

## Zambia

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### Enhanced Smallholder Livestock Investment Programme

### Supervision Report

### Main report and appendices

Mission Dates: 29 April - 10 May 2019

Document Date 02/08/2019

Project No. 2000000822

Report No. 5122-ZM

East and Southern Africa Division  
Programme Management Department

## Abbreviations and Acronyms

<b>CBPP</b>	Contagious Bovine Pleuropneumonia
<b>CVRI</b>	Central Veterinary Research Institute
<b>DLD</b>	Department of Livestock Development
<b>DVS</b>	Department of Veterinary Services (MAL)
<b>ECF</b>	East Coast Fever
<b>E-SLIP</b>	Enhanced Smallholder Livestock Investment Programme
<b>ITM</b>	Infection and Treatment Method
<b>MFL</b>	Ministry of Fisheries and Livestock
<b>M&amp;E</b>	Monitoring and evaluation
<b>OFID</b>	OPEC Fund for International Development
<b>OIE</b>	World Organisation for Animal Health
<b>PCO</b>	Programme Coordination Office

## A. Project Overview

Region:	East and Southern Africa Division	Project at Risk Status:	Actual problem
Country:	Zambia	Environmental and Social Category:	B
Project Name:	Enhanced Smallholder Livestock Investment Programme	Climate Risk Classification:	3
Project ID:	200000822	Executing Institution:	Ministry of Agriculture and Livestock
Project Type:	Livestock	Implementing Institutions:	not available yet
CPM:	Ambrosio Barros		
Project Director:	Olive Clara Chiboola		
Project Area:			

Approval Date:	01/09/2014	Last audit receipt:	28/06/2019
Signing Date:	11/05/2015	Date of Last SIS Mission:	10/05/2019
Entry into Force Date:	11/05/2015	Number of SIS Missions:	9
Available for Disbursement Date:	24/07/2015	Number of extensions:	0
First Disbursement Date:	02/09/2015	Effectiveness lag:	8 months
MTR Date:	not available yet		
Original Completion Date:	30/06/2022		
Current Completion Date:	30/06/2022		
Financial Closure:	not available yet		

## Project total financing

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

## Current Mission

Mission Dates: 29 April - 10 May 2019

Days in the field: 4

Mission composition: Mr Ambrosio Barros, IFAD Country Director and Team Leader; Ms Paxina Chileshe, OiC Regional Climate and Environment Specialist and Deputy Mission Leader; Mr Charles Chakoma, Livestock Production/Animal Health/Rangeland Management Expert; Ms Stefania Gnoato, Social Inclusion Specialist, Ms Grace Nakanjako, Monitoring and Evaluation and Knowledge Management Specialist; Mr Dixon Ngwende, Institutions Specialist; Ms Alice Abillu, Financial Management specialist.

Field sites visited: Itezhi-tezhi and Nkeyema Districts, Central Province; Senanga District and Sesheke Districts, Western province

## B. Overall Assessment

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

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

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

<b>Relevance</b>	<b>Ø</b>	<b>Rating</b>	<b>4</b>
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## C. Mission Objectives and Key Conclusions

### Background and Main Objective of the Mission

The International Fund for Agricultural Development (IFAD) fielded a Supervision and Implementation Support Mission to Zambia for the Enhanced Smallholder Livestock Investment Programme (E-SLIP) from 29 April to 10 May 2019. The purpose of the mission was to assist the Programme Coordination Office (PCO) on behalf of the Ministry of Fisheries and Livestock (MFL) to address identified issues hampering the effective implementation of the programme and move it out of problem project status. Some of the key issues are: delayed implementation of the Annual Work Plan and Budget leading to non-achievement of planned targets, the depleted IFAD resources for Component 1 and the adverse impact of non-release of Government counterpart funding and inadequacy of beneficiary contribution to the implementation of Component 1 of the Programme, the problem of streamlining IFAD and OFID financing due to the delay in OFID financing, which has now been resolved and lag in implementation of Component 2 which is accounting for about 56% of financing, the inadequacy of IFAD financing for Component 3 of the Programme and likelihood of failure to meet the wage bill for the PCO beyond 2019; procurement delays and operational inefficiencies.

E-SLIP is a follow-on programme to the Smallholder Livestock Investment Project (SLIP) which closed on 31 May 2015. ESLIP was approved in September 2014 and became effective on 11 May 2015 and is scheduled to close 31 August 2022. The programme goal is to sustainably improve incomes of rural poor households in selected provinces and districts. The development objective is to sustainably improve the production and productivity of key livestock systems of targeted female and male smallholder producers in selected provinces and districts. The programme area is national in scope but with focus on districts which are endemic or prone to outbreaks of Contagious Bovine Pleuro-pneumonia (CBPP), and/or East Coast Fever (ECF). The direct beneficiaries have been estimated at 180,000 households. The programme has three components, namely, component 1 – Animal Disease Control – aims to reduce the prevalence of CBPP and ECF to levels that will allow smallholders cattle herds to grow. Component 2 – Livestock Production and productivity improvement has two sub-components: (i) sustainable forage and forage seed production and utilisation and (ii) Pro-poor stocking and restocking. Component 3 – Programme Management – for programme planning, coordination, financial management and monitoring/evaluation. The total programme cost has been estimated at USD 46.3 million: Component 1 USD 13.954 million, representing 30% of programme cost; Component 2 – USD 25.85 million, accounting for about 56% of programme cost and Component 3 – USD 6.5 million, representing 14% of programme costs. The programme costs are financed by: IFAD contributing USD 15.1 million (32.6%) comprising a loan of USD 14.23 million, and a grant of USD 0.87 million; OFID – 12.0 million (25.9%), GRZ – contribution of USD 10.7 million (23.1%), and a beneficiary provision of USD 8.5 million (18.4%) in cash and kind.

The Mission held discussions with the key staff of MFL as well as the key staff of the Ministry of Finance to discuss the overall E-SLIP implementation standing and future considerations. The mission worked closely with the PCO to review, discuss and resolve implementation issues. The Mission went to the field in Itezhi-tezhi and Nkeyema Districts, Central Province and; Senanga District and Sesheke Districts, Western province and met with beneficiaries and Government technical officers from Provincial and District levels.

The Mission debriefed the PCO and MFL staff on 09 May 2019 about its findings and conclusions to reach agreements. A wrap up meeting was held with the PS of the MFL on 14 May 2019. The mission expresses its gratitude for the support given by the Government of Zambia during this visit.

### Key Mission Agreements and Conclusions

The implementation of E-SLIP is slower than expected due in part to the financing with GRZ resources being limited and funds from OFID yet to be accessed. For the disease control activities, movement towards OIE mandated certified conditions for freedom from CBPP disease outside the maintained vaccination buffer zones has delayed. Protocol for CBPP disease eradication is still to be logged with OIE for approval. A draft protocol has been completed and awaits review and comments by relevant stakeholders.

Under the livestock production and productivity improvement, going forward and to accelerate achievement of project outcomes, the following are recommended: (i) intensify training of beneficiaries of both forage, forage seed and livestock pre- and post-benefiting. The FAO-developed farmer field schools (FFS) model can be used; (ii) quickly expedite engagement of NGOs for stocking and restocking; (iii) develop simplified and efficient method of procuring livestock. The livestock procurement procedure should take into consideration the need to procure adapted local breeds, to enhance disease control and cost-effectiveness.

The pasture development and rangeland management activities can result in improved environment and natural resources management for the E-SLIP target beneficiaries. The capacity development that accompanies these activities is an important element to ensure the desired improvements in natural resources management. Notably some of the forage plots are being developed on degraded lands, which will result in rehabilitation and thus contribute to addressing land degradation and enhancing soil fertility. The improved rangelands management will also limit the grazing areas for the livestock and thus reduce the pressure on the natural resources in the area.

In addition to the no-regrets climate change adaptation measures such as watering points and drought tolerant forage varieties the mitigation co-benefits can be accrued through improved management of livestock feed thus reducing emissions; the rehabilitation of degraded land and re-vegetation, which improves the carbon content of the soils and promotion of organic manure that reduces the need for inorganic fertilizers. The scale and thus reach of most of these activities is limited and therefore partnerships will have to be established.

It was agreed that the project coordination team steps up mechanisms for reviewing project implementation given the involvement of different departments within the MFL. Challenges affecting implementation should be ironed out in time and experience and knowledge sharing across components as well as building synergies within the project encouraged.

The counterpart financing by the GRZ stands at US\$1.272 million representing 12% of the allocated. Cash allocation is US\$7.387 million and only US\$191,506 (3%) has been disbursed so far. There have been significant delays in the disbursement of cash by GRZ resulting in slow programme implementation. The mission recommends that GRZ makes cash contribution in excess of US\$2.6million to address implementation delays arising from lack of funding. In addition the access to the OFID funds is critical and needs to be secured as soon

E-SLIP is encouraged to develop an exit strategy that will define how the Programme will hand over interventions and assets generated from the interventions to stakeholders including government, NGOs, communities and if need be the private sector. Further, it will seek to consider how to develop self-scaling up mechanism for wider impact or how the impact of the interventions will be sustained. For the programme to develop a meaningful exit strategy, there will be need to consult widely.as possible.

## D. Overview and Project Progress

### Component 1. Animal Disease Control Sustainably Improved

Activities undertaken during the period under review include:

1. border vaccinations of 20,360 cattle against a target of 23,000 (92%) in Northern and Muchinga provinces, and 136,982 cattle against a target of 149,750 (91%) in Western, province. This is below the target of at least 95% coverage in the PDR. However, the number of cattle vaccinated will increase due to continuous vaccination of cattle moving into clean areas.
2. sero-surveillance of herds for CBPP in the vaccinated areas to assess the effectiveness of the vaccination programme.
3. sensitization of communities in the North Western and Western provinces and formation of 16 task-forces in North Western Province to help in monitoring movement of cattle in the CBPP affected areas. Nine task-forces were already formed and effective in Muchinga and Northern provinces in addition to the five effective task-forces in Kazungula in Southern Province. The total task-forces formed as of today amounts to 30 out of the targeted amount of 80. The Department of Veterinary Services (DVS) still needs to engage livestock traders and sensitise them on the need to follow veterinary regulation when moving cattle.
4. test and slaughter of CBPP infected herds continue in infected areas. Trace-back of the source of infection has to be instituted at all times.
5. PCO engaged with E-SAPP and facilitated the construction of an abattoir in Shangombo, Western Province. The abattoir will minimize movement of cattle from the border with Angola to abattoirs in Mongu and Senanga, thus containing spread of CBPP. Construction of an access road is delaying the opening of the abattoir. It is recommended that the PCO facilitates the discussion between the operator of the abattoir and GRZ to ensure opening by 30 June 2019.
6. an animal identification and traceability (AI&T) system is still to be instituted in the affected areas. 25,000 tags have been placed on order and delivery is expected in August 2019. AI&T system will be piloted in Kazungula, Mazabuka and Shibuyunji districts.

Activities to achieve sustainable ECF immunization include:

1. training of 85 MFL district staff in correct methods of administering ECF stabilate to calves 3 to 18 months.
2. immunization of ECF ITM in Lusaka, Central and Copperbelt provinces with 15,990 calves immunized against a target of 25,500; while the project achieved 43,796 for Eastern and Southern provinces instead of the 80,000 planned for 2018. Total immunization achieved to December 2018 was 59,786 well above the project target of 20,000 calves by project mid-term.
3. cross-immunity trials were conducted in Northern and Muchinga provinces to ascertain the effectiveness of Mbala, Nakonde, Isoka and Mafinga isolates of *T. parva* for ECF ITM. Cross-immunity trials are continuing to isolate the correct strain of stabilate.
4. equipment and consumables for stabilate production by CVRI has been delivered. Outstanding is the sourcing of 104 ECF clean calves (2 – 6 months) for infection and production of ECF stabilate. This process takes 9 months for the stabilate to be ready. There is a hold-up in the approval process at PCO. In the meantime, stabilate for the rest of 2019 vaccinations to occur, 115,000 vials of stabilate worth USD269,000 must be procured from Malawi. This is being held up by procurement issues.
5. beneficiary contribution to ECF ITM immunization is now pegged at K25 per calf. The project intends to review this upwards to K30 per calf by January 2020. This is still below the 75% (GRZ cost of K105 per calf ) beneficiary contribution. There may be need to revise the target of 75% beneficiary contribution downwards. All beneficiaries regardless of size of herd are benefitting from the subsidy. The mission proposes cutting off the subsidy for farmers immunizing more than 50 calves.
6. the cost, efficiency and coverage of ECF ITM immunization of calves can be enhanced if private veterinarians are involved. The PCO has come up with a concept note that shows the cost of immunization can be reduced to K66 per calf if private veterinarians are involved. Barrier to entry into this business by private veterinarians might be cost of equipment for maintaining the cold chain and acquisition of suitable vehicles. There is need to look into designing a suitable financing package for the private veterinarian.

### Component 2. Livestock Production and Productivity Improved

Activities undertaken include:

1. procurement of locally available forage seed and distribution to farmers through district officers of the Department of Livestock Development (DLD) and Heifer International Zambia (HIZ). 32 t of forage seed were distributed and returns received show that 5,843 households planted a lima each, against a project target of 80,000 households.
2. monitoring of demonstration plots and backstopping of DLD officers.
3. field days continue to be held under the direction of DLD officers with the aim of showcasing and exchanging knowledge on forage production and utilization.
4. The following forage seed multiplication activities were also carried out; (i) forage seed production training for 54 (41 M/13 F) farmers and 8 (6 M/2 F) DLD staff was conducted in conjunction with Seed Control and Certification

Institute (SCCI). These farmers were also trained in entrepreneurial and marketing skills, (ii) a total of 2.89 t of forage seed was distributed to the 54 farmers and 109 ha were planted, (iii) seed farmers were registered with the SCCI who made follow ups and inspections of the seed plots.

5. Site identification for the development of community managed watering points for better utilization of legume reinforced rangelands were conducted. Eighteen watering points sites were identified in the drought prone Southern province. Communities opted for the construction of weirs and earth dams instead of boreholes. This will result in the number of watering points being reduced from the envisaged 50 to a maximum of six. Additional financing has to be identified for this critical climate resilience building activity. Despite the drop in number of watering points, the dams allow more livestock and communities to access the water with livestock and herders covering shorter distances.
6. Pro-poor Stocking and Re-stocking activities undertaken during the period under review include: (i) a total of 263 farmer groups (2,060 households) were profiled in readiness for stocking and restocking, (ii) procured 70 dairy cattle, 206 beef cattle, 2,400 goats, 95 pigs and 660 village chickens. Some of these livestock have already been distributed to 173 households against a mid-term target of 5,430. The poor performance is due to delayed procurement of livestock packages and engagement of co-financiers (NGOs). (iii) PCO has initiated engagements with NGOs that are experienced and have the capacity for farmer mobilization and livestock stocking. In this regard, a proposal has been prepared by HIZ and is awaiting approval by MFL.

