	2 750				42	44	28 214	3 000 000		44		63	6 650	5 638				5 638	
3.2.3	Output 3.2.3 Entrepreneurship Development																							
3.2.3.1	3.2.3.1 Training on financial literacy to cooperative, agrovet, producer group, traders, GR	24 events organised (600 persons)		1800	1800	AEC	36	Event		24	3	1411	150000	4	7	59.4	34	3 600	1 800	III	1800		3 600	
3.2.3.2	3.2.3.2 Entrepreneurship development training for agrovet, producer group, traders, GR	2 events conducted (50 persons)				AEC	6	Event			2	2	132.01		2					II	2000		2 000	
3.2.3.3	3.2.3.3 Comparative cost benefit analysis study of seed crops (maize, mung, onion, wheat, mustard leaf)	2 study conducted				AEC	5	Time				0	33		0					II	1199		1 199	
3.2.3.4	3.2.3.4 Training on programme orientation, business plan formulation, PRA, ODM facilitation to field staffs (10 days)	1 event conducted (25 persons)				AEC	2	Event			1	1	33		1					II	1500		1 500	
3.2.3.5	3.2.3.5 Program and update of district agri-business video clip	1 video graph updated				AEC	2	Time				0	19.8		0					II	900		900	
3.2.3.6	3.2.3.6 Capacity assessment and analyze of District chamber of Commerce and Industries					AEC	2	Time				0	19.8		0					II				
3.2.3.7	3.2.3.7 Capacity development trainings on office management, book keeping, leadership development on agri-business promotion etc as identified by the capacity assessment	DCCI/1 event conducted / 4 days (25 persons)			900	AEC	3			1	1	8464	900000	1	1	13.2	8	900	899	III	298		1 197	
3.2.3.8	3.2.3.8 Investment window operation Training to DCCI personnel	1 events organised. Regular coordination meeting is organised by PMO in broader agendas but this event is organised single event for building common understanding on IW operation in all six project districts, this event is also utilised to reflect on learning of AEC implemented activities amongst the stakeholders.				AEC	3				1	1	11							III	352.178		352	
3.2.3.9	3.2.3.9 Intra districts coordination meeting (DCCI, PMO, PIU, DADO, DLSD)			500		AEC	10	Event		1	5	4702	500000	2	7	44	5	500	500	II	1070.94		1 571	
3.2.3.10	3.2.3.10 Seed animal business promotion related exposure visit					AEC	3					0	82.51							II	2447		2 447	
3.2.3.11	3.2.3.11 Business planning development TOT trainings (7 days)	1 event conducted				AEC	2	Event		1	1	26.4								III	1200		1 200	
3.2.3.12	3.2.3.12 Business planning development training (district level)	108 events conducted		1080	1080	AEC	54	Event	108	36	282	30000	9	45	89.11	30	3 240	1 080	III	2700		3 780		
3.2.3.13	3.2.3.13 Market linkage development TOT training (10 days)	1 event conducted				AEC	2	Event				0	26.4							II	1188		1 188	
3.2.3.14	3.2.3.14 Market linkage development training					AEC	4					0								III				
3.2.3.15	3.2.3.15 Investment window operation training					AEC	6		#DIV/0!	#DIV/0!	6	6								III	753.26		753	
3.2.3.16	3.2.3.16 District level agro-fair	Supported to organise 6 agro-fair				AEC	30	No			12	12	90.01							II	3545.09		3 545	
3.2.3.17	3.2.3.17 Agri. marketing information service operation training	25 person trained		500		AEC		Event		1		4702	500000		1		5	500		III				
3.2.3.18	3.2.3.18 Agricultural entrepreneurship development training	600 person trained		600	1200	600	AEC			24	15	940	100000		15		23	2 400	1 500	III			1 500	
3.2.3.19	3.2.3.19 District information centre operation			400	400	400	AEC			1	1	11286	1200000		1		11	1 200	1 200	II			1 200	
3.2.3.20	3.2.3.20 KM (case study and documentary preparation on KM)			1000		AEC		Event		1	1	9405	1000000		1		9	1 000	999	III			999	
3.2.3.21	3.2.3.21 Business plan development and facilitation skill development training for AEC and partner organization staff (TOT)	50 person trained. This is for ABCDCs and other partner/field level staff capacity building initiatives as prescribed by MTR.		2000		AEC		Event		2	2	9405	1000000		2		19	2 000	1 997	III			1 997	
3.2.3.22	3.2.3.22 Communication about KM market information technology demand, price information through local FM, TV, newspapers)	6 events in 6 district		200	200	200	AEC			6	6	940	100000		6		6	600	600	III			600	
3.2.3.23	3.2.3.23 Participation and support in Local agro fair	6 events support			1200	AEC		Event		6	6	1881	200000		6		11	1 200	1 200	IV			1 200	
3.2.3.24	3.2.3.24 Participation and support in Regional agro fair	2 events support			1200	AEC		Event		2	1	5643	600000		1		11	1 200	1 200	IV			1 200	
3.2.3.25	3.2.3.25 Participation and support in National and international agro fair	1 events support			1000	AEC		Event		1		9405	1000000		0		9	1 000		IV				
Total output 3.2.3				7 580	8 580	3 180				170		178	77	#DIV/0!	#DIV/0!	38	115	690	182	19 340	12 974		20 953	33 928
3.2.4	Capacity development of SEAN																							
3.2.4.1	3.2.4.1 Market Linkage development workshop (cereal and vegetables seed)	1 events conducted. This event is organised by SEAN among their member entrepreneurs and producer groups. Issues and marketing hurdles are discussed linkage are developed between producer groups and potential entrepreneurs of their proximity.			500	AEC		Event		1	4	4702	500000		4		5	500	500	III			500	
3.2.4.2	3.2.4.2 Policy Dialogue programme	1 events			400	AEC		Event		1	5	3762	400000		5		4	400	400	III			400	
3.2.4.3	3.2.4.3 quality seed management and storage training	150 farmers trained. SEAN will train the producer groups in quality seed management and storage training to the producer groups.			600	AEC		Event		6	3	940	100000		3		6	600	600	III			600	
3.2.4.4	3.2.4.4 Interaction workshop with National and district seed production association	1 events			500	AEC		Event		1	2	4702	500000		2		5	500	150	III			150	
3.2.4.5	3.2.4.5 Technology hand over exposure visit	1 Event exposure organised by SEAN to the producer groups. The place will be one of the best practicing producer groups within Nepal and farmers from KUBK areas will build up their know-how from experience sharing.			750	AEC		Event		1		7054	750000		0		7	750		III				
Total output 3.2.4				1 650	1 100					10	14	21 161	2 250 000		14		26	2 750	1 650				1 650	
3.2.5	Output 3.2.5 Policy Advocacy Programme																							
3.2.5.1	3.2.5.1 Policy based suggestions on potential seed and diary subsector (workshop)					AEC	7				1	1								II	500		500	
3.2.5.2	3.2.5.2 District level Public Private hearing Workshop	6 events organised				AEC	42			18	18	23.1								III	1382.58		1 383	
3.2.5.3	3.2.5.3 Central Level Public Private hearing workshop	1 event organised				AEC	2				0	13.2								III	252.013		252	
3.2.5.4	3.2.5.4 Investment window operation and management guideline					AEC	1				1									III	270.24		270	
3.2.5.5	3.2.5.5 Buy back agreement facilitation guideline					AEC	1				1									III	2381.595		2 382	
3.2.5.6	3.2.5.6 Establishment of District Information Centers					AEC	6			12	12									III	406.173		4 062	
3.2.5.7	3.2.5.7 Operation of District AMS	Information centre operated in six district				AEC	6	No				158.42								III	1765		1 765	
3.2.5.8	3.2.5.8 Participation in Regional, national and international agro-fairs					AEC	6	No				39.6								III				
3.2.5.9	3.2.5.9 Formal seed sector extension and promotion for uses of TL seed	Uses of formal seed will be promoted. This is not just about extension. This is market promotion activity and the purpose of the event is create awareness especially of producer groups, agro vets and promote marketing of TL seed within the district		225	225	AEC	4	Year		6	5	705	75000		5		26.4	4	450	450	II	600		1 050
3.2.5.10	3.2.5.10 District level seed seller and agrovate association establishment and operation (6 association)	Association will be established		900	150	150	AEC			1														

