



Investing in rural people

Grenada

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Latin America and Caribbean Division
Programme Management Department

Market Access and Rural Enterprise Development Programme – MAREP (Loan 819-GD)

Supervision report

Main report and appendices

Grenada

Market Access and Rural Enterprise Development Programme – MAREP (Loan 819-GD)

Supervision mission: May 19-23, 2014

A. Introduction¹

1. An IFAD Supervision Mission (henceforth, “the Mission”) worked with the Government of Grenada (GOG) and with the Team of the Grenada Market Access and Rural Enterprise Development Programme (MAREP, or “the Programme”) over the period of May 19-23, 2014. The Mission was the sixth one for the Programme. The Mission focused on overall Programme implementation, the AWBP 2014 and overall compliance to IFAD procedures.
2. The Mission met with His Excellency Dr. Mitchell, Prime Minister and Minister of Finance, Hon. Oliver Joseph, Minister of Economic Development, Trade, Planning, and Cooperatives, Mr. Timothy Antoine, Permanent Secretary in the Ministries of Finance & Energy, Economic Development, Trade, Planning & Cooperatives, as well as with Mrs. Jennifer Alexis, Chairperson of the Programme Steering Committee (PSC). The Mission had meetings with the Programme Coordination Unit (PCU), members of the PSC and conducted additional meetings with Ms. Khesha Mitchell and Ms. Katelyn Brathwaite of the Grenada Industrial Development Corporation (GIDC); Mr. Richard W. Duncan, Managing Director, Mr. Peter Antoine, Senior Programme and Research Officer, and Mr. Albert Andall, Loans Officer for MAREP, of the Grenada Cooperative Bank Limited (GCBL); Ms. Lima Frederick, Acting PS, Mr. Winston Gabriel, Chief Technical Officer, and Mr. Dominic Roberts, Site Officer of the Ministry of Works (MOW); and Ms. Merina Jessamy, Acting PS and Mr. Daniel Lewis of the Ministry of Agriculture (MOA).
3. The Mission extends its appreciation for the support and assistance provided to this Mission by all GOG institutions, the PSC Chair and members, the Programme Manager and the PCU team.

B. Overall assessment of MAREP implementation

4. Since IFAD/CDB’s last supervision mission in November 2013, substantial progress has been made in Programme management, particularly in achieving the full staffing of the PCU with high-quality staff and in the renewed dynamism of the PSC. The Mission wishes to commend the Programme Manager and the Chair of the PSC in particular, and the Government of Grenada in general, for taking up the challenge of substantially revamping MAREP and taking most of the necessary measures to enable the Programme to deliver concrete and tangible services and products to communities and farmers within its residual timeline. GOG and IFAD agreed to continue to provide the Programme with special oversight and more intensive supervision, until it stabilizes operations at the desired quality and speed levels.
5. While recognizing the Government’s success in addressing these major concerns, there are other concerns and shortcomings that leave no room for self-complacency at this stage. Within a structural adjustment context, MAREP is currently facing a deficit of GOG’s counterpart funds that may hinder Programme recovery, if not addressed as a matter of urgency. Concerns regarding the M&E functions will be exposed extensively in this A-M. As mid-year approaches, the AWPB for 2014 shows a meagre 5% implementation rate, raising concerns on the PCU’s capacity to effectively deliver on the remaining 95% on time and without compromising on quality of delivery. While the Mission appreciates the new PCU’s fresh look on MAREP and on possible ways of achieving its development objectives, it would have liked to see more of the progress already made and products already developed by MAREP to be put to use by the new team, to avoid duplication of efforts in a context of limited time and financial resources. As motivated as it may be, the PSC and PCU face the daunting challenge of having to deliver on ambitious and multi-faceted development objectives in about half the time as was originally foreseen at design. The Mission takes note and thanks the Government for its assurances that these additional concerns will also be addressed as soon as possible by the Ministry of Finance and MAREP’s PSC and PCU.

1 Mission composition: Mr. Paolo Silveri, IFAD Country Programme Manager (Mission Leader); Mrs. Amanda Gittens Fiduciary Specialist; and Ms. Ingrid Schreuel, Rural Empowerment and Gender Equity Specialist and Monitoring and Evaluation Support.

6. The Mission supports the PCU proposal of integrating the Business Development Officers (BDOs) into field teams with the Community and Youth Officers (CYOs) and assigning them a portfolio of communities. The Gender and Youth Officer, Marketing Technical Assistant, and MOA Extension Officers should provide specialized services to the field teams as required. This needs to be accompanied by performance indicators for each field team (based on the targets and indicators to be achieved collectively, as laid-out in the MAREP’s logframe). Though each field team has to ensure that the complete set of “MAREP services” will reach the communities it is responsible for, the Mission recommends that the division of tasks according to the expertise of the BDOs and CYOs respectively should be observed. The BDOs should provide business planning support and hand-holding aiming at the Productive and Enterprise Windows and the CYOs should provide support to Groups/Community-Based Organizations (CBOs) with the development of proposals for the Social window, the Vocational and Skills Training, and tailor-made support to strengthening Producers Groups/CBOs, especially those involved in Direct Implementation by Beneficiaries (DIB) under the Rural Investment Fund (RIF).
7. In addition to progress made on the staffing of the PCU, key Memoranda of Understanding (MOU) have been signed: GIDC (implementation on going), MOW (implementation on going), GCBL (implementation pending), and MOA (implementation plan pending). Of the MOUs with key implementing partners, only the National Training Agency (NTA) is pending. The Mission wishes to remind the PCU of the importance of monitoring the implementation of these MOU, to speed up implementation rate and ensure the quality of products delivered.
8. The Mission highlighted the importance of M&E as a management tool for providing good quality and timely information to the PCU and PSC and for output monitoring and outcome evaluation. At the same time it was explained that the tasks related to M&E are wider than data collection, registration, analysis and reporting, as they also involve learning, knowledge management and communication of lessons learnt, results and impact to different stakeholders. Intended in this broader sense, M&E is a key tool not only for project management, but also for sustainability, development of strategic partnerships, communication and up-scaling of good development practices.
9. This analysis and the Mission's concerns regarding the absence of the M&E Specialist due to extended medical leave are shared by the Government and by the PCU. It was therefore agreed that the Programme would recruit an additional M&E Officer with specific duties; s/he will work in close collaboration with the M&E Specialist and would be able to take on the Specialist's duties during her absence. Subject to resources availability, IFAD will seek a specialist to provide technical assistance and specific training on the Fund's M&E requirement as soon as s/he joins the MAREP team.

Agreed action	Responsibility	Agreed date
Intensify Programme oversight with monthly reports to PS Finance, IFAD and CDB.	PCU	Monthly
Closely monitor the implementation of MOUs, the quality and time of deliverables.	PCU	Continuously
Recruit a M&E Officer.	PCU / PSC / MOF	Start procurement process immediately
Implementation support for the M&E Officer.	IFAD	As soon as M&E Officer has been hired

C. Outputs and outcomes

10. **Market Access and Enterprise Development (MAED).** Since March 2014, the component is fully staffed with the Business Development Specialist (BDS), the Market Technical Assistant (MTA), and the 3 Business Development Officers (BDO) are onboard. After finalizing the recruitment process for the BDOs, the GIDC pre-selected 7 and provided them with a 4-week training course. After the training, the 3 (one female and two males) best performing candidates during the training were hired by GIDC and have since been assigned to MAREP.
11. The new staff is still becoming familiar with the Programme design, the expected results in business development and marketing, and is getting acquainted with the instruments and procedures, particularly with the Rural Investment Fund (RIF).
12. The Mission was pleased to observe that the BDOs are not only well prepared for the task of business planning support, registration and technical assistance during business implementation, but

will also receive continued support from GIDC to further improve their technical capacities. The BDOs are invited to GIDC staff meetings, have been provided with a complete set of tools and instruments, and will receive visits from GIDC in the field (in coordination with the BDS) for monitoring purposes.

