

Grenada

Climate Smart Agriculture and Rural Enterprise Programme

Mid-term Review

Mission Dates: 12-28 September 2022

Document Date: 18/11/2022

Project No. 2000001475

Report No. 6271-GD

Latin America and the Caribbean
Programme Management Department

Abbreviations and Acronyms

AF	Adaptation Fund
APL	Assessment of Prior Learning
AWPB	Annual Work Plan and Budget
BDS	Business Development Services
BNTF	Basic Needs Trust Fund
CARDI	Caribbean Agricultural Research and Development Institute
CDB	Caribbean Development Bank
CEI	Call for Expression of Interest
CFTDI	Caribbean Fisheries Training and Development Institute
CIAT	International Centre for Tropical Agriculture
CSA	Climate Smart Agriculture
CSF	Climate Smart Fisheries
CVQ	Caribbean Vocational Qualifications
EA	Extension Assistant
EBD	Enterprise and Business Development
ET	Entrepreneurship Training
FEO	Fisheries Extension Officer
FM	SAEP Finance Manager
FP	Focal Person
GIDC	Grenada Investment Development Corporation
GNTA	Grenada National Training Agency
HH	Household
IICA	Inter-american Institute for Cooperation on Agriculture
M&EO	SAEP Monitoring and Evaluation Officer
MA	SAEP Marketing Assistant
MCREFF	Ministry of Climate Resilience, Environment, Fisheries and Forestry
MCPMA	Ministry of Carriacou and Petit Martinique Affairs
MCREFF	Ministry of Climate Resilience, Environment, Fisheries and Forestry
MIS	Management Information System
MOAL	Ministry of Agriculture and Lands
MOAL UC	Ministry of Agriculture and Lands Unit Coordinator
MOF	Ministry of Finance
MOU	Memorandum of Understanding
NEWLO	New Life Organization
NVQ	National Vocational Qualifications
PIM	Programme Implementation Manual
PM	SAEP Programme Manager
PMU	SAEP Programme Management Unit
PO	SAEP Procurement Officer
PS	Permanent Secretary
PSC	Programme Steering Committee
SAEP	Climate Smart Agriculture and Rural Enterprise Programme
TA	SAEP Technical Assistant
TAMCC	TA Marryshow Community College
UC	Unit Coordinator
VST	Vocational Skills Training

A. Project Overview

Region:	Latin America and the Caribbean	Project at Risk Status:	Not at risk
Country:	Grenada	Environmental and Social Category:	Moderate
Project Name:	Climate Smart Agriculture and Rural Enterprise Programme	Climate Risk Classification:	Moderate
Project ID:	2000001475	Executing Institution:	Ministry of Finance
Project Type:	Agricultural Development	Implementing Institutions:	Ministry of Finance
CPM:	Paolo Silveri		
Project Director:	not available yet		
Project Area:	not available yet		

Approval Date:	23/12/2017	Last audit receipt:	05/07/2022
Signing Date:	16/01/2018	Date of Last SIS Mission:	29/09/2022
Entry into Force Date:	16/01/2018	Number of SIS Missions:	9
Available for Disbursement Date:	20/06/2018	Number of extensions:	0
First Disbursement Date:	22/06/2018	Effectiveness lag:	1 month
MTR Date:	19/09/2022		
Original Completion Date:	31/03/2024		
Current Completion Date:	31/03/2024		
Financial Closure:	not available yet		

Project total financing

IFAD Financing breakdown	IFAD	\$3,990,000
	IFAD	\$2,410,000
Domestic Financing breakdown	Beneficiaries	\$270,000
	Grenada Investment Development Corporation	\$330,000
	National Government	\$2,000,000
Co-financing breakdown,	Caribbean Development Bank	\$5,000,000
Project total financing:		\$14,000,000

Current Mission

Mission Dates: 12-28 September 2022

Days in the field: 11

Mission composition: Mr Paolo Silveri, Country Director and Team leader; Ms Vera Salazar, Programme Officer; Mr Robert Delve, IFAD Lead Agronomist; and, Ms Maria Sisto, Rural Development specialist and IFAD consultant. The members of the team that participated remotely include Ms Luna Montozzi, Climate Finance Officer; Ms Paola Nacamulli, Gender and Social Inclusion Consultant; Ms Elena Pietschmann, M&E Consultant; Mr Lorne Solis, Financial Consultant; Mr Leandro Bullor, Economist from the FAO Investment Centre; and, Mr Malcolm Wallace, Programme Coordinator for SAEF of the Caribbean Development Bank (CDB).

Field sites visited: Parishes of St Georges, St John, St Andrews, St Patrick, St David, Island of Carriacou

B. Overall Assessment

Key SIS Indicator #1	∅	Rating	Key SIS Indicator #2	∅	Rating
Likelihood of Achieving the Development Objective		4.04	Assessment of the Overall Implementation Performance		3.92
Effectiveness and Developmental Focus		4	Project Management		4
Effectiveness		4	Quality of Project Management		4
Targeting and Outreach		5	Knowledge Management		5
Gender equality & women's participation		4	Value for Money		3
Agricultural Productivity		3	Coherence between AWPB and Implementation		3
Nutrition		N/A	Performance of M&E System		4
Adaptation to Climate Change		4	Social, Environment, and Climate Standards requirements		3
Sustainability and Scaling-up		4	Financial Management and Execution		4
Institutions and Policy Engagement		N/A	Acceptable Disbursement Rate		3
Partnership-building		5	Quality of Financial Management		5
Human and Social Capital and Empowerment		4	Quality and Timeliness of Audit		4
Quality of Project Target Group Engagement and Feedback		4	Counterparts Funds		5
Responsiveness of Service Providers		4	Compliance with Loan Covenants		4
Environment and Natural Resource Management		3	Procurement		4
Exit Strategy		5			
Potential for Scaling-up		4			
Relevance					5

C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. From September 12th to 28th 2022, an IFAD and CDB mission conducted a Mid Term Review (MTR) of the Climate Smart Agriculture and Rural Enterprise Programme (SAEP). Part of the mission visited the country, including the IFAD Country Director and CDB Programme Coordinator, and other members participated remotely. The mission had the following objectives:
 - Review the relevance of SAEP's goals and objectives vis-à-vis the Government of Grenada's (GOG) priorities on rural development.
 - Assess the potential for scaling up some project activities through additional funding from the Adaptation Fund.
 - Review the overall performance and progress towards the achievement of targets, the likelihood of achieving the expected goal and outcomes, focusing on potential adjustments to project design to ensure the expected impacts on the target group within a feasible time frame.
 - Review the total budget available and allocation to the different activities, focusing on re-allocating funds to those activities that were not included in the initial design or require additional funds to ensure quality of results.
 - Review the implementation arrangements for the different sub-components and agree with the GOG and implementing partners on measures that ensure value for money and effectiveness in the implementation.
 - Review the management and operational procedures and agree with the GOG on measures that may contribute towards reduced delays in implementation.
2. The mission held meetings with the Prime Minister and Minister of Finance of Grenada, Hon. Dickon Mitchell and the Permanent Secretary (PS) of the Ministry of Finance (MOF), Mr Mike Sylvester; the Minister of Economic Development, Planning, Tourism, ITC, Creative Economy, Agriculture and Lands, Fisheries & Co-operatives (MED), Mr Lennox Andrews; the Minister of Mobilization, Implementation and Transformation, Mr Andy Williams and Dr. Stephen Fletcher; the Minister of State with responsibility for Agriculture and Lands, Fisheries and Co-operatives within the MED, Mr Adrian Thomas; the PS's of the MED, Ms Kim Frederick with responsibility for Economic Development, Planning, Creative Economy and ICT; and Mr Aaron Francois with responsibility for Agriculture, Lands, Fisheries and Co-operatives. The mission team also met the PS of the Ministry of Climate Resilience, the Environment and Renewable Energy (MCRERE), Ms Merina Jessamy; the PS of the Ministry of Carriacou and Petite Martinique Affairs (MCPMA), Mr Javan Williams; the Senior Vice President for Business Development of the Grenada Investment Development Corporation (GIDC), Ms Khesha Mitchell; the Business Development Specialist, Ms Katelyn Brathwaite; and Dr Kelvin George, Head of the Department of Economic and Technical Cooperation.
3. The mission worked closely with the Programme Management Unit (PMU) and held virtual meetings with the Vocational Skills Training (VST) service providers, the Grenada National Training Agency (GNTA) and the T.A. Marryshow Community College (TAMCC) and the New Life Organization (NEWLO). The mission spent two days in field trips visiting beneficiaries of First Push Grants and of extension services of the Climate Smart Agriculture (CSA) component in the parishes of St George, St David, St Andrew, St Patrick and St John. The mission also took one day to visit the island of Carriacou and met with beneficiaries of the CSA component.
4. The mission is grateful to the authorities of Grenada, the PMU staff and key institutional partners in the Government of Grenada, particularly the GIDC, the MOAL, the MCPMA, Ministry of Climate Resilience, the Environment and Renewable Energy and the VST service providers, for the considerable time and support provided to the mission team.

Key Mission Agreements and Conclusions

5. The MTR takes place past the mid-term of implementation, reprogrammed due to the global COVID-19 pandemic that also affected SAEP's overall implementation. The delay provided an opportunity for discussing with the new GOG on how the Programme can better contribute to its goals. The mission could confirm that SAEP's development goal, outputs and outcomes remain relevant and can make a significant contribution to GOG's transformative agenda.
6. SAEP's implementation shows disparities between components^[1]. The Enterprise and Business Development (EBD) component is mostly on target, while the Climate Smart Agriculture (CSA) component is lagging behind. The PMU has taken steps in the right direction, yet the pace needs to improve significantly. The quality of technical support seems satisfactory according to the preliminary results of the Outcome Survey, which would advocate for submitting the proposal to the Adaptation Fund to access additional funding and time for supporting the adoption of CSA practices. An important finding is that youth is interested in agriculture if addressed with a modern approach. External and internal factors that negatively affected the CSA component include the following: The component went through changes in the implementation approach, lack of coordination and synergies between the plans of the Ministry of Agriculture and Lands (MOAL)^[2] and SAEP's activities; and, to a great extent, the pandemic –that halted all field activities in extension, while the EBD component could turn to online modalities-. Ambiguous information disseminated at the beginning of implementation focused all expectations on tangibles, while the core of the Programme is on capacity building; creating frustration and mistrust over the years that led to further delays.
7. The amount of work that the PMU and implementing partners will face in the next budget cycle for both components is substantial. The mission recommends streamlining the intervention, focusing on building beneficiaries' capacities and assets by completing and consolidating what has already started. Other activities, which require a longer period to benefit implementation^[3] would side-track the PMU from SAEP's main focus. Priority should be placed on simplified solutions that lead to the same objective. Activities lagging behind, such as the Support to Existing business by GIDC, require dedication from staff that could put the overall achievement of outputs and outcomes at stake. GIDC offered to use its own staff to accelerate implementation. The mission recommends considering this support for ensuring that less prepared youth with start-ups receive more handholding to improve their businesses on a sustainable basis, as priority should be given to quality of results in the next budget cycle across the board.
8. It is important to flag that the pace of implementation increased significantly since the last supervision in December 2021; the cumulative outreach increased by 61% and disbursements increased from 30% of IFAD Loan 1 to 81%. All staff from the PMU and implementing partners need to remain focused to achieve minimum targets, considering that the slow pace of implementation means the Programme would not use all resources of IFAD loans at completion. The PMU and implementing partners need to achieve 340 First Push Grants, 100 Business grants and 180 CSA grants to show a satisfactory level of performance. For this purpose, by the end of March 2023, all calls for proposals should be closed, 80% of proposals should be submitted to the Grant Committees, and at least 50% of approved grants should be under implementation.
9. Most of the delays in the implementation of grants occurred at the procurement stage. The current scenario is quite challenging, as prices of goods are constantly changing. The mission recommends streamlining the grant procedures building on the experience gained so far, identifying opportunities for fast-tracking proposals according to readiness, simplicity and potential procurement in bulk for similar items.
10. ^[1] As flagged in Supervision missions in the past three years.
11. ^[2] The Ministry of Agriculture and Lands (MOAL) is now within the Ministry of Economic Development, Planning, Tourism, ITC, Creative Economy, Agriculture and Lands, Fisheries & Co-operatives (MED). As the SAEP has been working with the MOAL as a separate entity, the report will refer to this Ministry for clarity. The Memoranda of Understanding were signed with the MOAL, as well as all technical relationship was with the MOAL, not the MED.
12. ^[3] Such as the consultancy on Climate Vulnerability Assessment and CSA Training.

D. Overview and Project Progress

13. SAEP's outreach is currently at: 64% of the Mid-Term target and 27% of the overall target, with 52% of beneficiaries being women. Underachievement is mainly explained by the lack of progress in the infrastructure sub-component. IFAD financing is allocated to capacity building and assets, with an overall outreach in training of the EBD component of 93% of the total target, and 35% for the CSA component. The overall achievement in terms of assets (grants) is currently 51% for First Push, 21% for Business Grants (which depend on the performance of First Push grants, so there is an expected delay), 36% for CSA grants and 20% of BYG. The overall outreach in these activities represent 92% and 46% respectively of the Mid-Term and total outreach targets excluding infrastructure (financed by CDB).