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)						
3.2.6.1	3.2.6.1 Motorcycle	7 motorcycles have been procured	AEC	7	No																			
3.2.6.2	3.2.6.2 Laptop with software	7 sets have been procured	AEC	14	No																			
3.2.6.3	3.2.6.3 Photocopy machine	1 photocopy machine has been procured	AEC	1	No																			
3.2.6.4	3.2.6.4 Printer	7 sets have been procured	AEC	7	No			#DIV/0!	#DIV/0!	7	7	1.65	-	-	-	-	-	-						
3.2.6.5	3.2.6.5 Projector	1 set has been procured	AEC	7	No					1	1	3.85	-	-	-	-	-	-						
3.2.6.6	3.2.6.6 Furnitures	3 sets have been procured	AEC	3	No					3	3	5.79	-	-	-	-	-	-						
3.2.6.7	3.2.6.7 Digital camera	7 camera have been procured	AEC	7	No					7	7	3.30	-	-	-	-	-	-						
3.2.6.8	3.2.6.8 Move Camera	1 set has been procured	AEC	1	No			#DIV/0!	#DIV/0!	1	1	1.93	-	-	-	-	-	-						
3.2.6.9	3.2.6.9 Digital SLR Camera	1 set has been procured	AEC	1	No			#DIV/0!	#DIV/0!	1	1	1.93	-	-	-	-	-	-						
3.2.6.10	3.2.6.10 Procurement of IPAD/ note pad for market information collection and communication	30 IPAD note pad procured and supported, all the previously purchased IPAD are being used by the field level (District) personnel but are not compatible with the MS software because of the operating system however are being used for AEC price information system. The proposed note pad will be used by the field level staffs for MSE data collection and feed in the MSE system. The procurement will be in line with the MSE system operators	AEC	15	No		30	376	40000	15	15	9.90	-	11	1 200	901	901							
3.2.6.11	3.2.6.11 Procurement of desktop computer with software	7 desktop computer procured and supported	AEC	7	No					7	7	6.18	-	-	-	-	-	-						
3.2.6.12	3.2.6.12 Power back up system (Inverter and Battery)	7 sets have been procured	AEC	1050	No		7	1411	150000		0			10	1 050									
3.2.6.13	3.2.6.13 Laptop computer for SEAN (with software)	1 set	AEC	80	set		1	752	80000		0			1	80									
3.2.6.14	3.2.6.14 Printer , Fax,photocopy machine and scanner 4 * 1 for SEAN	1 Set	AEC	70	set		1	658	70000		0			1	70									
Total output 3.2.6				2 250	150	-	-	39	#DIV/0!	#DIV/0!	57	57	58	-	23	2 400	-	4 708	4 708					
Total Investment Costs SC 3.2 (AEC)				12 350	15 275	8 125	-	602	-	427	189	#DIV/0!	#DIV/0!	211	400	-	31 926	336	35 750	22 933	49 746	47 679		
Recurrent cost																								
1 Technicians and other subject matter specialists																								
1.1	1.1 Central level project coordinators' salary		AEC	468	468	624	83	Month	12	12	1223	130000	30	42	126.2	15	1 560	1 300	V	4135.787	5 436			
1.2	1.2 District Agri-Business Development Advisors' salary		AEC	2400	1920	1920	486	Month	72	72	815	86667	132	204	375.06	59	6 240	5 460	V	10573.007	16 033			
1.3	1.3 Local agri-business development motivator		AEC	2250	1800	1800	648	Month	186	216	296	31452	15	231	178.22	55	5 850	4 486	V	2820	7 306			
1.4	1.4 District agri information assistant		AEC	900	525	525	216	Month	66	72	278	29545		72	47.52	18	1 950	1 950	V	772	2 722			
2 Administrative and utility expenses																								
2.1	2.1 Chief executive Officer's salary		AEC	81	81	81	7.2	Month	1	3	2241	238235	15	18	18.81	2	243	243	V	672.5	916			
2.2	2.2 AIMS officer salary		AEC	69.7	69.7	69.7		Month	2	2	959	101951		2		2	209	209	V		209			
2.3	2.3 Deputy Director (Information Center) salary		AEC				14.4	Month				15.36	15.36								491.079	491		
2.4	2.4 Senior Finance Manager's salary		AEC				14.4	Month	2	0	0	15.66	15.66								288.5	289		
2.5	2.5 Monitoring and travel cost to AEC		AEC	990	1020	990	6	Year	1	1	28214	3000000	1.66	2.32	79.21	28	3 000	1 990	IV	3758.043	5 748			
2.6	2.6 Monitoring and travel cost to ministry, depaments and other government agencies		AEC	136	132	132	6	Year	1	0	3702	400000	2.66	3	44	4	400	136	IV	487.685	624			
2.7	2.7 Vehicle rent cost for programme monitoring and evaluation		AEC	200	200	200	6	Year	1	1	5643	600000		1	33	6	600	200	IV	427	627			
2.8	2.8 Office operating cost		AEC	255	247.5	247.5	6	Year	1	1	7054	750000	0.66	1.66	13.2	7	750	750	V	200	950			
2.9	2.9 Operation and repair maintenance expenses to AEC		AEC	170	165	165	7	Year	1	1	4702	500000	2.66	3.66	13.2	5	500	519	IV	1673.057	2 182			
2.10	2.10 Fuel cost		AEC	170	165	165	6	Year	1	1	4702	500000	0.66	1.66	18.91	5	500	499	IV	0	499			
2.11	2.11 Overhead cost to AEC		AEC	1000	1000	1000	12	Year	12	12	2351	250000	2.66	14.66	177.12	28	3 000	3 000	IV	7850	10 850			
Total Recurrent Costs SC 3.2 (AEC)				9 090	7 793	7 919	-	1 512	-	359	394	#DIV/0!	#DIV/0!	234	628	-	1 149	233	24 802	20 741	34 149	54 890		
Total Budget SC 3.2 (AEC)				21 440	23 068	16 044	-	2 114	-	786	583	#DIV/0!	#DIV/0!	445	1 028	-	33 074	569	69 553	43 674	83 895	127 569		
3.3 SC 3.3 Expansion of Rural Finance Services																								
3.3.1 Output 3.3.1 SFACLs/NACCFU SFD Model development and strengthening																								
3.3.1.1	3.3.1.1 Feasibility study on the access to the rural microfinance and other financial institutions	1 study conducted to access the rural microfinance and other financial institutions	PMO	1			1	unit	0		1	1							III	2277.401	2 277			
3.3.1.2	3.3.1.2 Validation workshop on the feasibility study	1 validation workshop of the study	PMO	NA			0	unit	0		0	NA							III	0	0			
NACCFU Management																								
Investment costs (NACCFU)																								
3.3.2 Output 3.3.2 Expanding SFCL Network																								
3.3.2.1 Establishment cost of SFACLs																								
3.3.2.1	3.3.2.1 Establishment cost of SFACLs	20 SFACL established	NACCFU	4200	4200	5600	30	lumpsum	45	20	6583	700000	30	30	209.2	292.4	132	14 000	IV	15000	15 000			
3.3.2.2	3.3.2.2 Accounting Training	150 member/staff trained	NACCFU	1200	1200		10	session	6	6	3762	400000	2	2	102.88	23	2 400	III	1196	1 196				
3.3.2.3	3.3.2.3 Microcredit Portfolio Management		NACCFU				10	session			#DIV/0!	#DIV/0!	2	2	51.44				II	1064	1 064			
3.3.2.4	3.3.2.4 Business Planning Training	150 member trained	NACCFU	2400			10	session	6	6	3762	400000	2	2	51.44	23	2 400	III	524.8	525				
3.3.2.5	3.3.2.5 Exposure/visit to Cooperatives		NACCFU				2	No				2	2	15.40				II	1400	1 400				
3.3.2.6	3.3.2.6 Implementation of activities in coordination with FNCCI	Activity will be implemented in coordination with FNCCI	NACCFU		71		5	No	1	1	688	71000		0	3.85	1	71		II					
3.3.2.7	3.3.2.7 District Level Coordination Meeting with Stakeholders	6 coordination meeting will be organised	NACCFU	600			30	18	No	6	6	940	100000		6	17%	16.50	6	600	600	III	300	900	
3.3.2.8	3.3.2.8 Orientation Training to the Staff & Board Members of SFACLs under Replications	6 events of training conducted	NACCFU	900	900		2	No	6	6	2821	300000	1	1	8.80	17	1 800		III	800	800			
3.3.2.9	3.3.2.9 PRA Survey and VDC Profile preparation	Survey conducted and VDC profile prepared	NACCFU				30	No			30	30			3.30				III	300	300			
3.3.2.10	3.3.2.10 Account Committee Training	3 events of training conducted	NACCFU				3	No			3	3			4.95				III	450	450			
3.3.2.11	3.3.2.11 Cooperative Management Training	6 events of training conducted	NACCFU	1200	1200		6	No	6	6	3762	400000	3	3	26.40	23	2 400	III	2400	2 400				
3.3.2.12	3.3.2.12 Monitoring and Supervision Cost		NACCFU				5	No	1	1		1			11.00				II	50	50			
3.3.2.13	3.3.2.13 Handover program of cooperative to Community	Programme handover to community	NACCFU				30	No			30	30			9.90				II	690	690			
3.3.2.14	3.3.2.14 Account committee Training (Refreshers)	3 events of training conducted	NACCFU				3	No			3	3			9.90				III	900	900			
3.3.2.15	3.3.2.15 Training to Board Members of SFACLs	3 events of training conducted	NACCFU				3	No			1	1			38.50				III	2351	2 351			
3.3.2.16	3.3.2.16 Refresher Training on Book-keeping to Staff of SFACL	3 events of training conducted	NACCFU				3	No			0	0			9.90				III	900	900			
3.3.2.17	3.3.2.17 Study & Exposure visits to the Board Members in other established SFACLs within the country	20 person trained	NACCFU	600			30	No	20	20	282	30000	30	30	16.50	6	600	III	1500	1 500				
3.3.2.18	3.3.2.18 Study & Exposure visits to the Board Members in other established SFACLs within the country	6 events of visit conducted	NACCFU		2400		2	Event	6	6	3762	400000	4	4	15.40	23	2 400	III	2000	2 000				
3.3.2.19	3.3.2.19 Exposure visit Program on Cooperatives and Agriculture Technology outside the country	2 events of visit conducted	NACCFU				2	No			0	0			51.51				II					
3.3.2.20	3.3.2.20 Loan management training	6 event organized	NACCFU	1200	1200			Event	6	6	3762	400000		0		23	2 400	III						
3.3.2.21	3.3.2.21 Training on resource mobilization, saving and share.	20 event organized	NACCFU	200	200			Event	20	20	188	20000		0		4	400	III						
3.3.2 Total output 3.3.2				4 400	12 871	12 500	-	216	63	-	103	6	#DIV/0!	#DIV/0!	144	150	0	657	292	277	29 471	600	34 073	34 673
3.3.3 Output 3.3.3 Implementation managements																								
3.3.3.1 Motorcycle																								