13. The GIDC maintains its commitment to support the BDOs in their technical, marketing and management areas and in strengthening their capacity to support beneficiary groups to address these issues, including calculating costs and profit margins, which are at the core of the Programme's business planning and management support. Furthermore, GIDC confirmed their capacity for adjusting the tools for training in business planning and management, if required in order to adjust the instruments to the educational level of the target group.
14. Most of the business planning support will be conducted through simple forms and questionnaires that would guide the groups to analyze their businesses. These forms/questionnaires should be simple (particularly in terms of wording) but ought to address all the above-mentioned key aspects. The groups should build management capacity and clarity on the business idea as they fill the forms/questionnaires. The BDS has developed a one-page questionnaire that has been used by the teams of CYOs and BDOs for identifying individuals with business opportunities. While this instrument is being tested, the Mission recommends the PCU to also take advantage and use the questionnaire for identifying a business idea that was developed by MAREP in its initial implementation years. The older questionnaire is very simple and easy to understand for the target population, and may prove to be a useful working tool, while allowing MAREP to accelerate the deployment of its services to the rural communities and groups.
15. While the CYOs on each field team play an important role in helping the BDOs getting acquainted with community groups and members, it is the specific task of the BDOs to focus on business activities of the targeted groups, identify potential business opportunities and carry out the assessment of current business initiatives in each community. As the business planning support is a crucial input to ensure sound and quality proposals for the RIF and the Line of Credit (LOC), the Mission recommends the PCU to increase communication with GIDC and further involve this key implementing partner in Programme implementation discussions, planning and progress monitoring to ensure synergies with other GIDC urban supported businesses.
16. Since the business plans will be presented to the RIF and/or the LOC for financing, the content of the business plan preparation training and its implementation should also involve the Grenada Cooperative Bank (GCBL), to ensure as soon as possible that the tools to be used to identify and develop business opportunities also meet the bank's required standards and information needs. The Mission recommends that the BDS should intensify his consultation with GCBL to agree on mutually acceptable requirements, terms and conditions for credit provision, so as to avoid further frustration and false expectations among beneficiaries. The BDS should also clarify the contents and format of business plans and loan applications, to ensure they include all required information for screening the business feasibility and loan application.
17. The most sensitive issue in the implementation of the RIF is the screening, ranking and selection of initiatives to be financed. The criteria as developed in the design documents need to be validated or revised by the PCU, involving GIDC and GCBL to ensure that criteria and indicators are understood and agreed upon before disseminating information to potential beneficiaries. GIDC may provide samples of ranking criteria of other competitive funds, while GCBL would ensure that the RIF is not competing with existing credit supply. The Mission recommends that the RIF criteria be revisited and included in the Programme Operations Manual (POM) in case of revision.
18. As time has become pressing for MAREP to achieve concrete and tangible results in the communities, it is imperative that the PCU implements the following lines of action simultaneously:
 - a The RIF Manual recently approved by the PSC requires immediate submission to CDB to obtain it's No Objection.
 - b Immediate after receiving the No Objection a request for disbursement of funds for the RIF needs to be sent to CDB.
 - c In the meantime, the criteria for ranking and screening of RIF proposals should be revisited by the PCU, GIDC and GCBL.

- d As soon as the ranking and screening criteria are finalized, approved and included in the POM, a Call for Proposals could be issued in the 20 communities that have already been phased-in.
 - e Immediately after issuing the Call for Proposals, the field teams should start providing support to those individuals, Groups, and CBOs that wish to present a proposal to any of the three windows of the RIF. It is envisaged that at the first Call for Proposals most of the groups and proposals will qualify to the Social and the Productive Windows.
 - f As soon as the final date of submission of proposals has past, the review, selection, an approval process should be set into motion according to the RIF and Programme Operations Manual.
19. The idea of implementing the above mentioned lines of actions simultaneously, will allow MAREP to be more efficient and have a list of approved proposals for each of the RIF window, by the time funds for the RIF will be available. This will allow the Programme to sign financial agreements with CBOs, Groups, and individuals and immediately start the implementation of approved projects as soon as the RIF resources flow into MAREP's account.
20. In view of the above timeline, it is important that the PCU finalizes as soon as possible the implementation plan of the MOU signed with the Ministry of Agriculture, as the knowledge and input from the extension officers (6 and a supervisor) may be required before finalizing specific business plans and proposals for the productive window of the RIF. Some of the initiatives may be very simple and require very little additional technical input, yet it is crucial that all farmers' groups have the support of the MOA extension officers, as/if needed. The Mission recommends making extension services available to the groups as soon as possible.
21. The feeder roads component of the RIF -implemented through the MOW- has started with the approval by CDB of the five initial roads to be rehabilitated under MAREP. As reported by the MOW, two of these road works are on-going (Gratin is actually almost complete); for a third one, the service provision contract has already been signed; and contracts for the other two will be signed as soon as next week. The Programme Manager has also informed the Mission that two other roads and a bridge (currently under design) will also be completed before the end of 2014. The Mission recommends that both direct and indirect benefits from these construction works be measured by MAREP's M&E system; and that the BDS and the BDOs look at these improved roads as a source of business opportunities for the groups located nearby. The MAED should support these organizations to identify new business ideas or to revamp existing businesses based on the reduction of transport costs.
22. As part of forging new marketing linkages, the Programme will organize an Exposition in Belmont Estate in July 2014, where rural communities will showcase successful businesses, and where innovative firms that are engaged in sustainable agricultural products (national and international) will share new and "green" technologies to inspire diversification from traditional non-competitive activities to sustainable innovative ventures. The ToR for the organization of the Exposition have been prepared by the PCU and were approved by the PSC. The proposal submitted by the Chamber of Commerce was not accepted and it was agreed that the PCU will procure the necessary specialized services from qualified individuals (through short listing) to organize the event. IFAD is aware of the importance to undertake this process as rapidly as possible and will fast-track all correspondence related to this event.

Agreed action	Responsibility	Agreed date
Take into account the questionnaire of previous BDS for identifying business ideas.	PM / BDS	Immediate
Obtain list of business proposals previously developed by GIDC in MAREP target communities and the list of individual and Group business proposals developed by the previous BDS.	PM / BDS	By June 1, 2014
Request CDB for No Objection for RIF Manual.	PM / MOF	Immediate
Request CDB for disbursement of funds for RIF.		By June 1, 2014
Review the content/format of business plans and loan applications.	BDS / GCBL	Immediate
Review and agree on the ranking and screening criteria for RIF proposals and include them in the POM.	PCU/ GIDC / GCBL, PSC	By June 1, 2014
Issue Call for RIF Proposals in 20 communities.	PCU	By June 15, 2014
Start implementation of the MOU with the MOA.	PCU / MOA	By June 15, 2014
Start providing business planning support and development of proposals for the RIF.	BDS / BDOs	By June 15, 2014; then ongoing
Provide business implementation support (hand-holding)	BDS / BDOs	As soon as proposals are approved and financed.
Ensure that M&E system parameters include direct and indirect benefits from roads construction	PM / M&E Specialist / M&E Officer	By July 31, 2014

23. **Human and Social Capacity Building (HSCB).** The position of the Human and Social Capital Building Specialist that was vacant since April 1, 2013, has been filled as of March 2014. The component now also counts with the support of 5 CYOs (1 male, 4 female) and the Gender & Youth Officer (GYO).
24. While (re)engagement with communities, CBOs and Groups started as recently as April 22nd, 2014, the CYOs have been instrumental in providing support to the feeder road component of the RIF, supervising the fieldwork for the RIMS baseline survey, assisting some CBO leaders with the formal registration of their organization, and organizing the event for CBO members to elect their representatives on the PSC.
25. The HSCB Specialist has finalized the overall Manual for Direct Implementation by Beneficiaries (DIB) under the RIF. At present, the Specialist is developing a simpler version of the DIB procedures (benefits, obligations, rules and regulations, basic book keeping, reporting, and monitoring requirements). The other PCU members should revise the draft booklet as soon as it is ready. CYOs and BDOs should be trained in DIB and RIF procedures as soon as possible, and definitely before the first “RIF Call for Proposals” is issued.
26. In the (re)engaging of communities, CYOs, DBOs, the MTA, and the GYO have been teamed up and have been requested to identify potential businesses and young persons interested in Vocational and Skills Training. Whereas the knowledge of the CYOs of the community and its groups and members has been helpful to the BDOs in getting acquainted faster with community members, the CYOs do not have the knowledge or expertise to identify business ideas or opportunities. This task is one to be implemented specifically by the BDOs using GIDC tools and/or a MAREP developed specific assessment tool.
27. The Social Capital Assessment Tool (SCAT), the Empowerment Assessment Tool (EAT), and the “community walk-through”, provide ample insight as to the capacity building and organizational strengthening needs that still remain to be covered in productive or community development oriented Groups or CBOs. Also the existing CBO strategic plans provide information as to the type of projects the CBO members have prioritized and that could be developed as proposals under the RIF. With assistance from the CYOs, some CBOs have already developed draft proposals for the social window of the RIF and, through the training course on business planning implemented by the previous BDS, 24 proposals were drafted by CBO representatives and 24 proposals were drafted by Individual Business representatives for future submission to the LOC/RIF. The Mission strongly recommends the PCU to recover this information and build upon it, while re-launching the identification and preparation process of new proposals.

28. In the same line of thought, the identification of young persons interested in Vocational and Skills Training (VST) has been carried out previously by CYOs. The Mission considers that existing lists of potential beneficiaries interested in this particular service should be used to the extent possible, and duplication of efforts avoided. Once there is clarity under which conditions the NTA will provide these services to MAREP beneficiaries, additional “recruitment” may be undertaken.
29. The increase of cost for VST training since the National Vocational Qualification (NVQ) /Caribbean Vocational Qualification (CVQ) training Programme was introduced in the country in 2010, has deadlocked this aspect of MAREP services. The negotiations in previous years with TAMCC and NEWLO to secure a more cost-effective package had little success in lowering the cost of the training, and VST has been put on a hold during 2013. The VST however, was included with more emphasis in the AWPB 2014 after the PSC emphasized the importance of this type of training for young men and women to become employable.
30. The Mission is pleased to see that the HSCB and BD Specialists have developed a new approach to get this important service through the preparation of a MOU with the NTA. Under the MOU, the NTA would hire the necessary tutors or specialized institutions, while ensuring either NVQ or CVQ certification. The NTA would bring as much as possible the VST training to the communities, making it more accessible (both distance-wise and financially) to the young men and women. The Mission recommends that the MOU be finalized as soon as possible, including clear deliverables (e.g. number of students trained and certified) and timeline and monitoring progress obligations (e.g. job placement by sex and by type of training).