During the field visits the Mission had a chance to view two groups that benefited from goats stocking and one group that benefited from beef cattle restocking. The mission observations were as follows; (i) Kakeyenge Women's Cooperative received 20 in-calf beef heifers of which two had calved. These cattle are being kept as a single herd and are in good condition. This group is a good candidate for instituting the rangeland reinforcement and grazing management activity. However, they are still to receive a bull. (ii) Nkeyema Marketeers Association received 100 goats distributed to 20 women. At the time of visit nine goats had died mainly due to blue tongue, despite having been vaccinated at source and 28 kids have been born. The group awaits the delivery of improved bucks. (iii) Maka Cooperative in Sesheke received 100 goats distributed to 20 farmers. A single goat died, three aborted and 55 kids have been born. This is a vibrant group that has forage reserves for feeding goats and has ideal goat housing.



## E. Project implementation

### a. Development Effectiveness

#### Effectiveness and Developmental Focus

Effectiveness

Rating: 3

Previous rating: 4

#### Justification of rating

The project has not been able to carry out an assessment of the outcomes to be able to ascertain progress towards the attainment of the development objectives. On the basis of the outputs delivered so far, the project will likely attain results associated with the reduction in the prevalence of CBPP and ECF. Limited progress has been made towards sustainable improvement of production systems through improvement of sustainable forage systems and livestock restocking. Significant delays were encountered due to delayed access to the OFID funds that had been earmarked to finance the interventions. The project needs to plan and undertake structured outcome surveys on an annual basis to more systematically assess progress towards attainment of the set development objectives.

#### Log-Frame Analysis & Main Issues of Effectiveness

The mission noted that the project was not able to undertake a baseline survey in time that would facilitate the benchmarking of performance indicators and provide a basis of assessment of project results. In addition an outcome survey has not been carried out to assess whether outcomes are being attained or not. The lack of results at outcome level makes it difficult to objectively assess progress towards attainment of development outcomes. The project management thus needs to urgently carry out a combined assessment of the outcomes as well as through a recall method collect baseline data for the project outcomes. The procurement process needs to be restarted and urgently expedited to ensure that the necessary information is made available for future assessments.

The project logframe has thus been updated to the extent possible up to May 2019 with results mainly at output level. From the update only two indicators at outcome level have results while the rest of the indicators remain un-updated. E-SLIP has only achieved 15.5% (31,000 out of a target of 200,000) towards the production of stabilates for use in immunisation of calves against ECF. In addition, the project has only realised 7 % ( 5,843 out of 80,000 forage farmers) of the appraisal target related to establishment of sustainable forage systems towards improving livestock productivity. Results also show that the project is currently vaccinating up to 90% of the animals against CBPP in the affected districts representing a 95% achievement against the project target of 95% coverage. 38 out of 80 Community CBPP Task Force teams have been established and the project is yet to expand to cover all affected districts to ensure that the disease is contained within the buffer zones. As a result, the CBPP outbreaks have been reported in some inland areas beyond the buffer zones in some districts, hence the need to intensify surveillance activities. Other interventions that are reported to be performing adequately well include the forage demonstrations at primary schools (24 out of 60 demos), Milk Collection Centers (43 out of 40 Demos) and at livestock breeding and service centers (21 out of 100 Demos). In addition E-SLIP is successfully intervening with the development of certified seed through seed growers at community level. To date 45 out of a project target of 54 seed growers are participating in the programme and are expected to produce upto 92MT of certified forage seed at the end of the ongoing production season.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Development Effectiveness</b>		
<b>Carry out an outcome assessment survey</b> Carry out an outcome survey to assess the level of attainment of project outcomes. In addition through a recall method, establish the level of outcomes in 2016 considered to be the base year of project implementation	M & E Specialist	11/2019

#### Development Focus

Targeting and Outreach

Rating: 4

Previous rating: 4

#### Justification of rating

Targeting & outreach continues being moderately satisfactory. ESLIP has adopted an inclusive targeting strategy and mechanisms which focus on economically active poor, the very poor, women-headed HHs and youth living in specific areas with high prevalence of ECF/CBPP, over the country. Outreach stands at 30% of appraisal target. Targeting

mechanisms include pro-poor selection criteria based on poverty rates within the 10 provinces. However: i) there is a lack of participating beneficiaries poverty-status tracking and of gender/youth data disaggregation; ii) the scale of community mobilization activities and at times the quality of the services delivered under Comp.2 are below the set targets, owing to delays in procurement (re/stocking packages) and co-financiers (NGOs) engagement.

**Main issues**

The main issues that emerged during the mission, which need to be addressed with priority in order to increase the likelihood of meeting the development objectives by programme completion, are the following:

1. Revise current programme overall outreach targets of 180,000 households downwards, in line with the depletion of funds and the restructuring plan;
2. Increase youth targeting outreach by including more youth-sensitive activities, such as support for community animal health workers (CAHWs) or community animal veterinary entrepreneurs (CAVEs);
3. Improve the scale and quality of community mobilisation activities and service delivery through prompt engagement of NGOs, in particular to implement a more capillary and systematic training programme both on technical and community empowerment aspects (e.g. farmers’ group and cooperatives) for beneficiaries, staff and government officials;
4. Maximize Component 2 initiatives benefits through more pro-active efforts in promoting market linkages for farmers’ groups, including women’s clubs and cooperatives (e.g. product bulking); and
5. Facilitate the monitoring of programme impact on poverty by making sure the ‘Beneficiary Profiling Form’, regularly filed for Sub-Component 2.2 by the Coordinator, is shared with the M&E Specialist for inclusion in the M&E system (on a continuous basis).

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Development Effectiveness</b>		
<b>Downscale overall programme outreach targets</b> Downscale overall programme outreach targets in line with depletion of funds	PCO/MFL	06/2019
<b>Increase youth targeting</b> Increase youth targeting by adding e.g. CAWHs & CAVEs activities	PCO/MFL	06/2019

<b>Gender equality &amp; women's participation</b>	<b>Rating: 2</b>	<b>Previous rating: 4</b>
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**Justification of rating**

Gender equality and women’s participation is downgraded to moderately unsatisfactory. Programme outreach for women who received improved forage seeds stands at a low 26% against the Mid-Term target; and at 0,03% against the Mid-Term target for women-headed HHs who received livestock packages. Delays in procurement coupled with the challenges faced in the implementation capacity, with NGOs yet to be engaged, hinders the likelihood of achieving the foreseen benefits for women, particularly with respect to their economic empowerment. Low gender awareness and capacity among staff and officials involved in implementation and lack of gender awareness training is hampering further the gender focus of the programme

**Main issues**

The mission recommends a gender and community mobilization expert is hired on a full-time consultancy-basis to boost the programme focus on social inclusion. In particular she/he will: (i) conduct gender awareness training for staff, government officials and beneficiaries; (ii) mainstream the HH methodology approach into implementation documents and activities; (iii) ensure leadership sensitization and training of women in the targeted communities; (iv) support the institutional empowerment of women’s clubs, farmers’ groups and cooperatives including their access to local markets; and (v) conduct Training of Trainers on household nutrition

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Development Effectiveness</b>		
<b>Procurement</b>	PCO/MFL	06/2019
Hire a full-time gender & community mobilization consultant		

## **Agricultural Productivity**

**Rating: 4**

### **Justification of rating**

The project's primary aim is to improve livestock productivity for poor households through reducing prevalence of CBPP and ECF and sustainable livestock production. Vaccination against CBPP has achieved 92% coverage vs. 95%. ECF ITM immunization made a slow start and 22% of intended calves have been vaccinated. Reduction of CBPP and ECF will allow smallholder cattle herds to grow. Sustainable livestock production through forage and forage seed production and livestock stocking and restocking will result in a 25% increase in livestock offtake. Planting of forage legumes on arable lands improves soil fertility and hence crop yields. Forage production has progressed well with 109 t of forage seed distributed and demonstration plots have been established on milk collection centres.

### **Main issues**

Reduction in prevalence of CBPP and ECF to allow smallholder cattle herds has progressed relatively well. CBPP vaccinations in the border areas with Tanzania (Northern and Muchinga provinces) and Angola (Western, Southern and North-Western provinces) has achieved 97% and 88% vaccination coverage, respectively. Vaccination coverage and containment of CBPP with 30 km of border areas has been achieved in Northern and Muchinga Provinces. However, there are still issues to be addressed in Western Province; CBPP infections are still occurring along the Zambezi River. Taskforces to help with monitoring cattle movement are still to be fully formed and cattle movement of infected cattle to from the border to abattoirs in Mongu and Senanga districts. Though a CBPP control protocol has been developed, it is still to be lodged with OIE. Lodging of the CBPP control protocol with OIE will allow for declaration of disease-free districts.

ECF ITM immunization of calves less than 18 months old will allow an increase in smallholder cattle populations. Immunization is ongoing with ECF stabilate being procured from Malawi, number of calves vaccinated is above target. Stabilate production at CVRI is still to commence with the holdup being procurement of TBD-free calves. Delayed production of ECF stabilate is also stalling the certification of the stabilate production process by ZAMRA.

Livestock productivity and production improvement is also being promoted by forage and forage seed production and stocking and restocking of poor households. Despite the delayed disbursement of OFID funds, activities have been initiated using IFAD funds. Forage planting materials were distributed to over 5,000 households and each successfully established a 0.25-ha forage plot. Despite the poor rainy season, forage was successfully established. Forty-five forage seed producers were trained and each established forage seed plots, mainly legumes. Forages are being grown by households that received livestock packages (goats and cattle) under the restocking programme.

Distribution of livestock packages under the stocking and restocking programme finally took off following delays owing to late engagement of the responsible officer and a cumbersome procurement process. A total of 197 livestock packages were distributed. Whilst most of the livestock are thriving, one group had high goat mortalities (15%) and bulls and bucks are still to be distributed. Delays in procurement of bulls and bucks will adversely affect re-conception resulting in delayed pass-on. Improvements are required in training of beneficiaries pre- and post-restocking and livestock procurement.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Development Effectiveness</b>		
<b>Intensify training of pro-poor restocking beneficiaries</b> Intensify training of pro-poor restocking beneficiaries in forage and livestock production pre- and post-benefiting.	PCO/MFL	06/2019
<b>Agree on guidelines and procedures for efficient procurement of livestock</b> Agree simplified guidelines and procedures for efficient procurement of livestock.	PCO/MFL/IFAD	06/2019
<b>Lodging of protocol with OIE for CBPP eradication</b> Lodging of protocol with OIE for CBPP eradication to be finalised and submitted	MFL/DVS/PCO-DCU	08/2019
<b>Procurement of clean calves for production of stabilate by CRVI</b> Procurement of 104 clean calves (2 – 6 months old) for production of stabilate by CRVI.	PCO-DCU/MFL/IFAD	08/2019

#### **Nutrition**

**Rating: 3**

##### **Justification of rating**

Nutrition is rated moderately unsatisfactory. While the programme has a strong focus on household food security, particularly towards child malnutrition reduction through its interventions of increasing livestock production, the limited scale of activities carried out thus far do not provide a basis for analysis on outcome and impact towards improvements in nutrition. Moreover, based on quality data collected during field visits, beneficiaries showed limited awareness on the importance of using livestock restocking packages for improved household nutrition purposes.

##### **Main issues**

In order to step-up the focus on nutrition, the programme needs to i) accelerate the implementation of key activities such as re/stocking of livestock and ii) conduct more capillary and systematic training on household nutrition. It is worth noting that the re/stocking activities will be funded by OFID resources and therefore unless these are received in a timely manner further delays in implementation will result.

#### **Adaptation to Climate Change**

**Rating: 3**

**Previous rating: 3**

##### **Justification of rating**

E-SLIP includes no-regret climate change adaptation measures such as improvement of the rangeland management, forage development and provision of water points for livestock particularly in the drought prone Southern Province. Climate risk considerations are part of the decision in the selection of forage seed varieties being distributed and the farmers are also being trained in conservation agriculture techniques. Therefore though not explicit in the reporting previously, there are some climate change adaptation activities being implemented albeit very limited and with some delays due to the funding source (OFID) and late release on the designated funds. Climate risks and adaptation measures need to be incorporated in existing manuals.

##### **Main issues**

In order to move beyond the no-regrets approach to climate change adaptation a risk analysis needs to be undertaken and climate change adaptation measures identified to build the resilience of the E-SLIP beneficiaries. This would entail the production of a climate risk map of the areas of interventions, including potential impact to inform and provide rationale for the adaptation measures. The climate risk assessment can be expedited through linkages with E-SAPP, where CIAT will be engaged to conduct a vulnerability analysis for specific value chains that include goats, pigs and chickens and also with the University of Cape Town analysis that is underway with ASAP 2 funds.

Disease control and the vectors such as ticks, which are linked to climatic patterns and trends, continue to be a challenge. The dipping regimes of every seven days does not appear to be effective in some locations and commercial farmers with the means are already reducing the frequency to every five days. The department of veterinary services has noted spikes in the incidence of pests and diseases that could be linked to climate events. As such trends can already be established and options recommended to provide guidance for the smallholders to improve pest and disease management.

Integrated pest and disease management plans will need to be developed for the smallholders and the necessary capacity building provided. These plans require resources and technical expertise to be developed. The plans will be informed by a Knowledge Attitudes and Practices study that will be conducted as a form of situational analysis and gap identification. The resources for the KAP will be from Component 1 studies that are no longer required.

The selection of forage varieties being promoted in particular locations should be explicitly informed by a climate risk analysis. Each region can effectively be mapped and climate change risks identified and thus forage selected based on the properties that specifically address the identified risks. Following the distribution of seeds, the performance of the forage should be monitored to further inform the subsequent selection and planting by communities.

The selection of animals for restocking also implicitly takes into account the adaptability of the breeds being sourced and therefore climate impacts. Increasing temperatures and stress resulting from prolonged dry spells or droughts as well as from limited feed and water increase the vulnerability of the livestock to diseases. Local breeds are known to have better adaptability to climate change. However, the climate risks being taken into account need to be explicit to more effectively inform the selection of the animals.

The climate change risk analysis in the siting and design of the water points also needs to be explicit. The estimated reduction in distances being covered to reach the points that will be developed has to be quantified and climate change related impacts on water availability and flows considered to determine the size and scale of the water points.