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)								
1.3	1.3 Field trainer-6			2400	1920	1920	NACCFL	240	273	Month	78	39	752	80000	23.5	62.5	158.42	205.7	59	6 240	2 340	V	1478.565	3 819		
1.4	1.4 Liaison officer						NACCFL	60		Month	13		0	0	8	8	66.66					II	1199	1 199		
1.5	1.5 Account and Stat assistant	1 account assist recruited		200	170	150	NACCFL		45.5	man month	13		#REF!	#REF!			21.4	5	520			II		-		
1.6	1.6 Social mobilizer	40 S.M. (SFACL based)		1200	960	960	NACCFL		3240	man month	520		#REF!	#REF!			182.1	29	3 120			II		-		
2	2 Other operational costs												#DIV/0!	#DIV/0!												
2.1	2.1 Monitoring and evaluation for NACCFL			227.66	227.67	227.67	NACCFL	NA		lumpsum	1	1	6423	683000	2	3		25	6	683	683	IV	1700	2 383		
2.2	2.2 Monitoring and evaluation for Ministry and PMO staffs						NACCFL	NA		lumpsum					1	1						V	18.2	18		
2.3	2.3 Operational maintenance and fuel costs for NACCFL			300	300	300	NACCFL	NA	3.5	lumpsum	1	1	8464	900000				39.6	8	900	900	V		900		
2.4	2.4 NACCFL Management costs			990	990	1020	NACCFL	NA	1	lumpsum	12	0.37	2351	250000	2.66	3.03		81.1	28	3 000	1 109	IV	6109.2	7 218		
	Total Recurrent Costs O3.3.20 (NACCFL)			5 818	4 968	4 978			300						37	92		225	598	148	15 763	6 332		10 505	16 837	
	Total Budget O3.3.20 (NACCFL)			10 318	19 189	17 478			536	3 685					767	72		915	908	442	46 984	6 549		45 206	53 756	
	SFDB Management																									
3.3.4	Output 3.3.4 Increasing outreach of Microfinance Institutions	Group mobilized and strengthened; Group member trained					SFDB																			
3.3.4.1	3.3.4.1 Accounting Training						SFDB																			
3.3.4.2	3.3.4.2 Microcredit Portfolio Management						SFDB																			
3.3.4.3	3.3.4.3 Top up loan to SFDB (Credit support)				20000		SFDB		2	event	1		188094	20000000				8000	188	20 000						
3.3.4.4	3.3.4.4 Grading tool formation	SFACL grading tool formation			1000		SFDB		1	event	1		9405	1000000				9.2	9	1 000			IV			
3.3.4.5	3.3.4.5 MIS format preparation expenses	MIS format will be developed		50	200	750	SFDB		1	event	1		9405	1000000				9.2	9	1 000			IV			
3.3.4.6	3.3.4.6 Product development training	25 person trained				500	SFDB		7	event	1		4702	500000				33	5	500			III			
3.3.4.7	3.3.4.7 Financial institution mapping expenses			300	300	300	SFDB			event	6		1411	150000					8	900			IV			
3.3.4.8	3.3.4.8 Financial literacy training	600 person trained		640	640	640	SFDB		75	event	24	1	752	80000				56.2	18	1 920	577		III	577		
3.3.4.9	3.3.4.9 Refresher training for account management	25 person trained				500	SFDB		4	event	1		4702	500000				18.9	5	500			III			
3.3.4.10	3.3.4.10 PEARLS analysis and interest rate fixation training	25 person trained				300	SFDB		2	event	1		2821	300000				5.6	3	300			III			
3.3.4.3	3.3.4.3 Business Planning Training			990	2140	22 990	SFDB		6		36							28.4					II			
3.3.4	Total for output 3.3.4			990	2140	22 990			98		36							8 181	246	26 120	577				577	
3.3.5	Output 3.3.5 Material and Equipment Support to SFDP	Material and equipment procured and installed for office management																								
3.3.5.1	3.3.5.1 Computer support to SFACLs	27 sets computer will be procured and distributed			4800		SFDB	30	45	Set	27		1672	177778				125.3	45	4 800			IV	4800	4 800	
3.3.5.2	3.3.5.2 Material support to SFDB	30 sets computer will be procured and distributed					SFDB	30		Set													III	3435	3 435	
3.3.5.3	3.3.5.3 Software support to SFDB	1 software will be developed		1000	4000	15000	SFDB	1	1	No	1	0.1	188094	20000000				183.6	188	20 000	150		IV		150	
3.3.5.4	3.3.5.4 Motorcycle	3 motorcycle will be procured			750		SFDB	5	3	No	3	3	2351	250000	5	8		11.99	6.9	7	750	750	IV	1077	1 827	
3.3.5.5	3.3.5.5 Laptop with software	3 laptop with software procured and installed			300		SFDB	5	3	No	3	3	940	100000	5	8		4.40	2.8	3	300	300	IV	401	701	
3.3.5.6	3.3.5.6 Printer	2 printer procured and installed			200		SFDB	3	1	No	2	2	940	100000	2	4		1.48	0.9	2	200	100	IV	135	235	
3.3.5.7	3.3.5.7 Furnitures	1 set of furniture procured and install		100			SFDB	5	1	No	1	1	940	100000	3	4		4.40	0.9	1	100	50	IV	401	451	
3.3.5.8	3.3.5.8 Procurement of UPS/Inverter	2 set procured and install					SFDB	2		No					2	2		10.72					II	800	800	
3.3.5.9	3.3.5.9 Android Tablets for SFACLs Volunteers	45 tablet procured			700		SFDB		91	No	45		146	15566					12.7	7	700			IV		
3.3.5.10	3.3.5.10 Projectors	1 set procured			100		SFDB		1	Set	1		940	100000				0.9	1	100			IV			
3.3.5	Total for output 3.3.5			1 100	10 850	15 000		81	146		83	9	#DIV/0!	#DIV/0!	17	26		33	334	253	26 850	1 350		11 049	12 399	
	Total Investment Costs O3.3.45 (SFDB)			2 090	12 990	37 990		81	244		119	10	#DIV/0!	#DIV/0!	17	27		33	8 495	499	53 070	1 927		11 049	12 978	
	Recurrent costs																									
1	1. Technical experts																									
1.1	1.1 Program coordinator	1 program coordinator recruited		600	480	480	SFDB		45	Month	13	13	1129	120000					13	50.9	15	1 560	1 170	V		1 170
1.2	1.2 Lead trainer	1 lead trainer recruited		580	360	360	SFDB	80	45	Month	13	13	940	100000	22.5	35.5		79.21	42.4	12	1 300	1 300	V	2660	3 960	
1.3	1.3 Field trainer						SFDB	240		Month													II	2714	2 714	
1.4	1.4 Liaison officer						SFDB	60		Month													II	750	750	
2	2 Administrative and Utility cost																									
2.1	2.1 Monitoring and evaluation for SFDB			333.33	333.33	333.34	SFDB	500		lumpsum	1	1	9405	1000000	2	3			19.8	9	1 000	458	IV	1042	1 600	
2.2	2.2 Monitoring and evaluation for Ministry and PMO staffs						SFDB	NA		lumpsum					1	1							II	37	37	
2.3	2.3 Operational maintenance and fuel costs for SFDB			500	500	500	SFDB	500	1	lumpsum	1	1	14107	1500000	2	3		30.2	14	1 500	172	V	300	472		
2.4	2.4 SFDB Management costs			1000	1000	1000	SFDB	7	1	lumpsum	12	12	2351	250000	2.34	14.34		279.98	104.5	28	3 000	778	IV	5144	5 922	
	Total Recurrent Costs O3.3.45 (SFDB)			3 913	2 673	2 673		1 387	92		40	40	#DIV/0!	#DIV/0!	81	121		584	248	79	9 360	3 878		12 647	16 525	
	Total Budget O3.3.45 (SFDB)			5 103	15 063	40 663		1 468	334		159	50	#DIV/0!	#DIV/0!	98	148		617	8 742	578	61 430	5 865		23 596	29 591	
	Total Budget C3 (All partners)			48 599	66 713	83 489		5 657	31 078		7 573	732	#DIV/0!	#DIV/0!	1 545	2 277	0	36 100	10 106	1 070	198 801	81 292		196 037	277 328	
C4	Component 4. Programme Coordination and Management																									
	Investment costs (PMO)																									
4.1	Vehicles and Equipment																									
4.1.1	4.1.1. vehicles (x4)	1 four wheel vehicle procured			5800		PMO	4	1	No	1	1	54547	5800000	3	4		240	53.3	55	5 800	5 800	IV	11226	17 026	
4.1.2	4.1.2. Procurement of Motorcycle	39 motorbike will be procured			9750		PMO	13	74	No	39	39	2351	250000	13	52		31.46	137.8	92	9 750	8 264	IV	2666.7	10 931	
4.1.3	4.1.3. SLR 1, Digital Camera 10, AC 8, Laptop (with Genuine software 15), Desktop (with Genuine Software) 15, Inverter 1, Multimedia 5	Different types of 55 ICTs and office equipment procured					PMO	142		No					159	159		180								