Agreed action	Responsibility	Agreed date
Finalize and implement the MOU with NTA for providing services for VST.	HSCB Specialist / PM / PSC	By July 1, 2014
Identify additional interested beneficiaries for VST and share info with NTA.	HSCB Specialist / CYOs	Ongoing (after NTA MOU signed)
Develop simple manuals and instruments to assist CBOs with DIB.	HSCB Specialist / GYO / Accountant / M&E Specialist	By June 1, 2014
Train DBOs and CYOs in DIB and RIF procedures. Start providing support to CBOs with development of proposals for the RIF Social window; and assist BDOs in Group productive proposals on organisational strengthening matters.	PCU HSCB Specialist / CYOs	By June 15, 2014 By June 15, 2014; then ongoing
Provide CBOs and Groups with implementation support of approved RIF proposals, especially those using DIB.	HSCB Specialist / CYOs	As soon as proposals are approved and financed.
Continue to assist CBOs with formal registration process as well as facilitate the development of their by-laws, in a participatory manner.	CYOs	Ongoing (as needed)
Organize existing information on CBO organizational training needs (previously collected by MAREP) and use it to develop tailor made support (refresher courses or in-service training) to be implemented during RIF project implementation.	HSCB Specialist / GYO / CYOs	Ongoing (according to implementation of approved RIF proposals)

D. MAREP implementation progress

31. **Quality of Programme Management.** The Mission was pleased to see that the PCU is now fully staffed, with the exception of the M&E Officer, for which a decision was made during the present supervision. The Mission was also pleased that the agreed-upon changes in the composition of the Programme Steering Committee (PSC) have been made, and GIDC and MAREP beneficiaries are now again represented on the PSC. The PCU organized a meeting for CBO members from the 20 phased-in communities; after a process of introduction and each participant stating his or her qualifications, an election was held and a male and female representative were elected. These beneficiary representatives have been ratified by the Ministry of Finance and will start serving at the next PSC meeting. They will report back to overall CBO membership and other MAREP beneficiaries in an annual event to be organized by the PCU.

32. **Performance of M&E.** The M&E Specialist has been able to recover data on outputs from previous years (2011 and 2012), as these were not readily available in organized files, reports or databases. She has also made progress in organizing the RIMS baseline survey and in an M&E database for MAREP. All this progress - the survey, the database, reporting system and the fully operational M&E system in place – needs to be completed and accessible to the PCU while the M&E Specialist is on medical leave, as Programme monitoring and impact evaluation will be impossible tasks without it. This issue has now become even more urgent, as MAREP is soon to be expected to start delivering concrete and tangible services to the communities and its members. The M&E system and RIMS survey developed so far will have to be made available to the PCU before the M&E Officer joins MAREP.
33. The Programme's logframe has so far not been shared with the PSC or the new field staff of the PCU. Also in the PCU there is no clear evidence that the logframe (expected outputs, outcomes and their indicators) is being used as a guide to monitor progress and ensure that the activities and targets in the AWPB lead to achieving expected results by the end of Programme implementation. The Mission recommends to share the logframe with the PSC and carefully review both the AWPB 2014 and the logframe with the entire PCU, so that every team member knows what should collectively be achieved at the end of the year and by the end of the Programme. The Mission also recommends that each technical specialists reviews not only the Programme's Operations Manual, but also MAREP's design documents, at least to the extent of the technical component of their direct concern.
34. **Baseline and RIMS.** The M&E Specialist has taken the lead in conducting the RIMS and baseline survey in the 20 phased-in communities and a draft report has been prepared. The Mission could not be provided with a copy of the draft report for review of methodology used and results of the survey. The participation of the CYOs in supervising the fieldwork was essential and good use of their time, while they were "waiting" for the full staff to come onboard and field activities to pick up again. The RIMS and Baseline survey will have to be completed with the 30 new communities to be phased-in during 2014/15.
35. **Reporting.** The annual progress reports for 2013 has been submitted to IFAD on a timely manner.
36. **M&E System.** After receiving IFAD Implementation support on M&E system development in December 2013, the M&E Specialist has made progress on developing a database for MAREP. However, the Mission could not be provided with a description of the data base, how much progress has been made with the development of the overall M&E system, the reporting structure, etc. due to the absence of the M&E Specialist (due to extended medical leave). The training in ACCESS (to refresh already existing knowledge with programming) has also not taken place for the same reason.

Agreed action	Responsibility	Agreed date
Have a working session with the complete PCU to get to know the AWPB 2014 and MAREP Logframe.	PM / PCU	By June 15, 2014
Make M&E database, RIMS survey data and draft report available to PCU	PM / PCU	By June 15, 2014
Finalize the RIMS baseline survey report for 20 communities. Ensure LF indicators have been measured and included.	M&E Specialist / PM	By September 30, 2014
Repeat the RIMS Baseline survey for the 30 communities to be phased-in; and present final report.	M&E Specialist / M&E Officer / CYOs	By March 31, 2015
Review draft M&E database with PCU and make necessary adjustments.	M&E Specialist / M&E Officer	By September 1, 2014
Training in programming in ACCESS.	M&E Specialist / M&E Officer	By September 15, 2014
M&E system fully operational.	M&E Specialist	By November 15, 2014
Provide PM, PCU and PSC with monthly reports (data on outputs and analysis of progress) that will serve as mgt. tools.	M&E Specialist / M&E Officer	Monthly, after November 15
Assist Field teams with basic monitoring tools for RIF projects.	M&E Officer / HSCBS / BDS	By September 30, 2014
Organize the annual meeting for beneficiary PSC representatives and overall CBO membership.	M&E Officer / HSCBS / GYO / CYOs	By November 30, 2014
Identify adequate communication tools to share MAREP activities/results with stakeholders and public in general.	M&E Officer / PCU / GYO	By September 30, 2014

37. **Coherence between AWPB and implementation.** For the Financial Year 2014, the Programme budgeted a total of USD 2,497,789 and the expended amount was USD 134,549 (5 % of the total budgeted amount). The expenditure by financiers and by component is as follows:

Component	Budgeted Amount 2014					Expended Amount USD as at April 30, 2014					Percentage				
	IFAD	GOG	CDB	Beneficiary	TOTAL	IFAD	GOG	CDB	Beneficiary	TOTAL	IFAD	GOG	CDB	Beneficiary	TOTAL
HSCB	361,960	229,464	-	-	591,424	10,070	14,908	-	-	24,978	3%	6%	0%	0%	4%
MAED	194,316	108,802	1,185,792	40,198	1,529,107	496	2,033	-	-	2,529	0%	2%	0%	0%	0%
PM	151,102	196,767	29,389		377,258	38,943	62,142	5,957	-	107,042	26%	32%	20%	0%	28%
TOTAL	707,377	535,033	1,215,181	40,198	2,497,789	49,509	79,083	5,957	-	134,549	7%	15%	0%	0%	5%

38. The main reasons for not yet implementing the AWPB as planned were: (i) the delays in the finalization of the MOU with MOA, GCBL, and NTA for scholarships; (ii) the consequent delays in implementation of extension services, marketing, entrepreneurship training and business hand-holding support; and (iii) overall delays in procurement and specifically of a vehicle. It should also be noted that these issues have been outstanding over the past three Supervision Missions.
39. **Gender Focus.** The Gender and Youth Officer has been recruited and has joined the PCU since March, 2014. At present she is getting familiarized with the Programme design documents, the gender equity strategy for MAREP and the previously implemented activities by the HSCB Specialist and CYOs. As part of the intense orientation once all PCU staff were onboard (March 2014), gender equity workshops were held, especially to sensitize staff on the importance of gender equity in rural development and understand concepts. The Mission recommends the new HSCBS and GYO to organize a working session with the complete PCU and key implementing partners to share and improve MAREP's gender equity and youth strategy. The collaboration of the GYO and HSCB Specialist with the review of the ranking and screening criteria for proposals submitted for approval under the Rural Investment Fund will be key to successfully mainstream gender equity in Programme implementation.
40. **Poverty Focus.** MAREP targeting and implementation strategy are based on a clear poverty focus since its beginning. The activities carried out by MAREP up to date address the needs and

interests of the rural poor, especially the more vulnerable groups. A close follow-up of the selection of candidates for the Vocational and Skills training, and the ranking and screening criteria for Rural Investment Fund (RIF) is important, to ensure that this poverty focus is maintained.