14. The **Vocational and Skills Training (VST)** activities are implemented through three Service Providers (SP): the Grenada National Training Agency (GNTA) to train 160 youth and an additional 60 would receive certification through Assessment of Prior Learning (APL)^[4]; the T.A. Marryshow Community College (TAMCC) to train 120 youth; and, the New Life Organization (NEWLO) to train 120 youth. According to the MOUs, each service provider agreed to certify a minimum of 85% certified, of whom at least 40% would become employed. All three MOUs finalized on December 31, 2021, but even though all VST SP made major efforts to adapt to the COVID-19 challenges, delays in implementing the MOUs and reaching the expected targets were unavoidable. Therefore, the last supervision agreed to extend the MOUs (with the same resources and no changes in targets), which finalized on June 30. Although all activities under the MOUs concluded before the amended MOUs expired, the three SP submitted their final reports after the MOUs expired, which prevented final payments. The mission recommends to sign simple agreements^[5] to regularize the situation.
15. The Vocational Skills Training (VST) activities achieved 84% of the target (NEWLO 97%, TAMCC 96%, GNTA 66%). A total of 337 young men and women (53% female) were trained and graduated from the VST Programme.^[6]
16. VST SP faced several challenges due to the pandemic, particularly the high number of drop-outs (27% of the enrolled students), due to difficulties for finding internships, as well as vaccinations requirements imposed by some employers. Each service provider performed differently under these circumstances. NEWLO became the most innovative and committed service provider providing good quality service and at a reasonable timeframe; TAMCC was also effective. On the contrary, GNTA could not achieve its targets in spite of agreeing with the PMU on a contingency plan that involved increasing the number of APL; it showed delays and high drop-out rates. As mentioned in previous missions, note should be taken on GNTA's underperformance; and track record of public institutions and SP should be carefully considered for engaging them in the implementation of future interventions.
17. The expected gender balance of VST certified students (60% female and 40% male), was nearly achieved: 53% female and 47% male. There are differences between SP, mainly related to the type of courses implemented by each one and the challenge of breaking through traditional role patterns: SAEP PMU produced videos to showcase success stories of male and female students who have broken through the traditional gender division of roles and can be "role models" for other young men and women.
18. In terms of employment, the target was set at 136 students becoming employed (NEWLO-41, TAMCC-41 and GNTA-54) and the total number of students who became employed is 143 (105% of the target).
19. The MTR mission continues to support the synergies between SAEP's instruments, giving the chance to successful VST students to start their own business through Enterprise Training (ET) and business grants. As of MTR, 7 trainees who had received VST^[7] attended and successfully completed ET training, out of which 6 accessed First Push financing and one of them applied for the Business Grant Financing. On the other hand, 1 trainee who received ET training attended and completed VST in TAMCC and one received APL. Moreover, two beneficiaries of the CSA component accessed VST in TAMCC, one in Carriacou and one in Grenada.
20. The **Entrepreneurship Training (ET)** activities are carried out by GIDC. The Programme signed a second MOU with GIDC to cater for the period 2022-2024. The activities are mostly on target despite of the delays created by the pandemic. The Seamount Training and Outreach Centre is fully operational^[8]. A total of 500 youth (66% female) received Entrepreneurial Training; 13 batches of training were completed, the first one starting in January 2020 face to face and the following ones incorporating online modalities. The systematization studies conducted by the PMU show that most participants consider the training as meaningful and satisfactory, although they indicate they would need further support in specific areas. GIDC considers that Business Development Officers (BDO) need now to focus on the implementation of grants, so that any further training should be provided during handholding support, targeting the specific needs of each trainee. The mission endorses this approach.
21. The implementation of the **First Push (FP)** is ongoing. The total number of proposals received is 316; 286 were approved (for 296 trainees, 65% female) and 15 were provisionally approved (15 trainees, 67% female); 202 are under implementation and 99 are pending disbursements. The mission observed a great difference in readiness between those who had previous experience in business and those that are new. Among the 202 FP grantees drawing funds, 54% are new while in the proposals for Business Grants (BG), the participation drops to 33%. The analysis of the impact of the FP after six months shows similar results, those with prior experience have had greater increase in income than the new entrepreneurs. At present, the procedure indicates that the FP grantees have to show their performance along a six-month period before applying to the BG. The mission recommends GIDC reviewing the procedures according to the readiness of the grantee and based on the BDOs' assessment^[9], with the objective of increasing the pace of implementation and allowing the BDOs to concentrate their support in those that require more assistance. The GIDC team should identify the relevant indicators to verify readiness, the different procedures according to the indicators and propose the corresponding changes in the Grant Manual for IFAD's No Objection.
22. The first call for **Business Grants** was implemented in May-June this year and the evaluation of proposals has not been completed. There were 26 proposals presented^[10]. There is another call ongoing, which means additional proposals to evaluate are coming soon. The GIDC has proposed that the GIDC Internal Committee prepares a summary sheet and recommendation for the BG Committee when submitting all the documents. This would reduce the time for approvals, as it would facilitate the work for the Committee members. The mission endorses the proposal but is concerned with the amount of work that the Internal Committee would face in the following months, as it would have to evaluate and approve more than 50 additional FP grants plus at least 100 BG by the second quarter next year in order to attain the 85% of the set target in the MOU. The mission recommends putting in place a careful planning for next year, setting a timeframe for closing all calls for proposals by the end of the first quarter 2023 in order to subsequently focus on assessment approval and implementation of grants. The disbursement of grants close to the SAEP closing date should be avoided, as it is important to guarantee enough handholding. The implementation of grants has reduced the length of time between submission, approval and disbursement, but the situation needs to improve in order to meet 85% of target established in the MOU. The mission recommends the GIDC to focus on feasible targets, so that BDOs can provide enough support to less prepared grantees.
23. The engagement of existing businesses is delayed. Less than 10% potential beneficiaries have shown interest and the GIDC proposed remedial action^[11]. The mission recommends that priority be given to consolidate results, so that all available resources should focus on supporting start-ups instead of attempting new activities.
24. GIDC indicated that the online modalities in ET generated savings for approximately USD 300,000 regarding the original budget. The mission discussed possible uses of these savings and supports all options that contribute to sustainability of start-ups.
25. The **Climate Smart Agriculture** component is delayed and, even though some positive steps were taken, many agreed actions are yet to be completed. Lot 1 and 2 for a climate vulnerability assessment and CSA training were resubmitted for IFAD No Objection in early September 2022 after several alterations. The mission decided to cancel both Lots as there is too little time before project end to complete the work. Following the successful CSA 4H manual development and training under 4H^[12], it is recommended that this budget be used to locally source a CSA training. The development of a proposal for accelerating the pace of implementation and operational procedures of the CSA component was not completed and remains a priority activity for the CSA Coordinator.
26. Cumulative to the MTR, 770 (337 female) beneficiaries have received community awareness trainings, representing 110% of the 700 MTR target^[13]. Details on plans for the rest of the year and for 2023-24 are presented in Appendix 4, showing a balance of 1,430 beneficiaries to receive awareness trainings in 2023 and 2024, which would be approximately 45 sessions to be conducted.
27. The procurement for the CSA 4H manual and associated training of 52 teachers from 39 schools was successfully completed. Following the training, a call for proposals was launched last May to promote increased awareness of Climate Change and its impacts on agriculture through the practical demonstration of an innovative project. Four proposals were received, with 3 being approved. Report was sent and procurement will commence upon approval of report from MOAL. The establishment of 4 shade houses is pending on the MOAL to send the technical specification drawings. During the MTR discussions were held on the appropriateness of this intervention and whether the schools would be able to manage and maintain a rather high-tech greenhouse with combined irrigation and fertigation technologies. It is recommended that a simplified protective structure and a water catchment distribution system be erected, as this is a much more appropriate technology and one that the families of the school children might be able to adopt.
28. Cumulative to the MTR, 434 (153 female) beneficiaries have received extension services, representing 72% of the 600 MTR target. There are two main reasons for the low achievement of this activity: (i) the Fisheries Assistants (FA) are struggling to enrol new fishers due to the ambiguous information disseminated at the beginning of implementation which focused expectations on receiving tangibles (boat engines), while the core of the Programme is on capacity building^[14]; and, (ii) Extension Assistants (EA) and FAs focused on processing and revising the CSA grants instead of working with new and existing farmers and fisherfolks. It is urgent that the project develops a clear and realistic program of work to ensure 100% achievement of the overall target of 1,200, so it is clear how the team can complete all activities before the end of the project. Additionally, EAs and FAs have been supporting farmers and fishers that have not completed the intake forms and are not counted as beneficiaries. The issue was addressed by the mission developing a simplified form for extension beneficiaries.

29. To date only one fish aggregation device in MCPMA has been implemented as a model farm. The other five model farms (MOAL 2, Fisheries 2 and MCPMA 1) were not implemented as planned in 2022. SAEP is presently reviewing a draft MoU with UNDP to collaborate on an Agro-silvopastoral project in Carriacou that will develop water and feed resources for livestock. Implementation of these model farms is key, as this is one of the main items that can be left behind when SAEP ends. As part of the CSA strategy, the project needs to develop a clear plan for the design and implementation of these model farms by the end of 2023.
30. Up to the MTR 53 grants have been approved – 43 for CSA and 10 for Backyard Gardens (BYG). Of these 25 CSA grants (42% of MTR target) and 3 BYG grants (15%) have been signed. Of the 53 only three are completed. The remaining grants were delayed due to beneficiaries' inability to make the cash contributions and the delivery of equipment being delayed due to supply chain issues and of economic effects derived from the COVID-19 pandemic. The project continues to do follow ups with beneficiaries. The remaining grants are in different stages of procurement; procurement of engines has been delayed by price increases that now mean the engine cost is above the grant ceiling in the original proposal. To simplify and complete this process the mission recommends that SAEP send a No Objection request to IFAD to approve an increase in the price ceiling using the two quotes they received. Once delivery is made for grants it is key that CSA extension services are provided to these grant beneficiaries. Prioritisation needs to be made for completion of these grants, whilst also continuing the other activities.
31. In late August a second call for CSA and BYG grants was made with an extended deadline of 7th October. The project has a plan for the review, evaluation and approval of these proposals, with a start to implementation (preparation of contracts, letters, paying deposit, procurement, etc.) in February to March 2023. It is therefore unlikely that any beneficiaries will start their activities before the middle of 2023. The mission recommends not to have a third call and to focus on implementation support with backstopping from the EAs and FAs on the proposals already submitted.
32. The Marketing Officer continues to provide marketing advice, developing advertisements, branding and label production and social media linking of buyers and sellers. From the field visits it was observed that beneficiaries don't have a real understanding of their costs and benefits of their businesses, and don't know if they make a profit or not. Similar to the standards manual, the MO and CSA coordinator should produce a series of two-sided information sheets covering crop and fisheries enterprise budgets, highlighting relevant information for decision making^[15]. These production options and costs should be combined with marketing costs that cover the quality specifications for different markets, the extra costs of targeting these markets and therefore whether a certain market is profitable and achievable.
33. The **Infrastructure** activities financed and supervised by the Caribbean Development Bank (CDB), focus on (i) the rehabilitation and climate proofing of rural roads and drainage systems; (ii) the rehabilitation and/or expansion of off-farm irrigation systems incorporating climate resilient measures, (iii) design and supervision services for CSA infrastructure and advisory services/training of farmers/farmer groups in irrigation system operations and management respectively^[16]. Rehabilitation and climate proofing of rural roads have been separated into three Lots. Lot 1 includes 3 roads and a contract has been awarded for design and supervision services. Bids for construction services are in the evaluation stage. CDB was informed that there has been a significant increase in the cost of construction, meaning the amount allocated to road rehabilitation will be completely exhausted by Lot 1, with a shortfall of XCD 0.8 million. The GOG has been approached by CDB to consider requesting additional resources for USD 4.5 million to meet the shortfall in Lot 1, complete Lots 2 and 3 and possibly expand the scope of works for rural/feeder roads rehabilitation, as necessary. Project closure for SAEP is scheduled for March of 2024. CDB informed the IFAD mission that a project extension (at least 12 months) will be required for completion of infrastructure works under CDB's supervision.
34. The Irrigation subcomponent has not started; currently CDB and SAEP are starting the procurement process for the design and layout of irrigation schemes in Grenada and Carriacou^[17].
35. SAEP in collaboration with the MOAL will support the Southern St. George Water Supply Expansion Project (SGWSEP) for slope stabilization. The intervention will impact an area of approximately 50 acres currently occupied by 20 farmers.
36. ^[4] GNTA is the only institution entitled in Grenada to provide certificates through APL.
37. ^[5] This new agreement would be the legal basis for the payment. It could be a one or two page document that clearly establishes the link to the previous Memoranda, the pending deliverables and the amounts to be paid. Because of the amount of the pending final payments, these agreements need to go to IFAD for No Objection.
38. ^[6] As of date, out of the 337 graduated students, 242 (71.8%) have received their certification. 20 NEWLO students graduated in *Electrical Maintenance* course and all the TAMCC Batch 2 graduated students (75) are pending to receive certification from GNTA, which is projected by November 2022.
39. ^[7] Three in *Solar Panel Installation* (TAMCC), one in *Fish Processing* (TAMCC), one in *Web Development* (TAMCC), one in *Agri-food Processing* (GNTA) and one in *Electrical Installation* (NEWLO).
40. ^[8] The GIDC Coordinator and the 4 Business Development Officers work at the Centre; it has 2 training rooms and office space for staff.
41. ^[9] For example, reducing the six-month period or establishing a fast track to the Business Grant for those that have their business already operating and have sound proposals for moving forward
42. ^[10] Including 6 in manufacturing, 4 in agriculture and 6 in agro-processing
43. ^[11] GIDC proposed implementing promotion activities and the allocation of own experienced staff for this activity.
44. ^[12] 4H is a U.S.-based network of youth organizations.
45. ^[13] Trainings have covered, integrated pest management, Trichantera as a livestock feed, coral reefs and climate change, composting, fish quality and climate change and water conservation using drip irrigation.
46. ^[14] Unfortunately these engines have still not been provided to the beneficiaries
47. ^[15] For example, costs for the different production methods (with/without drip irrigation), comparing on and off-season production, postharvest storage and processing options etc.
48. ^[16] IFAD requested estimate outreach targets for the Road and Irrigation sub-components and CDB committed to provide updated figures by Q2 2023.
49. ^[17] It is proposed that work commences in Carriacou (rehabilitation of ponds and wells in Limalair, Belair and Dumfries), followed by Grenada (routing of water through gravity-fed distribution networks to irrigation schemes in La Poterie, and Conference in St. Andrew, Hope Vale, St. George, Chambord, St. Patrick and La Sagesse, St. David).