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)							
4.2.1.8	4.2.1.8 KUBK Orientation Workshop	2 orientation workshop organised.		400	400	PMO	6	No	3752	400000	2	3.96		8	800	612	III	328	940						
4.2.1.9	4.2.1.9 Programme steering committee meetings	4 PSC Meeting held		300	300	600	PMO	21	8	No	4	2	2821	300000	6	8	46.2	22.7	11	1 200	300	IV	1262.444	1 562	
4.2.1.10	4.2.1.10 Support for workshop organised by ministry, department and regional level agencies (including logistic)	Supported for 6 events		100	100	100	PMO	30	No		6	6	470	50000	4	10	16.5		3	300	312	III	287.773	600	
4.2.1.11	4.2.1.11 Organize Country Program Workshop	1 workshop organised		500			PMO	5	No		1		4702	500000		0	27.5		5	500		III		-	
4.2.1.12	4.2.1.12 Participation in national and international level workshop, seminar and training	1 event conducted		330	330	340	PMO	4	No		1	1	9405	1000000		1	44		9	1 000	58	III	660.61	719	
4.2.1.13	4.2.1.13 High level exposure visit (Asian country)	1 exposure visit organised (25 persons) - ToR will be shared with IFAD for No Objection				5000	PMO	2			1		47023	5000000		0	110.01		47	5 000		III		-	
4.2.1.14	4.2.1.14 Officer level training on seed (Seed vision, seed act and regulations)	1 event training conducted					PMO	3	Nos		0		#DIV/0!	#DIV/0!	2	2						III	1713.709	1 714	
4.2.1.15	4.2.1.15 Social Mobilization training	1 event training conducted					PMO	1	Event				#DIV/0!	#DIV/0!	0	0	13.2					III	885	885	
4.2.2	4.2.2 Studies and TA supports							44	38	0			40	79											
4.2.2.1	4.2.2.1 Baseline /RIMS Survey	RIMS midterm Survey conducted		83	330	1237	PMO	3	2	lumpsum	1	1	15518	1650000	1	2	148.51	30.9	16	1 650	1 638	II	4090.429	5 729	
4.2.2.2	4.2.2.2 Accounting software design and updated	Accounting software customized		150			PMO	3	4	Time	1		1411	150000	2	2	8.8	5.7	1	150		II	288.15	288	
4.2.2.3	4.2.2.3 Social and geographic mapping of programme area through GIS	Geographic mapping of three programme area conducted through GIS.					PMO	3	Time				#DIV/0!	#DIV/0!	1	1	11					II	587.64	588	
4.2.2.4	4.2.2.4 GIS training for Officers including implementing partners	1 event training conducted			1000		PMO	1	Event		1		9405	1000000		0	13.2		9	1 000		III	1091.24	1 091	
4.2.2.5	4.2.2.5 Communication related programme (media partner)	KUBK programs disseminated to the public		300	300	400	PMO	4	Time		1	1	9405	1000000	14	15	66		9	1 000	991	II	2625.79	3 616	
4.2.2.6	4.2.2.6 Programme website update and modification	Programme website updated and modified			150	150	PMO	5	lumpsum		1	1	2821	300000	3	4	3.3		3	300	299	IV	366.016	665	
4.2.2.7	4.2.2.7 Development of MIS system and mobile phone monitoring	MIS system established					PMO	1	lumpsum				#DIV/0!	#DIV/0!	0	0	29.7					I	310.75	311	
4.2.2.8	4.2.2.8 Diary FFS manual preparation	Manual prepared		900			PMO	1	Time		1	1	8464	900000		1	9.9		8	900	900	IV		900	
4.2.2.9	4.2.2.9 Establishment of M&E system	M&E system will be established					PMO	1	lumpsum				#DIV/0!	#DIV/0!	0	0	19.8					I	666.7	667	
4.2.2.10	4.2.2.10 Preparation of programme review mission (with logistics)	Programme review mission managed		1000		1000	PMO	21	8	No	2	2	9405	1000000	8	10	80.86	75.7	19	2 000	1 880	IV	1512.782	3 393	
4.2.2.11	4.2.2.11 Grant guideline update, publication and distribution	Guideline prepared and distributed					PMO	3	Time				#DIV/0!	#DIV/0!	0	0	16.5					I		-	
4.2.2.12	4.2.2.12 Accidental insurance for Project office staff			400			PMO	5	Time		1	1	3762	400000		1	22		4	400	328	V		328	
4.2.2.13	4.2.2.13 KUBK programme/progress bulletin publication	3 bulletin published		300	300	300	PMO		8	Time	3	2	2821	300000		2		22.7	8	900	452	IV		452	
4.2.2.14	4.2.2.14 Grant guideline /project document publication				3000		PMO		1	Time	1		28214	3000000		0	27.5		28	3 000		IV		-	
4.2.2.15	4.2.2.15 Staff exposure visit (PMO staff/ experts) asian countries	25 staff / expert - ToR will be shared with IFAD for No Objection		3000	2500		PMO	2	Time		1		51726	5500000		0	103		52	5 500		II		-	
4.2.2.16	4.2.2.16 Programme / progress disclosure	monthly disclosure of Physical /financial progress in news paper		500		500	PMO		Time		2	1	4702	500000		1			9	1 000	329	V		329	
4.2.2.18	4.2.2.18 Opinion polling	1 polling with beneficiary conducted			500		PMO		Time		1		4702	500000		0			5	500		II		-	
4.2.2.19	4.2.2.19 Prize distribution programme for best grantees (cereal seed)	1 event conducted			250		PMO		Time		1		2351	250000		0			2	250		V		-	
4.2.2.20	4.2.2.20 Prize distribution programme for best grantees (livestock)	1 event conducted			250		PMO		Time		1		2351	250000		0			2	250		V		-	