41. **Effectiveness of Targeting Approach.** For the identification of the first 20 communities that were phased-in, targeting tools were developed and the criteria as per Programme design were carefully followed. At present there is a list of the remaining 30 communities still to be engaged and phased-in, but the PCU was not able to share the justifications or criteria used for this selection with the Mission. Targeting will require follow up during the next supervision mission, and it is recommended that the PM share with IFAD the list of the 30 communities as well as the justifications as soon as possible.
42. **Innovation and Learning.** Due the absence of the M&E Specialist and the full PCU staff coming onboard during the month of March, no progress has been made in this area.

Agreed action	Responsibility	Agreed date
Develop and implement a communication strategy that will allow innovation and learning to be shared.	M&E Officer / PCU	September 30, 2014
Send IFAD the list of the 30 communities to be phased in as well as the justifications.	PM /M&E Specialist	As soon as available
Share and discuss with the PCU staff and key implementing partners, the MAREP gender equity mainstreaming strategy and how to make it operational.	HSCB Specialist / GYO / PM	By July 31, 2014
Identify and implement concrete knowledge management and learning opportunities.	M&E Officer / PCU	By September 30, 2014

E. Fiduciary aspects

43. **Financial management.** The Mission reviewed the Financial Management system of the Programme, paying particular attention to the internal controls, the asset register, the register of contracts, the bank reconciliations, and the filing system. In addition, a review was done on the supporting documentation of the statement of expenditures submitted to IFAD through withdrawal applications during 2014. Overall, the mission is satisfied with the reliability and transparency of MAREP's financial management system; its internal control remains adequate and generally functions effectively.
44. During the last mission, a major area of concern requiring prompt action was that the Programme Accountant (PA) was the only staff member responsible for discharging fiduciary functions, accessing the accounting software and having knowledge of IFAD requirements and procedures related to financial management. The Programme recruited an Administrative Officer (AO) on March 3, 2014, whose Terms of Reference include fiduciary duties. Currently, the AO is undergoing training by the PA and is already assisting in the preparation of payment vouchers and the entering of payment details in the Ministry of Finance Smartstream System, so that checks can be printed. The Mission urges the PA to continue with the training, particularly in the area of the programme's accounting software (Quickbooks), and strongly recommends that the AO dedicates 50% of her time to fiduciary-related duties to ensure continuity during any absence of the PA.
45. In previous missions, the following issues were agreed upon: (1) backing up of financial data, which to date is still being done manually to an external hard drive, which remains in the office. The Mission was advised that the Government's Information Technology (IT) Department is currently developing a remote back up system for the Programme. However, the Programme is experiencing additional setbacks in the form of slow computers and insufficient time being allocated by the IT department of Finance to the Programme for implementation support; (2) reviewing and updating of the Operating Manual to include procedures related to fiduciary aspects, which to date is still outstanding. The mission provided the Programme with a word template of a Financial Manual, which should help in the revision of the manual. The mission urges the Programme to ensure that these areas of concern are dealt with as a matter of urgency.
46. **Disbursements.** As of April 30, 2014, IFAD has disbursed a total of USD 898,217, which includes USD 500,000 (WA No.1) in respect of the Authorized Allocation to the Special Account and WA Nos. 2 to 6 totaling USD 398,217 and representing 30% of total IFAD financing. To date, the

Programme has spent approximately an additional USD 49,509 in the month of April, which is yet to be claimed from IFAD for replenishment. The Mission reminded the Programme that IFAD funds should only be used for IFAD-financed components and categories, as established in the Financing Agreement and Design Document.

47. **Counterpart funds.** As of April 30th, 2014, the Government of Grenada (GOG) has contributed to the Programme a total of USD 500,000 (EC\$ 1,350,000). Total expenditures as of April 30th, 2014 amounted to USD 532,218 (EC\$ 1,436,990.36), leaving a deficit balance of USD 32,218 (EC\$86,988). The Mission recommends the Programme to request adequate GOG counterpart funds, to ensure that adequate funds are available to meet GOG-related expenditures for the rest of the Fiscal year 2014.
48. As of April 30th, 2014, CDB has not disbursed any funds to MAREP and expenditures incurred for the Business Specialist Salary total USD 47,090 (EC\$ 127,143). However, the Programme is in the process of finalizing a request for funds from CDB, which comprises an advance payment of USD 200,000 and a request for direct payment of USD 18,343 for works complete thus far on two road projects. The Mission was informed that the Ministry of Finance has already processed this request.
49. **Loan Covenants.** The Programme did not fully comply with all loan covenants due to the late submission of 2014 AWPB.
50. **Procurement.** No significant procurement activities were performed during 2014. However, a review of the procurement process of the programme staff recruited has revealed them to be adequate and in compliance with "IFAD Procurement Guidelines." IFAD Implementation Support Specialist provided some training on IFAD Procurement Guidelines, which was most welcomed by the Programme staff.
51. **Audit.** The Mission commends the Programme for the timely submission of the unaudited report for the fiscal year 2013, which was submitted to IFAD on April 30th, 2014. The Auditor, PKF, is currently performing the audit for the fiscal year 2013. A draft audit report was submitted to the Programme on May 20th. The report is expected to be finalized and submitted to IFAD by June 15, 2014. The Mission had the opportunity to speak with the auditor, and reminded him of the importance of analyzing the internal control environment and reports of the Programme.

Agreed action	Responsibility	Agreed date
Completion of Back Up system through GoG server	Accountant, MOF	6 June , 2014
Completion of FM procedures in POM	Accountant	31 July , 2014
Request Counterparts Fund from GOG	Accountant / PM /MOF	Immediately
Ensure adequate IT support to the MAREP Team in Sauteurs	PS MOF	Before the end of May, 2014

F. Sustainability

52. Given the limited progress in Programme implementation, there is not much to report in this area at this stage. MAREP is only about to reach out to CBOs and is finalizing its MOU with partner institutions that will support implementation. These strategic partnerships, together with CBOs' capacity building and empowerment, should form the bases for the sustainability of MAREP's development initiatives.
53. In preparation for the Programme's Mid-term Review, the Mission recommends the PSC to cooperate with MAREP PCU in developing a restructured work plan to cover the remaining project timeline that will elaborate how key performance objectives will be achieved within the shortened time period. This plan will allow to visualize that most Programme-related activities need to be carried out by the end of 2015, while the last 15 months will be used for consolidation and pre-phasing out actions in 2016 and the first quarter of 2017.

Agreed action	Responsibility	Agreed date
Elaborate an Action Plan projecting strategic thrusts until Programme closure, including consolidation phase in last 15 months of Programme implementation	PSC / PCU / Key implementing partners	October 1, 2014
Elaborate a multi-year projection of work plans and budget until Programme closure	PCU	October 1, 2014

G. Other

54. **Fiscal Management.** The Ministry of Finance confirmed that adequate fiscal space will be made available to MAREP to implement its AWPB 2014, both in terms of GOG's counterpart funding and capacity to drawdown resources from IFAD and CDB loans.
55. Given the proximity of the date, the Ministry of Finance was kindly reminded of the bi-annual deadlines (1 June; 1 December) related to its financial obligations towards IFAD (i.e. reimbursement of previous loans). The Permanent Secretary of the Ministry of Finance informed the Mission that provisions for the June 1, 2014 payment have already been made, and ensured direct supervision of this issue when both annual deadlines approach.
56. The Mission has informed the Government of Grenada that IFAD will join the forthcoming Small Islands Developing States (SIDS) Conference in Samoa, during the first week of September 2014. Within such participation, the CPM has proposed to showcase Grenada as the example of sustainable development from the Caribbean sub-region, together with two other cases, from the Pacific (Fiji) and Africa (Sao Tomé and Príncipe). Showcasing the Grenada case will imply (a) shooting a video in Grenada by July; and (b) supporting the participation of a PSC/PCU member who may present the MAREP case and link it to the Pure Grenada initiatives, in a scheme of Public-Private-People's Partnerships (PPPP) which is the central focus of IFAD-organized event at the Conference. The Mission was pleased to note the enthusiasm of the Grenadian authorities in endorsing this proposal. The CPM will follow-up with the PSC Chair and the PM to ensure a high-quality contribution of the Grenada experience and delegate at the SIDS Conference.

H. Conclusions

57. The Mission wishes to commend the Government of Grenada for its effective and rapid response to address IFAD concerns, as expressed at the end of the last supervision mission in November 2013. While MAREP's new team is still on a steep and challenging learning curve, the determination of the Government, which can be observed through the full staffing of the PCU and the new dynamism given to the PSC, now provides the Programme with a clear chance of success. The next semester will be crucial to concretize results in the field and tangible benefits for beneficiaries, their communities, groups and enterprises.
58. A Mid-term Review (MTR) of MAREP has been scheduled for the second semester of 2014. Given the implementation delays, the Mission takes note of the Government's preference not to field the MTR before November 2014. The MTR will analyze achieved outputs and outcomes and make recommendations on any adjustments that may be needed to reach MAREP's strategic objectives by end-2016. Government, IFAD and CDB will agree on a final date for the MTR by September 30, 2014.
59. IFAD and the Government of Grenada endorse the findings of this Supervision Mission.