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness	Rating: 4	Previous rating: 4
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Justification of rating

50. The mission reconfirms the disparity in performance between the two components: Component 1 is mostly on target and likely to achieve the expected outcomes and outputs, while Component 2 will need to speed up its implementation pace considerably if it is to meet its end targets within the remaining 18 months of project implementation.

Log-Frame Analysis & Main Issues of Effectiveness

51. In terms of outreach, SAEP currently stands at only 27% of end target, mostly due to the fact that the outreach target highly depends on the construction of roads (3,000 out of the projected 7,500 beneficiaries), directly supervised by CBD. At outcome level, SAEP has created 179 out of the 400 jobs expected to be created at project end (45%). The number of enterprises that have been consolidated is currently zero, due to the fact that the team agreed to define "sustainable business" as "any business that has increased profitability and has created employment opportunities over its baseline at a specific period during the life of the project". Given that many businesses are start-ups, results on this outcome will need more time to become measurable. Preliminary results from a small survey carried out in August 2022 on outcomes of Component 2 suggest that approximately 70% of farmers who received extension support adopted CSA practices. This amounts to approximately 300 farmers.
52. At output level, the project is doing particularly well on the delivery of vocational skills trainings (337 of the 400 youth have been trained - 84% of end target), and on the provision of entrepreneurial training (100% of the end target of 500). SAEP is also on track for achieving its target on youth receiving start-up grants (311 out of a planned 400, or 77% of end target). Lagging behind in Component 1 is the provision of business development services, which only 15 out of the 270 planned enterprises have received so far (5% of end target). Component 2 has also progressed in terms of outputs achieved, although at a slower pace: 770 out of 2200 persons (35%) have been trained on innovative technologies, smart agriculture and climate change; 434 out of 1200 (34%) farmers received extension services; 159 out of 400 (40%) farmers have received market support services; and 43 out of 120 expected CSA grants have been approved (35%).

Development Focus		
Targeting and Outreach	Rating: 5	Previous rating: 5

Justification of rating

53. The Programme reaches out to the intended target groups. The PMU, Implementing Partners and Service Providers have been strictly applying the agreed targeting criteria reflected in the respective MOUs to select potential beneficiaries for each intervention. The Intake forms used by the EAs and FAs, GIDC and VST service providers to identify and register beneficiaries in a participatory way, are verified by the PMU. The results are reported back to IPs, EAs, FAs and SPs who in turn inform the applicants. Additionally, the M&E team constantly carries out verification field visits. The Programme has been monitoring the participation of women and youth to reach the quota as set out at design. Constant monitoring takes place and corrective measures are being taken.

Main issues

54. The mission acknowledges the specific actions taken by the PMU and all SAEP implementing partners to ensure continuous access of the target group to SAEP services and benefits. IPs and SPs are very much aware of the targeting strategy and the targets disaggregated by sex they have committed to, and they are reporting accordingly and adequately. The SAEP targeting strategy is constantly monitored by the PMU, including how service providers are implementing the targeting criteria and achieving the targets.
55. At present, SAEP achieved 64% of the mid-term outreach target of 3,200 households and 66% of the mid-term female beneficiaries' outreach target. In terms of attainment of targets, the CSA component is lagging behind in comparison to the EBD component, which has achieved 84% of the overall expected target of VST graduated students (NEWLO 97%, TAMCC 96%, GNTA 66%), 58% of the expected target of the certified students through the APL, 167% of the mid-term target of youth receiving ET and 124% of the mid-term target of youth accessing grant financing. Regarding the access of business development services for existing businesses, the achievement as of date is 19% of mid-term target, with the engagement of existing businesses is lagging behind. For Component 2, the achievement of expected mid-term targets is progressing as follows: (i) awareness raising and training activities on CC and CSA practices reached 110% of beneficiaries' target; (ii) extension services and marketing support 74.1% of beneficiaries' target; (iii) investment projects financed through the CSA grant fund were 72% of the target; (iv) the BYG financed through the CSA Grant Fund 50%; and, infrastructure has not started –which is closely linked to the low overall achievement of the Programme-. IFAD requested estimate outreach targets for the Road and Irrigation sub-components. CDB will provide updated figures by Q2 2023, as they do not currently have them.
56. The gender targets set at design for Component 1 (60% female and 40% male) are within reach. Through VST and ET, 512 females were trained, achieving 95% of the end target and 155% of the mid-term target. The overall expected gender balance of certified students for the VST has not been accomplished (out of the 337 young people graduated, 53% are female and 47% are male). On the other hand, out of the 64 young people certificated through the APL, 59% are female. GIDC is exceeding the expected gender balance of ET beneficiaries (out of the 500 ET beneficiaries reported by the M&E system, 66% are female and 34% male), while out of the 311 young people accessing first push proposals financing, 66% are female and 34% male. Regarding the CSA component, the expected mid-term gender targets (50% female and 50% male) are almost achieved for the training and awareness raising activities (women represent 49% of beneficiaries), while the extension services on CSA practices and technologies and marketing support are lagging behind (women represent 35% of beneficiaries).
57. In order to ensure transparency in the application of targeting criteria, registration of the approval process (applications, approved, rejected, reason) should continue in a systematic manner by the M&E Unit.

Gender equality & women's participation	Rating: 4	Previous rating: 4
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Justification of rating

58. The PMU shows commitment with gender equality, which is clearly reflected in MOUs with IP and in the M&E results. The Programme takes measures to facilitate participation of young women by providing childcare for VST and ET and an allowance for transportation costs. However, a SAEP Gender Strategy was not developed. During the mission it was decided to cancel the previously foreseen Climate Vulnerability Assessment (CVA), including a gender analysis. Progress against the MOU with the Gender Department and Family Affairs is slow. The Gender Focal Point consultancy to be provided by the UWI has not yet started - and the Gender Awareness Training of Trainers consultancy has just started with delays in September.

Main issues

59. The SAEP Gender Strategy has not yet been developed and is pending since last year. Considering the project stage, it was decided to develop a systematization study on gender equality for the 2 Components, whose conclusions and recommendations will define the specific training needs of the PMU and field staff. Due to the cancellation of the CVA study and training, the mission started a discussion with the PMU about the possibility of providing training to the PMU and field staff through modular training. This would be provided – with the support of the Gender Department and Family Affairs (DGFA) - by two PMU staff who will previously receive the training for the ministerial gender focal points to be developed under the MOU with the DGFA (see below for more details).
60. In 2022, IFAD supported SAEP through a mini-grant to build-up gender sensitive nature-based solutions linked to CC and adaptation, through a workshop held on 4 July for the PMU, Extension Assistants and Fishery assistants and some extension officers of the Ministry of Agriculture.
61. Progress against the MOU with the DGFA is slow. At the time of the mission progress is as follows: (i) The equipment and materials for DGFA were officially handed over to DGFA on 15 July 2022; (ii) The *Gender Focal Point Consultancy* to be provided by the University of the West Indies is overdue by one year and has not yet started; (iii) The *Gender Awareness Training of Trainers Consultancy*, foreseen to be implemented in the first quarter 2022, recently started in September for 15 facilitators of the Ministry of Youth from Grenada and Carriacou; (iv) Provision of Gender Awareness Sessions to SAEP beneficiaries will be implemented between the fourth quarter of 2022 and the first quarter of 2023.
62. Gender targets set at design for Component 1 (60% females and 40% males) are within reach. Through VST and ET, 512 females were trained, achieving 95% of the end target and 155% of the mid-term target. The expected gender balance of VST graduated students was not accomplished (out of the 337 young people graduated, 53% are female and 47% male). On the other hand, out of the 64 young people certificated through the Assessment of Prior Learning, 59.4% are female. For its part, GIDC is exceeding the expected gender balance of ET beneficiaries (out of the 500 ET beneficiaries reported by the M&E system, 66% are female and 34% male), while out of the 311 young people accessing first push proposals financing, 66% are female and 34% male. Regarding the CSA component, the expected mid-term gender targets (50% female and 50% male) are almost achieved for the training and awareness raising activities (women represent 49% of beneficiaries), while they are lagging behind for extension services on CSA practices and technologies and marketing support (women represent 35% of beneficiaries).

Agreed Action	Responsibility	Agreed Date
Develop a systematization study on gender equality in SAEP Develop a systematization study on gender equality in SAEP components	PMT: M&E Spec, with support of Tech coord and inputs from CSA and Marketing Coord	03/2023
Within the MOU with MOSDHCE - training of Gender Focal Points - training of Ministry of Youth staff - training of SAEP beneficiaries	PMT: Tech coord., Procurement Spec., Finance Spec	03/2023

Agricultural Productivity

Rating: 3

Justification of rating

63. Due to the slow pace of implementation there is no data collected for the Component 2 indicator, households reporting an increase in production. The EA and FA training in new technical areas has surpassed the mid-term target and the training of farming households by the EAs and FAs has reached 72% of the mid-term target. These are the first steps in the introduction and adoption of technologies by farmers, as farmers need time to evaluate and test the new technologies. With only 18 months of the project to go, the CSA Coordinator needs to urgently develop and implement the overall CSA Strategy, to ensure the trainings of farmers are completed with time to access their impact on households before project end.

Main issues

64. There are a range of SAEP activities that have to be completed so beneficiaries can evaluate and adopt new technologies, to increase their productivity. These are:
65. **Model farms** There is one fish aggregation device model farm in MCPMA. The other five model farms were not implemented in 2022. SAEP signed a MoU with UNDP to collaborate on an agro-silvopastoral project in Carriacou that will develop water and feed resources for livestock, but it has not started. As part of the CSA strategy, the project needs to develop a clear plan for the design and implementation of these model farms by the end of 2023
66. **4H shade houses** This has been delayed waiting on the MOAL. A draft drawing and costing was received, but no progress was made on the procurement process. After discussions on the suitability of this intervention and whether the schools would be able to manage a high-tech greenhouse with combined irrigation and fertigation technologies, it was recommended that a shade net with water storage and a hosepipe/water-cans be installed, as a more appropriate technology and one that the families of the school children might be able to adopt. Another option is to host this at Maribeau Farm as a demonstration in partnership with the TAMCC training program
67. **CSA grant call** In late August there was a 2nd call for CSA and BYG grants, with a deadline of 7th October. The review, evaluation and approval of these proposals is too long, with a start to implementation in February to March 2023. Beneficiaries would not start their activities before the middle of 2023. It is expected that the remaining 127 grants can be identified in this current call. If this does not materialise, it is recommended not to have a third call and to focus on implementation support with backstopping from the EAs and FAs. The increase in engine prices have halted grants financing engines, so that a NO from IFAD should be sought to increase the ceiling for these.
68. **Marketing activities** To adopt a technology HHS need to see farming/fishing as a business. During visits it was clear that beneficiaries don't understand their costs and benefits, and don't know if they make a profit or not. E.g. many farms said marketing was not a problem but sold their produce to the lowest price market – the Marketing and National Importing Board. They could increase their profits by linking to high value markets like supermarkets and hotels. Similar to the standards manual, the Marketing Officer and CSA coordinator should produce a series of two-sided information sheets covering crop and fisheries enterprise budgets, highlighting costs of production (e.g. with/without drip irrigation), comparing on and off-season production, postharvest storage and processing options etc. These production options and costs should be combined with marketing costs that cover the quality specifications for different markets, the extra costs of targeting these markets and therefore whether a certain market is profitable and achievable

Agreed Action	Responsibility	Agreed Date
Development of CSA plan Develop a plan for Component 1 and 2 grant recipients to access technical and marketing support that links production and markets and document results.	CSA Coordinator, MO	11/2022
Model Farms Develop a clear plan for the design and implementation of the model farms	CSA Coordinator	11/2022
Shade houses Review the MOAL-4H MoU and agree school garden completion target and the design of shade houses	CSA Coordinator	11/2022
CSA grant process review Review the CSA and BYG grant process to speed up the process by 50%.	CSA Coordinator, PO	11/2022
Marketing Activities Finalize M&E data collection process with MO. Ensure inclusion in the M&E System	CSA Coordinator, MO, M&E Sp	11/2022
Engine procurement Finalize process through request for NO for price increase	CSA Coordinator, PO	12/2022

Nutrition

Rating: N/A

Previous rating: 4

Justification of rating

69. Although SAEP is not a nutrition-sensitive project, its design envisioned nutrition to be mainstreamed across all activities. The interventions of the project have not had the scope originally planned; some activities were carried out aiming at providing training and demonstrations on nutrition to community members and at supporting the most vulnerable families. The scope and the action plan of the intervention needs to be more clearly integrated to the CSA training and extension activities.

Main issues

Justification of rating

70. The CSA component has made some progress since the last mission and preliminary findings from the outcome data survey show that the majority of farmers who received extension support adopted CSA practices and are satisfied with project activities. However, the pace of implementation remains slow: the Coordinator needs to find a way to maintain the progress of the different activities in this component, and must closely follow up on the agreed corrective actions to reach the project targets before completion. Improving and documenting the performance of this component and ensuring beneficiaries' increased climate resilience and adaptive capacity is crucial given Government's request to proceed with the submission of the AF proposal which aims at scaling up SAEP's CSA component.