Being a livestock development project the capacity for climate change mitigation should be assessed. This will ensure optimisation of opportunities that arise. Activities such as improvement in feed management for emission reduction, rehabilitation of degraded lands to increase soil carbon content as well as soil fertility and promotion of manure use in biogas production all contribute to climate change mitigation. Available tools should be used to assess the carbon emissions from the project and the reductions in emissions as a result of the interventions. The IFAD funded FAO grants for carbon analysis of projects can build capacity for the PMU and Livestock Development Department to undertake the GHG assessments.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Development Effectiveness</b>		
<b>Training manuals</b> Integrate climate risk management in manuals already developed	PMU	10/2019
<b>Climate vulnerability mapping</b> Develop climate change risk map of intervention areas and recommended species and varieties	PMU/ MFL	12/2019
<b>GHG emissions assessment</b> Conduct GHG emissions assessments using existing tools	PMU/MFL (DLD)	03/2020
<b>Integrated Pest and Disease Management Plans</b> Develop pest and disease management plans in selected districts	PMU/ MFL (DVS)	03/2020

## **b. Sustainability and Scaling up**

<b>Institutions and Policy Engagement</b>	<b>Rating: 3</b>	<b>Previous rating: 4</b>
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### **Justification of rating**

E-SLIP has engaged with other development partners with interest in Livestock such as AfDB and World Bank supported programmes as a way of exploring possible linkages and synergy. The programme focus is on improving production and

productivity livestock. Therefore there is need to put efforts to develop effective linkages with other programmes or institutions with potential to support livestock marketing activities

**Main issues**

The programme structure is well placed for policy influence considering that both the Department of Livestock Development (DLD) and the Department of Veterinary Services (DVS) are involved in everyday business of the programme and they are part of the programme steering committee. Policy issues that need to be addressed can easily be identified and taken up to the authorities. One aspect that needs to be considered was that of bringing in the private sector’s participation in veterinary services. Some private players have started getting involved in ECF ITM and it appears the private sector may be able to deliver the services at a lower cost as compared to the government. Currently it costs government K105 to immunise one cow against the estimated cost of K65.00 by the private sector. Scaling up private sector engagement in the aspects of veterinary services will require clear policy direction. Another aspect to look at is how the private sector can make use of the community livestock workers in enhancing access to veterinary services

**Partnership-building** **Rating: 3** **Previous rating: 4**

**Justification of rating**

Efforts to develop synergies and partnerships have started with close interactions with AfDB and World Bank supported programmes but this has not significantly gone beyond the exploration for opportunities for synergy with limited exceptions. Partnership building with NGOs and private sector has been hampered by delays in concluding contracts as is the case of Heifer International

**Main issues**

There are a number of public programmes implemented in Zambia that are potential partners to E-SLIP including the Livestock Infrastructure Support Project and the Lake Tanganyika Development Project supported by AfDB; NGOs such as the MUSIKA, Heifer International Zambia, Self Help Zambia, and Catholic Relief Services, just to mention a few. The Livestock Infrastructure Support Project has supported development of public and community infrastructure for livestock including check-points in Mbala and in border areas, quarantine stations and established eight districts and two regional laboratories in Kasama and Isoka as part of controlling livestock diseases. Community infrastructure supported by the programme includes dip-tanks, loading bays and extension centres. Slaughter facilities, and milk processing centres, among others. The other AfDB funded US\$27.0 million Lake Tanganyika Development Project, has promoted small livestock production as alternative livelihoods interventions for the populations around the Lake. E-SLIP is exploring alternatives for building effective synergy with these programmes.

As regards to the NGO sector, the mission observed that partnering with organisations that have experience in market linkages such as the MUSIKA, Heifer International Zambia, Self Help, and CRS would complement the efforts of E-SLIP that target mostly on the production side of the livestock value chains. In order to achieve the PDO that of improving incomes of the targeted communities, the beneficiaries need to be linked to sustainable markets. Building partnerships with organisations that have experience in smallholder market experience will greatly add value to the programme. Efforts by the programme to engage Heifer International has experienced serious delays with the contracting process stuck at the MFL for about a year now.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Sustainability and Scaling up</b>		
<b>Community mobilization and strengthening of market linkages</b> Follow up and conclude the process of engaging Heifer International to speed up implementation of the community mobilization and strengthening of market linkages	PCO/ MFL	07/2019
<b>Partnership mapping and development of strategy</b> Undertake partnership mapping and develop strategy for linkages with other programmes	PCO	09/2019

**Human and Social Capital and Empowerment** **Rating: 3** **Previous rating: 4**

**Justification of rating**



At mid-term Programme support for human and social capital and empowerment is assessed as moderately unsatisfactory. The programme has fallen short in undertaking planned activities for training, exchange visits for all stakeholders involved, in particular beneficiaries. Training output stands at a very low 1% achievement against the AWPB target. Moreover, field visits showed the existence of training gaps among beneficiaries involved in forage and livestock restocking activities. The training recommendation is included in the Agricultural productivity section. Collective empowerment and organizational development of farmers' organizations have been carried out unsystematically mostly due to the absence of NGOs engagement.

**Quality of Beneficiary Participation**

**Rating: 4**

**Previous rating: 4**

**Justification of rating**

Quality of beneficiary participation is rated moderately satisfactory. Consultation mechanisms with communities are largely in place to ensure activities are demand-driven and tailored to beneficiaries' specific needs. There is relatively good beneficiary participation in component 1 and 2 due to the design of the project. Mass vaccination of cattle against CBPP in border areas involves mobilizing farmers as taskforces to monitor livestock movement. Taskforces also assist in mobilizing cattle during vaccination campaigns. ECF ITM immunization require beneficiary contribution to the immunization costs. Current beneficiary contribution is ZMK25 per calf (24%) and will increase to ZMK30 (29%) when the next round of immunization commences.

**Main issues**

Programme management needs to ensure a dialogue with beneficiaries is maintained throughout implementation for continued agreement over their contribution share, ultimately ensuring inclusion and sustainability of investments. PCO and MFL are reluctant to effect 100% beneficiary contribution to ECF ITM immunization. Beneficiaries under the forage and forage seed production sub-component self-finance in forage production and receive only the seed from the project. They are also involved in seed production which is distributed to other beneficiaries. Under the stocking and restocking programme beneficiaries have to establish a forage plot, build appropriate housing and contribute 10% of livestock package cost to an animal health fund. They also contribute the first off-spring for pass-on to other beneficiaries within 12 months

**Responsiveness of Service Providers**

**Rating: 3**

**Previous rating: 4**

**Justification of rating**

The programme design plans to engage NGOs as service providers for the implementation of Sub-Component 2.2 has not materialized so far and is still being delayed, as reported in earlier sections. Programme management needs to speed up the recruitment of Heifer Zambia and consider the possible engagement of other NGOs to maximize community outreach and activities implementation, in the remainder period up to completion

**Main issues**

As noted in the last supervision mission, it is critical for the PCO, to provide a result based management framework to ensure quality of services and mechanisms to monitor and evaluate annually, the performance of the implementing partners. The introduction of the private sector in service provision will be an added benefit to smallholders in terms of access to timely service delivery, which of course will be at a cost. Responsiveness of service providers was to be monitored from 2018 onwards, since the M&E officer is recruited and operational. However this does not appear to be the case given that the main service providers re yet to be brought on board. The actions agreed in relation to service providers are included in the Partnership building section.

**Environment and Natural Resource Management**

**Rating: 3**

**Previous rating: 3**

**Justification of rating**

Improvement of natural resources and environmental management will be achieved through rangeland management, livestock productivity improvement and disease control activities. Apart from the disease control, other activities are yet to come up to speed as they are financed with OFID funds. However, the limited activities undertaken illustrate the potential of improving the environmental and natural resources management. The key issue will be the monitoring of the key indicators to report on these improvements such as reduction in pressure on natural resources, reduced erosion and soil fertility and water quality improvements.

**Main issues**

The mapping of forage plots being developed and the rangelands is a key activity that will help in monitoring and reporting on the achievements and status of the rangelands particularly as reinforcement with legumes is included. The species that perform well in particular conditions can be documented and contribute to a knowledge product on forage development and suitability mapping taking into account climate change risks in Zambia.

The beneficiary forms include questions on the current land use for the forage plots, which provide information for the baseline and will form the basis of reporting on the amount of degraded land that is rehabilitated. The additional benefits of improved soil fertility can also be captured through the productivity levels of the plots.

The improvement in livestock productivity is expected to result in reduced pressure on the natural resources through limiting grazing areas in the rangelands as opposed to encroachment in forest areas. The controlled grazing areas is also expected to indirectly have a positive impact on the quality of water resources in the targeted areas.

The rangeland development and forage plots contribute to re-vegetation of the target areas thus reducing land degradation that may result from soil erosion. An estimation of the levels of soil erosion would be beneficial to assess the effectiveness of these activities.

The development of rangeland management plans will require specific efforts to ensure they are participatory to ensure ownership and effective implementation. Community mobilisation will be essential and systematic engagement for the implementation of the plans. Given that physical enclosures will not be done due to budget limitation, social fencing can be promoted and community capacity developed for this to have the required positive impact.

The activities for the provision of water points will need to be adequately monitored to ensure the siting of the structures and development will result in inclusive access and communities upstream and downstream should be consulted before the infrastructure is developed.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Sustainability and Scaling up</b>		
<b>Assessing improvements in natural resources management</b> Identify indicators and tools to report on improved NRM	PMU	08/2019
<b>Development of rangelands management plans</b> Engagement of a consultants to support the development of community based rangeland plans	PMU	10/2019
<b>Mapping and geo-referencing of rangelands and pasture plots</b> Produce geo-referenced map of rangelands and pastures	PMU/MFL (DLD)	03/2020

**Exit Strategy**

**Rating: 4**

**Previous rating: 4**

#### **Justification of rating**

The exit strategy for E-SLIP is yet to be fully articulated though considerations were provided for during the design. Key aspects relate to the disease control financing for ECF through the contributions provided by the smallholders towards the full costs, local production of ECF stabilate at CVRI and participation of private veterinarians in ECF ITM immunization. The improved pasture and rangeland management activities have the potential for sustainability through use of community structures with the support of the livestock agents and establishment of a forage seed supply chain.

#### **Main issues**

Full cost recovery is not guaranteed by the end of the project though the gradual increase in beneficiary contribution is a start. Incidentally, the experience during implementation has resulted in lower rates of beneficiary contribution therefore reducing the chances of an effective exit strategy for these activities. In addition, the political will to ensure full cost recovery is evidently lacking.

The forage development activities include seed multiplication, which is an income source for smallholders. Therefore, the performance of the forage varieties and availability of plots can provide incentives for adoption and also market for the seeds. Notably community members are already requesting seeds for particular forage that they have seen demonstrated. Forage seed producers are being trained and capacitated to provide forage seed. These producers should be linked to private seed companies for sustainability post-project.



The rangeland development plans when elaborated and implemented in a participatory manner will contribute to an effective exit strategy. In order to avoid the tragedy of the commons and encourage communities to manage their communal areas the appropriate structures will need to be in place. The linkages through the curriculum and establishment of forage plots at schools can also contribute to the exit strategy as it increases the knowledge and demand for pasture varieties being promoted.

The re/stocking through the pass-on scheme also provides opportunities for an effective exit strategy through the use of community structures. In areas with significant social capital the communities will be able to ensure the continuation of the pass-on scheme beyond the E-SLIP life span.

**Potential for Scaling-up**

**Rating: 3**

**Previous rating: 4**

**Justification of rating**

The mission observed that the programme has high potential for scaling up particularly in areas of stocking and restocking, forage seed production, rangeland management and ECF immunization subject to providing the immunization at a cost recovery basis or fully privatising the activity. Livestock stocking and restocking has an in built scaling up mechanism as the beneficiaries pass on female off-springs to other community members subject to investing in the capacity building of the community. Similar programmes have proved that the pass on exercise goes beyond the life of the programmes. For instance, one programme implemented by Heifer that started in 2001 has its pass on still on-going to date

**Main issues**

ECF Immunization is provided at a fee currently pegged at K25.00 per calf and will gradually increase to meet 75% of full cost recovery. Although farmers initially were reluctant, their interest is gradually increasing due to the positive impact that is being generated from the initial beneficiaries. Key to the sustainability and scalability of the fee-paying model is the management of the revolving fund and improved access of ECF vaccine. The programme should consider speeding up the process of capacitating CVRI to produce ECF stabilate that will assure sustainability from the supply side and also engage private sector players on the demand side. The private sector has indicated capacity to deliver the service at a cost of K65.00 down from the government cost of K105.00. Consideration should be made for policies and guidelines for involvement of the private sector in this area.

Stocking and restocking has a built in mechanism for scaling up and sustainability. Every household that receives a livestock package is expected to pass- on the first female offspring to another beneficiary. Lessons from partners with experience in pass-on programmes indicate that with good investment in strengthening systems at community level, the pass-on programmes can go many turns and years beyond the life of the programme. E-SLIP plans to distribute livestock packages (LPs) to 10,260 rural poor households and it is expected that by the end of the programme 28,000 households will be reached but this is expected to continue growing far beyond the 28,000 households.

The programme also plans to introduce perennial legume resilient to fire and drought in demarcated rangelands in order to improve accessibility of quality pastures in targeted districts. The seed allows self-germination and can be sustained over years subject to continued protection of the land by the community. The programme is also capacitating and training forage seed producers. Forage seed producers will be partners with private seed producers for seed storage and marketing. Seed production and marketing will improve forage seed availability and allow scaling up of forage production throughout Zambia.

<i><b>Agreed Action</b></i>	<i><b>Responsibility</b></i>	<i><b>Agreed Date</b></i>
<b>Sustainability and Scaling up</b>		
<b>NGOs and the private sector engagement</b> Speed up the process of engaging NGOs and the private sector that can facilitate capacity building for communities to manage on-going pass on activities	PCO	
<b>Initiate the participation of private veterinarians in ECF ITM immunization</b> Initiate the participation of private veterinarians in ECF ITM immunization	PCO/MFL	

**c. Project Management**

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

Although two key positions of Programme Coordinator (PC) and Financial and Administrative Manager (FAM) were transferred from the predecessor project SLIP, the recruitment of the rest of key staff was delayed for close to two years resulting in delayed implementation. The Programme Steering Committee (PSC) that is expected to meet on quarterly bases takes on average about 15 months to meet thereby compromising the oversight function of the programme. A number of procurement issues have been stuck and not concluded in some cases for a year. For instance the case of engagement of Heifer International and the baseline study consultancy. However, some key management systems such as PIM are in place

**Main issues**

Recruitment of key staff took almost two years from effective date despite having PC and FAM transitioned from SLIP. E-SLIP became effective in 2015 and staff came on board in March 2017. All key positions are now filled including position of Stocking and Restocking Specialists filled on secondment from MFL. Appraisals are done annually and they inform renewal of contracts that are done bi-annually. Staff were last appraised in October 2018 by the appraisal committee of the MFL but later the appraisal results were nullified. Eight of the staff contracts expired in January and February and as such are working without contracts while salaries are being paid. This means staff need to be reappraised in line with regulations and procedures of the GRZ or recognize the earlier appraisal before contracts are renewed.