Appendix 1: Summary of project status and ratings

I. Project 1569 [819] Market Access and Rural Enterprise Development Programme - Draft

Basic Facts

Country	Grenada		Project ID	1569	Loan/DSF Grant No.	819
Project	Market Access and Rural Enterprise Development Programme				Top-up Loan/DSF Grant	
Date of Update						
Supervising Inst.	IFAD/IFAD					
No. of Supervisions	6	No. of Implementation Support/Follow-up missions	1			
Last Supervision	May-2014	Last Implementation Support/Follow-up mission	December 2013			

				USD million Disb. rate %		
Approval	05-Dec-2010			Total financing	8.50	
Agreement	30-Mar-2011	Effectiveness lag	3.8	IFAD Total	3.00	
Entry into force	30-Mar-2011	PAR value	-----	IFAD loan	3.00	29.5
First disbursement				DSF grant		
MTR		Last amendment		IFAD grant		
Original completion	31-Mar-2017	Last audit	Jun 26, 2013	Domestic Total	2.50	
Current completion	31-Mar-2017			Beneficiaries	0.27	0
Original closing	30-Sep-2017			Government (National)	2.23	21
Current closing	30-Sep-2017			External Cofinancing Total	3.00	
No. of extensions	0			CDB	2.00	0
				CDB Top up	1.00	0

Project Performance Ratings

B.1 Fiduciary Aspects	Last	Current	B.2 Project implementation progress	Last	Current
1. Quality of financial management	5	5	1. Quality of project management	4	4
2. Acceptable disbursement rate	3	4	2. Performance of M&E	3	3
3. Counterpart funds	3	3	3. Coherence between AWPB & implementation	3	3
4. Compliance with financing covenants	4	4	4. Gender focus	5	5
5. Compliance with procurement	5	5	5. Poverty focus	4	4
6. Quality and timeliness of audits	5	5	6. Effectiveness of targeting approach	5	5
			7. Innovation and learning	3	3
			8. Climate and environment focus	2	3

B.3 Outputs and outcomes	Last	Current	B.4 Sustainability	Last	Current
1. Human and Social Capital Building	3	3	1. Institution building (organizations, etc.)	4	4
2. Market Access and Enterprise Development	3	3	2. Empowerment	3	3

3. Quality of beneficiary participation	2	3
4. Responsiveness of service providers	3	3
5. Exit strategy (readiness and quality)	NR	3
6. Potential for scaling up and replication	4	4

B.5 Justification of ratings

Disbursement rate has improved and will further increase based on the project disbursement profile in the guidance with Supervision AM (MAREP is classified as rural and is effective for three years and 2 months with an actual disbursement rate of 30% is rated a "4". The PSC composition has been adjusted as previously agreed and now includes representatives of GIDC and representatives of beneficiaries. The recruitment of Specialists and other staff has been completed. The development of the M&E system is further delayed due to medical leave of the M&E Specialist. Appropriate actions will be taken to strengthen M&E, Knowledge Mgt. and Communications by recruiting an M&E Officer with specific duties and who can help during the absence of the Specialist. The RIMS baseline survey was carried out in 20 phased-in communities with in-house human resources and only hiring numerators for field work. There have been almost no activities with beneficiaries in both components as the PCU became only fully staffed in March 2014. Nonetheless, the MOUs with GIDC and the MOW are being implemented; and MOUs with MOA and GCBL have been signed. Beneficiary participation has been affected by the delays, but the re-engagement with communities is promising. The RIF Manual has been revised by PCU and PSC; the new HSCB Specialist made progress with the Manual on Direct Implementation by Beneficiaries as this is an innovation for Grenada and no previous manuals and experience exists. Targeting criteria for the next 30 communities to be phased-in need to be closely monitored. Climate and environment focus has improved, especially with the Expo that is being organized by MAREP on sustainable production and green technology. During the last mission it was not yet necessary to provide a rating for the Exit strategy; however with an additional 6 months of implementation gone by the Programme should have at least elements of such a strategy analysed and planned. Elements of an exit strategy (forging partnerships, etc.) are being developed, but are at present in an incipient state.

Overall Assessment and Risk Profile

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

Rationale for implementation progress rating

There have been very limited activities with beneficiaries that improve their physical/financial assets or food security. The situation is expected to change drastically in the second semester of 2014 since the PCU staff is now complete and is committed to achieving expected results.

C.5 Likelihood of achieving the development objectives (section B3 and B4)	3	3
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Rationale for development objectives rating

The PCU is now fully staffed; staff is still becoming acquainted with the Programme; (re)engagement with communities started as recent as April 22nd, 2014. Key MOUs are signed and have started implementation (GIDC and MOW). The feeder road component of the RIF is started the first two constructions. The MOU with MOA has been signed, but the implementation plan is still pending. The MOU with the GCBL is signed but not yet being implemented. The RIF is not yet operational though the Manual has now been revised and approved by the PSC and is ready for submission to CDB. The new approach to get the scholarships for unemployed young men and women going is promising, but the MOU with NTA still needs drafting, approval, and signing; before they even can start thinking of implementation.

C. Risks Short description of major risks for each section and their impact on achievement of development objectives and sustainability

Fiduciary aspects	Failure to request and receive funds from GoG and CDB would hinder implementing activities. The back-up system issue and adequate IT support from MOF have not been resolved.
Project implementation progress	Further delays in completing the preparation activities that ensure the implementation of the RIF and technical services to be delivered in 2014. The new staff on the PCU has to come out of the learning curve quickly and start delivering concrete products to communities immediately.
Outputs and outcomes	Long delays in tangibles and services delivered to beneficiaries put the outputs and outcomes of the project at stake. No further delays in implementation of signed MOUs is critical to revert the situation. An additional risk for implementation progress is if there would be delays in the signing and implementation of the MOU with NTA.
Sustainability	If the above problems are not solved, sustainability is at risk.

Proposed Follow-up

Issue / Problem	Recommended Action	Timing	Status
1. Programme implementation	Request Counterparts Fund from GOG	Immediate (May 2014)	Pending
	Assign a temporary acting PM from GOG staff or appoint one of MAREP PCU staff as interim PM	By July 15, 2013	Completed
	Renewal of contracts of present PCU staff		Completed

Grenada
Market Access and Rural Enterprise Development Programme – MAREP (Loan 819-GD)
Supervision report - Mission dates: May 19-23, 2014
Appendix 1: Summary of project status and ratings

	Recruitment of key positions (PM) Recruitment BDS, HSCB, CYO Recruitment of other PMT positions (AO,GYO)	July 31, 2013 July 31, 2013 September 30, 2013	Completed Completed Completed
	Recruit a M&E Officer.	Start procurement process immediately (May 2014)	Pending
2. Planning and M&E	Signing of GIDC MOU Signing of GCBL MOU	July 19, 2013 July 31, 2013	Completed Completed
	Develop the AWPB 2014 with all PCU staff; use checklist to ensure quality	November 15, 2013	Completed
	Joint detailed work plan discussed and agreed with GIDC for the next six months	July 31, 2013	Not completed
	Submit the 2011 and 2012 Annual Progress report to IFAD and CDB by MOF	August 31, 2013	Completed
	Implement and oversee the RIMS Baseline survey	November 30, 2013	Completed (for 20 communities-draft report)
	RIMS baseline for 30 new communities		By March 31, 2015
	IFAD to ensure implementation support on M&E	As soon as new M&E Officer has joined the MCU	Pending
3. Skills and vocation training	Have the M&E system operating	December 31, 2013	Delayed
	Address the issue in negotiation with NTA and identify alternative service providers for the scholarship programme for youth	By October 31, 2013	Completed, included in AWPB 2014
4. RIF not yet operational	MOU with vocational skills training service providers (MOU will now be with NTA)	September 30, 2013 July 1, 2014 (new date)	Not completed
	RIF Manual finalized	September 30, 2013	Completed (May 2014)
	CDB NO objection	June 2014	Pending
	Review and agree on the ranking and screening criteria for RIF proposals and include them in the POM.	June 1, 2014	Pending
	Prepare an MOU with the MOW to implement the access road component of the RIF	September 15, 2013	Completed
	Develop simple manuals and instruments to assist CBOs with DIB and train CYOs/BDOs in their use.	September 30, 2013	Not completed
	Issue Call for RIF Proposals in 20 communities.	By June 15, 2014	Pending
5. Other	MOF to ensure adequate IT support to the MAREP Team in Sauteurs	Before end May, 2014	Pending
	Send IFAD the list of the 30 communities to be phased in as well as the justifications.	ASAP	Pending
	Elaborate an Action Plan projecting strategic thrusts until Programme closure, including consolidation phase in last 15 months of Programme implementation (PCU/Key implementing partners)	October, 2014	Pending

Additional observations

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

LOGICAL FRAMEWORK GRENADA: MARKET ACCESS AND RURAL ENTERPRISE DEVELOPMENT PROGRAMME				
RESULTS HIERARCHY	KEY PERFORMANCE INDICATORS	Achievement	Progress % ²	Comment
Goal: To contribute to the reduction of rural poverty and vulnerability of rural young unemployed or self-employed men and women in 50 rural communities in Grenada.	Percentage of households that increase their index of household assets ownership (RIMS anchor indicator)			
Programme Development Objective: To increase the income of rural young unemployed or self-employed men and women.	By the end of Programme implementation 4 250 poor and vulnerable rural beneficiaries (56% male and 44% female) in the priority areas will rise above the poverty line set at EC\$ 5,842/ per capita per annum, and the vulnerability line EC\$ 7,302/per capita per annum.			
Component 1				
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.			
	Overall active membership of rural organizations attended by the Programme has increased with 30%; by year 6.			
	60% of attended CBOs, Producers Groups and Assoc./Cooperatives have increased their strategic alliances with 30%; by year 6.			
	5 of producers Associations/Cooperatives have developed and implemented Strategic Plans; by year 3.			
	<i>Community groups formed/strengthened</i>	26	12.4	
<i>People in community groups formed/strengthened</i>	627	14.8		
<i>Community groups with women in leadership positions</i>	21	14.3		
<i>Apex organisations formed/strengthened</i>	4	80.0		
Output 1.2 Workshops on gender inequity in rural organizations have lead to concrete proposals for gender equity affirmative actions	20% increase of young men and women in rural organizations; by year 4.			
	Increase in female leadership in rural organizations with 20%; by year 4.			
	30% of CBOs, Producers Groups and Assoc. /Cooperatives present proposals for labour saving technologies, linked to income generating activities for women, to the RIF; by year 4.			