Main issues

71. The mission recognizes that the CSA component had been advancing, but not at the speed needed to ensure the achievement of targets for all its activities. In fact, while awareness raising and training activities on CC and CSA practices to the MOAL, the MCPMA, the Department of Fisheries and 4H have surpassed the mid-term target (110%), the other activities are still lagging behind: extension services and marketing support reached 74%; investments through the CSA grant fund reached 72%, and the BYGs reached 50%. As the MT value is only one third of the overall targets, there has to be a significant increase in the implementation speed to ensure outputs and outcomes at completion.
72. During the mission corrective actions to improve the speed of implementation were discussed with the Coordinator, in particular: the development and implementation of a coherent CSA strategy remains a top priority for the CSA coordinator. With regard to the CSA grant fund, currently 53 grants have been approved (43 for CSA and 10 for BYG). Of these, 25 CSA grants and 3 BYG grants (42% and 15% respectively of MTR target) have been signed. Only one is completed; eight have full procurement but no delivery; two requested a contribution waiver and are delayed. The rest are in different stages of procurement. A second call for CSA and BYG grants has been issued and the PMU has a plan for the review, evaluation and approval of proposals that is not allowing enough time for technical support to ensure the expected outcome. The mission recommends not to issue a third call and focus on consolidating the results of submitted proposals.
73. Lot 1 for a climate vulnerability assessment was submitted for IFAD No Objection in September 2022. The planned contract date was January 1 to May 2023, with a first draft report due 30 April 2023. As the draft report will be used in developing the Lot 2 training curriculum, it was decided to cancel both Lots as there is too little time before project end to complete the work. Following the successful CSA manual development and training under 4H, it is recommended to use this budget to locally source CSA training.
74. Despite the above will require substantial efforts to achieve satisfactory results in terms of ACC by project completion, there are also encouraging aspects to highlight. First, the PMU have benefitted from a specialized technical training on Climate Change, Mitigation, Adaptation, etc., which enhanced staff understanding and contributed to refocus the component around its main objective of increasing resilience to CC. Second, preliminary results from the outcome data survey carried out by the M&E Unit in August 2022 shows that approximately 70% of farmers who received extension support adopted CSA practices; 24% of interviewed farmers declared themselves very satisfied with project activities, 46% moderately satisfied, and 25% not satisfied. Last, the Government showed interest and willingness to proceed with the submission of the AF proposal which scales up SAEP's CSA component. The latter would allow increasing the scope of adaptation investments, as the SAEP target for grants covers only 10% of beneficiaries receiving extension.

Agreed Action	Responsibility	Agreed Date
Develop a clear and realistic CSA strategy To accelerate the pace of implementation of the component, keeping into consideration competing priorities.	PMU/CSA Coordinator	10/2022
Accelerate implementation of CSA and BYG funds Critically review the CSA and BYG grant making process and streamline the procurement of goods.	CSA Coordinator, Procurement Officer	11/2022
Notification of Designated Authority and Focal Point to the AF Secretariat To allow CN submission in January 2023 aiming at AF Board approval in March 2023.	PMU/GoG	11/2022

b. Sustainability and Scaling up**Institutions and Policy Engagement**

Rating: N/A

Justification of rating

75. The project design did not have a specific focus on policy engagement, it mainly aimed at institutional strengthening of the line ministries or agencies providing services to rural poor. As such, the Programme financed the establishment of a training and outreach centre for business development services outside of the metropolitan area of St Georges. Nonetheless, the implementation of the project gave way to another significant change in the policy and institutional framework for supporting rural poor, the creation of the Rural Development Unit within the MOF, as a specialized body for implementing rural development projects. The project is also contributing to gender mainstreaming across the GOG by strengthening the Gender Committee.

Main issues

76. IFAD championed bringing entrepreneurship training and business development services to rural areas of Grenada. GIDC had been providing these services in St Georges since its creation, with limited coverage to rural population. The previous IFAD financed project, the Market Access and Rural Enterprise Development Programme (MAREP), engaged GIDC in a first experience of collaboration that was deepened in SAEP based on the lessons learned. The main objective was to provide specialized technical support to businesses of rural poor. The refurbishment of the Seamount Training and Outreach Centre in St Marks is a milestone in terms of making these services readily available in rural areas.
77. The creation of the Rural Development Unit was not envisaged at design, it was a decision of the GOG to build synergies among projects that have similar objectives and similar target group. It includes the SAEP and the Basic Need Trust Fund (BNTF), financed by the Caribbean Development Bank (CDB) that provides basic social infrastructure to rural communities. The creation of the RDU cannot be attributed to the project, although the fact that the SAEP focused on the same target population as the BNTF aiming at strengthening rural poor's economic activities, provided the basis for building synergies and more efficiency in core services for implementation of rural poverty alleviation initiatives. The creation of the RDU increased the relevance of rural development projects and became the locus for the implementation of similar initiatives such as output 3 of the Eastern Caribbean Enhanced Direct Access (EDA) Project FP061 financed by GCF and implemented by UNDP, aiming at increasing resilience at community level to climate impacts through tangible adaptation benefits. The RDU is responsible for selecting the projects through a small competitive grants facility and for implementing the projects. The Ministry of Tourism, Civil Aviation, Climate Resilience and the Environment, acting on behalf of the GOG, signed a letter of agreement with the RDU for the implementation of the EDA Project. These investments will target public infrastructure that will improve the resilience of rural poor to climate impacts, thus contributing to improve the livelihoods of rural communities and, particularly of SAEP's beneficiaries' livelihoods.
78. The MOU with the Gender Department of the Ministry of Social and Community Development, Housing and Gender includes the training of the members of the Inter-Ministerial Council for Gender Focal Points established by the Ministry. Each ministry and statutory bodies appoints a focal point for this Council, which is responsible for implementing the Gender Equality Policy and Action Plan (GEPAP). SAEP will train these focal points, thus contributing to mainstreaming gender equality in the plans, programmes and policies of all areas of the GOG.

Partnership-building	Rating: 5	Previous rating: 4
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Justification of rating

79. The SAEP implementation strategy is built on developing partnerships with specialized local institutions for providing technical support to beneficiaries. These partnerships are well established and the responsibilities of the parties are clearly stated. The development of results-based MOUs was an innovation introduced by SAEP in partnering with public institutions, which allowed enforcing the attainment of targets and identifying corrective measures as required. The Programme is also developing an agreement with the Climate Resilient Agriculture for Integrated Landscape Management Project financed by the GEF and executed by UNDP. Collaboration with this project is focused on Carriacou, promoting sustainable management of agro-forestry systems.

Main issues

- 80. SAEP is working with a wide range of implementing partners, mostly from the public sector. It completed the Vocational Skills Training activities involving 3 services providers, one from the private sector (NEWLO) and two from the public sector (TAMCC and GNTA). These were engaged through results based MOUs vesting full responsibility to the partner under the supervision of the PMU, which allowed reaching the minimum targets established in the agreement (i.e. using alternative measures or contingency plans to reach the targets as the APL for GNTA when the set targets could not be achieved as planned). The MOU signed with GIDC for ET and BDS also vested all responsibility for implementation to the implementing partner, fostering ownership and institutional strengthening. There are other 3 MOUs signed with the MOAL, MCREFF and MCPMA for the implementation of the CSA component, with shared responsibilities for implementation.
- 81. The PMT seeks collaboration with the specialized line ministry or department whenever the need arises (i.e. with the Grenada Food and Nutrition Council for nutrition training). The collaboration usually promotes the strengthening of the main implementing partners. The effectiveness of the collaboration for attaining Programme's objectives and targets depends on the implementing capacity and ownership of the partners. The SAEP signed an MOU with the Gender Department of the Ministry of Social Affairs to strengthen gender equality throughout the different line ministries.
- 82. The Programme is currently developing a formal agreement with the Climate Resilient Agriculture for Integrated Landscape Management Project (CRA) financed by the GEF and executed by UNDP. Collaboration with this project is focused on assessing, refurbishing and enhancing the Limlair Livestock Station in Carriacou, operated by the Ministry of Carriacou and Petite Martinique Affairs. The collaboration will provide equipment and supplies, refurbishment of livestock pens and fences, introduction of a livestock and tree component, a water harvesting systems, a crop component and a compost making system. Both projects will develop awareness and training activities in the demonstration model established at the Limlair Station. There is a draft MOU between SAEP and CRA, committing to execute these activities in the next AWPB.
- 83. These partnerships with other projects are promoted by the GOG as a means to avoid duplications, fostering complementarity and efficiency in the use of external funding.

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

84. At the time of the mission, 1,608 beneficiaries had participated in training and awareness activities and 434 had received extension services. SAEP is promoting capacity building of young men and women through VST and ET, reaching 837 beneficiaries. Moreover, SAEP reached 311 young people accessing first push proposals financing, 202 of which under implementation. The CSA component provided training on CC and CSA practices to 770 beneficiaries (110% of the mid-term target) and extension services and marketing support to 434 persons (74% of mid-term target). Investment projects approved through the CSA grant fund were 72% of the mid-term target. As a whole, the capacity building is moving forward, but the Programme has made limited progress towards helping beneficiaries gain control over economic relations.

Main issues

- 85. The Programme is fostering a comprehensive capacity building programme through its two components: the EBD focusing on supporting youth to get vocational skills and establish start-ups with training, technical support and investments; and the CSA aiming at building resilience to CC and variability in farmers, fishers and communities through training, awareness, extension and investments. The SAEP had a longer preparation period than expected; it was behind targets before the pandemic and the last years further compromised the pace of implementation. Although overall progress is delayed, the project is mostly on target and making a significant contribution to strengthening human capital and building capacities of young men and women through VST, ET and business development, as well as of CSA farmers and fishers through training activities on CC and CSA practices and, extension services and marketing support.
- 86. However, there are areas in the Programme in which the contribution to build human capital could be strengthened. It is expected that progress in the implementation of grants in both components should foster empowerment, building capacity for managing their own proposal, preparing forms, plans, getting quotations, opening a bank account, making payments, etc. SAEP held systematizations of experiences both for VST Batch 1 and Batch 2, as well as for all ET Batches, in order to evaluate the VST and ET training processes by receiving feedback from beneficiaries about their experiences. Regarding VST, the systematization studies show that most participants consider the training effective and useful, and that they helped them develop new skills and knowledge. On the other hand, they identified as main challenges the limited access to materials, tools and equipment required for technical training; the location of training facility and the demanding nature of the training (time and duration), which in some cases resulted in drastic decisions to ensure completion of training. Regarding ET, the systematization studies show that most participants consider the training as meaningful and satisfactory, although they indicate they would need further support for submitting grant proposals. At present GIDC considers that BDOs need now to focus their support in the implementation of grants, supporting those that require more assistance for preparing or implementing their proposals, so that any further training should be provided during handholding support, targeting the specific needs of each trainee.
- 87. Regarding the CSA component, the procedures are proposing that beneficiaries get quotations for the purchase of goods and services, although it is expected that EAs and FAs will have to support them extensively. The mission highlighted that it appears that extension and marketing support services need to improve their business orientation. From the field visits it was observed that beneficiaries don't have a real understating of their costs and benefits of their business, and don't know if they are making a profit or not. EA and FA must be aware of production costs in comparison to market prices, in order to train and advise farmers and fishers on how to produce and market with a profit. Youths that do not have prior experience on business need intense handholding for developing a grant proposal and during the first year of implementation of their projects.

Quality of Project Target Group Engagement and Feedback	Rating: 4	Previous rating: 4
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Justification of rating

88. Beneficiaries' representatives participated in the development of the 2022 Annual Work Plan and Budget and 2 were appointed as members of the PSC in 2022. SAEP has been implementing measures to promote social inclusion to help overcome barriers for participation in many areas. However, beneficiaries do not participate in important decision-making processes and there are no mechanisms in place for target group engagement throughout the project life; feedback from beneficiaries has been obtained through the IP and field visits to beneficiaries conducted by the PMU. The Grievance Redress Mechanism (GRM) is not yet operational. The EA, FA and BDO, are unaware of the concept of effective participation and the GRM. The Stakeholder Engagement Plan (SEP) has not yet been developed.

Main issues

- 89. SP and IP are responsible for the initial engagement of beneficiaries, using different mechanisms for their involvement and participation. NEWLO prioritizes a face-to-face approach in communities, TAMCC mainly uses the social media, GNTA mostly rely in the facilitators to engage beneficiaries and GIDC uses a mechanism to receive feedback from the ET beneficiaries on the training delivery process and its content, using the feedback as an instrument to improve the services. For Component 2, the approach involves the EAs and FAs for engaging farmers and fishers and providing technical support. SAEP M&E system uses a participatory approach through which the IP are directly involved in the collection of field data by filling intake (baseline) and monitoring form for each beneficiary. This was developed by the M&E Unit in collaboration with the IP.
- 90. For the first time, 5 beneficiaries' representatives participated in the Annual Consultation Workshop in September 2021. In addition, in the first quarter 2022, 2 beneficiaries were officially appointed as members of the PSC in 2022 representing the target group. The mission commends the PMU for the progress made fostering

beneficiary feedback and meaningful participation in programme decisions making. However, during the mission the PMU indicated there are shortcomings regarding participation in the PSC; the mission recommends finding out to what extent beneficiaries have actually participated in the PSC meetings and ensuring their systematic contribution to PSC decisions from now on.

91. The mission commends the PMU for its proactive measures to promote social inclusion, to help the most vulnerable groups overcome barriers for participation, and its efforts to constantly follow-up on beneficiaries for assisting in overcoming their challenges. The mission was also pleased to know that SAEP held systematizations of experiences with VST and ET beneficiaries, with the aim of getting feedback on their experience. However, there are still no formal mechanisms in place for target group engagement and feedback throughout the project life; feedback from beneficiaries has been obtained through the IP, systematization studies and field visits to beneficiaries conducted by the PMU. The Grievance Redress Mechanism was developed in 2021 but is not yet operational. The mission reiterates the recommendation of the two last supervision missions to effectively operationalize the mechanism, socializing it with beneficiaries and monitoring its application. SAEP field staff is not aware of the GRM, and the mission recommends to provide training to EAs, FAs and BDOs, as well as guidelines on how to socialize it among beneficiaries of both components. As regards the Stakeholder Engagement Plan, this is also on hold and still under development for almost two years. The mission reiterates the recommendations of the last supervision missions for the PMU to closely follow up and speed up the process, finalize the SEP and operationalize it as soon as possible as there is little time left for implementation.