The Government has communicated to IFAD the intention not to renew contracts of some key staff when they expire in May 2019. IFAD would like to have good justification for the proposed cause of action. In an event that the justification is credible, the government would be expected to (i) use a private recruiting organization and ensure that fair and open competitive selection is done, (ii) take measures to ensure that there is smooth transition and that the programme is not disrupted and this may entail awarding bridging contracts that would allow seamless transition of the concerned offices.

The oversight of the programme is provided by the PSC that is supposed to meet on a quarterly basis, according to PIM and PDR, to coordinate Programme implementation, guide planning, review progress, and make recommendations for any modifications of AWPB as needed. PSC is not meeting as regularly as expected thereby compromising the oversight role of the PSC. For instance, the last two meetings were held in a space of 15 months in January 2017 and April 2018. There is also a gap of more than 12 months since it last met. The current composition of PSC may change in line with the proposal to have one PSC for all IFAD funded programmes in Zambia. As such the restructuring process will consider changes to the PSC composition.

PCO prepares procurement files, Ministerial Procurement Committee (MPC) of MFL approves and IFAD provides no objection. The mission observed that PCO has experienced severe delays in some key procurements including the baseline study consultancy of which process started in May 2017. Similarly, the engagement of Heifer International to participate in the stocking and restocking has taken long to be concluded from the side of the Ministry. The mission requests MFL and IFAD to make decisions on all outstanding procurement issues in order not to jeopardize the implementation of the programme.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Project Management</b>		
<b>Finalise processes for renewal of staff contracts</b>	MFL	06/2019
Finalise processes for renewal of staff contracts		

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

The Mission noted that E-SLIP has a three year Knowledge Management and Communication strategy developed in 2018 which guides the implementation of knowledge management activities. The implementation of the strategy however needs to be improved and intensified. Project management should ensure coherency in the operationalization of the strategy and linkage to an operationally effective M&E system. The project should also ensure increased documentation of successful interventions drawing on lessons underpinning the success of such interventions.

**Main issues**

The E-SLIP has a Knowledge Management and Communication Strategy that is used to guide implementation of knowledge Management activities within the programme. In addition the project has developed a concept for implementation of mass media activities in the promotion of programme interventions in the project area. The project has

also carried out a Knowledge Management Audit and recommendations made to improve the implementation of knowledge management in the programme. Project Management needs to ensure that the KM& C strategy is adequately implemented, regularly updated and integrated with a more functional M & E system that guarantees focus on results, ensure appropriate knowledge extraction, packaging and dissemination of knowledge products. The project is also yet to develop as many knowledge products particularly focusing on the successful interventions in the control of CBPP and ECF as well as the forage demonstrations set up at schools, Livestock service centers and at Milk collection centres. This may entail tracking the beneficiaries of the demonstrations to assess the adoption, knowledge and attitude towards the technologies. The mission commends the project on the development of a concept on the use of mass media in the promotion of programme activities as part of the wider KM&C strategy. Project Management should strike a balance in communication and knowledge based promotion of project interventions.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Project Management</b>		
<b>Develop Knowledge Products for successful project interventions</b> Develop and disseminate knowledge products on interventions in the control of CBPP and ECF, as well as establishment of forage Demonstrations at education institutions, milk collection and livestock centres.	KM&C Officer	11/2019

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

**Justification of rating**

The Value for Money (VfM) analysis reveals a critical imbalance between the financial and physical performance of the programme. Although the disbursement rate is satisfactory for a programme in its fourth year of implementation, its overall performance (i.e. output achievement) has been low. Furthermore, the unsatisfactory performance of the counterpart in meeting its expected contribution and the delay in accessing OFID financing for Component II puts the financial viability of the programme at risk.

**Main issues**

Under component 1.2 Animal Disease Control Sustainably Improved: Control of ECF, the programme was designed to provide ECF ITM treatment under full cost recovery arrangement with beneficiaries paying progressively increasing share of costs of inputs, starting from 20% to 100% (ZMW105) by end of programme. The inputs cost figure of ZMW 105 is premised on service delivery by GRZ staff. The full cost recovery target was adjusted downwards to 75% (ZMW 79) during a log frame retrofitting exercise. Currently the programme is recovering ZMW 25 per ECF ITM treatment. The programme has information at this stage of implementation that private service providers are willing to provide this service at total cost of ZMW 65. If assessed as feasible, the Mission recommends that the programme explores this option as it would offer better VfM compared to service delivery through GRZ structures. This may help E-SLIP attain full cost recovery and move implementation to private veterinary services by the end of the programme as was envisaged at design.

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

**Justification of rating**

The AWPB was prepared in a participatory manner. Implementation of identified activities within the AWPB has so far progressed very slowly due to delayed access to funding particularly from the OFID. The project has barely reached 50% of implementation on all activities identified. Hence the need to expedite implementation once funds are released. In addition, identification of activities within the AWPB should be harmonised and aligned to the pace of implementation of the main project outputs to ensure that relevant activities would result in progress towards attaining the development targets.

**AWPB Inputs and Outputs Review and Implementation Progress**

Implementation of various activities within the AWPB was below target due to delays encountered in accessing funds especially under the OFID. These included activities related to the establishment of the forage production farms, stocking and restocking of livestock among others.

Delays in execution of these activities will likely affect the full monitoring and attainment of related Outcomes. Project Management also needs to improve on the way the physical progress is measured against AWPB. The standard format

should be followed to make it easy for the objective assessment of progress towards output targets. The mission supported the E-SLIP team and jointly developed the Physical Progress Measured against the AWPB table for 2019 and this will form the basis of analysis of the pace of project implementation in subsequent reports as well as assessment of attainment of project outputs.

<b>Performance of M&amp;E System</b>	<b>Rating: 3</b>	<b>Previous rating: 3</b>
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**Justification of rating**

The project has an M & E Plan that has barely been used for guiding M & E processes. The project has not carried out a baseline survey that would form the basis for assessment of project outcomes. In addition, the M & E system is currently not tracking the outcomes. Monitoring is mainly limited to activity implementation through the MIS, developed early on in project implementation but which encountered operational challenges and has since remained unutilised since December 2018.

**M&E System Review**

Project implementation is not guided by an M & E Plan. As such annual activities are not well aligned to the expected project targets especially as articulated in the logframe. The M & E plan needs to be referenced to improve annual planning and to ensure a focus on project results. An MS Access based MIS database was designed to track and monitor activity implementation on a regular basis. Data is collected periodically on a monthly and quarterly basis and consolidated by the project M & E Specialist in the MIS. Operationalisation of the monitoring system has been constrained both in efficiency and functionality. Updates to the system were not possible as the data exchange between the components and the PMU could not be done from December 2018 due to the expiry of the access rights to the system. A new password has to be urgently obtained to ensure continuity in activity monitoring. In the meantime, the project management should revert to the use of the manual system where data is collected, collated and managed in an excel file, to ensure continuity in data collection.

M & E reports are made by staff in the respective implementing departments of DLD, DVS and PCO level on a regular basis. The quality of the reports however needs to be improved to ensure consistency and accuracy in the information reported. The project M & E specialist participated in the IFAD funded PRIME Certification training and is expected to use the expertise gained in improving the performance of the project M & E system. The PCO staff will need continuous mentoring on the use of the ORMS and its link to the projects operational logical framework.

The mission also recommends that project management steps up mechanisms for reviewing project implementation given that it is delegated to different departments within the MLF. These foras will be very useful in ironing out challenges affecting implementation in time and will also be a necessary platform for experience and knowledge sharing across components as well as build synergies within the project. The mission urges that these should be enhanced with increased focus on results, extraction of lessons learnt as well as sharing and using them to enhance implementation.

<i><b>Agreed Action</b></i>	<i><b>Responsibility</b></i>	<i><b>Agreed Date</b></i>
<b>Project Management</b>		
<b>Mapping and geo-referencing of rangelands and pasture plots</b>	PMU/MFL (DLD)	03/2020
Produce geo-referenced map of rangelands and pastures		

<b>Requirements of Social, Environmental and Climate Assessment Procedures (SECAP)</b>	<b>Rating: 3</b>	<b>Previous rating: 2</b>
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**Justification of rating**

The E-SLIP was designed prior to the SECAP becoming effective. It seems an Environmental and Social Review Note was not elaborated for E-SLIP and therefore an assessment of progress made in risk management in these areas will have to be linked to some of the core activities in Component 1 and 2. Currently there are no reported adverse effects resulting from the project activities, which may be as a result not monitoring effectively. To address the gap of explicitly identifying and managing the risks, a SECAP Review Note is being prepared as part of the restructuring of E-SLIP. The Note will include an environment and social management matrix to guide the team during the remaining implementation period

**SECAP Review**

The disease management is proving a challenge as there is a noted ineffectiveness of the tick control measures through

the dipping frequency. The risks identified during project implementation include community health that will be impacted by the use of chemicals for treatment of diseases. This is being managed through sensitization of the smallholders, however reach is limited and monitoring does not appear to be done.

Another anticipated risk is linked to the restocking exercise and the increase in the number livestock, which may lead to exceeding the carrying capacity of some rangelands and limitations in the availability of feed. This is being managed through messages to improve productivity of the livestock and potential income and analysis with the number of heads thus in a way promoting destocking as much as possible.

The water points are expected to be small scale infrastructure. Emphasis should be placed on the stakeholder consultation process, to engage both upstream and downstream users and ensure good standards of the works for the weirs and dams. The estimated size of the dams is below 5m and therefore all of the dams are small and the Zambia Environment Management Agency will be involved in the site assessment with the Technical Services Branch.

The rangeland management plans will contribute to managing social risks over limited resources and potential encroachment as well as increasing the pressure on natural resources. The plans are yet to be developed and relevant indicators will have to be captured in the M&E system.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Project Management</b>		
<b>Environmental and Social Risk Management</b> Develop environment and social risk management matrix	IFAD/PMU	07/2019
<b>Water infrastructure development</b> Review the scale and scope of works required with ZEMA for potential certification	PMU/ZEMA/TSB/WARMA	09/2019

## d. Financial Management & Execution

### Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
<b>Domestic Financing breakdown</b>	Beneficiaries	\$8,621,000		
	National Government	\$10,568,000		
<b>Co-financing breakdown,</b>	OPEC Fund for International Development	\$12,000,000		0.0%

**Acceptable Disbursement Rate**

**Rating: 5**

**Previous rating: 5**

### Justification of rating

E-SLIP is in its 4th year of programme life and current disbursement rate on the IFAD financing is 64% (disbursement of SDR 6,317,146 from the total IFAD financing of SDR 9,870,000. E-SLIP became effective on 11/05/2015, its completion date is 30 June 2022 and closure date is 31 December 2022. When compared to a livestock type project that has been effective for the same period on the IFAD disbursement profile, the current E-SLIP disbursement rate is satisfactory. However, this should be read together with the value for money analysis above.

### Main issues

Included in the disbursed amounts within the IFAD financing are expenditures incurred by IFAD on OFID-financed activities amounting to US\$641,010.42. OFID has expressed willingness to reimburse IFAD for these expenditures. To access this financing, E-SLIP should complete the following steps:

- The Borrower should send to OFID approval of the conditions governing the operation of the proposed OFID special account.
- Upon receipt of approval to open the OFID financing special account, the Borrower should send the

authorised signatories to OFID, to the specified address and copying the OFID officer responsible for Zambia.

- The Borrower should send withdrawal application #1 for an initial advance of up to US\$1.5 million which is threshold for this financing;
- Requests for reimbursement to be submitted upon utilisation of the 50% of the advance.

The Borrower should expedite the above steps to ensure immediate availability of OFID financing to the programme.

E-SLIP has claimed from IFAD the sum of US\$ 1,079,885 spent using IFAD financing under the training category whose allocation of SDR 670,000 has already been exhausted. This amount has not been reimbursed by IFAD until a request for cost category reallocation recently submitted by the GRZ is approved by IFAD. As a consequence of this, the available funds to the programme out of the IFAD authorised allocation of US\$2million now stands at US\$980,000.

Until the cost reallocation and restructuring phase is completed, the programme should ensure that all activities under the training category are covered by other financing sources other than IFAD to avoid constraining its cash flow position further.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Financial Management &amp; Execution</b>		
<b>Submit documents to OFID</b> Complete and submit to OFID all documents required for the initial advance withdrawal from OFID financing	MoF/FAM	05/2019
<b>Process refund to IFAD</b> Process reimbursement to IFAD of expenditures incurred on OFID-financed activities	FAM/OFIG/IFAD	07/2019
<b>Obtain approval for cost category</b> Obtain IFAD's approval of the cost category reallocation request	MoF/FAM	10/2019

## Fiduciary aspects

**Quality of Financial Management**

**Rating: 3**

**Previous rating: 3**

### Justification of rating

The programme has been effective for four years but it has the following critical FM areas need to be satisfactorily resolved before E-SLIP restructuring plan becomes operational: (i) Insert the approved AWPB in the accounting software to ensure adequate budgetary controls by expenditure categories and components/activities;(ii) automation of the standard IFAD financial reporting templates which is currently outstanding as current reports are excel-based; and (iii) timely filling of the key position of FAM which falls vacant at the end of May 2019. Should the recruitment process be prolonged beyond the start of implementation of the restructuring plan, the Mission recommends that GRZ make recourse to a suitably qualified external service provider acceptable to IFAD

### Main issues

**Budgeting:** When implementing the E-SLIP restructuring plan, the following issues relating to its budgeting should be considered: (i) AWPB process should ascertain funding availability component-wise, expenditure category-wise and by funding source for the budget period. For GRZ contribution, and the AWPB should specify their form – whether cash, tax waivers, or staff salaries. The AWPB should be submitted with detailed training, meeting and workshop plan as recommended in an earlier supervision mission and this plan should be the main operational tool controlling such expenditures during budget implementation period (ii) The purchasing and contracts module of accounting software should be activated to track outstanding financial commitments at the end of the budget period ensuring adequate provisions of financial resources is made for them in the subsequent budget (iii) As observed in previous missions, budgetary control module should to be fully deployed. The approved budget should be inserted in the accounting software in a timely manner, actual vs budget

variance reports prepared and disseminated to budget holders on a monthly basis and financial performance tracked against relevant physical outputs.

**Internal controls:** The following internal control gaps that have been identified in the E-SLIP implementation to date should be resolved as the programme moves into the restricting phase (i) imprest management: FAM to review the imprest register monthly and follow up unretired imprest with staff and districts for over 30 days. The review of the imprest register and trial balance during the mission showed unretired staff and district imprest in excess of US\$80,000 which were held for over 90 days; (ii) Control over travel and workshop costs by ensuring that they are incurred on 'need basis' for each for the participant / traveller in view of depletion of allocated resources;(iii) Fuel management – review the current GRZ system adopted by the E-SLIP for fuel allocations on mileage basis without need to provide supporting receipts.

During the field visits to the districts, the Mission reviewed the accounting, financial reporting and internal control systems at district councils. The councils have qualified FM staff with adequate segregation of duties. Manual systems are in use and reports are excel- based. Programme funds have separate bank accounts and reconciliations are performed monthly hence the controls were deemed adequate.