4.2.2.21	4.2.2.21 Training on Appreciative enquiry	25 persons		800			PMO		Time		1		7524	800000		0			8	800		III		-	
4.2.2.22	4.2.2.22 Office electrical equipment looking over and maintenance			40	40	40	PMO		Time		12		94	10000		0			1	120		II		-	
4.2.2.23	4.2.2.23 TA for KM notes			100	100	100	PMO		Time		6	6	470	50000		6			3	300	299	II		299	
4.2.2.24	4.2.2.24 Annual feed back survey					1000	PMO		Time		1	1	9405	1000000		1			9	1 000	938	III		938	
	Sub-total 4.2			10 123	10 470	12 887		232	45		127	93	#DIV/0!	#DIV/0!	116	209	890	387	315	33 480	11 746		23 881	35 627	
4.3	Monitoring & Evaluation and Knowledge management																								
4.3.1	4.3.1 Programme M&E update and modification	Programme M&E framework updated and modified					PMO	NA	lumpsum				#DIV/0!	#DIV/0!	2	2		1141				II	60	60	
4.3.2	4.3.2 Programme related material publication (brochure, diary, calendar, design document and other)	Communication materials of the programme prepared, published and disseminated		500	500	500	PMO	21	Times		3	3	4702	500000		3	55		14	1 500	1 500	IV	1500	3 000	
4.3.3	4.3.3 Publish and distribution of programme related extension material	Extension Material published and distributed		800			PMO	4	Time		1	1	7524	800000	1	2	44		8	800	350	IV	1000	1 350	
4.3.4	4.3.4 Program related to media communication (radio, tv , newspaper awareness)	15 events conducted					PMO		No				#DIV/0!	#DIV/0!	15	15						V	215	215	
4.3.5	4.3.5 Program effectiveness related video documentary production	Video documentary produced					PMO	4	No				#DIV/0!	#DIV/0!	0	0	13					III	150	150	
4.3.6	4.3.6 Central level stakeholder workshop on M&E/KM	1 central level workshop on M&E/KM Conducted		770			PMO	6	3	No	1	1	7242	770000		1	29.7	21.6	7	770	570	III	180	750	
4.3.7	4.3.7 District level workshop on M&E/KM	6 district level workshop on M&E/KM Conducted		440	440	440	PMO	36	18	No	6	6	2069	220000	2	8	36.64	37.1	12	1 320	991	III	359	1 350	
4.3.8	4.3.8 Interaction workshop among IFAD funded project	1 workshop organised					PMO	1	No				#DIV/0!	#DIV/0!	0	0	2.2					III	180	180	
4.3.9	4.3.9 Case study and documenty preparation (Farm economics)	Documenty prepared on farm economics		900			PMO	6	No		1	1	8464	900000		1	79.21		8	900	897	IV	150	1 047	
4.3.10	4.3.10 DAG and poverty mapping	DAG report prepared					PMO	1	No				#DIV/0!	#DIV/0!	0	0	3.3					III	292.97	293	
4.3.11	4.3.11 Travelling Seminar for knowledge sharing about programmes between Journalists and other stakeholders	Travelling seminars for knowledge sharing between stakeholders and Journalist conducted		1000			PMO	6	4	No	1		9405	1000000		0	79.21	41.6	9	1 000		III	600	600	
4.3.12	4.3.12 KM workshop	2 workshop conducted			770	770	PMO		6	No	2	1	7242	770000				43.3	14	1 540	502	III		502	
4.3.13	4.3.13 Progress dissemination to media and support	2 press meeting conducted for progress dissemination		300		300	PMO		6	No	2	2	2821	300000		2		11.2	6	600	502	IV		502	
4.3.14	4.3.14 District level Joint monitoring programme with Ministry level involvement	2 joint meeting conducted		600		600	PMO		6	No	2	1	5643	600000		1		33.7	11	1 200	500	III		500	
4.3.15	4.3.15 MIS software installation			47.5	190	712.5	PMO		1	No			8934	950000		0		12.8	9	950		IV		-	
4.3.16	4.3.16 MIS maintenance			25	100	375	PMO		2	No		1	1	4702	500000		1	2.1	5	500	498	IV		498	
4.3.17	4.3.17 Annual out come survey.	1 annual survey conducted			3300		PMO		4	No			31035	3300000		0		124.9	31	3 300		IV		-	
4.3.18	4.3.18 TA KM specialist for the production of KM notes , learning route etc	KM notes prepared			1650		PMO		3	No			15518	1650000		0		46.8	16	1 650		IV		-	
4.3.19	4.3.19 Video-documentary	1 video documentary prepared			500		PMO		2	No		1	1	4702	500000		1		20.8	5	500	499	IV		499
4.3.20	4.3.20 Farmers to farmers visit (linked with Learning route)	6 visits organised		1100	1100	1100	PMO		18	No	6	6	5173	550000		6		92.7	31	3 300	2 774	III		2 774	
4.3.21	4.3.21 Success story preparation and publication	2 case study (Success story) prepared and published		200	200		PMO		6	No	2	1	1881	200000		1	11.2		4	400	75	IV		75	
4.3.22	4.3.22 Learning route for KM (staff)	For the the project staffs (20)				600	PMO		3	No			5643	600000		0		16.9	6	600		IV		-	
4.3.23	4.3.23 Monthly interaction programme in programme district	1 meeting in all program district in every month		240	240	240	PMO		No		72	3	94	10000		3			7	720	30	III		30	
	Sub-total 4.3			5 153	10 260	6 138		85	82		105	28			20	48	343	517 </							