² No progress was made on targets/indicators since last Supervision Mission. The PCU is now fully staffed, RIF is closer to beoming operational, MOUs with Key implementing partners have been signed...all indicates that by December 2014 there will be significant progress on LF performance indicators.

<p>Output 1.3 Rural organizations have developed administrative skills to directly manage funds from operational RIF.</p>	<p>40% of attended CBOs, Producers Groups and Associations and Cooperatives have capacity to administer funds from the RIF, and contract within the framework of the RIF services, goods, and technical assistance directly; by year 5.</p> <p>100% of all facilities and infrastructure (re) constructed under the RIF are handed over as property of the rural organization, and are properly maintained; by year 6.</p> <p>In 60 % of the youth sports programmes, the funds are administered by rural youth organizations themselves.</p>			
<p>Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented.</p>	<p>At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.</p>	300	60.0	The numbers of persons on the march were not counted.
<p>Output 1.6 Youth motivational programme implemented in targeted communities.</p>	<p>At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.</p>	275	55.0	
<p>Output 2.1 Life-skills and personal development training programme developed and implemented.</p>	<p>80% of beneficiaries of vocational and skills training also pass through personal development training; by year 5.</p>	26	2.2	
<p>Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers. Output 2.3 M&E during training and job placement arrangements implemented (including successful linkage to the Programme’s business plan development).</p>	<p>900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.</p>	13	0.9	
<p>Component 2</p> <p>Outcome 3: Rural businesses and microenterprises established and strengthened.</p> <p>Outputs</p> <p>3.1 Rural Technical and Entrepreneurial Services (RTES) that contribute to the establishment and/or consolidation of profitable and competitive agricultural and non-agricultural rural businesses provided.</p> <p>3.2 Extension services and technical assistance to beneficiary groups in support to the preparation of a business plan provided.</p> <p>3.3 On demand short term specialized technical support for specific needs identified during the</p>	<p>60% of attendants of Entrepreneurial Skills Training prepare a business plan to start a business; by year 5.</p> <p>50 enterprises created for agro-processing and tourism services; by year 4.</p> <p>200 existing micro-enterprises increase production and sales; by year 6.</p> <p>50 enterprises legalized and registered as a commercial business; by year 4.</p> <p>Approximately 550 new jobs created in non-agricultural businesses, by year 5.</p> <p>50% of investments of the RIF were co-financed with financial institutions</p>			

<p>preparation or implementation of the business plans provided.</p> <p>3.4 Fully operational Rural Investment Fund for social and productive investments.</p> <p>Outcome 4: Improved sustainable agriculture, linkages to production chains, access to markets, and financial services.</p> <p>Outputs</p> <p>4.1 Training of MOA staff and team work building with Community Officers and Business Development Officers successfully implemented.</p> <p>4.2 Programme to improve access to relevant information and quality support services implemented, leading to an increase in productivity, sales and sustainability, to diversifying market outlets and to developing the specific product type and quality demanded by the targeted markets.</p> <p>4.3 Technical support services established and provided, allowing farmers, fishermen, and other producers, both individually and in associations to enhance their technological and organizational skills increasing production, sales, employment and incomes.</p> <p>4.5 Line of credit available to sub-borrowers, and subsequently the programme’s target group.</p> <p>4.6 Rural Financial Innovation Fund operational.</p> <p>4.7 Liaison with the Office of the Diaspora Affairs and the FFR find alternative and additional financing sources to implement proposals.</p>	<p>providing working capital (short term) financing; by year 6.</p> <p>Skills of 10 Extension officers from MoA refreshed annually to provide TA to target group; by year 4.</p> <p>30 enterprises/groups selling to supermarkets, increasing by 20% volume and total sales; by year 5.</p> <p>50 enterprises/groups selling to hotels & restaurants, volume and total sales; by year 4.</p> <p>1,000 farmers with contracts with GNMIB, volume and total sales; by year 5.</p> <p>240 agriculture crop farms modernized and production and farmer’s income increased; by year 4.</p> <p>480 livestock (small ruminants, egg and poultry) farms upgraded and production and income increased; by year 5.</p> <p>Approximately 150 agro-processing and crafts production business plan investments financed; by year 5.</p> <p>Approximately 100 service enterprise business plan investments financed; by year 5.</p> <p>Approximately 80 non-agricultural micro-enterprises accessing financial services (credit) for the first time; by year 5.</p> <p>Approximately 60 farmers access the credit line for the first time; by year 6.</p> <p>30% of borrowers become recurrent clients of the rural financial services.</p> <p>FIF will support at least 4 proposals to the FFR.</p>			
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Appendix 3: Summary of key actions to be taken within agreed timeframes

Action Area	Action Agreed	Date	Whom	Progress
Project Implementation	Recruitment of M&E Officer	Immediate	PM / PSC / MOF	
	Ensure implementation support in M&E	As soon as M&E Officer on board	IFAD	
	Intensify Programme oversight with monthly reports to PS Finance, IFAD and CDB	Monthly	PCU	
	Draft, approve, sign and implement MOU with NTA	By June 15, 2014	HSCBS / NTA / PSC	
	Start implementation of MOA MOU	By June 15, 2014	BDS / PCU	
	Review the AWPB 2014 and Logframe with PCU staff	By June 15, 2014	PM / PCU	
	Implement RIMS survey in 30 communities new communities and final report	By March 31, 2015		
	Final report on RIMS Baseline survey	By September 30, 2014	M&E Specialist and Officer / PM	
	Have the M&E system operating	By November 15, 2014	M&E Specialist and Officer / PCU	
	Outputs	Share and discuss with the PCU staff and key implementing partners the gender equity mainstreaming strategy and how to make it operational.	By July 31, 2014	HSCB Specialist / GYO / PM
RIF Manual approved an no-objection		By June 1, 2014	PM / MOF / CDB	
Revisit RIF ranking and screening criteria (include in POM)		By June 1, 2014	HSCB and BD Specialists / PM / GIDC / GCBL / PSC	
Monitor construction of feeder roads / RIF and linkages with identifying new productive and business opportunities		On going	BDS / PCU / MOW	
Develop simple manuals and instruments to assist CBOs with DIB and train CYOs in their use.		By June 15, 2014	HSCB and BDS Specialists / Accountant / M&E Specialist	
Review existing RIF proposals and assist in improving them (if required)		By 31, 2014	BDS and HSCB Specialists / BDO / CYO / MTA/ GYO / MOA Extension Officers	
Issue RIF Call for Proposals in 20 communities		By June 15, 2014	PCU	
Send IFAD the list of the 30 communities to be phased in as well as the justifications.		As soon as available	PM	
Develop and implement a communication strategy that will allow innovation and learning to be shared.		By September 30, 2014	M&E Officer / PCU	
Identify and implement concrete knowledge management and learning opportunities.		By September 30, 2014	M&E Officer / PCU	
Fiduciary Aspects	Back Up system through the GOG server	By June 6, 2014	Accountant / MOF	

Grenada
 Market Access and Rural Enterprise Development Programme – MAREP (Loan 819-GD)
 Supervision report - Mission dates: May 19-23, 2014
 Appendix 3: Summary of key actions to be taken within agreed timeframes

Other	Update of the POM paying particular to the Financial Mgt. Request Counterparts Fund from GOG	By July 31, 2014 Immediately	Accountant Accountant / PM /MOF
Sustainability	Provide adequate IT support to MAREP Team Elaborate an Action Plan projecting strategic thrusts until Programme closure, including consolidation phase in last 15 months of Programme implementation	By May 30, 2014 October 1, 2014	MOF PSC / PCU
	Elaborate a multi-year projection of work plans and budget until Programme closure	October 1, 2014	PCU