**Accounting and Financial Reporting:** The following areas need to be addressed by the start of the restructuring plan to strengthen accounting and reporting functions: (i) Replace manually generated payment vouchers currently in use by vouchers to be automatic ones generated within Sage to ascertain the authenticity of the underlying system data. (ii) Accounting and filing of documents of activity –tagged advances at the PCO be improved for efficient accountability and subsequent justifications. (iii) Full automation of standard financial reports in line with IFAD templates. IFRs should be shared with IFAD within 2 months after the end of reporting period (iv) The financial management manual should be updated on the following aspects at a minimum (a) clear procedures for the recognition, measurement and disclosure of beneficiaries contributions from GRZ and programme beneficiaries in line with IFAD guidelines;(b) Main decision processes within the SAGE accounting software;

**Internal Audit:** The internal audit unit within the MFL had completed E-SLIP audit for FY 2018 but the report was not out at the time of the mission. The programme has agreed with the internal audit unit of MFL to conduct internal audit exercise twice a year.



<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Financial Management &amp; Execution</b>		
<b>configure vouchers payment</b> Configure payment vouchers from the Sage Accounting system.	FAM	05/2019
<b>AWPB in SAGE</b> Insert approved AWPB in Sage, effective budget control for all programme expenditures and monthly dissemination of effective budget monitoring reports	FAM	05/2019
<b>Automation of financial reports</b> Full automation of financial reports in Sage in line with IFAD financial reporting templates and timely submission of the same to IFAD	FAM	05/2019
<b>Accounting, filing and monitoring</b> Accounting, filing and monitoring system of staff imprest and their justification should be improved per previous recommendations	FAM	06/2019
<b>Activate procurement module</b> Activate the Procurement module in Sage accounting software to automate the purchasing processes and for the monitoring and reporting of programme financial commitments.	Procurement specialist/FAM	06/2019
<b>Financial manual update</b> Update Financial Management Manual within the PIM	FAM	06/2019

**Quality and Timeliness of Audit**

**Rating: 4**

**Previous rating: 4**

**Justification of rating**

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

**Main issues**

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



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

### Justification of rating

The counterpart financing by the GRZ was set at US\$ 10.568 million in form of foregone taxes, salaries to government staff implementing E-SLIP and in cash. Out of this amount, US\$1.272 million has been contributed representing 12% of the allocated. Cash allocation is US\$7.387 million and only US\$191,506 (3%) has been disbursed so far. There have been significant delays in the disbursement of cash by GRZ resulting in slow programme implementation. The mission recommends that GRZ makes cash contribution in excess of US\$2.6million to address E-SLIP implementation delays arising from lack of funding. GRZ contribution in form of government staff salaries in the implementing districts for FY2016 & 2017 have not been captured in E-SLIP financial statements.

### Main issues

Beneficiaries' contribution stands at 9% of the appraisal amount of US\$8.621million. This contribution is for establishment of forage demonstration sites and beneficiary contribution fund for livestock stocking beneficiaries under component II. The programme needs to develop clear guidelines for systematic measurement of beneficiary contribution to be captured in the financial statements.

**Control of ECF Reserve Account:** Component 1 beneficiary contributions are towards cost recovery of the calf immunisations and these contributions are held in ECF reserve account under the control of the MFL. At design, the funds were envisaged to be used for the purchase of ECF vaccination stabilate and vaccination equipment and material. The Mission recommends that PCO should be in control of the ECF reserve account jointly with the MFL. The PCO should account for these funds in line with the programme design. The AWPB should factor these funds as a source of financing.

<b>Agreed Action</b>	<b>Responsibility</b>	<b>Agreed Date</b>
<b>Financial Management &amp; Execution</b>		
<b>Joint control ECF</b> PCO to have joint control of ECF Reserve Account with MFL	FAM	05/2019
<b>GRZ cash contribution</b> GRZ to make a minimum cash contribution of not less than US\$2.6million to address E-SLIP implementation delays arising from lack of funding	PS MFL/MoF	06/2019

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

### Justification of rating

The programme is in compliance with key covenants. Non-compliance was noted in the following aspects:  
 (i) The Borrower shall provide counterpart financing for the programme in the amount of USD 10,600,000;  
 (ii) Optimum deployment of an off –the- shelf accounting package to produce standard reports as may be reasonably required by IFAD.

**Procurement**

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

### Justification of rating

The Mission rated procurement as moderately unsatisfactory (3). This is mostly due to significant procurement delays and weak contract management/administration. On a positive note, solicitation documents are of acceptable quality and both the PP and contract register are kept updated. Concerning recommended/agreed actions from the previous supervision mission, the Programme shared a log for monitoring delays affecting procurement processes and nominated a Programme representative to conduct pre-shipment inspections/tests. On the other hand, the Programme did not reduce the high number of members it appoints to evaluation committees and did not move forward with procurement of works.

### Procurement Review

The Programme is staffed with a full-time Procurement Officer.

The 2019 PP was sent to IFAD on Jan. 23, 2019 but never received a NO - as the Programme did not respond to IFAD's comments from Jan. 29. Also, some activities in the 2019 AWPB are not in the 2019 PP. This is because the AWPB mistakenly included activities not to be procured during 2019. The PP is updated, but shows the following issues:

- Wrong references to the AWPB;
- No indication of packaging;
- Wrong indication of prior/post review activities;
- Template to be improved (indication of subtotals, lack of complete procurement thresholds on each section, generic descriptions).

Procurement suffers from long delays. Procurement initiation of works was halted for 3 years because BoQs were never received from the technical unit at the MFL, while procurement initiation of livestock was delayed both by the lack of a clear strategy for this specialized procurement and by OFID funds having suffered a late approval. Procurement initiation of consultancies for "International Forage Production Advisor" and "International Epidemiologist" was also delayed for 3 years due to the MFL not agreeing to them. Procurement progress is hampered by the MFL taking a long time to approve evaluation reports and members appointed to evaluation committees. Evaluation committees always count a high number of members, with no correlation to the complexity of the evaluation itself, and meet outside of Lusaka, further raising costs.

Among activities reviewed, an NCB for procurement of bicycles revealed that:

- At preliminary evaluation, a bidder was excluded despite having provided the required documentation;
- The evaluation committee counted 8 members;
- Domestic preferences were applied;
- Despite the bidding documents containing a draft contract and providing for performance security, a purchase order was issued in place of a contract and no performance security was obtained from the supplier (for procurement of forage seeds, the Programme also issued a purchase order in place of a contract);
- The supplier never delivered the goods and the Programme never paid the price.

The PP mandates procurement of livestock via ICB and NCB, but the Programme procured some of the animals via national shopping. While justified by national regulations on disease prevention (imposing local acquisition of livestock and/or limitations of movement), split-packaging shall be avoided and the Programme shall update the PP to reflect the need to procure livestock locally.

The LtB only indicates thresholds for ICB and the Programme integrates them with thresholds from the National Regulations, which appear to be too high. The prior review/procurement method thresholds in the LtB will be revised based on procurement risk assessment, disbursement performance and the country/Programme-specific risk.

Concerning the baseline survey, the Programme will fast-track procurement of a consultant to conduct an outcome assessment survey instead.

Procurement budget appears unrealistic, as M&E staff prepares the AWPB with no inputs from the PO. For procurement of chaff cutters, due to the inadequate budget, the Programme bought brush cutters instead – but no request for NO was submitted to IFAD for this change of goods.

About contract administration/management, consultants/suppliers are often late in their performance and the Programme never followed up with them nor resorted to remedies. Late payments by the Programme were caused by delayed disbursement of OFID funds.

Documents pertaining to a single procurement activity are divided among multiple files, but need to be kept together in the same folder.

The contract register is updated but lacks a few information required by IFAD (country of origin, financing category and %, No-Objection no. and CMF).

<b><i>Agreed Action</i></b>	<b><i>Responsibility</i></b>	<b><i>Agreed Date</i></b>
<b>Financial Management &amp; Execution</b>		

<p><b>Revision of procurement plan</b></p> <p>Revise the 2019 procurement plan as discussed during the mission and submit it to IFAD for review and No-Objection. Specifically, the revised procurement plan will include:</p> <ul style="list-style-type: none"> <li>• correct references to the AWPB;</li> <li>• precise indication of packaging;</li> <li>• indication of prior/post review consistent with thresholds in the LtB;</li> <li>• totals for each category (goods, works, consulting and non-consulting services) and not subtotals;</li> <li>• complete procurement thresholds on each section;</li> <li>• more specific descriptions of activities;</li> <li>• a consultancy for an outcome assessment survey, in place of the baseline survey;</li> <li>• procurement of livestock subdivided in multiple activities, so as to account for the need to procure the animals locally</li> </ul> <p>Procurement of International Forage Production Advisor and International Epidemiologist will be removed from the procurement plan instead.</p>	<p>E-SLIP Procurement Officer</p>	<p>06/2019</p>
<p><b>Procurement of works</b></p> <p>Liaise with the Technical Unit at the Ministry of Fisheries and Livestock to receive the Bills of Quantities as soon as possible. If no Bills of Quantities are received by the end of June 2019, remove all procurement of works from the 2019 Procurement Plan and AWPB.</p>	<p>E-SLIP Programme Coordinator</p>	<p>06/2019</p>
<p><b>Contract register</b></p> <p>Revise the contract register on the basis of the IFAD template and include indication of country of origin, category and % of financing, No-Objection no. and CMF.</p>	<p>E-SLIP PO</p>	<p>06/2019</p>
<p><b>Revision of AWPB</b></p> <p>Revise the 2019 AWPB to eliminate those activities that do not have to be procured during the target year.</p>	<p>E-SLIP M&amp;E Officer</p>	<p>06/2019</p>
<p><b>Procurement of livestock</b></p> <p>Prepare guidelines for procurement of livestock, taking into account national regulations on disease prevention (imposing local acquisition of livestock and/or limitations of movement) and submit them for IFAD No-Objection.</p>	<p>MFL/Procurement Officer</p>	<p>07/2019</p>
<p><b>Revision of the LtB and of the PIM</b></p> <p>Revise the LtB and the PIM to include prior review/procurement method thresholds based on procurement risk assessment, disbursement performance and the country/Programme-specific risk.</p>	<p>IFAD/GoZ</p>	<p>07/2019</p>
<p><b>Contract administration/management</b></p> <p>Improve capacity by organizing training on contract administration/management for technical units and Procurement Officer.</p>	<p>IFAD</p>	<p>09/2019</p>

<p><b>Evaluation committees</b></p> <p>Reduce the high number of members appointed to evaluation committees. The number should be as close as possible to the minimum of 3 and maximum of 7 members for complex evaluations, including technical expertise. Additionally, have evaluation committees meet at the Programme's premises in Lusaka.</p>	E-SLIP Programme Coordinator	
<p><b>Preparation of AWPB</b></p> <p>Ensure participation of the Procurement Officer in the drafting and finalization of the AWPB, thus ensuring the preparation of a realistic work plan and budget</p>	E-SLIP Programme Coordinator	
<p><b>National Competitive Bidding</b></p> <p>Always issue a contract and not a purchase order when NCB is followed.</p>	E-SLIP Procurement Officer	
<p><b>Domestic preferences</b></p> <p>Apply domestic preferences only for ICB and never for NCB or Shopping.</p>	E-SLIP Procurement Officer	
<p><b>Record keeping</b></p> <p>Ensure that all relevant documents pertaining to each procurement process are kept in the same folder, including bids, requisitions and copies of securities.</p>	E-SLIP PO	

## F. Agreed Actions

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<b>Development Effectiveness</b>		
<p><b>Downscale overall programme outreach targets</b></p> <p>Downscale overall programme outreach targets in line with depletion of funds</p>	PCO/MFL	06/2019
<p><b>Increase youth targeting</b></p> <p>Increase youth targeting by adding e.g. CAWHs &amp; CAVEs activities</p>	PCO/MFL	06/2019
<p><b>Procurement</b></p> <p>Hire a full-time gender &amp; community mobilization consultant</p>	PCO/MFL	06/2019
<p><b>Intensify training of pro-poor restocking beneficiaries</b></p> <p>Intensify training of pro-poor restocking beneficiaries in forage and livestock production pre- and post-benefiting.</p>	PCO/MFL	06/2019

<p><b>Agree on guidelines and procedures for efficient procurement of livestock</b></p> <p>Agree simplified guidelines and procedures for efficient procurement of livestock.</p>	PCO/MFL/IFAD	06/2019
<p><b>Lodging of protocol with OIE for CBPP eradication</b></p> <p>Lodging of protocol with OIE for CBPP eradication to be finalised and submitted</p>	MFL/DVS/PCO-DCU	08/2019
<p><b>Procurement of clean calves for production of stabilate by CRVI</b></p> <p>Procurement of 104 clean calves (2 – 6 months old) for production of stabilate by CRVI.</p>	PCO-DCU/MFL/IFAD	08/2019
<p><b>Training manuals</b></p> <p>Integrate climate risk management in manuals already developed</p>	PMU	10/2019
<p><b>Carry out an outcome assessment survey</b></p> <p>Carry out an outcome survey to assess the level of attainment of project outcomes. In addition through a recall method, establish the level of outcomes in 2016 considered to be the base year of project implementation</p>	M & E Specialist	11/2019
<p><b>Climate vulnerability mapping</b></p> <p>Develop climate change risk map of intervention areas and recommended species and varieties</p>	PMU/ MFL	12/2019
<p><b>GHG emissions assessment</b></p> <p>Conduct GHG emissions assessments using existing tools</p>	PMU/MFL (DLD)	03/2020
<p><b>Integrated Pest and Disease Management Plans</b></p> <p>Develop pest and disease management plans in selected districts</p>	PMU/ MFL (DVS)	03/2020
<b>Sustainability and Scaling up</b>		
<p><b>Community mobilization and strengthening of market linkages</b></p> <p>Follow up and conclude the process of engaging Heifer International to speed up implementation of the community mobilization and strengthening of market linkages</p>	PCO/ MFL	07/2019
<p><b>Assessing improvements in natural resources management</b></p> <p>Identify indicators and tools to report on improved NRM</p>	PMU	08/2019