	(A)	(B)	(C)	(D)	(E)	(F)	(F.a)	(G)	(G.a)	(H)	(I)	(L)	(L.a)	(M)	(N)	(P)	(Q)	(S)						
1.1	1.1 M&E and KM officer	1 M & E KM officer recruited		480	480	600	PMO	84		Month	13	13	1129	120000	10	23	110.89	15	1 560	1 386	II	1455.89	2 842	
1.2	1.2 MIS Specialist	1 MIS specialist recruited		320	320	400	PMO			Month	13	13	752	80000		13		10	1 040	845	II	125.66	971	
1.3	1.3 GESI Advisor	1 Gesi advisor recruited		480	480	600	PMO	80		Month	13	13	1129	120000	20	33	110.89	15	1 560	1 386	II	2746.027	4 132	
1.4	1.4 Administrative Assistants	1 admin. assist. recruited		160	160	200	PMO	84		Month	13	13	376	40000	9	22	92.41	5	520	494	II	266.547	761	
1.5	1.5 Fund and Contract Management Specialist	1 FCMS recruited		480	480	600	PMO	84		Month	13	13	1129	120000	20	33	110.89	15	1 560	1 386	II	2746.027	4 132	
1.6	1.6 Financial management specialist	1 FMS recruited		480	480	600	PMO	70		Month	13	10	1129	120000	7.5	17.5	96.26	15	1 560	1 159	II	1100	2 259	
1.7	1.7 Driver	3 drivers		375	300	300	PMO	180		Month	39		235	25000		0	39.6	9	975		II		-	
1.8	1.8 Selection of TA team by consultancy firm	1 Recruit firm selected for the selection of technical team of PMO (CGA-7,CDA-12 and Livestock specialist -2)			1000		PMO	3		lumpsum	1	1	9405	1000000	2	3	31.35	9	1 000	947	II	2595.883	3 540	
2	2 Other utilities and Administrative costs													0										
2.1	2.1 Support staffs costs	Support staff used for 204 manmonth		1650	1650	1700	PMO	1330		Month	204	159	231	24510	336	495	308.03	47	5 000	3 904	V	6078.136	9 983	
2.2	2.2 Office assistant -6 (PIU)	6 office assistant procured		360	288	288	PMO				78		113	12000		0		9	936		V		-	
2.3	2.3 Monitoring and evaluation costs for PMO staffs	12 months Programme monitoring		600	700	700	PMO	7		lumpsum	1	1	18809	2000000	2	3	78.59	19	2 000	1 900	V	7183.255	9 083	
2.4	2.4 Traveling cost for programme implementation			1500	2000	1500	PMO	7		lumpsum	1	1	47023	5000000	2	3	385.04	705.9	47	5 000	3 954	V	5903.95	9 858
2.5	2.5 Utilities cost (includes Govt. Staff salaries and other allowances)			3174	2847	2669	PMO			lumpsum	1	1	81727	8690000		1		927.7	82	8 690	8 697	V	14453.5	23 151
2.6	2.6 Office operation costs (includes fuel, vehicle O and M, Equipment O and M, Rent, Electricity, Telephone)			8370	9020	8250	PMO			lumpsum	1	1	241136	25640000		1		1325.8	241	25 640	22 406	V	55308	77 714
	Total Recurrent Costs C4 (PMO)			18 429	20 205	18 407		1 929	404	239	409	648	1 364	2 959	536	57 041	48 465	99 963	57 041	48 465		99 963	148 428	
	Total Budget C4 (PMO)			36 870	68 022	37 997		2 453	295	792	489	746	1 235	3 060	4 260	1 344	142 888	93 537	161 020	142 888		161 020	254 557	
	Total Programme Budget			313 831	589 142	488 131		10 593 780	916 197	1 340 370	57 775	188 230	246 004	655	115 349	34 942	13 083	1 391 105	696 304	989 255		1 685 559		