Appendix 4: Physical progress measured against AWP&B, including RIMS indicators

Period 1st Jan 2014 – 30 April 2014

Component/Sub Component/Output	Indicator	Unit	AWPB 2014	Actual (implemented 1st Jan - 30st April, 2014)	%	Cumulative Actual (April 2011 until April 30, 2014)	Appraisal Target	%	Comments
Component 1									
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Number	15	NA	70	34	147	18	Unit GROUP
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Male	210	NA		306	NA	NA	Brokedown 56% men 44% women
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Female	165	NA		218	NA	NA	
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	60% of attended rural organizations have increased both their strategic alliances and their active membership with 30%; by year 6	Number	3	NA					Unit UMBRELLA
Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	60% of attended rural organizations have increased both their strategic alliances and their active membership with 30%; by year 6.	Male	50	NA					Brokedown 56% men 44% women

Output 1.1 Training and TA programme to strengthen rural organizations in organizational aspects, social and human capital, has been successfully implemented.	60% of attended rural organizations have increased both their strategic alliances and their active membership with 30%; by year 6	Female	40	NA						
Output 1.2 Workshops on gender inequity in rural organizations have lead to concrete proposals for gender equity affirmative actions	20% increase of both young men/women in membership and of female leadership in rural organizations with 20%; by year 4.	Number	20	NA			5			Unit ORGANISATION
Output 1.3 Rural organizations have developed administrative skills to directly manage funds from operational RIF.	40% of attended rural organizations have capacity to administer funds from the RIF, and contract within the framework of the RIF services, goods, and technical assistance directly; by year 5.	Number	14	NA						
Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Number	NA	NA	17	3	NA			In the AWPB 25 participants were targeted from each community.
Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Male	NA	NA	NA	397	500	55		Participants of the Youth Motivational Symposium was not disaggregated for 2012
Output 1.6 Youth motivational programme implemented in targeted communities.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Female			NA					

Output 1.4 Increased knowledge amongst beneficiaries, especially young men and women alcoholism, domestic violence, HIV/AIDS, responsible fatherhood, environmental education, food security, food safety, and nutrition.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Number	NA	NA		2			
Output 1.4 Increased knowledge amongst beneficiaries, especially young men and women alcoholism, domestic violence, HIV/AIDS, responsible fatherhood, environmental education, food security, food safety, and nutrition.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Male	NA	NA		NA	500		
Output 1.4 Increased knowledge amongst beneficiaries, especially young men and women alcoholism, domestic violence, HIV/AIDS, responsible fatherhood, environmental education, food security, food safety, and nutrition.	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Female	NA	NA		NA			
Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Number	1	NA	2	4			
Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Male	168	NA		600	500		
Output 1.5 National advocacy campaign addressing gender, youth, and poverty related social issues implemented	At least 500 young rural men/women have become motivated and interested in vocational training, agriculture, business and/or community development; by year 4.	Female	132						

Output 2.1 Life-skills and personal development training programme developed and implemented.	80% of beneficiaries of vocational and skills training also pass through personal development training; by year 5.	Male	170	NA		9	720	1	
Output 2.1 Life-skills and personal development training programme developed and implemented.	80% of beneficiaries of vocational and skills training also pass through personal development training; by year 5.	Female	114	NA		25	480	3	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	Number	3	NA	33	5	1500	0	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	Male	170	NA	1	5	900	0	
Output 2.2 Vocational and skills training programme implemented through MoU and contracts with several service providers.	900 young men and 600 young women from targeted communities have fulfilled vocational or skills training.	Female	114	NA	16	17	600	2	

RIMS Indicators

Natural resources (land and water)

1.1.2 Groups managing infrastructure formed/strengthened	Number	NA	NA		7			
1.1.3 People in groups managing infrastructure formed/strengthened	Male	NA	NA		40			
1.1.3 People in groups managing infrastructure formed/strengthened	Female	NA	NA		48			
1.1.4 Groups managing infrastructure with women in leadership positions	Number	NA	NA		7			

Enterprise development and employment

1.5.1 People trained in Income Generating Activities	Male	NA	NA		4	900	0	
1.5.1 People trained in Income Generating Activities	Female	NA	NA		9	600	2	
1.5.2 People receiving vocational training	Male	284	NA		4	900	0	
1.5.2 People receiving vocational training	Female	114	NA		9	600	2	

Policy and community programming								
1.6.4 Community groups formed/strengthened	Number	15	NA		25	147	17	
1.6.5 People in community groups formed/strengthened	Male	210	NA		284	NA	NA	
1.6.5 People in community groups formed/strengthened	Female	165	NA		191	NA	NA	
1.6.6 Community groups with women in leadership positions	Number	NA	NA		21	147	14	
1.6.9 Apex organisations formed/strengthened	Number	3	NA		5	5	100	
Total Outreach								
1.8.1 Individuals receiving project services	Male	NA	NA		368	NA	NA	
1.8.1 Individuals receiving project services	Female	NA	NA		259	NA	NA	
1.8.3 Groups receiving project services	Number	15	NA		26	147	18	
1.8.4 Communities receiving project services	Number	20	NA		25	50	50	

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

Table 5A: Financial performance by financier as at April 30, 2014

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent Disbursed
IFAD loan	3,000	898	29.53%
Beneficiaries	270	-	-
CDB Loan	3,000	-	-
Government	2,230	472	21.1%
Total	8,500	1,370	16%

Table 5B: Financial performance by financier by component (USD '000)

Component	IFAD loan			Co-financier- CDB			Government			Beneficiaries			Total		
	Appraisal	Actual	%	Appraisal	Actual*	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Human and Social Capital Building	1,328	113	9	-	-	-	955	138	14	100	-	-	2,383	251	11
2. Market Access and Enterprise Development	854	43	5	2,785	-	-	490	29	6	170	-	-	4,300	72	2
3. Programme Management	819	291	36	215	57	27	782	365	47	-	-	-	1,816	713	31
Total**	3,000	447	15	3,000	57	19	2,230	430	19	270	-	-	8,500	1,036	12

* CDB expenditures were financed by IFAD resources and are currently being reclassified.

**Discrepancies in totals are due to rounding.

Table 5C: IFAD loan disbursements (SDR, as at 30-04-14)

Category	Category description	Original Allocation	Disbursement	Balance	Per cent disbursed
I	Technical Assistance, Training, Studies and Audit				
	a) Technical Assistance and Training	1,335,000	194,581	1,140,419	14.58%
	b) Studies and Audit	45,000	2,604	42,396	5.79%
II	Rural Finance Services – Innovation Fund	60,000	-	60,000	0%
III	Operating Costs	300,000	62,083	237,917	20.69%
IV	Unallocated	190,000		190,000	0%
	Authorized Allocation Special Account	-	310,619	(310,619)	-
	Total	1,930,000	569,887	1,360,113	29.53%