<p><b>Partnership mapping and development of strategy</b></p> <p>Undertake partnership mapping and develop strategy for linkages with other programmes</p>	PCO	09/2019
<p><b>Development of rangelands management plans</b></p> <p>Engagement of a consultants to support the development of community based rangeland plans</p>	PMU	10/2019
<p><b>Mapping and geo-referencing of rangelands and pasture plots</b></p> <p>Produce geo-referenced map of rangelands and pastures</p>	PMU/MFL (DLD)	03/2020
<p><b>NGOs and the private sector engagement</b></p> <p>Speed up the process of engaging NGOs and the private sector that can facilitate capacity building for communities to manage on-going pass on activities</p>	PCO	
<p><b>Initiate the participation of private veterinarians in ECF ITM immunization</b></p> <p>Initiate the participation of private veterinarians in ECF ITM immunization</p>	PCO/MFL	
<b>Project Management</b>		
<p><b>Finalise processes for renewal of staff contracts</b></p> <p>Finalise processes for renewal of staff contracts</p>	MFL	06/2019
<p><b>Environmental and Social Risk Management</b></p> <p>Develop environment and social risk management matrix</p>	IFAD/PMU	07/2019
<p><b>Water infrastructure development</b></p> <p>Review the scale and scope of works required with ZEMA for potential certification</p>	PMU/ZEMA/TSB/WARMA	09/2019
<p><b>Develop Knowledge Products for successful project interventions</b></p> <p>Develop and disseminate knowledge products on interventions in the control of CBPP and ECF, as well as establishment of forage Demonstrations at education institutions, milk collection and livestock centres.</p>	KM&C Officer	11/2019
<p><b>Mapping and geo-referencing of rangelands and pasture plots</b></p> <p>Produce geo-referenced map of rangelands and pastures</p>	PMU/MFL (DLD)	03/2020
<b>Financial Management &amp; Execution</b>		

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



<p><b>Submit documents to OFID</b></p> <p>Complete and submit to OFID all documents required for the initial advance withdrawal from OFID financing</p>	MoF/FAM	05/2019
<p><b>Joint control ECF</b></p> <p>PCO to have joint control of ECF Reserve Account with MFL</p>	FAM	05/2019
<p><b>configure vouchers payment</b></p> <p>Configure payment vouchers from the Sage Accounting system.</p>	FAM	05/2019
<p><b>AWPB in SAGE</b></p> <p>Insert approved AWPB in Sage, effective budget control for all programme expenditures and monthly dissemination of effective budget monitoring reports</p>	FAM	05/2019
<p><b>Automation of financial reports</b></p> <p>Full automation of financial reports in Sage in line with IFAD financial reporting templates and timely submission of the same to IFAD</p>	FAM	05/2019
<p><b>Revision of procurement plan</b></p> <p>Revise the 2019 procurement plan as discussed during the mission and submit it to IFAD for review and No-Objection. Specifically, the revised procurement plan will include:</p> <ul style="list-style-type: none"> <li>• correct references to the AWPB;</li> <li>• precise indication of packaging;</li> <li>• indication of prior/post review consistent with thresholds in the LtB;</li> <li>• totals for each category (goods, works, consulting and non-consulting services) and not subtotals;</li> <li>• complete procurement thresholds on each section;</li> <li>• more specific descriptions of activities;</li> <li>• a consultancy for an outcome assessment survey, in place of the baseline survey;</li> <li>• procurement of livestock subdivided in multiple activities, so as to account for the need to procure the animals locally</li> </ul> <p>Procurement of International Forage Production Advisor and International Epidemiologist will be removed from the procurement plan instead.</p>	E-SLIP Procurement Officer	06/2019
<p><b>Procurement of works</b></p> <p>Liaise with the Technical Unit at the Ministry of Fisheries and Livestock to receive the Bills of Quantities as soon as possible. If no Bills of Quantities are received by the end of June 2019, remove all procurement of works from the 2019 Procurement Plan and AWPB.</p>	E-SLIP Programme Coordinator	06/2019
<p><b>Contract register</b></p> <p>Revise the contract register on the basis of the IFAD template and include indication of country of origin, category and % of financing, No-Objection no. and CMF.</p>	E-SLIP PO	06/2019

<p><b>Revision of AWPB</b></p> <p>Revise the 2019 AWPB to eliminate those activities that do not have to be procured during the target year.</p>	E-SLIP M&E Officer	06/2019
<p><b>GRZ cash contribution</b></p> <p>GRZ to make a minimum cash contribution of not less than US\$2.6million to address E-SLIP implementation delays arising from lack of funding</p>	PS MFL/MoF	06/2019
<p><b>Accounting, filing and monitoring</b></p> <p>Accounting, filing and monitoring system of staff imprest and their justification should be improved per previous recommendations</p>	FAM	06/2019
<p><b>Activate procurement module</b></p> <p>Activate the Procurement module in Sage accounting software to automate the purchasing processes and for the monitoring and reporting of programme financial commitments.</p>	Procurement specialist/FAM	06/2019
<p><b>Financial manual update</b></p> <p>Update Financial Management Manual within the PIM</p>	FAM	06/2019
<p><b>Procurement of livestock</b></p> <p>Prepare guidelines for procurement of livestock, taking into account national regulations on disease prevention (imposing local acquisition of livestock and/or limitations of movement) and submit them for IFAD No-Objection.</p>	MFL/Procurement Officer	07/2019
<p><b>Revision of the LtB and of the PIM</b></p> <p>Revise the LtB and the PIM to include prior review/procurement method thresholds based on procurement risk assessment, disbursement performance and the country/Programme-specific risk.</p>	IFAD/GoZ	07/2019
<p><b>Process refund to IFAD</b></p> <p>Process reimbursement to IFAD of expenditures incurred on OFID-financed activities</p>	FAM/OFID/IFAD	07/2019
<p><b>Contract administration/management</b></p> <p>Improve capacity by organizing training on contract administration/management for technical units and Procurement Officer.</p>	IFAD	09/2019
<p><b>Obtain approval for cost category</b></p> <p>Obtain IFAD's approval of the cost category reallocation request</p>	MoF/FAM	10/2019

<p><b>Evaluation committees</b></p> <p>Reduce the high number of members appointed to evaluation committees. The number should be as close as possible to the minimum of 3 and maximum of 7 members for complex evaluations, including technical expertise. Additionally, have evaluation committees meet at the Programme's premises in Lusaka.</p>	<p>E-SLIP Programme Coordinator</p>	
<p><b>Preparation of AWPB</b></p> <p>Ensure participation of the Procurement Officer in the drafting and finalization of the AWPB, thus ensuring the preparation of a realistic work plan and budget</p>	<p>E-SLIP Programme Coordinator</p>	
<p><b>National Competitive Bidding</b></p> <p>Always issue a contract and not a purchase order when NCB is followed.</p>	<p>E-SLIP Procurement Officer</p>	
<p><b>Domestic preferences</b></p> <p>Apply domestic preferences only for ICB and never for NCB or Shopping.</p>	<p>E-SLIP Procurement Officer</p>	
<p><b>Record keeping</b></p> <p>Ensure that all relevant documents pertaining to each procurement process are kept in the same folder, including bids, requisitions and copies of securities.</p>	<p>E-SLIP PO</p>	

## Enhanced Smallholder Livestock Investment Programme

### Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Outreach</b>	1.b Estimated corresponding total number of households members							Lists of individual beneficiaries compiled by the programme	Annually	PCO, MFL	
	Household members	0	318 750	1 062 500	49 435	180 000	16.9				
	1.a Corresponding number of households reached							Lists of individual beneficiaries compiled by the programme	Annually	PCO, MFL	
	Households	0	63 750	212 500	247 175	900 000	423.5				
	1 Persons receiving services promoted or supported by the project							Lists of individual beneficiaries compiled by the programme	Annually	PCO, MFL	
	Females	0	26 137.5	87 125	18 650	72 000	82.6				
	Males	0	37 612.5	125 375	30 650	108 000	86.1				
Total number of persons receiving services	0	63 750	212 500	49 435	180 000	84.7					
<b>Project Goal</b> Sustainably improved incomes of rural poor households in targeted provinces and districts in Zambia	Increase in average household income of beneficiaries in the programme targeted districts (by gender)							Baseline, periodic and impact evaluation surveys. Statistics and other data from government institutions, NGOs and other sources.	Annually, periodically	PCO, MFL	Political stability maintained (A) Macro-economy continues to improve (A) Social, political and economic environments remain conducive to market based livestock development (A)
	Increase baseline household income	0				100 000					

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	Number of households that have reached an increase in household income of at least 25% (by gender)							Baseline, periodic and impact evaluation surveys. Statistics and other data from government institutions, NGOs and other sources.	Annually, periodically	PCO, MFL	
	Households					100 000					
	FH-Households					40 000					
	MH-Households					60 000					
<b>Development Objective</b> Sustainable and improved the production and productivity of key livestock systems of targeted smallholder producers	1.2.4 Households reporting an increase in production							Baseline survey, annual outcome/impact surveys, final survey	Annually, periodically	PCO, MFL	Business regulatory system remains favourable (A) Sustained Government commitment to livestock sector development (A)
	Total number of household members	0	7 000	28 000							
	Males	0	4 125	16 500							
	Females	0	2 875	11 500							
	Cattle offtake rate in programme targeted districts increased by 25%							Baseline survey, annual outcome/impact surveys, final survey	Annually, periodically	PCO, MFL	
	Increase rate			25		25	100				
	Cattle offtake rate in programme targeted districts (sub-indicator to provide data for the indicator above)							Baseline survey, annual outcome/impact surveys, final survey	Annually, periodically	PCO, MFL	
	Cattle offtake rate					30					
	Livestock assets of poorest quintile of rural households in programme-targeted districts increased by 30%							Baseline survey, annual outcome/impact surveys, final survey	Annually, periodically	PCO, MFL	
	Increase rate			30							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Outcome</b> Outcome 1. Component 1. Animal Disease Control Sustainability Improved. Reduction in the prevalence of CBPP and ECF to levels that allow smallholders' cattle herds to grow	Districts where OIE mandated conditions for declaration of freedom from CBPP has been achieved in areas outside the maintained buffer vaccination zones							Collect data from DVS, MFL database on number of districts	Annually	DVS, MFL	Private veterinarians do not participate in the delivery of publicly funded animal health services @ Government supports full cost recovery for ECF infection and treatment method (ITM)(A) CVRI vaccine production has financial independence (A)
	Districts	0	50	100		20	20				
	40% reduction in ECF incidence in the target districts							Calculate based on data on ECF incidence in NALEIC database	Annually	DVS, MFL	
	reduction	0	10	40							
	CVRI sustainably meeting Zambia's ECF stabilate requirements (number of doses produced annually)							Collect data from CVRI on annual production of doses of stabilate	Annually	DVS, MFL	
	Doses	0	50 000	200 000	31 000	200 000	100				
	ECF incidence rates in the target districts (sub-indicator to provide data for the indicator above)							Aggregate district-level data on ECF incidence in NALEIC database	Annually	DVS, MFL	
ECF incidence					40						
<b>Output</b> Output 1.1.1 CBPP border vaccination program operational in Muchinga, Northern, and North-Western provinces	Percentage of cattle vaccinated in CBPP- designated border areas in Muchinga, Northern, and North-western provinces							Aggregate district-level data on control measures (CBPP) in NALEIC database	Annually	DVS, MFL	Local service providers used for animal vaccination (A)
	Cattle vaccination			95	90	95	100				
<b>Output</b> Output 1.1.2 CBPP sero-surveillance operational in Muchinga, Northern, North-Western and Southern Provinces	At least 80% of community CBPP Task Forces operational in each CBPP district							Collect data from DVOs / PVOs about operational task forces	Annually	DVS, MFL	Local service providers used for animal vaccination (A)
	Community Task Forces Operational	0	40	80	38	80	100				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 1.2.1 Sustainable ECF immunization programs operating in Central, Copperbelt, Eastern, Lusaka, Muchinga, Northern and Southern Provinces;	At least 180,000 animals receive ECF ITM treatment annually by Programme end							Aggregate district-level data on control measures (ECF) in NALEIC database	Annually	MFL DVS	CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) The use of other tick-borne disease control measures (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R) Government willingness to increase ECF immunisation fee (A)
	Animals (calves) treated annually	0	20 000	180 000	59 574	180 000	100				
	Cost recovery level for ECF ITM from livestock owners							Collect data from DVS/MFL on ITM charges and actual cost and calculate cost recovery level	Annually	MFL DVS	
	Cost recovery level	0	25	75	32	100	133.3				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 1.2.2 ECF sero-surveillance programs operational in Central, Copperbelt, Eastern, Lusaka, Muchinga, Northern and Southern provinces;	Number of provinces with operational surveillance databases							NALEIC database (provinces for which updated information is available)	Annually	MFL DVS	CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) The use of other tick-borne disease control measures (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R) Government willingness to increase ECF immunisation fee (A)
	Districts	0	7	10							



Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 1.2.3 GMP and ZAMRA-certified ECF stabilate production at CVRI	CVRI has GMP certification and ZAMRA registration for ECF stabilate production and can show compliance from records							Check with CVRI whether they have certification, registration and compliance	Annually	MFL DVS, CVRI	CVRI does not have the necessary technical and managerial capacity for sustainable ECF stabilate production (R) The use of other tick-borne disease control measures (R) Animal movement control and traceability systems are operational and effective (A) Absence of cordon line (R) Farmer ability to pay (R) Government willingness to increase ECF immunisation fee (A)
	GMP certification attained	0	100	100							
	ZAMRA Registration - Percentage%	0	100	100							

Results Hierarchy	Indicators						Means of Verification			Assumptions				
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency		Responsibility			
<b>Outcome</b> Outcome 2: Component 2: Livestock Production Systems Sustainably Improved. Sustainable systems for improved smallholder livestock production and productivity operational.	Number of households that have established a minimum of one lima of improved forage each						5 843	80 000	100	Data collected and submitted by DLD (districts through provincial level) (E-SLIP form under development)	Annually, periodically	PCO, MFL DLD	Smallholder farmers have adequate access to land for forage production (A) NGO's have capacity to support community mobilization in restocked areas (A) Adverse climatic events or pest outbreaks don't impact component activities (R) Livestock product demand and prices remain strong (A)	
	Households	0	20 000	80 000										
	Males	0	12 000	48 000										
	Females	0	8 000	32 000										
	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices									Annual outcome/impact surveys, final impact survey	Annually, periodically	PCO, MFL DLD		
	Total number of household members	0	20	75										
	Males	0	15	40										
	Females	0	5	30										
	80% beneficiary satisfaction with restocking and pass-on Programme						80	100	Annual outcome/impact surveys, final impact survey	Annually, periodically	PCO, MFL DLD			
	beneficiary satisfaction	0	20	80										
90% of re-stocked animals passed-on to third generation beneficiaries by programme end						90	100	Records kept by implementing agencies (contracted service providers) on livestock recipients, first pass-on and second pass-on.	Annually, periodically	PCO, MFL DLD				
re-stocked animal succession	0	35	90											