Investing in rural people

Nepal

Kisankalagi Unnat Biu-Bijan Karyakram

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 31 March -14 April 2018

Document Date: 06/07/2018

Project No. 1100001602

Report No. 4805-NP

Asia and the Pacific Division
Programme Management Department

Appendix 3: Compliance with Financing Agreement covenants

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
FA - Section B Para 6	Counterpart financing shall be provided for the Programme in the amounts of approximately USD 4.35 million from the Borrower/Recipient and approximately USD 4.60 million from beneficiaries both in cash and in kind. The contribution of the Borrower/Recipient shall cover (i) taxes and duties foregone on all the Programme inputs, (ii) the salaries of the Programme Manager and Accounts Officer and other deputed staff, and (iii) audit fees for the Programme. It is also expected that Heifer International will provide additional financing for activities related to the Programme in the amount of USD 2.5 million.	During implementation period	Ongoing compliance	Being provided.
FA - Section C Para 1	The Lead Programme Agency shall be the Borrower/Recipient's Ministry of Agricultural Development (MOAD)		Complied	
FA - Section C Para 2	The following are designated as additional Programme Parties: Ministry of Federal Affairs and Local Development, Ministry of Finance, Ministry of Cooperatives and Poverty Alleviation, Federation of Nepalese Chambers of Commerce and Industries, Nepal Agricultural Cooperative Central Federation, Small Farmer Development Bank, District Agricultural Development Offices, District Livestock Service Offices, District Development Committees, Village Development Committees, Heifer International and Agro Enterprise Center.		Complied	
FA - Section E Para 1	The following are designated as additional general conditions precedent to withdrawal: (i) the Programme Steering Committee and the Programme Management Office (PMO) shall have been established and the members designated; (ii) the Programme Manager and the Accounts Officer, both acceptable to the Fund based on the approved terms of reference, shall have taken up their posts; (iii) the Programme Implementation Manual shall have been approved by the Programme Steering Committee after non-objection by the Fund; (iv) the Programme Implementation Manual shall have been duly	Before disbursement of initial advance and Credit, Guarantee Funds	Partially complied	(i) Designated Account denominated in USD opened with Nepal Rastra Bank. (ii) PIM has not been updated prior to the provision of the Supplementary Loan.

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	updated prior to the provision of the Supplementary Loan; and (v) a Subsidiary Lending Agreement (SLA), satisfactory to IFAD, shall have been concluded between the Borrower/Recipient and SFDB prior to the disbursements against the "Credit, Guarantee Funds" Category under the Loan and the Supplementary Loan.			
FA - Schedule 1 Section II para 1	The Programme shall be implemented by the overall direction of Programme Steering Committee Chaired by the Secretary of the Lead Programme Agency.		Complied	
FA - Schedule 1 Section II para 6	The Programme Management Office (PMO) shall include a Programme management team comprised of a Programme Manager, Deputy Programme Manager, Senior Programme Advisors (Seed Coordinator, Livestock Coordinator and LEID Coordinator), Accounts Officer, Monitoring and Evaluation/Knowledge Management Officer, Planning Officer, M & E Officer, Contracts and Procurements Manager, Financial Management Specialist, Crops/Seed Development Officer, Livestock/Veterinary Officer and a Gender and Social Inclusion (GESI) Advisor and other staff.		Complied	Livestock Coordinator and MIS office have resigned and new staff needs to be recruited for these positions.
FA - Schedule 1 Section II Para 7 (a)	Programme staff and experts, other than deputed MOAD personnel will be recruited from the local market through a contracted recruitment agency following a competitive selection process.		Complied	Most of the appointments have been done through recruitment agency and the rest through competitive process
FA - Schedule 1 Section II Para 7 (c) and (d)	Heifer International and Agricultural Enterprises Centre be designated as Implementation Partner on the basis of MoU satisfactory to the Fund		Complied	MoU with Heifer International signed on 16 th April 2014 and with AEC was signed on 13 August 2013.
FA - Schedule 1 Section II Para 7 (e)	SFDB shall enter into a SLA with the Borrower/Recipient in order to operate the credit line dedicated to the Programme.		Complied	MOU with SFDB was signed on 2 February 2018.
FA - Schedule 1 Section II Para 8	Programme Implementation Manual (PIM) shall have been submitted to the Fund for no objection and to the PSC for approval.		Complied	
FA - Schedule 1 Section II Para 9	A Mid Term Review (MTR) shall be conducted at the end of Programme Year three to prepare Phase II of the Programme.		Complied	Conducted during February 29 th to March 22 nd , 2016
LTB - Para 5	The proceeds of the financing may not be used to pay taxes.		Complied.	
LTB - Para 6	In accordance with Section 4.04(d) of the General Conditions, immediately after entry into force of the Financing Agreement, there shall be a Designated Account denominated in the USD to be opened in an Bank. acceptable to IFAD, through which IFAD funding		Complied	

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	shall be channeled. The borrower shall inform the Fund on the officials authorized to operate the Designated Account. In accordance with section 3.1 of the LDH, the Designated Account will be administered following Imprest Fund arrangements.			
LTB - Para 7	Upon fulfillment of conditions precedent to withdrawal and the Borrower's request, the Fund shall make one (or more) withdrawal(s) of up to USD 2.5 million for the loan and the grant in the aggregate and deposit such amount(s) into the Designated Account.		Complied	
LTB - Para 11	Before withdrawal can begin, IFAD receives from the Ministry of Finance a letter designating the names of officials authorized to sign withdrawal applications, which includes their authenticated specimen signatures.		Complied	
LTB - Para 12	The following are designated as additional conditions precedent to withdrawal: (i) the Programme Steering Committee and the PMO shall have been established and the members designated; (ii) the Programme Manager and the Accounts Officer, both acceptable to the Fund based on the approved terms of reference, shall have taken up their posts; (iii) the Programme Implementation Manual shall have been approved by the Programme Steering Committee after non-objection by the Fund; and (iv) the designated account shall have been duly opened and the names of officials authorized to sign withdrawal applications shall have been submitted to the Fund.		Complied	
LTB - Para 13	Section 4 of the LDH provides details regarding the use of the Statements of Expenditure (SOE) facility for withdrawals for certain expenditures types from the Loan and Grant Account.		Being complied	
LTB - Para 14	The thresholds for all expenditures pertaining to all categories up to USD 30,000.		Being complied	
LTB - Para 17	As provided in IFAD's Procurement Guidelines, each procurement plan shall include the proposed contracts, methods of procurement and related IFAD review procedures, procurement of goods, works and services financed by IFAD would follow the Government of Nepal's Procurement Act and Regulations, to the extent that they are consistent with the IFAD Procurement Guidelines. Any future amendment of the Government of Nepal's Procurement Act and		Being complied	