Agreed Action	Responsibility	Agreed Date
Beneficiaries' participation in PSC Ensure the effective beneficiaries' participation and contribution in the PSC decisions happens in a systematic way	PMU Tech coord. and M&E Spec	11/2022
Stakeholder Engagement Plan (SEP) Speed up the process of finalizing the SEP and ensure its prompter implementation.	PMU Tech coord. and M&E Spec	11/2022
Training for EA, FA and BDO in soft skills Hold awareness training sessions for EA, FA and BDO on the concept of effective participation and engagement of beneficiaries in planning and implementation of activities	PMU	12/2022

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

Justification of rating

92. SAEP's service providers continue to show differences in their ability to meet beneficiaries' demands and in their capacity to provide quality and timely support to beneficiaries. All service providers of the EBD component except for GNTA have had a satisfactory performance, which shows in the attainment of targets. Results-based MOUs were introduced in SAEP as an innovation that contributed to this success. CSA component implementing partners had to halt activities during the pandemic and have shortage of staff which meant that SAEP support has been used by a larger number of farmers and fishers than recorded beneficiaries. Corrective measures agreed at the MTR aim at improving the registration of beneficiaries, as well as coordination with the MOAL and the MCPMA, fostering better integration of work plans.

Main issues

93. SAEP's service providers are GIDC, NEWLO, GNTA and TAMCC for component 1 and MOAL, MCPMA and Dept. of Fisheries for component 2. Systematization studies indicate that trainees consider VST and ET training as meaningful and useful. There are differences among service providers: NEWLO, TAMCC and GIDC could meet their MT targets, while GNTA could not. The fact that this service provider is the only one entitled to provide Assessment of Prior Learning reduced the scope for corrective measures [18j](#).
94. The feedback from ET trainees proceeding to grant proposals during the field trip indicates that they would require additional training for proposal writing, book keeping and marketing. The issue was discussed with GIDC and their approach is to address the gaps through handholding, not through additional formal training, to focus on the specific needs of each beneficiary. The mission endorses this proposal as the most adequate for going forward.
95. The implementing partners of the CSA component have not been able to meet the agreed targets. Firstly, an important difference with EBD is that extension services could not turn into online modalities during the social distancing protocols enforced in the pandemic. All extension staff had to halt their activities for several months and lost contact with their beneficiaries, which implied in many cases reviewing previous plans and proposals when resuming activities, which in turn gave scope for reinforcing the demand driven approach. Second, as a new CSA Coordinator came on board, the PMU could verify that EAs and FAs are providing technical support to a larger number of farmers and fishers than those recorded by the M&E system. Basically, the EAs and FAs cover all potential beneficiaries in the area they visit, but not all of them are willing to fill the intake forms as they do not see an advantage in doing it. The delays in implementing the grants have contributed to this lack of interest. The field staff report to the Coordinator and to the head of their work station (MOAL, Fisheries Department or MCPMA), which contributes to empowerment by the implementing partners but also requires strong coordination. The previous Coordinator from the MOAL was focused on MOAL's work plans and did not consider that reporting to SAEP was as important as reporting to his supervisors, giving a wrong message to the field staff. The mission discussed the issue and simplified the intake forms in consultation with EAs and FAs. The mission recommended the PMT to focus on grant implementation as a means of improving beneficiaries' view on project's opportunities, encouraging their engagement through the intake form to have a proper picture of SAEP's outreach in the CSA component. It was also agreed that direct communication and coordination should improve at the technical level with the MOAL and MCPMA, identifying and promoting synergies whenever possible.
96. Results-based MOUs have been instrumental for the PMU to negotiate contingency plans in the VST area. The PMU developed new MOUs with implementing partners for the current AWPB for the CSA component and will have to amend them or develop new ones for the remaining of implementation. The approach to the new MOUs should take into account lessons learned and promote coordination with the line ministries, preparing the grounds for continuity in extension services after project completion
97. [18j](#) As a lesson learned from previous projects, all VST trainings should lead to a CVQ or NVQ certificate (recognized by employers as a valid certification of competence). GNTA is the national institution responsible for issuing the certificates after completing the requirements. Those candidates that did not receive formal training have to go through an assessment process to receive the certificate..

Agreed Action	Responsibility	Agreed Date
MOUs with implementing Partners Extend MOUs or develop new ones for implementation of the CSA component until completion.	PMU/IP/PSC	12/2022

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

Justification of rating

98. There is no evidence to date that SAEP investments have caused significant negative or positive impact on ENRM. This is mainly due to the slow implementation of the CSA component and to the lack of specific monitoring of environmental parameters to track overall environmental sustainability. Once the ESMP developed by the PMU will be duly implemented and monitored, and if the corrective actions agreed to speed up the pace of implementation of the CSA component will be closely followed-up, it will be possible to better assess the project's effects on the access and management of natural resources. Important trainings on IPM, fertilizers management, water management, land preparation, and soil conservation have been delivered to the MOAL, Department of Fisheries and MCPMA.

Main issues

99. The development of an ESMP with adequate indicators, clear responsibilities and realistic costs represents a significant step forward towards a more systematic gathering of information and evidence on the project's overall environmental sustainability. However, as the ESMP is not yet fully operational, it is not possible to assess good management of natural resources or potential improvements of the natural resource base in the project target area. The inclusion of a brief environmental assessment and relevant mitigation actions in all new CSA and Business Grant Proposals also represents an important progress, as once streamlined, it will be another relevant entry point to evaluate SAEP's impacts on environment and natural resource management.
100. During a meeting with the DETC and the Permanent Secretary, it was confirmed that Grenada has not yet in place an environmental legislation approved at national level. Therefore, investments in the country have to rely and be compliant with the 2015 Public Finance Management legislation (with which SAEP is compliant), as well as with international environmental conventions and agreements Grenada is a signatory member (with which IFAD is also compliant). The Environment Division of the MCREFF has been identified as an institutional partner to ensure environmental compliance of SAEP's investments and proposed to sign an implementation agreement which would establish a No Objection procedure so to speed the pace of approval and implementation of the BPs (as also reported in the SECAP compliance section of this report).
101. With regard to the investments on the rehabilitation/improvement of roads by CDB, all environmental and social assessment have been completed in compliance with CDB's environmental and social safeguard procedures. The invitation to bid started in August 2022 and the next step will be the evaluation of the bids by the consultant that has been hired.

Agreed Action	Responsibility	Agreed Date
Ensure implementation and tracking of ESMP	PMU	12/2022
Ensure that social and environmental measures undertaken are aligned with the project ESMP, tracked and reported.		

Exit Strategy **Rating: 5** **Previous rating: 4**

Justification of rating

102. SAEP's design promoted sustainability through two mechanisms: by involving local institutions responsible for providing support services to the target population on regular basis; and, by strengthening their capacity to provide quality technical support. Each MOU includes an exit strategy and the financing of the Seamount Training and Outreach Centre is an example of this. Since the design it was agreed with the MOAL, the MCPMA and the GIDC that they would hire the staff recruited by the Programme as regular staff subject to assessments of performance, benefitting from the training and experience they gained during implementation. The MTR mission discussed the issue with the implementing partners and they agree on this way forward. This commitment should be explicit in the MOUs for the remaining of implementation.

Main issues

103. The staff recruited by the Programme has become key in the delivery of services to the target population. GIDC had all its staff located in St Georges, meaning potential clients from rural areas had to travel to access services, which was an actual barrier for poor business owners. SAEP financed the refurbishment of the Seamount Training and Outreach Centre in St Andrews and financed the recruitment of 1 Coordinator and 4 Business Development Officers, all of them now working on regular basis at the Centre.
104. Extension Assistants and Fisheries Assistants working at the MOAL and MCPMA are fully integrated to their working stations at the line ministry. They are reporting to the CSA Coordinator and to the Head of the working station, providing technical assistance to farmers and fishers in the community they visit. According to the EAs and FAs, they cannot refuse support to those potential beneficiaries that are not willing to fill the intake form (mainly due to the length of the process), so that they are already developing a target clientele that is consistent with the mandate of their respective line ministries. The mission considers that the MOUs for the remaining of implementation should made explicit that the MOAL and MCPMA will continue providing services to the target population by absorbing the staff hired by SAEP subject to performance assessment. Nonetheless, given the shortage of staff of both institutions and the current working schedules, both ministries have indicated that they intend to absorb the staff after completion. The mission considers that ensuring the continuity of services to the target population will not require further action.

Agreed Action	Responsibility	Agreed Date
Recruitment of BDOs as regular GIDC staff at project completion	PMU/GIDC	03/2023
Follow up with GIDC to ensure this commitment will be operationalised		

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

Justification of rating

105. The GOG has agreed to submit a proposal to the Adaptation Fund to upscale activities that increase resilience to CC of rural poor. Currently the proposal is focused on the CSA component, which still needs to accelerate the rate of implementation in spite the quality of results seems satisfactory. The focus on youth, entrepreneurship, agriculture and adaptation to CC shows great potential for scaling up given the current priorities of the GOG.

Main issues

106. The upscale of CSA intervention was envisaged at design, when it became evident that the grant fund for CSA adoption would cover a small group within the target population (only 10% of expected extension beneficiaries). Delays in implementation (to a great extent due to the pandemic) and a protracted preparation for the implementation of grants (mainly related to procurement and procedural issues) result in an apparently low demand for CSA investments. The preliminary studies of the outcome survey indicate that 70% of farmers have adopted CSA practices (mainly those not requiring investments like mulching). It is expected that as the model farms are implemented by next year, the demand for investments will significantly increase and the SAEP will not be able to meet the needs before completion.
107. The PMU will conduct systematization studies in both components before completion. These will provide important evidence on the way forward for the AF proposal, as both components have supported farmers and fishers: the EBD component has financed start-ups in agriculture and fisheries using a business approach, while the CSA component has given technical support to farmers and fishers, including marketing support, with a focus on adaptation to CC. Both approaches are complementary and could lead to high quality outcomes if combined, since poor farmers and fishers need to adapt to CC and need to have a business orientation to increase their income and sustain over time in the activity. An important finding in implementation (confirmed by the field trips conducted by the mission) relates to young men and women being interested and engaged in agriculture if addressed with a modern approach, that is, using up to date technology, liaising with clients through social media and developing distribution systems that reach the client with a high quality, value added fresh or processed product that competes with the imports in the supermarket shelves.
108. The implementation pace of the CSA component has not been satisfactory so far, partially due to working schedules of EAs and FAs in the MOAL and MCPMA that do not combine SAEP's and ministries' work plans in an efficient manner. The simplification of intake forms and the streamlining of procedures for grant implementation should contribute to improve the implementation rate, providing grounds for identifying best practices and the most efficient management arrangements for the new operation with the AF.

Agreed Action	Responsibility	Agreed Date
Adaptation Fund Proposal Submission	GOG	11/2022
Share revised version with IFAD and communicate the designated authority to AF		

c. Project Management

Quality of Project Management	Rating: 4	Previous rating: 5
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Justification of rating

109. The PMU has a full complement of qualified staff, monitors performance using LF indicators and has in place legal agreements with all implementing partners establishing clear targets and timeframe. The PSC guided implementation fully involved in addressing implementation issues until the change in Government, which brought a short pause until all senior rank positions are filled and the members of the different committees are appointed. The monitoring of MOUs had some drawbacks. It was agreed with the GOG that the management team would be strengthened to ensure the attainment of targets before completion.

Main issues

110. As requested during the last supervision, new MOUs with MOAL, MCPMA and MCREFF have been developed and signed as a framework for the execution of the current AWPB. New agreements should be signed for the remaining of implementation, either by amendments extending the current ones and updating targets and timeframe according to the MTR agreements or by developing new MOUs. IFAD recommended to the GOG being attentive to agreement termination dates, so as to extend MOU/MOAs when required before the agreements expire. At present the PMU is developing specific agreements with NEWLO and TAMCC to process final payment, as the MOUs expired before receiving the final report (last deliverables) to proceed with payments.
111. The Programme Steering Committee has not been operational since the change in government, as the appointment of a new Chairman is still pending. IFAD emphasized the importance of appointing a new chairman as soon as possible, as this is part of the loan covenants between the Government of Grenada and IFAD. The absence of a PSC causes the project to lack the right forum for facilitating discussions amongst different stakeholders and deciding on institutional and implementation arrangements. Furthermore, the PSC approves changes in the Programme Operating Manual and the AWPB before sending for IFAD's NO, so that its operation is crucial for avoiding delays. The GOG committed to appoint all members of the PSC immediately, so that the Committee will be operational by the end of October.
112. Considering SAEP has only 18 months left of implementation and the need to accelerate the current pace, the IFAD mission agreed with the GOG to strengthen the PMU's executive resources by adding a special advisor or deputy director to reinforce proactive results-based management. IFAD recommended that the PMU's executive team and the Technical Coordinator carry out a closer supervision on all the pending activities and results, liaising with component coordinators of implementing partners for a more proactive decision-making and the streamlining of implementation processes. These measures would contribute to ensuring attaining a significant percentage of outputs and outcomes before completion.

Knowledge Management	Rating: 5	Previous rating: 5
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Justification of rating

113. SAEP continues to be very active in terms of Knowledge Management (KM), with the development of KM products mostly focused on the production of videos highlighting the project's activities, approach, and results.

Main issues

114. The videos are posted on SAEP's up-to-date website, on Youtube, and are boosted on Instagram and Facebook for a week after their release. Up to date, SAEP has not yet developed technical briefs and/or studies. Once the six climate-smart model farms to be set up will be up and running, SAEP could consider preparing a technical brief on addressing climate change issues through innovative technologies and adaptation methods.
115. The SAEP M&E/KM unit is composed of an M&E/KM specialist and an M&E/KM officer, who work seamlessly on both the collection and validation of data, and the production and dissemination of knowledge products. This ensures close linkages between the two functions. SAEP also established a good collaboration with MOAL's Public Relations Unit, who is regularly invited to assist and take footage of project activities, and disseminates press releases, videos, and other SAEP KM material through the government information systems and TV channels.
116. The SAEP M&E/KM Unit regularly conducts systematization sessions with every batch of students graduating from Component 1 trainings. To improve transparency and avoid unrealistic expectations, the mission recommends that SAEP develops and disseminates posters showing the steps necessary from the submission of grant proposals to the reception of the grant, with indicative timelines in both components.