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 2.1.1 Household and community based forage reinforcement of farming systems and rangeland	Number of hectares of rangeland reinforced with legume (sub-indicator to provide data for the indicator above) and utilized							Data collected and submitted by DLD (districts through provincial level) (E-SLIP form under development)	Annually	PCO, MFL DLD	MFL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A). Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over-sowing of rangeland (R)
	Rangeland - Area (ha)	0	21 000	70 000		200 000	285.7				
	Number of hectares of farmlands with forage established (sub-indicator to provide data for the indicator above)and utilized							Data collected and submitted by DLD (districts through provincial level) (E-SLIP form under development)	Annually	PCO, MFL DLD	
	Farmlands	0	40 000	200 000	1 461	20 000	10				
	3.1.4 Land brought under climate-resilient practices							Based on total of rangeland reinforced and farmlands with forage (below)	Annually	PCO, MFL DL	
Hectares of land	0	60 000	200 000								

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 2.1.2 Sustainable forage seed production program with private sector participation	Seed growers participating in sustainable forage seed supply system							E-SLIP Component 2 / DLD records on seed growers contracted	Annually	PCO, MFL DLD	MFL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A). Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over-sowing of rangeland (R)
	Total number	0	50	100	45	54	54				

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency		Responsibility
<b>Output</b> Output 2.1.3 Schools-based forage learning and demonstration programme	At least 60 schools, 40 milk collection centres and 100 LSCs participating in forage demonstration						Data from AWPB implementation / district-level progress reports	Quarterly	PCO, MFL DLD	MFL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A). Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over-sowing of rangeland (R)	
	schools	0	18	60	24	60					100
	milk centres	0	12	40	43	40					100
	LSC	0	30	100	21	100					100
	1.1.4 Persons trained in production practices and/or technologies						Data from E-SLIP training attendance forms	Quarterly	PCO, MFL DLD		
	Total persons trained in crop	0	7 000	28 000							
	Males	0	4 125	16 500							
	Females	0	2 875	11 500							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 2.1.4 Access by livestock to water	50 water points established in targeted areas							Data from AWPB implementation / district-level progress reports	Quarterly	PCO, MFL DLD	MFL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically & financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A). Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over-sowing of rangeland (R)
	water points established	0	12	50	0	50	100				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
<b>Output</b> Output 2.2.1 Community mobilization and capacity building for stocking and restocking	2.1.3 Rural producers' organizations supported							Farmer Groups and Cooperatives entered in Beneficiary Organizations Register - data collected using E-SLIP Group Membership Form	Quarterly	PCO, MFL DLD, partners	Communities can identify stocking/restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A).
	Rural POs supported	0	320	640							
	2.1.4 Supported rural producers that are members of a rural producers' organization							Farmer Groups and Cooperatives entered in Beneficiary Organizations Register - data collected using E-SLIP Group Membership Form	Quarterly	Quarterly	
	Females	0	423	1 692							
	Males	0	607	2 428							
<b>Output</b> Output 2.2.2 Stocking and Restocking of poor female-headed households and youth	At least 14,000 female-headed households and 5,000 youth receive poverty alleviating livestock packages							Records of implementing partners involved in restocking	Quarterly	PCO, MFL DLD, partners	Communities can identify restocking beneficiaries without moral hazards, and beneficiaries are willing to make matching contributions (A) MAL maintains strong support for iterative program (A) Households willing and able to adopt appropriate technologies and innovations (A) Inadequate access
	Youth	0	1 000	5 000	0	5 000	100				
	Female headed households	0	2 800	14 000	0	14 000	100				
	1.1.3 Rural producers accessing production inputs and/or technological packages							Records of implementing partners involved in restocking	Quarterly	PCO, MFL DLD, partners	
	Total rural producers		3 800	19 000							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	1.1.4 Persons trained in production practices and/or technologies							Data from E-SLIP training attendance forms	Quarterly	PCO, MFL DLD, partners	<p>to all-season water points for forage production and livestock (R) Range of well adapted forage legumes introduced and available from start-up (A) Appropriate technologies and innovations are technically &amp; financially viable and available for uptake by households (A) Quick start-up on wide array of sites using diverse delivery mechanisms (A) Inadequate emphasis on seed production (R) Seed prices increase to level that precludes extensive over sowing of rangeland (R) Excessive seed slippage into commercial sector and across borders (R)</p>
	Total persons trained in livestock	0	1 030	4 120							
	Males	0	607	2 428							
	Females	0	423	1 692							





Investing in rural people

## Zambia

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### Enhanced Smallholder Livestock Investment Programme

### Supervision Report

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

Mission Dates: 29 April - 10 May 2019  
Document Date 02/08/2019  
Project No. 2000000822  
Report No. 5122-ZM

East and Southern Africa Division  
Programme Management Department

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

Table 2A: Financial performance by financier

Financier	Appraisal (USD '000)	Disbursements ( USD '000)	Per cent disbursed
IFAD Loan	14,226	8,743	61%
IFAD Grant	867	100	12%
OFID	11,997	-	0%
Government of Zambia	10,568	1,272	12%
Beneficiaries	8,621	764	9%
	<b>46,279</b>	<b>10,879</b>	<b>24%</b>

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

Component	Appraisal		% Actual		Appraisal		% Actual		Appraisal		% Actual	
	Actual	%	Actual	%	Actual	%	Actual	%	Actual	%	Actual	%
Animal Disease Control Sustainably Improved: Towards CBPP Eradication	2,290	62%	1,429	-	3,367	5%	161	-	5,657	5%	1,590	21%
Animal Disease Control Sustainably Improved: Control of ECF	2,072	85%	1,754	-	700	22%	157	-	6,732	22%	1,911	21%
Animal Disease Control Sustainably Improved: ECF Stabilize Production at CVRI Livestock Production Systems Sustainably Improved: Pro Poor Stocking and Restocking Established	938	66%	616	-	627	0%	2	-	1,565	0%	618	3%
Livestock Production Systems Sustainably Improved: Pro Poor Stocking and Restocking Established	3,623	33%	1,204	0%	980	46%	450	0%	7,151	46%	1,654	2%
Effective Programme Management: Programme Management /Livestock Production & Health Monitoring	5,303	0%	435	-	3,909	17%	683	0%	18,702	17%	1,118	6%
Total	14,226	58%	8,303	0%	10,568	17%	1,794	0%	46,280	17%	10,097	2%

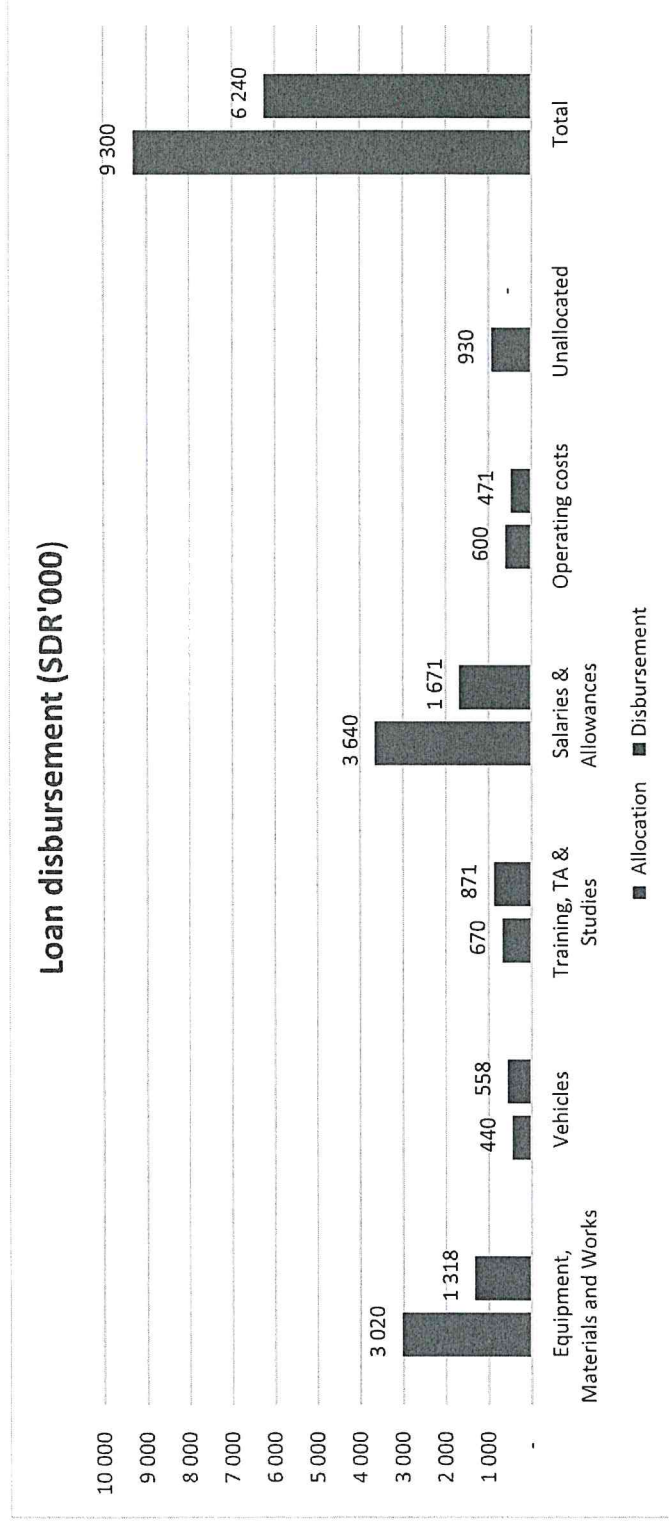
Table 2C: IFAD loan disbursements (SDR, as at 31 March 2019)

Category	Category Description	Initial Allocation	Revised	Disbursement	W/A Pending	Available Balance SDR	% Disbursed
I	Equipment, Materials and Works	3,020,000.00		1,318,054.69		1,701,945	43.64%
II	Vehicles	440,000.00		557,752.62		(117,753)	126.76%
III	Training, TA & Studies	670,000.00		871,053.15		(201,053)	130.01%
IV	Salaries & Allowances	3,640,000.00		1,671,371.09		1,968,629	45.92%
V	Operating costs	600,000.00		471,377.12		128,623	78.56%
	Unallocated	930,000.00		-		930,000	0.00%
	Authorized Allocation	-		1,350,362.11		(1,350,362)	0.00%
	<b>Total</b>	<b>9,300,000.00</b>		<b>6,239,970.78</b>		<b>3,060,029</b>	<b>67.10%</b>

Table 2D: IFAD grant disbursements (SDR, as at 31 March 2019)

Category	Category Description	Initial Allocation	Revised	Disbursement	W/A Pending	Available Balance SDR	% Disbursed
I	Equipment, Materials and Works	250,000.00				250,000	0%
II	Vehicles	160,000.00				160,000	0%
III	Training, TA & Studies	100,000.00				100,000	0%
IV	Salaries & Allowances	-				-	0%
V	Operating costs	-				-	0%
	Unallocated	60,000.00				60,000	0%
	Authorized Allocation	-		71174.88		(71,175)	0%
	<b>Total</b>	<b>570,000.00</b>		<b>77174.88</b>		<b>492,825</b>	<b>14%</b>

Figure 1: IFAD loan/grant disbursement, comparisons between original and revised allocations and actual disbursement



**Zambia**

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**Enhanced Smallholder Livestock Investment Programme  
Supervision Report**

**Appendix 2: Physical progress measured against AWP&B**

Mission Dates: 29 April - 10 May 2019  
Document Date 02/08/2019  
Project No. 2000000822  
Report No. 5122-ZM

East and Southern Africa Division  
Programme Management Department

## Appendix 2: Physical progress measured against AWP&B

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
<b>Outreach</b>			<b>91,500</b>	<b>0</b>	<b>0%</b>	<b>180,000</b>	<b>49,435</b>	<b>27%</b>	<b>180,000</b>
<b>COMPONENT 1: ANIMAL DISEASE CONTROL IMPROVED</b>									
<b>Outcome 1: Reduction in the prevalence of CBPP and ECF to levels that allow smallholders' cattle herds to grow</b>									
<b>Subcomponent 1.1 : Towards CBPP Eradication</b>									
<b>Output 1.1.1 CBPP Border Vaccination Program Operational in Muchinga, Northern and North-western provinces</b>									
<b>Output Indicator</b>	<b>Number of cattle vaccinated in CBPP-designated border areas in Muchinga, Northern, and Western provinces</b>	<b>Number</b>	<b>180,000</b>		<b>0%</b>	<b>180,000</b>	<b>157,342</b>	<b>87%</b>	<b>180,000</b>

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
<b>Activities</b>									
1.1.1.1	Carry out CBPP Sero surveys (2 per region )	Number	6		0%				
1.1.1.2	Carry out CBPP vaccination of cattle in the buffer zones	Number	180,000		0%				
1.1.1.3	Organise CBPP Management and control Liasion meetings -3 Cross boarder meetings, 1 policy review workshop and 1 Planning Meeting	Number	5		0%				
1.1.1.4	Participate in the National Farmer Awareness Shows	Number	1		0%				
1.1.1.5	Support the development of the CBPP Database	Number	1		0%				
<b>Output 1.1.2</b>	<b>CBPP sero-surveillance operational in Muchinga, Northern, North-western and Southern provinces</b>								
<b>Output Indicator</b>	<b>Number of community CBPP Task Forces operational in each CBPP districts</b>	<b>Number</b>	<b>50</b>		<b>0%</b>	<b>80</b>	<b>30</b>	<b>38%</b>	<b>80</b>
<b>Activities</b>									
1.1.2.1	Formation of CBPP task forces for monitoring stock improvement in the community	Number	50		0%				

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
1.1.2.2	Train CBPP Task Forces on various themes (Old and New )	People	80		0%				
1.1.2.3	Procure and distribute bicycles to facilitate monitoring by the task forces	Number	250		0%				
1.1.2.4	Carry out a CBPP sero surveillance survey	Number	1		0%				
<b>SUB COMPONENT 1.2.1: ECF CONTROL</b>									
<b>Output 1.2.1</b>	<b>Sustainable ECF immunization programs operating in Central, Copper belt, Eastern, Lusaka, Muchinga, Northern and Southern Provinces</b>								
<b>Output 1.2.2</b>	<b>ECF Sero-surveillance programs operational in Central, , Copper belt, Eastern, Lusaka, Muchinga, Northern and Southern provinces</b>								
<b>Output Indicator</b>	<b>Number of animals receiving ECF ITM Treatment</b>	<b>Number</b>	<b>140,000</b>		<b>0%</b>	<b>180,000</b>	<b>59,754</b>	<b>33%</b>	<b>140,000</b>
<b>Output Indicator</b>	<b>Full Cost recovery from livestock owners for ECF ITM Treatment (Changed to 75% of K105 during the retrofitting exercise of the Logframe)</b>	<b>K</b>	<b>25 (32.5%)</b>	<b>25</b>		<b>79</b>	<b>25</b>	<b>32%</b>	<b>50%</b>
<b>Activities</b>									
1.2.1.1	Carry out field ECF immunisation for calves	Number	140,000		0%				
1.2.1.2	Carry out pre and post immunisation tests on Calves	Number	2		0%				



Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
1.2.1.3	Complete establishment of disease monitoring databases in the remaining three provinces	Number	3		0%				
1.2.1.4	Carry out the ECF Sero prevalence survey	Report	1		0%				
	Carry out sensitisations and Awareness campaigns on ECF Immunisation	Number	10		0%				
1.2.1.5	Implement and roll out protocol for engagement of private sector in ECF immunisation	Protocol	1		0%				
<b>Output 1.2.3</b>	<b>GRZ and ZAMRA certified ECF stabilate production at CVRI</b>								
<b>Output indicator</b>	<b>CVRI has GMP certification and ZAMRA registration for ECF stabilate production and can show compliance from records</b>	<b>Number</b>	<b>1</b>		<b>0%</b>	<b>2</b>	<b>0</b>	<b>0%</b>	<b>2</b>
Activities									
1.2.3.1	Carry out production of ECF stabilates at CVRI	Doses	150,000		0%				
1.2.3.2	Carry out a cross immunity trials for Muchinga and Northern Provinces	Trials	2		0%				
1.2.3.3	Carry out review of 14 ECF SOPs and 1	Number	15		0%				





Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
2.1.1.4	Identify and select beneficiary farmers to participate in the forage production programme	People	20,000		0%				
2.1.1.5	Conduct Train of Trainers (District staff and NGO staff)	People	120		0%				
2.1.1.6	Carry out translation of the forage production training manual in the 7 official languages	Number	7		0%				
2.1.1.7	Carry out mass production and distribution of training materials	Number	20,120		0%				
2.1.1.8	Organise provincial learning and Reflection forage production meetings	Number	10		0%				
2.1.1.9	Procure and distribute assorted seed packages to selected small holder farmers	MT	40		0%				
2.1.1.10	Procure and distribute forage post production equipment to farmers	Number of units							
<b>Output 2.1.2</b>	<b>Sustainable forage seed production programme with private sector participation</b>								
<b>Output</b>	<b>Volume of Certified Forage Seed</b>	<b>MT</b>	<b>86</b>		<b>0%</b>	<b>92</b>	<b>-</b>	<b>0%</b>	<b>45</b>

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
<b>Indicator</b>	<b>produced annually</b>								
<b>Activities</b>									
2.1.2.1	Train seed growers in forage seed marketing	People	45		0%				
2.1.2.2	Facilitate market linkages for the seed growers	People	3		0%				
2.1.2.3	Facilitate seed growers with assorted post harvest handling equipment -e.g weighing scales, packaging materials, moisture meters	Number	45		0%				
2.1.2.4	Carry out field inspections on the supported seed grower farms towards certification	People	45		0%				
<b>Output 2.1.3</b>	<b>Schools Based Forage Learning and Demonstration Programme</b>								
<b>Output Indicator</b>	<b>Number of schools participating in Demonstration programme</b>	<b>Number</b>	<b>10</b>		<b>0%</b>	<b>60</b>	<b>24</b>	<b>40%</b>	<b>60</b>
<b>Activities</b>									
2.1.3.1	Carry out mapping and selection of schools for participating in the demonstration programme for 2020	Number	25		0%				

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
2.1.3.2	Establish forage Demonstration Plots at the selected schools (1 Lima per school Equiv. 0.25Ha)	Hectares	2.5		0%				
2.1.3.3	Train Learners in selected schools on the forage demonstration plots (Average class size of 40 students per school)	People	400		0%				
2.1.3.4	Organise the Annual Forage Demonstration Competition	Number	1		0%				
2.1.3.5	Carry out curriculum review engagement meetings (1-Tertiary Insitutions, 1-Secondary and 1 for Primary Schools)	Meetings	3		0%				
<b>Output Indicator</b>	<b>Number of Milk Collection Centers participating in Demonstration programme</b>	<b>Number</b>	<b>23</b>		<b>0%</b>	<b>40</b>	<b>43</b>	<b>108%</b>	<b>78</b>
<b>Activities</b>									
2.1.3.6	Establish forage Demonstration Plots at the 23 selected MCCs (1 Lima per MCC Equiv. 0.25Ha)	Ha	5.75		0%				
2.1.3.7	Organise Provincial Level Field days and Exchange and Learning visits for farmers under the MCC on the forage	Number	10		0%				

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
	Demonstrations								
2.1.3.8	Organise the Annual Forage Demonstration Competition for the MCCs and LSCs	Number	1		0%				
<b>Output Indicator</b>	<b>Number of Livestock Service Centers participating in Demonstration programme</b>	<b>Number</b>	<b>30</b>		<b>0%</b>	<b>100</b>	<b>21</b>	<b>21%</b>	<b>65</b>
<b>Activities</b>									
2.1.3.9	Carry out mapping of the Livestock Service and Livestock Breeding centers where the demonstration plots are to be sited	Number	44		0%				
2.1.3.10	Establish forage Demonstration Plots at the 30 selected LSCs and LBCs (1 Lima per MCC Equiv. 0.25Ha)	Ha	7.5		0%				
2.1.3.11	Carry out an awareness and sensitisation campaign aimed at encouraging farmers to visit demos that are set up at the LSCs	Number	10		0%				
<b>Output 2.1.4</b>	<b>Access by livestock to water</b>								

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
<b>Output Indicator</b>	<b>Number of water points established in Targeted areas</b>	<b>Number</b>	<b>3</b>		<b>0%</b>	<b>50</b>	<b>-</b>	<b>0%</b>	<b>3</b>
Activities									
2.1.4.1	Carry out verification visits to the proposed sites	Number	3		0%				
2.1.4.2	Carry out detailed feasibility survey	survey	1		0%				
2.1.4.3	Develop BoQs for the three sites	Number	3		0%				
2.1.4.4	Construct small earth dams in the selected areas	Number	3		0%				
<b>SUB-COMPONENT 2.2: PRO-POOR STOCKING AND RESTOCKING ESTABLISHED</b>									
<b>Output 2.2.1</b>	<b>Community mobilization and capacity building for stocking and restocking</b>								
<b>Output Indicator</b>	<b>Number of beneficiary households Trained</b>	<b>People</b>	<b>7,500</b>		<b>0%</b>	<b>28,000</b>	<b>173</b>	<b>1%</b>	<b>28,000</b>
<b>Output</b>	<b>Number of training materials developed</b>	<b>Packages</b>				<b>7</b>	<b>7</b>	<b>100%</b>	<b>7</b>



Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
<b>Indicator</b>									
<b>Output Indicator</b>	<b>Number of staff trained</b>	<b>Staff</b>	<b>60</b>		<b>0%</b>	<b>128</b>	<b>18</b>	<b>14%</b>	<b>128</b>
<b>Output Indicator</b>	<b>Number of Community Facilitators trained</b>	<b>People</b>	<b>500</b>		<b>0%</b>	<b>1,190</b>	<b>57</b>	<b>5%</b>	<b>1,190</b>
<b>Output Indicator</b>	<b>Number of Community Animal Health Funds Established and operational</b>	<b>Number</b>	<b>250</b>		<b>0%</b>	<b>595</b>	<b>-</b>	<b>0%</b>	<b>595</b>
<b>Activities</b>									
2.2.1.1	Carry out ToTs on the seven thematic areas - Dairy Production, Beef Production, Pig Production, Village Chicken Production, Goat Production , Extension approaches and Agri-Business Development	Persons	560		0%				
2.2.1.2	Procure and Distribute Bicycles to the CFs	Number	557		0%				
2.2.1.3	Carry out translation of the training manuals in the 7 official languages	Number	42		0%				
2.2.1.4	Carry out mass production and distribution of translated manuals to the communities	Number	45,000		0%				

Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
2.2.1.5	Organise regional learning and Reflection stocking meetings	Number	7		0%				
2.2.1.6	Facilitate communities to open bank accounts in preparation for receiving the Community Animal Health Funds	Number	250		0%				
2.2.1.7	Carry out community level awareness and sensitization activities	Number	250		0%				
<b>Output 2.2.2</b>	<b>Stocking and Restocking of poor female headed households and youth</b>								
<b>Output Indicator</b>	<b>Number of Female Headed Households receive poverty alleviating livestock packages</b>	<b>Number</b>	<b>3,750</b>		<b>0%</b>	<b>14,000</b>	<b>-</b>	<b>0%</b>	<b>14000</b>
<b>Output Indicator</b>	<b>Number of Youth Headed Households receive poverty alleviating livestock packages</b>	<b>Number</b>	<b>1,500</b>		<b>0%</b>	<b>5,000</b>	<b>-</b>	<b>0%</b>	<b>5000</b>
<b>Activities</b>									
2.2.2.1	Procure and distribute livestock packages to selected communities	Number	7,500		0%				
2.2.2.2	Procure and distribute start up equipment packages to selected communities	Number	250		0%				



Code	Description	Unit of Measure	2019 AWPB			Cumulative (since 2015)			Proposed revised Targets
			AWPB Target	Actual	% AWPB Achieved	Appraisal Target	Actual	% Appraisal Achieved	
<b>Activities</b>									
3.2.1.1	Prepare AWPB and Procurement Plans	Plans	2		0%				
3.2.1.2	Carry out field monitoring and supervision	Reports	4		0%				
3.2.1.3	Participate in the Regional Implementation Workshop	Reports	1		0%				
3.2.1.4	Carry out thematic training	Reports	5		0%				
3.2.1.5	Undertake External Audit	Report	1		0%				
3.2.1.6	organise and participate in Supervision missions	Reports	4		0%				

**Zambia**

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**Enhanced Smallholder Livestock Investment Programme**

**Supervision Report**

**Appendix 3: Compliance with legal covenants: status of implementation**

Mission Dates: 29 April - 10 May 2019

Document Date 02/08/2019

Project No. 2000000822

Report No. 5122-ZM

East and Southern Africa Division  
Programme Management Department

### Appendix 3: Compliance with legal covenants: status of implementation

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

	<p>draft AWPBs prepared by the various Project Parties. Each draft Project AWPB shall include, among other things, a detailed description of planned Project activities during the coming Project Year, a Procurement Plan, and the sources and uses of funds.</p>		
	<p>Financial management package. Promptly after entry to force the PCO shall purchase a simple off the shelf financial management package to be replaced during Programme implementation period by IFMIS</p>	<p>Partial Complied</p>	<p>Pastel accounting package have been installed has been installed and transactions posted. Delays experienced in completion of set up standard reports .</p>
<p><b>Section 7.1 (b) ii</b></p>	<p>(ii) Before each Project Year, the Lead Project Agency shall, if required, submit the draft Project AWPB to the oversight body designated by the Borrower/Recipient for its review. When so reviewed, the Lead Project Agency shall submit the draft Project AWPB to the Fund for comments no later than sixty (60) days before the beginning of the relevant Project Year. If the Fund does not comment on the draft Project AWPB within thirty (30) days of receipt, the AWPB shall be deemed acceptable to the Fund.</p>	<p>Complied</p>	<p>The AWPB 2019 was submitted and approved in November 2018</p>
<p><b>Section 7.2 (a)</b></p>	<p>The Borrower/Recipient shall make the proceeds of the Financing available to the Project Parties upon terms and conditions specified in the Financing Agreement or otherwise approved by the Fund for the purpose of carrying out the Project</p>	<p>Complied</p>	
	<p>Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower/Recipient's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the Borrower/Recipient in order to ensure consistency with the IFAD Procurement Guidelines.</p>	<p>Complied</p>	
<p><b>Section 7.8 (a) Insurance</b></p>	<p>The Borrower/Recipient or the Lead Project Agency shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practice.</p>	<p>Complied</p>	

<b>Section 7.8 (b)</b>	The Borrower/Recipient or the Lead Project Agency shall insure the goods imported for the Project which are financed by the Financing against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation in accordance with sound commercial practice.	Complied	
<b>Section 7.11 Project Personnel</b>	The Borrower/Recipient or the Lead Project Agency shall appoint the Project Director and all other key Project personnel in the manner specified in the Agreement or otherwise approved by the Fund. All key Project personnel shall have qualifications and experience specified in the Agreement or otherwise approved by the Fund. The Borrower/Recipient shall exercise best efforts to ensure continuity in key Project personnel throughout the Project Implementation Period. The Borrower/Recipient or the Lead Project Agency shall insure key Project personnel against health and accident risks to the extent consistent with sound commercial practice or its customary practice in respect of its national civil service, whichever is appropriate	On going	All PCO positions are filled. All PCO staff were granted a 2 years contract expiring in 2019. PC and FAM contracts have not been renewed upon their expiry on 31 May 2019
<b>Article 8</b>	The Lead Project Agency, or other party so designated in the relevant Agreement, shall furnish to the Fund periodic progress reports on the Project, in such form and substance as the Fund shall reasonably request. At a minimum, such reports shall address (i) quantitative and qualitative progress made in implementing the Project and achieving its objectives, (ii) problems encountered during the reporting period, (iii) steps taken or proposed to be taken to remedy these problems, and (iv) the proposed programme of activities and the progress expected during the following reporting period	Complied	Progress reports submitted
<b>Section 8.3 Reporting and Mid Term Review</b>			
<b>Section 8.3 (b)</b>	If specified in an Agreement, the Lead Project Agency and the Fund shall jointly carry out a review of Project implementation no later than the midpoint of the Project Implementation Period (the "Mid-Term Review") based on terms of reference prepared by the Lead Project Agency and approved by the Fund. Among other things, the Mid-Term Review shall consider the achievement of Project objectives and the constraints thereon, and recommend such reorientation as may be required to achieve such objectives and remove such constraints.	Complied	Programme restructuring undertaken in May 2019
<b>Section 8.3 (c)</b>	The Borrower/Recipient shall ensure that the recommendations resulting from the MidTerm Review are implemented within the specified time therefore and to the satisfaction of the Fund. Such recommendations may result in modifications to the Agreement or cancellation of the Financing.	N/A	As above



<b>Section 9.2 Financial Statements</b>	The Borrower/Recipient shall deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in accordance with standards and procedures acceptable to the Fund and deliver such financial statements to the Fund within four (4) months of the end of each Fiscal Year.	Complied	
<b>Audit Section 9.3 (a)</b>	Each Fiscal Year, have the accounts relating to the Project audited in accordance with auditing standards acceptable to the Fund and the Fund's Guidelines on Project Audits (for Borrowers' Use) by independent auditors acceptable to the Fund;	Complied	The first audit was carried out in 2017 and covered 19 months to 31 December 2016.
<b>Section 9.3 (b)</b>	Within six (6) months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report. The Borrower/Recipient shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof;	Complied	Report submitted on time.
<b>Section 9.3 (c)</b>	If the Borrower/Recipient does not timely furnish any required audit report in satisfactory form and the Fund determines that the Borrower/Recipient is unlikely to do so within a reasonable period, the Fund may engage independent auditors of its choice to audit the accounts relating to the Project. The Fund may finance the cost of such audit by withdrawal from the Loan and/or Grant Accounts	N/A	Subject to the above