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	Regulations will be subject to IFAF review. Annual procurement plans for each year will identify the method and procedures in order to ensure consistency with the IFAD procurement Guidelines. The procurement shall follow the procurement thresholds of the Government of Nepal's Procurement Act, regulations and Guidelines.			
LTB - Para 18	Whenever possible, procurement of goods and works will be bulked into sizeable bid packages to attract competitive bidding and to make the bidding process more cost effective. The procurement of goods above USD 200,000, of works above USD 1 million and o services above USD 100,000 will follow the International Competitive Bidding method of procurement.		Being complied	
LTB - Para 19	The following shall be subject to prior review by the Fund: (i) award of any contract for goods and works estimated to costs USD 50,000 or more, and (ii) award of any contract for consulting services estimated to cost USD 20,000 or more.		Being complied	
LTB - Para 21	All contracts, with or without prior IFAD approval, shall be listed in the Register of Contracts with the dates of approval and submitted to the IFAD Country Programme Manager on a monthly basis.		Partially complied	Register of contracts is not submitted on a monthly basis rather it is submitted along with WA.
LTB - Para 22	An appropriate accounting software shall be identified and a chart of accounts shall be set up for the Programme Accounting and Financing Reporting Acceptable to the Fund.		Complied	Accounting software developed for projects funded by IFAD has been identified but is yet to be procured.
LTB - Para 23	The auditors shall submit three separate opinions (on the consolidated financial statements, on the Designated Account and on the SOEs). The opinion shall describe the acceptability of the programme financial statements and determine whether the Designated Account has been correctly accounted for and has been used in accordance with the Financing Agreement. They will also determine the adequacy of supporting documents and controls on the use of the SOEs as a basis for disbursements. The auditors shall also furnish a separate Management Letter which will identify any material weakness in accounting and internal controls at all levels, will report on the degree of compliance with financial agreement covenants, including with regard to the procurement of goods, works and consultant services. A certified copy of the annual audit report of		Partially complied	PMO's replies to the Management Letter are not submitted to IFAD.

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	the programme together with the PMO's replies to the Management Letter will be sent to IFAD prior to 15 January of each programme year.			
LTB - Para 25	The log of audit observations should be maintained and updated regularly.		Being complied	
General Conditions - Section 4.02	Application for Withdrawal, or Special Commitment	Initial advance to the DA and replenishment for each WA	Ongoing compliance	
General Conditions - Section 4.08	The financing shall be used exclusively to finance expenditure meeting eligibility requirements.	Ongoing	Being complied	
General Conditions - Section 7.01 (b)	The LPA shall submit the draft AWPB and Procurement Plan to the Fund no later than 60 days before the beginning of the project year	Each Programme Year	Complied	The draft AWPB for the year 2017-18 was submitted on 31 March 2017 but the final revised AWPB was submitted on 24 August 2017 and IFAD provided no-objection on 28 August 2017. The draft AWPB of FY 2018-19 has been submitted to the IFAD on 3 February 2018.
General Conditions - Section 7.03(b)	Borrower/Recipient shall make available to the Project Parties during the Project Implementation Period counterpart funds from its own resources in accordance with its customary national procedures for development assistance.	During implementation period	Ongoing compliance	Government of Nepal prefunds the Programme as per its national procedures.
General Conditions - Section 7.05 (a)	Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the B/R's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the B/R in order to ensure consistency with the IFAD Procurement Guidelines.	During implementation period	Ongoing compliance	The Procurement Plan is being prepared.
General Conditions - Section 7.06	All goods, services and buildings financed by the Financing shall be used exclusively for the purposes of the Project.	Ongoing	Being complied	
General Conditions - Section 7.08 (a)	All goods and buildings used in the programme shall be insured against such risks and in such amounts as shall be consistent with sound commercial practice.	During implementation period	Partially complied	Third party insurance of vehicles and motorbikes only.
General Conditions -	Subsidiary Agreements. (i) The B/R shall ensure that no programme		Complied	Subsidiary Agreements with

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
Section 7.09 (a) & (c)	Party shall enter into any Subsidiary Agreement, or consent to any modification thereof, inconsistent with the Financing Agreement or the programme Agreement. (ii) No provision of any Subsidiary Agreement to which the B/R is a party shall be assigned, waived, suspended, abrogated, amended or otherwise modified without the prior consent of the Fund.			AEC and SFDB have been entered into after no objection from IFAD.
General Conditions - Section 7.11	The LPA shall appoint the programme Director and all other key Project Personnel in the manner specified having qualification and experiences in the Agreement or otherwise approved by the Fund. The Borrower/recipient shall exercise best efforts to ensure continuity in key project personnel throughout the programme Implementation Period and shall insure key personnel against health and accident risks to the extent consistent with sound commercial practice or its customary practice in respect of national civil service, whichever is appropriate.	Ongoing	Being complied	
General Conditions - Section 8.01	The programme shall maintain records and documents adequate to reflect their operations in implementing the project until the Project Completion Date, and shall retain such records and documents for at least ten years thereafter.	Ongoing	Being complied	
General Conditions - Section 8.02 (a)	The LPA shall establish and thereafter maintain an appropriate information management system in accordance with the Fund's operational guidelines and Results Measurement Framework.		Complied	
General Conditions - Section 8.03 (a)	The LPA shall furnish to the Fund periodic progress reports on the programme, in such form and substance as the Fund shall reasonably request.	Six monthly and Yearly	Complied	Yearly and trimester progress reports are being submitted.
General Conditions - Section 8.03 (b)	The Lead Project Agency and the Fund shall jointly carry out a review of Project implementation no later than the midpoint of the Project Implementation Period (the "Mid-Term Review") based on terms of reference prepared by the LPA and approved by the Fund.		Complied	Conducted during February 29 th to March 22 nd , 2016
General Conditions - Section 8.05	The programme Parties shall furnish to the Fund promptly upon their preparation, such plans, design standards, reports, contract documents, specifications and schedules relating to the Project, and any material modifications subsequently made therein.	During implementation period	Being complied	
General Conditions - Section 9.01	The programme shall maintain separate accounts and records in accordance with consistently maintained appropriate accounting practices adequate to reflect the operations, resources and expenditures related to the project until the Financing Closing Date	Ongoing	Being complied	

Section	Covenant	Target/ Action Due Date	Compliance Status/Date	Remarks
	and retain such accounts and records for at least ten years thereafter.			
General Conditions - Section 9.02	The B/R shall deliver to the Fund detailed financial statements of the operations for each fiscal year prepared in accordance with standards and procedures acceptable to the Fund within 4 months of the end of each Fiscal Year.	15 th November of every year	Complied	
General Conditions - Section 9.03	Audit Report as per the IFAD Guidelines on Project Audit	15 th January of every year	Complied	
General Conditions - Section 11.01	<p>(a) The Financing and all Loan Service Payments shall be exempt from all Taxes, and all Loan Service Payments shall be made free and clear of Taxes.</p> <p>(b) The Agreement shall be exempt from any Taxes on signature, delivery or registration.</p> <p>(c) The use of any proceeds of the Financing to pay for Taxes is subject to the Fund's policy of requiring economy and efficiency in the use of its Financing. Therefore, if the Fund at any time determines that the amount of any such Tax is excessive, discriminatory or otherwise unreasonable, the Fund may, by notice to the Borrower/Recipient, reduce the percentages of Eligible Expenditures to be financed by the Financing which are specified in the Financing Agreement.</p>	Ongoing	Being complied	Government finances the taxes.