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

117. Speeding up implementation of grants would still lead to a positive economic profitability scenario, if at least 100 Business Grants and 90 CSA grants are effectively implemented. The EFA at MTR can still result in a positive economic profitability scenario (EIRR at 6.1% and NPV at USD 25,800), excluding Rural Roads investments, financed and directly supervised by CDB. Results are below the estimates at design (11.5% and USD 3 million respectively) but financial models elaborated are still financially profitable. Updated estimates of rural roads unit costs anticipate that the minimum profitability criteria cannot be met by this activity (costs were multiplied by 5 compared to design estimates). If rural roads are included the project's cash-flow would no longer be profitable under any scenario of grants implementation (NPV around -2 million USD).

Main issues

118. Input to output ratio for VST in Component 1 shows an increase of 29% compared to the project design, mainly due to the high drop-out rates (particularly during COVID19 outbreak and online participation modalities) resulting in fewer youths receiving VST and certification and the increase in the total costs of the activity (10%). However, the activity showed satisfactory outcomes (at least 143 youths reported as being employed, reaching 40% expected in MoUs overall), and input-to-outcome ratios were accomplished and remained around the PDR estimates. The EFA also shows that this activity is expected to generate 70% more benefits than expected at design (USD 120,000/yr).
119. For the Business Grant Facility also in Component 1 and CSA grants in Component 2, input-to-output ratios cannot be qualified as the grant disbursements have been delayed. Only First Push Grants are on track, and business initiatives and CSA grants show almost zero execution. Therefore, no input-to-outcome can be monitored or reported at MTR, showing a serious inefficiency in the critical investment that was supposed to generate the highest portion of quantitative benefits at design (around 65%). The grant financing mechanism was not efficiently put in place yet. And the updated EFA provides a reduction of around USD 370,000 in aggregated benefits per year compared to PDR estimates. However, input-to-outcome projections until Project Completion still provide a positive prospect speeding up project execution in the next upcoming months (for which a total of 100 business grants and 90 CSA grants would be required). Further delays in implementing the Grant expenditure category will hamper the realization of benefits seriously affecting the value for money of interventions and the project's overall profitability.
120. Regarding training and technical assistance, GIDC accomplished targets on business development support and training without cost overruns in Component 1, contrasting the delays in implementing the grant facility. In Component 2, Extension services accomplished MTR targets (770 farmers reached) but still show a lag and higher input-to-output ratio (87%). Given that there is only one year and a half until project completion, efforts are needed to reach more farmers in order to meet the end target with an acceptable input-to-output ratio in the activity at completion.
121. During the mission, it was confirmed that there was an unexpected rise in unit costs of rural roads compared to the IFAD and CDB Project's design estimates¹⁹. There is a lack of clarity on the Cost-Benefit criteria and impact potential of this activity as this is directly managed by CDB. The EFA at MTR provides the minimum profitability criteria in terms of acres that need to be turned from uncultivated to cultivated land (339 acres) and the minimum agricultural margin per acre required (around 6,000 XCD). CDB is considering increasing its contribution and extending the project timeline to cover the cost overruns and implement other activities such as irrigation schemes, ponds, and wells in Carriacou and Grenada.
122. At the next supervision, IFAD shall assess if considering the infrastructure sub-component as parallel financing and reducing the outreach target to 4,500 is the best option, as this would better reflect the results under components 1 and 2, given the misalignment in timelines: CDB activities haven't started yet and will be extended and scaled up, while IFAD SAEP will be completed in early 2024, with a parallel agenda of implementation, and no clarity on targeting strategy or cost-efficiency investment criteria.

123. The ex-ante economic and financial analysis was revised at MTR. Business grant, first push, and CSA grant financial models were re-elaborated based on the current pipeline and demand. Unit prices and parameters were updated and still show positive financial profitability with FIRR between 20% and 30% for the business grant models and between 9% and 16% for the CSA models. Financial models still show that the project can reach the expected outcome of 20% increase in farmer production. The EIRR at MTR is estimated at 6.1%, with an NPV at 0.05 million and a Cost Benefit Ratio at 1.05. Overall, VST aggregated benefits per year are higher than project design estimates (29%), and C1 and C2 Grants Benefits are lower (15%). If Grants are effectively implemented the PMU costs and operating costs ratio would be around 19% (compared to 14% considered at design).

124. The following table shows the input-to-output and input-to-outcome analysis.

Key Subcomponent	PDR		MTR				PCR Projected			
			Value		%		Value		%	
	Input to output ratio	Input to outcome ratio	Input to output ratio	Input to outcome ratio	Input to output ratio	Input to outcome ratio	Input to output ratio	Input to outcome ratio	Input to output ratio	Input to outcome ratio
C1 VST	1,888	5,551	2,442	5,790	↑ 29%	↓ 4%	2,442	5,790	↑ 29%	⇒ 4%
C1 Business Grant Facility	3,431	11,438	1,951	n/a	n/a	n/a	3,371	9,630	↓ -2%	↓ -16%
C2 CSA Grants	8,775	2,633	10,344	n/a	n/a	n/a	8,771	2,916	⇒ 0%	⇒ 11%
C2 Extension Services	307		576		↑ 87%		317		↑ 3%	

125. [19] That were based on the list of roads financed by GoG in 2017/2018 as it can be shown in CDB Project Design

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

Justification of rating

126. Physical execution has progressed at a moderately satisfactory pace, as shown by a number of activities in both components that are on track to meet their AWPB targets. Other activities are lagging behind, and SAEP will need to considerably speed up its implementation pace in order to reach a satisfactory level of AWPB execution by the end of the financial year.
As of 31 August 2022, financial execution of the 2022 AWPB stood at 32%. The mismatch between financial and physical execution is due to the fact that in 2021, funds were disbursed to GIDC in advance of activities being carried out. These activities have been implemented in 2022, resulting in physical results that are reflected in the current year while the related financial accomplishments have been accounted for in 2021.

AWPB Inputs and Outputs Review and Implementation Progress

127. Component 1 on Enterprise Business Development (EBD) stood at 40%, reflecting the faster implementation pace of this component. Component 2 on Climate Smart Agriculture (CSA) continues lagging behind, with 21% of financial execution of the 2022 AWPB. Component 3 on Programme Management and Planning/M&E has the highest financial execution rate, at 45%. Since the last supervision mission in December 2021, the cumulative financial execution rates for the different components have progressed as follows: Component 1 has moved from 53% to 61%; Component 2 has progressed from 8% to 11%, and Component 3 has moved from 44% to 51%.

128. Regarding physical execution, SAEP is on track for the 2022 target for outreach, which currently stands at 67% of achievement (765 beneficiaries receiving services from the project out of a planned target of 1,135). Annual progress on EBD activities is as follows: VST activities experienced dropouts and the annual target of 254 trained youth is far from being met (-12%). However, the annual target was likely set too high, considering that cumulatively the project already reached 337 of the appraisals targets of 400 (84% of end target). The entrepreneurial training reached all of the 106 planned for the year (100%). Slower progress is made on the number of youth accessing grant financing - currently 106 out of a targeted 220 (48%) - and on the number of enterprises accessing technical services: 0 out of a planned 48 (0%). The CSA component is on target regarding its first two activities: training on innovative technologies, smart agriculture and climate change was provided to 478 out of 570 farmers (83%); and 196 out of 205 farmers (95%) were trained in production practices. Targets on farmers receiving marketing support, Adaptation Grants disbursed, and roads constructed are however still lagging behind, at 35%; 0%; and 0%, respectively.

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

Justification of rating

129. SAEP has a competent M&E unit who set up a functioning M&E system. The collection of activity and output data is solid and complete for Component 1, despite some delays by service providers in submitting reports. For Component 2, Extension Assistants (EA) and Fisheries Assistants (FAs) are currently not registering all of the beneficiaries of extension services because farmers are unwilling to fill in the long intake forms.

M&E System Review

130. The mission together with the project team revised the intake and the monitoring forms, and recommends that the M&E unit insert these revised forms in the EA/FA's tablets and holds a meeting to agree on a regular schedule for submission of intake and monitoring forms (at least every 6 months, as per SAEP's M&E plan). Filling in the new intake forms should be made a condition for farmers to access extension services. The mission noted a number of inconsistencies between the figures reported by component heads and those reported by M&E. This is probably due to the fact that the logframe was updated with the latest results during the mission. The mission recommends that Component heads regularly validate result figures inserted in the logframe, which also ensures consistency between the figures reported by M&E and by Component heads.

131. Due to budget constraints, SAEP did not carry out a mid-term outcome survey. Outcome data on component 1 (on jobs created and enterprises created/consolidated) is currently sourced from service providers. The mission recommends that the M&E unit discontinues the practice of filling in monitoring forms with trainees 4 months into the training, and instead focuses on following up through phone calls and field visits with trainees several months after the training to check and validate the data on jobs created and enterprises consolidated. Outcome data on Component 2 (on increases in productivity and adoption of sustainable and climate-smart agricultural practices) was collected through a small (88 randomly selected households) survey carried out by the M&E Unit in August 2022. The report was not yet ready to be reviewed by the mission, but preliminary findings were shared, and indicate that approximately 70% of farmers who received extension support adopted CSA practices. 24% of interviewed farmers declared themselves very satisfied with project activities, 46% moderately satisfied, and 25% not satisfied. The survey also asked households whether more than one person within the same household received services by the project. This was true in only 2% of cases, which allowed the mission to confirm that the current reporting of project outreach is correct and there is no double counting. The mission recommends to reallocate resources to M&E in order to ensure that at completion the project has sufficient budget to carry out an end-line survey in line with the IFAD guidelines for the measurement of Core Indicators at outcome level.

Agreed Action	Responsibility	Agreed Date
Use revised intake and monitoring forms Insert the revised intake and monitoring forms in the EA/FA's tablets and hold a meeting to agree on a regular schedule for submission of intake and monitoring forms	M&E/KM unit	10/2022
Validate Component 1 outcomes Discontinue the practice of filling in monitoring forms with trainees 4 months into the training, and instead focus on following up with trainees several months after the training to check and validate the data on jobs created and enterprises consolidated.	M&E/KM unit	11/2022
Ensure validation of result figures by component heads Make sure that regular validation of result figures is carried out by component heads, which also ensures consistency in figures reported by M&E and by Component heads.	M&E/component heads	11/2022

Social, Environment, and Climate Standards requirements

Rating: 3

Previous rating: 3

Justification of rating

132. Overall, since the last implementation support mission in July 2022, significant progress has been made with regard to SECAP compliance with the development of an Environmental and Social Management Plan (ESMP). In order to be considered fully operational, the ESMP has to be integrated in SAEP's M&E Plan and AWPB; safeguards have to be streamlined in all Business Plans; and, progress related to SECAP compliance have to be provided on regular basis (e.g. through Half year and Annual Progress reports to IFAD). The mission urges to take immediate action with regard to Grievance Redress Mechanism (GRM) and Stakeholder Engagement Plan (SEP) which are not yet operational.

SECAP Review

133. In June 2022 the PMU has benefitted from a dedicated SECAP training delivered by IFAD ECG SECAP specialist. The training served to improve PMU's understanding on the importance of safeguards implementation and monitoring, as well as to provide practical inputs to develop a well-structured ESMP, clarifying which ESMP indicators have to be included (e.g. explaining the differences between those that are part of the logframe and are already regularly monitored, and those that need to be monitored separately, as for example the indicator on child labour), as well as explaining how to adequately mainstream the ESMP in project interventions. Following the training and with continuous support from IFAD ECG, an ESMP including costs, roles and responsibilities and monitoring indicators, has been developed. In order to make it fully operational, it has to be integrated in SAEP's AWPB and M&E Plan. With regard to investments, all new CSA and Business Grant Proposals are now required to include a brief Environmental and Social Impact Assessment and relevant mitigation actions, as per the revised form included in SAEP's Programme Operations Manual. The implementation of mitigation actions will be monitored by the PMT and EAs, FAs and BDOs in the field and included in reports on implementation of CSA and Business Grants. The PMU has also identified the Environment Division of the MCREFF as an institutional partner to ensure compliance of the BPs and CSA proposals with the ESMP. In addition to this, the Environment Division has proposed to sign an implementation agreement which would establish a No Objection procedure for safeguard compliance so to speed the pace of approval and implementation of investments.

134. With regard to the GRM, this was finalized last year and is available on SAEP's website. However, it is not yet fully operational as it has not yet been socialized among field officers and projects' beneficiaries. Next steps is to provide a training on the GRM to the field officers so that they can duly disseminate it to projects' beneficiaries. In addition, an adequate monitoring system to track its application has to be established. With regard to the SEP, it is still under development after almost two years. The mission reiterates the recommendations of the last supervision missions for the PMU to closely follow up to finalize the SEP and operationalize it as soon as possible.

135. The MTR recognizes the effort made by the project in streamlining and complying with SECAP requirements and encourages the project follow up on the implementation of the mitigation measures identified in the ESMP, as well as to ensure that ESMP, GRM and SEP as all integral elements of the SECAP will be made fully operational without further delays.

Agreed Action	Responsibility	Agreed Date
Finalize ESMP and make it fully operational Follow up on the implementation and monitoring of the mitigation measures and ensure that they are included in the AWP&B, M&E plan and BPs.	PMU	12/2022
Make GRM and SEP fully operational Follow up on the dissemination and monitoring of the GRM and finalize the SEP.	PMU	12/2022
Signature of an implementation agreement with DETC The agreement will establish the procedure for DETC No Objection to BPs safeguards.	IFAD/PMU/DETC	12/2022
Inclusion of ESMP section in project performance reports Provide an update on progresses made in the implementation of the ESMP.	PMU	01/2023

d. Financial Management & Execution

Acceptable Disbursement Rate

Rating: 3.0

Previous rating: 4

Justification of rating

136. Automated rating based on IFAD disbursement data

Main issues

137. The project is in its 5th year of implementation and its disbursement rate is 95% of approved financing of USD 3,990,000 for Loan 2000002172 and 59% of the total approved financing of USD 6,400,000 for Loans 2000002172 and 2000002533. To date, there have been no extensions to the project.