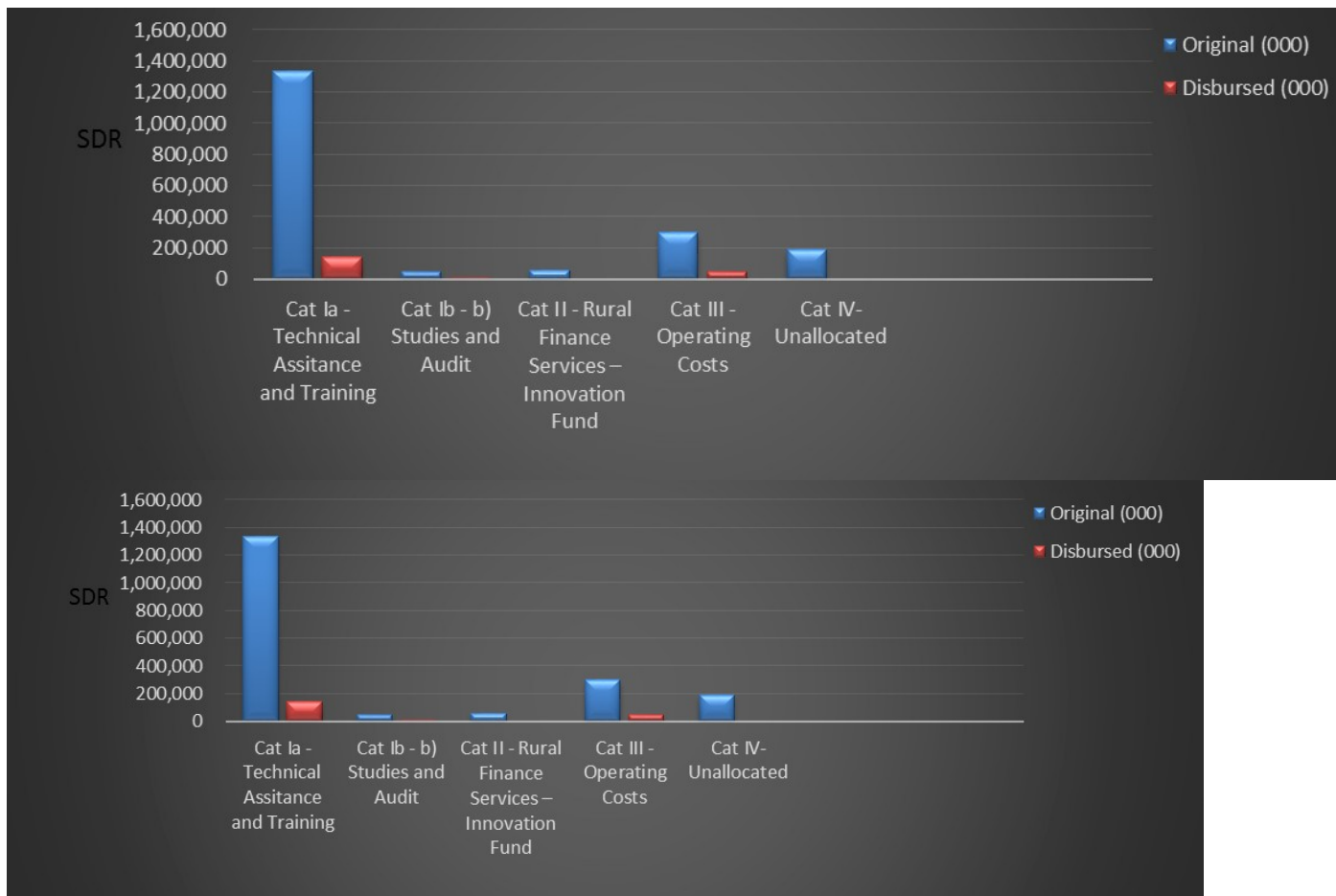
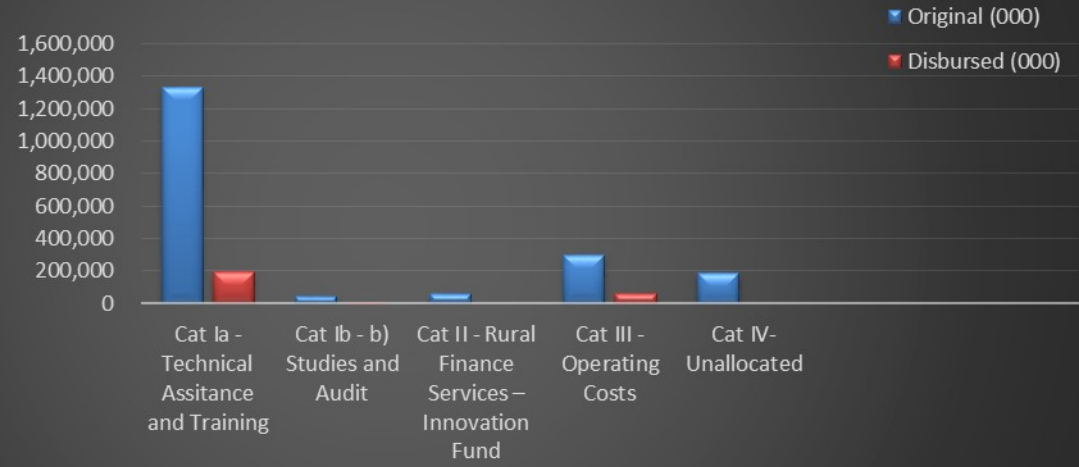
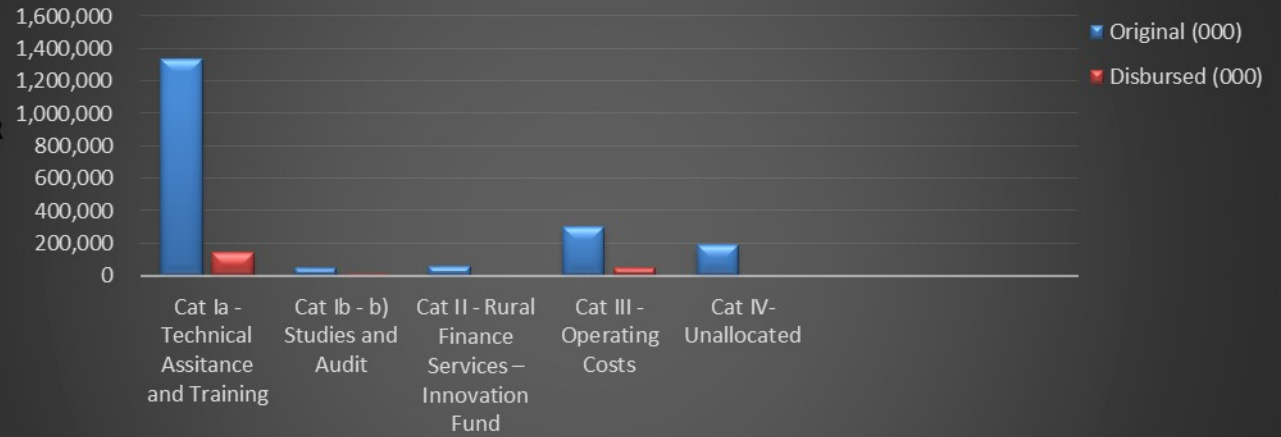


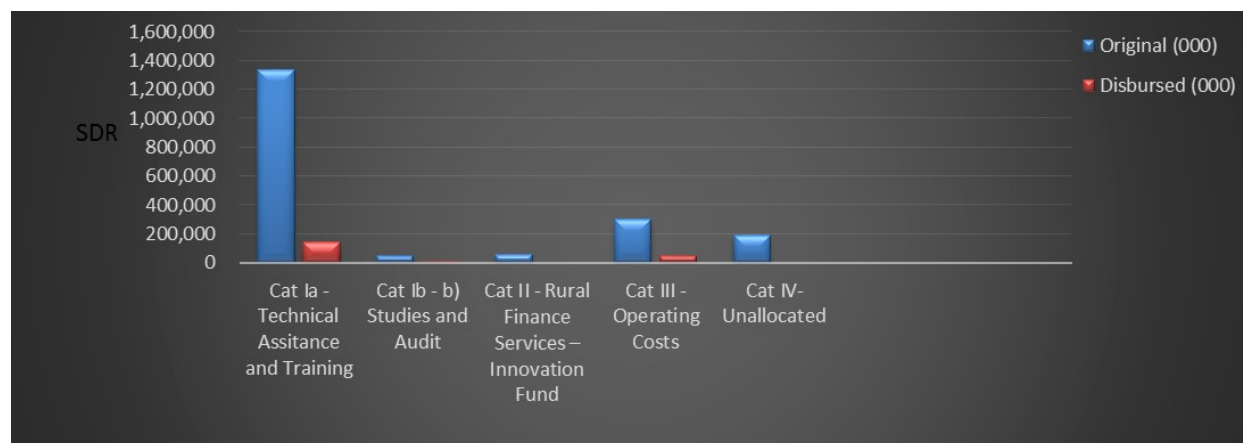
Figure 1: IFAD loan disbursements, comparisons between original allocation and actual disbursements as at April 30, 2014

SDR



SDR





Appendix 6: Compliance with legal covenants

Section	Covenant	Compliance Status/Date	Remarks
Para. 6, Section B, Financing Agreement (FA)	PCU to open "Project Accounts "	Compliant	
Section 7.05 (a), Article IV, General Conditions (GC)	Procurement of goods, works and services carried out in accordance with the Funds procurement guidelines	Compliant	
Section 9.02, Article IX (GC)	Submission of Financial Statements to IFAD	Compliant	Financial Statements for FY 2013 submitted to IFAD on 30 April 2014
Section 9.03, Article IX (GC)	Audit report submitted to IFAD.	Not yet due	The programme will submit the Audit Report for FY 2013 to IFAD by June 15 , 2014
Article VIII (GC) Section 8.03	Progress reports to be submitted to IFAD periodically on the project.	Compliant	Annual Progress report for 2013 was submitted on April 11 , 2014
Para. 3.3, Sec. II, Schedule 1 (FA)	AWPB to be submitted to the Fund for no objection	Non-compliant	AWPB for 2014 was submitted to IFAD December 18 th , 2014 , however there were some inconsistencies within the document, the programme will revise the

Section	Covenant	Compliance Status/Date	Remarks
Section 8.03 (b), Article VIII (GC)	A Mid-Term Review (MTR) to be carried out jointly by the Borrower and IFAD.	Not yet due	document and resubmit for IFAD No objection

Appendix 7: Knowledge management: Learning and Innovation

Learning

Though a learning and communication plan has been developed, this has not yet put into practice. The absence due to medical leave of the M&E Specialist has delayed the further development of learning methodologies. The recruitment of an M&E Officer to strengthen the M&E Unit will help MAREP in its learning and knowledge management in the near future until Programme completion.

Innovation: Describe any interesting innovation noted during supervision

As part of forging new marketing linkages, the Programme will organize an Exposition in Belmont Estate in July 2014, where rural communities will showcase successful businesses, and where innovative firms that are engaged in sustainable agricultural products (national and international) will share new and “green” technologies to inspire diversification from traditional non-competitive activities to sustainable innovative ventures.

This Expo will be one of the links of MAREP and its beneficiaries to the Pure Grenada initiatives, in a scheme of Public-Private-People’s Partnerships (PPPP). The results of this innovative process will be interesting to follow-up during future Supervision missions.