138. The disbursement rate is reflective of the pace of project implementation, which was relatively slow at the start of the project but has improved since the relaxation of restrictions that were implemented to prevent the spread of the Covid pandemic. Administratively, there are no notable issues related to the project's flow of funds, which would affect the timely preparation, approval and submission of withdrawal applications or the approval and disbursement of funds, both at the financier level and the project level. The project had experienced a delay in the recruitment of the Accounting Officer, which was initially expected to be completed during the second quarter

(now expected to be completed by November 2022), but that has not materially affected the project's financial operations.

Agreed Action	Responsibility	Agreed Date
Submit IFR Q3 Submit Withdrawal Application #11 and WA#12, including the Interim Financial Report IFR Q3, via the ICP.	Project Finance Manager	10/2022

Fiduciary aspects

Quality of Financial Management **Rating: 5** **Previous rating: 5**

Justification of rating

139. The quality of financial management is considered satisfactory. The mission assessed the financial management and accounting system, with a focus on the efficacy, timeliness and accuracy of payment and disbursement activities and reporting functions and found no notable issues that would negatively affect the operations of the financial operations and in turn the project's implementation.

Main issues

140. In June 2021, the staff of the financial management team was reduced from three to two with the resignation of one of the Accounting Clerks. This was not expected to negatively affect the functioning of the team as the workload was manageable with the slowdown of activities as a result of measures put in place by the Government to combat the sharp increase in Covid cases. The project was expected to recruit an Accounting Officer by the end of the second quarter of 2022, but there has been delays in the recruitment process, which is now expected to be completed in November 2022.

141. The mission conducted a review of Withdrawal Applications #10 along with the statements of expenditures, financial reports, the annual work plan and budget, the quarterly progress report, fixed assets register, and a sample of SOE supporting documents for payment transactions and found no reportable issues. The financial manual has been updated recently and submitted to IFAD for no-objection. While there is no internal audit function within the project, found the internal control functions to be satisfactory in ensuring the integrity of the transactions and financial operations. Invoicing and payments continue to be processed via the Government's SmartStream System and each payment transaction requires dual authorization from the Ministry of Finance and the Accountant General Department.

142. The mission recognizes the continued use of QuickBooks Accounting Software within the project for recording and reporting on financial transactions and based on a review of the reporting outputs, finds the accounting software to remain satisfactory in meeting the needs of the project. The project continues to effectively utilize the budgeting and reporting tools within the accounting software to monitor financial activity, analyse variances and prepare the financial reports required for internal use and to meet external reporting requirements.

Agreed Action	Responsibility	Agreed Date
Category reallocation FI 200000%2172 Review the cumulative status of funds by category of expenditure, accuracy of Disbursement Plan, GIP and approved AWPB in order to estimate the adequacy of funds and the need for category reallocations. Draft a request of reallocation of the unallocated amount for FI 2000002172.	IFAD Finance Officer	10/2022
Follow up on hiring process of the Accounting Officer position Follow up on hiring process of the Accounting Officer position. The project was expected to recruit an Accounting Officer by the end of the second quarter of 2022, but there has been delays in the recruitment process, which is now expected to be completed in November 2022	IFAD Finance Officer	11/2022

Quality and Timeliness of Audit **Rating: 4** **Previous rating: 5**

Justification of rating

143. The Audit report for FY 2021 is informative. The report was received after the deadline.

Main issues

144. The audit report for the period ending December 31, 2021 was submitted to IFAD five (5) days after the established deadline. Audit report substantially comply with agreed terms of reference, IFAD guidelines and acceptable auditing standards. The report is complete, concise and easy to read.

145. There is no correct differentiation among both IFAD Finance Instruments in the "Sources and uses of funds statement". Corrective measures to ensure the prompt disbursement of FI 2%2533 and adequate accounting were implemented.

Counterparts Funds **Rating: 5** **Previous rating: 5**

Justification of rating

146. Counterpart contributions for the period January 1 to September 30, 2022, totalled USD 334,797, representing just over 100% of the budgeted allocation of USD 333,244 for the project year. Cumulatively, as of September 30, 2022, total counterpart contributions to the project amounted to USD 1,293,710, representing 65% of the total budgeted allocation of USD 2 Million.

Main issues

147. There is no indication of any challenges or delays being faced by the project with respect to the request for or disbursement of counterpart funds. The disbursement rate is driven by the pace of project implementation and counterpart funding requests are made with sufficient lead time to meet the needs of the project. Beneficiary contributions (cash and in-kind) are being recorded and reported by the project.

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

Justification of rating

148. The Programme is compliant with most Loan Covenants. At present the Programme Steering Committee is not operating due to the recent change in Government. The GOG agreed to appoint the PSC immediately to ensure there is no delay in the approval of the AWPB for the next cycle.

Main issues

149. A new Government took office following the elections held in June 23. The previous PSC Chair resigned immediately and the new Government started the appointment of senior rank officers in the different Ministries, as well as in the different Committees. At present the project is being supported by the Permanent Secretary of the Ministry of Finance and the Minister and Permanent Secretary of the Ministry of Economic Development, Planning, Tourism, ITC, Creative Economy, Agriculture and Lands, Fisheries & Co-operatives. This ensures proper guidance and alignment with GOG policies, yet the involvement of other stakeholders participating in the PSC is limited. The PMU is keeping direct lines of communication and coordination with implementing partners and main stakeholders.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Programme Steering Committee Appoint Chair and members	MOF	10/2022

Procurement

Procurement **Rating: 4** **Previous rating: 4**

Justification of rating

150. The procurement unit is properly staffed. However, procurement could improve, as currently there is a limited use and update of the procurement plan (i.e. actual dates). Some information has not been registered in the Contract Monitoring Tool. Related to contract management, there are some deficiencies which resulted in several agreements expiring without the proper process of extension before the expiration deadline, and some procurement files lack of IFAD's No Objection. The self-declaration forms of IFAD standard bidding documents and contracts continue to be missing from some the sample of procurements reviewed.

Procurement Review

151. **Procurement Planning Process (3)** – The Project is using IFAD's Procurement Plan standard format. The procurement methods are consistent with the estimated budget for each procurement. The PP was updated in terms of the actual amounts; however, it continues without data on the dates for the projected or actual stages, the procurement plan does not have contractual follow-up data, it only reflects the committed amounts. The latest version of the PP had gone through numerous revisions and the Project was supported by the Procurement Consultant to strengthen their skills to complete it with the correct information. As per the updated PP provided by the Project, the execution of the procurement plan budgeted activities is 42% vs the contracted obligations. It is difficult to know if there are other activities in progress as the actual dates are not included, and this could improve the progress indicator. Regarding the investment plans, detail on the purchases under each CSA grant should be detailed. According to the Project, they have a control tool that facilitates the monitoring of plans and their purchases at the implementation level, but this was not provided within the documents for review. Budget wise, the procurement plan activities are in line with the 2022 AWPB; however, the correlation of some of the activities numbering in the AWPB were mistaken in the procurement plan. There are some misunderstandings in the conceptual use of consulting services and non-consulting services. Also, the totals of the actual contracted amounts of the summary sheet does not add the same amount of the individual contracted figures of the procurement plan. This was notified to the Project, and follow up is needed on receiving the corrections.

152. IFAD's No Objection Tracking and Utility System (NOTUS) is still not in use in SAEP. This would facilitate the retrieval of official documents approved by IFAD in the past. This is considered important for IFAD Procurement and would improve the procurement function within the Project. With the introduction of the new procurement system in 2023, it is expected the full participation of SAEP's procurement officer and the continued updates of the system.

153. **Processes and Procedures from Prequalification to Bidding (4)** - The PMU uses formal procurement requisitions in the majority of the cases. A sample of 12 procurement files were reviewed including post and prior review activities. The total amount contracted in these 12 procurements is US\$ 298k. The latter to examine the filing process. Since the procurement review was conducted remotely the documents were provided by the Project through a dedicated file link. Some missing information were requested to the Project in two additional moments during and after the mission, and most documents were submitted. Some prior review files have IFAD's no objection to the invitation, but no other approvals are included for the other steps of the process such as: the evaluation, award or contract amendment.

154. **Processes and Procedures for Evaluation and Contract Award (4)**. The sample of documents reviewed indicated the evaluation process was systematically done and in some cases the evidence of the evaluation were included. However, there is no indication of panel nomination and who was responsible for the evaluation, the signed Declaration of Confidentiality and Impartiality were not included, some evaluation reports are not signed by the evaluation panel. In one case, the procurement was included in the PP as SSS with a projected amount lower than the negotiated price and a justification document included does not indicate the amount nor was signed by any project officer which indicates lack of consistency between the approved procurement plan and lack of proper documentation of the procurement process. The signed contracts were not included in some of the reviewed files.

155. Contract Management and Administration (3)

156. The self-declaration forms of IFAD standard contracts continue to be missing from some of the sample of procurements reviewed. This must be completed by the Project in all contracts including the project staff contracts.

157. Related to contract management, there are some deficiencies which resulted in several agreements expiring without the proper process of extension before the expiration deadline, and some procurement files lack of IFAD's No Objection for the contract extensions. These issues were also addressed during the Implementation support mission in July 2022 and are detailed in the Aide Memoire.

158. The project is using IFAD ICP CMT to register contracts, however, it was verified that some contracts have not been included in CMT and the number of the No Objection has not been recorded in the information of the system. For example: the procurement officer's contract is not registered after 2021 since this contract indicates closed.

159. Also, as it was requested during the ISM, the new fields of the CMT related to disbursement are not yet being populated and this is required in all registered contracts.

160. Record Retention (4)

161. Two weeks ahead of the mission, IFAD's SPO requested to the project the list of documents to be assessed for the sample. The information provided by the Project was not complete. Some important documents are missing such as: IFAD's prior approval to some steps of the process (for prior review), proof of acceptance of the deliverables in several contracts, copies of proof of full payments, contract closure forms, the signed self-certification forms. In some cases, the procurement requisition note was not included.

162. Since the procurement review was conducted remotely, the hard copies files were not evaluated and therefore the rating has been graded to as Moderate satisfactory.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Provide training Provide additional training on: (1) The proper use of the procurement plan as a register and monitoring tool; update and upgrade and actualization of the data. Extracting data from the AWPB and the correct way to be include it in the PP, so both instruments have consistent information (2) the use of IFAD procurement guidelines and handbook; and the difference between procurement methods	IFAD procurement officer	12/2022
Provide additional training on contract management, monitoring and proper filing.	IFAD procurement officer	12/2022

e. Key SIS Indicators

Likelihood of Achieving the Development Objective **Rating: 4.04** **Previous rating: 3.95**

Assessment of the Overall Implementation Performance **Rating: 3.92** **Previous rating: 4.25**

F. Relevance

Relevance	Rating: 5	Previous rating: 5
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Justification of rating

163. The Programme design is highly consistent with the needs of the target group and the transformative agenda of the new GOG that took office at the end June. The focus on youth capacity building, entrepreneurship, small businesses, agriculture and CC as key areas for alleviating rural poverty is at the core of the new Government agenda.

Main issues

164. The four pillars for transforming the economy of the new GOG are: job creation; supporting small businesses (involving GIDC to train young people in small business management and promoting entrepreneurship); promoting resilient agriculture and agro-processing aiming at making food security a top priority (with a focus on youth and revitalizing the spice value chain)^[19]; and, increase competitiveness in the tourism sector (training young people to access the best paid jobs in the industry and promoting linkages to agriculture).

165. The SAEP design addressed all these priorities: proposed to promote self-employment through entrepreneurship training and financial support to start new businesses and fostered the increase in agriculture production adapting to the impacts of CC. The pandemic was a very challenging scenario for start-ups, yet young men and women looked for new business lines and opportunities following new market trends. This strategy proved successful when the levels of unemployment had a spike due to the downturn in the economy. The focus on start-ups for youth allowed to support new business ideas of young men and women that showed their impetus and flexibility to find new opportunities in an adverse scenario

166. The focus on agriculture and adaptation to CC is crucial to the new GOG priorities, as the effects of CC are already having significant impact on farming and fisheries. The contribution of the project is yet limited due to the delays in implementation, but the results so far show a strong demand for knowledge on CSA and CSSF practices. The significant role of youth and agriculture in the revitalization of rural communities is a shared vision between the GOG and the SAEP design. SAEP also showed that young men and women engage in agriculture and agro-processing when the approach entails modern technology and business orientation.

167. ^[19] National Democratic Congress Manifesto, 2022. "The NDC's transformational policy in agriculture will focus on food security, building resilience, enhancing the lives of farming families, attracting the youth to agriculture and agro-processing, generating foreign exchange and stimulating the rural economy". Transforming our economy, Agriculture, page 30

G. Lessons Learned

Co-financing partners

168. Co-financing requires strong coordination at all stages, particularly for guiding implementation and taking decisions, which is different for each financial institution. The infrastructure component financed by CDB was key in project design as it benefitted a large number of rural poor. SAEP's design was developed by IFAD in 2017 and signed in January 2018. CDB's design was developed at the same time and also signed in January 2018. Nonetheless, the coordination during implementation was hampered by several factors: the fact that CDB has a larger portfolio in the country led to frequent field visits to the country that could not be conducted as joint supervision missions. As a result, the decisions on a key area of SAEP's intervention was beyond the control of the IFAD country team. The pandemic amplified this disconnect between CDB and IFAD, as the development of virtual missions was a challenge for both partners and coordination became more challenging.

169. The lesson learned that SAEP can draw from the experience is that co-financing should be seen as parallel financing in all cases, since IFAD country team does not have the capacity to take remedial action on the activities financed by the co-financier and vice-versa.

Procurement in SIDS

170. Procurement in SIDS presents specific shortcomings as the size of the market is very small and sometimes the availability of qualified consultants or the scope for competition in supplying goods is reduced. This results in failed processes and long delays.

171. These difficulties should be taken into account in design, developing very simple projects that focus on strengthening existing institutions rather than demanding highly specialized input or human resources that are not available in the country. Another way of tackling the issue is proposing operational procedures that meet the basic principles of IFAD procurement guidelines taking into account the size and characteristics of domestic markets. In general, interventions in SIDS are reduced and there is no value for money in involving international procurement, so that solutions should be sought in the country. As an example, the SAEP design took into account these restrictions and the SAEP Loan Agreement allowed that key positions of the new project could be filled with experienced staff of the previous IFAD financed project.

Results Based Agreements with Public Implementing Partners

172. Results based MOUs were instrumental for SAEP to negotiate the extension of agreements with the same targets at no additional cost during the pandemic. The results are overall satisfactory and represent a step forward regarding previous institutional arrangements, though the results are closely linked to the implementation capacity of the partner.

173. SAEP developed MOUs with 6 public implementing partners (TAMCC, GNTA, GIDC, MOAL, MCREFF and MCPMA) and one private NGO (NEWLO). The fact that the targets were clearly stated in the agreement allowed the PMU to require the fulfilment of set targets. The final result depended on the capacity of the partner: NEWLO excelled in implementation. TAMCC and GIDC could attain the targets, while GNTA and the implementing partners of the CSA component could not. The capacity of the PMU for enforcing the attainment of targets with public institutions is rather limited, but through this instrument, the expenditures remain under control and it is possible to negotiate remedial action.

174. An additional important step forward would consist in keeping the record of performance of implementing partners for future interventions, avoiding involving those that cannot deliver the agreed targets.

175..

H. Agreed Actions

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Development Effectiveness		
Develop a clear and realistic CSA strategy To accelerate the pace of implementation of the component, keeping into consideration competing priorities.	PMU/CSA Coordinator	10/2022

Development of CSA plan Develop a plan for Component 1 and 2 grant recipients to access technical and marketing support that links production and markets and document results.	CSA Coordinator, MO	11/2022
Model Farms Develop a clear plan for the design and implementation of the model farms	CSA Coordinator	11/2022
Shade houses Review the MOAL-4H MoU and agree school garden completion target and the design of shade houses	CSA Coordinator	11/2022
CSA grant process review Review the CSA and BYG grant process to speed up the process by 50%.	CSA Coordinator, PO	11/2022
Marketing Activities Finalize M&E data collection process with MO. Ensure inclusion in the M&E System	CSA Coordinator, MO, M&E Sp	11/2022
Accelerate implementation of CSA and BYG funds Critically review the CSA and BYG grant making process and streamline the procurement of goods.	CSA Coordinator, Procurement Officer	11/2022
Notification of Designated Authority and Focal Point to the AF Secretariat To allow CN submission in January 2023 aiming at AF Board approval in March 2023.	PMU/GoG	11/2022
Engine procurement Finalize process through request for NO for price increase	CSA Coordinator, PO	12/2022
Develop a systematization study on gender equality in SAEP Develop a systematization study on gender equality in SAEP components	PMT: M&E Spec, with support of Tech coord and inputs from CSA and Marketing Coord	03/2023
Within the MOU with MOSDHCE - training of Gender Focal Points - training of Ministry of Youth staff - training of SAEP beneficiaries	PMT: Tech coord., Procurement Spec., Finance Spec	03/2023
Sustainability and Scaling up		
Beneficiaries' participation in PSC Ensure the effective beneficiaries' participation and contribution in the PSC decisions happens in a systematic way	PMU Tech coord. and M&E Spec	11/2022
Stakeholder Engagement Plan (SEP) Speed up the process of finalizing the SEP and ensure its prompter implementation.	PMU Tech coord. and M&E Spec	11/2022
Adaptation Fund Proposal Submission Share revised version with IFAD and communicate the designated authority to AF	GOG	11/2022
MOUs with implementing Partners Extend MOUs or develop new ones for implementation of the CSA component until completion.	PMU/IP/PSC	12/2022
Ensure implementation and tracking of ESMP Ensure that social and environmental measures undertaken are aligned with the project ESMP, tracked and reported.	PMU	12/2022
Training for EA, FA and BDO in soft skills Hold awareness training sessions for EA, FA and BDO on the concept of effective participation and engagement of beneficiaries in planning and implementation of activities	PMU	12/2022
Recruitment of BDOs as regular GIDC staff at project completion Follow up with GIDC to ensure this commitment will be operationalised	PMU/GIDC	03/2023
Project Management		
Use revised intake and monitoring forms Insert the revised intake and monitoring forms in the EA/FA's tablets and hold a meeting to agree on a regular schedule for submission of intake and monitoring forms	M&E/KM unit	10/2022

Validate Component 1 outcomes Discontinue the practice of filling in monitoring forms with trainees 4 months into the training, and instead focus on following up with trainees several months after the training to check and validate the data on jobs created and enterprises consolidated.	M&E/KM unit	11/2022
Ensure validation of result figures by component heads Make sure that regular validation of result figures is carried out by component heads, which also ensures consistency in figures reported by M&E and by Component heads.	M&E/component heads	11/2022
Finalize ESMP and make it fully operational Follow up on the implementation and monitoring of the mitigation measures and ensure that they are included in the AWP&B, M&E plan and BPs.	PMU	12/2022
Make GRM and SEP fully operational Follow up on the dissemination and monitoring of the GRM and finalize the SEP.	PMU	12/2022
Signature of an implementation agreement with DETC The agreement will establish the procedure for DETC No Objection to BPs safeguards.	IFAD/PMU/DETC	12/2022
Inclusion of ESMP section in project performance reports Provide an update on progresses made in the implementation of the ESMP.	PMU	01/2023
Financial Management & Execution		
Programme Steering Committee Appoint Chair and members	MOF	10/2022
Category reallocation FI 200000%2172 Review the cumulative status of funds by category of expenditure, accuracy of Disbursement Plan, GIP and approved AWPB in order to estimate the adequacy of funds and the need for category reallocations. Draft a request of reallocation of the unallocated amount for FI 2000002172.	IFAD Finance Officer	10/2022
Submit IFR Q3 Submit Withdrawal Application #11 and WA#12, including the Interim Financial Report IFR Q3, via the ICP.	Project Finance Manager	10/2022
Follow up on hiring process of the Accounting Officer position Follow up on hiring process of the Accounting Officer position. The project was expected to recruit an Accounting Officer by the end of the second quarter of 2022, but there has been delays in the recruitment process, which is now expected to be completed in November 2022	IFAD Finance Officer	11/2022
Provide training Provide additional training on: (1) The proper use of the procurement plan as a register and monitoring tool; update and upgrade and actualization of the data. Extracting data from the AWPB and the correct way to be include it in the PP, so both instruments have consistent information (2) the use of IFAD procurement guidelines and handbook; and the difference between procurement methods	IFAD procurement officer	12/2022
Provide additional training on contract management, monitoring and proper filing.	IFAD procurement officer	12/2022

Grenada

Climate Smart Agriculture and Rural Enterprise Programme

Mid-term Review

: Logical Framework

Mission Dates: 12-28 September 2022

Document Date: 18/11/2022

Project No. 2000001475

Report No. 6271-GD

Latin America and the Caribbean
Programme Management Department

Climate Smart Agriculture and Rural Enterprise Programme

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members							Programme M&E system	annually	M&E Unit - PMU	
	Household members	0	9 600	22 500	2 295	6 138	27.28				
	1.a Corresponding number of households reached							Programme M&E system	annually	M&E Unit - PMU	
	Households	0	3 200	7 500	765	2 046	27.3				
	1 Persons receiving services promoted or supported by the project							Programme M&E system	annually	M&E Unit - PMU	
	Males	0	1 600	3 750	359	986	26.3				
	Females	0	1 600	3 750	406	1 060	28.3				
	Young	0	2 400	5 625	403	1 199	21.3				
Total number of persons receiving services	0	3 200	7 500	765	2 046	27.3					
Project Goal Contribute to the reduction of rural poverty and vulnerability of men/women in rural communities in GOG	Number of indigent, poor and vulnerable HHs increasing their assets by more than 10%							Baseline and final impact survey	At start and completion	M&E Unit - PMU	A 1: Reasonable growth in the economy. A 2: There are no natural disasters, such as hurricanes.
	Households	0	1 500	4 500							
Development Objective Project beneficiaries improve their livelihoods and resilience by accessing new jobs, starting-up /consolidating businesses and adopting CSA practices	N HHs reporting an increase of at least 10% of income (by sex and age of HH head)							Baseline and final impact survey	At start and completion	M&E Unit - PMU	A 1: Reasonable growth in the economy. A 2: There are no natural disasters, such as hurricanes
	Households	0	1 500	4 500							
	3.2.2 Households reporting adoption of environmentally sustainable and climate-resilient technologies and practices										
	Total number of household members	0									
	Households	0	200	500							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
	2.2.1 New jobs created							Baseline and final impact survey	At start and completion	M&E Unit - PMU	
	New jobs	0	150	400	71	179	44.8				
Outcome Component 1: Enterprise and BD - Start up and new enterprises in rural areas are supported through capacity building, technical services and financing	N of enterprises created/consolidated							Programme M&E system Employment/national records	annually	M&E Unit - PMU	A 3: Focus on self-employment and youth is a successful strategy A 4: Technical support services are provided to enterprises in an efficient manner
	Enterprises	0	40	120							
Output Outputs 1.1: Youth receive employment skill training	N of youth (by sex, age) receiving VST							Programme M&E system - Reports of NTA GIDC	Semi-annually	M&E Unit - PMU	A 3: Focus on self-employment and youth is a successful strategy A 4: Technical support services are provided to enterprises in an efficient manner.
	Young	0	250	400	-31	337	84.25				
	Not Young				0						
	Males				-18	157					
	Females				-13	180					
	N of youth (by sex, age) receiving APL										
	Males				26	26					
	Females				38	38					
Young				64	64						
Output Outputs 1.2 Start-ups receive technical support services for business development	N of people (by sex, age) receiving technical support services.							Programme M&E system - Reports of NTA GIDC	Semi-annually	M&E Unit - PMU	A 3: Focus on self-employment and youth is a successful strategy A 4: Technical support services are provided to enterprises in an efficient manner.
	Females				83	332					
	Males				23	168					
	Young				106	500					
	People	0	300	500	106	500	100				
	Not Young										

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
Output 1.3 Youth start-up businesses access grant financing	N of youth (by sex) accessing Youth Business Grant Fund							Programme M&E system - Reports of NTA GIDC	Semi-annually	M&E Unit - PMU	A 3: Focus on self-employment and youth is a successful strategy A 4: Technical support services are provided to enterprises in an efficient manner.
	Females				78	204					
	Youth	0	250	400	106	311	77.75				
	Males				28	107					
Output 1.4 Start-ups and new enterprises supported with capacity building and technical services	2.1.1 Rural enterprises accessing business development services										A 3: Focus on self-employment and youth is a successful strategy A 4: Technical support services are provided to enterprises in an efficient manner.
	Rural enterprises	0	80	270	0	15	5.556				
Outcome Component 2: CSA - Farmers have increased access to CSA practices	1.2.4 Households reporting an increase in production										A 5: Rural communities are aware of the challenges related to CC A 6: Services are provided to farmers in an efficient and well-coordinated way
	Total number of household members	0									
	Women-headed households										
	Households	0		400							
	2.2.6 Households reporting improved physical access to markets, processing and storage facilities										
	Households reporting improved physical access to markets	0		3 000							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
Output 2.1 Farmers, MOA extensionists and vulnerable people in poor rural communities receive training on CC and CSA practices	N of people (by sex, age) trained in innovative technologies, smart agriculture and CC							Programme M&E system MoA Reports Service Providers MoW	Semi-annually	M&E unit - PMU	A 5: Rural communities are aware of the challenges related to CC A 6: Services are provided to farmers in an efficient and well-coordinated way
	Females				243	377					
	Males				235	393					
	Young				235	238					
	Not Young				243	532					
	People	0	700	2 200	478	770	35				
Output 2.2 Farmers receive extension services on CSA practices and on improving marketing links	1.1.4 Persons trained in production practices and/or technologies										A 5: Rural communities are aware of the challenges related to CC A 6: Services are provided to farmers in an efficient and well-coordinated way
	Men trained in crop	0		605	98	199	32.893				
	Women trained in crop	0		495	69	142	28.687				
	Young people trained in crop	0		360	48	89	24.722				
	Men trained in fishery	0		80	26	82	102.5				
	Women trained in fishery	0		20	3	11	55				
	Total persons trained in crop	0		1 100	167	341	31				
	Total persons trained in fishery	0		100	29	93	93				
	2.1.2 Persons trained in income-generating activities or business management										
	Males				18	87					
	Females				12	72					
	Young				7	53					
	Persons trained in IGAs or BM (total)	0	200	400	30	159	39.8				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
Output 2.3 Individual farmers and/or groups receive grant financing for CSA initiatives	N of adaptation and climate smart investment projects financed through CSA Grant Fund							Programme M&E system MoA Reports Service Providers MOW	Semi-annually	M&E unit - PMU	A 5: Rural communities are aware of the challenges related to CC A 6: Services are provided to farmers in an efficient and well-coordinated way
	adaptation and climate smart investment projects	0	60	120							
	backyard gardens financed through the COVID relief initiative							Programme M&E system MoA Reports Service Providers MOW	Semi-annually	M&E unit - PMU	
	backyard gardens	0	20	60							
	Backyard gardens financed through the CSA grant fund										
	backyard gardens										
Output 2.4 Rural roads rehabilitated to improve and/or maintain access to markets	N of rural roads rehabilitated in the project area							Programme M&E system MoA Reports Service Providers MOW	Semi-annually	M&E unit - PMU	A 5: Rural communities are aware of the challenges related to CC A 6: Services are provided to farmers in an efficient and well-coordinated way
	rural roads rehabilitated	0	10	30							

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Climate Smart Agriculture and Rural Enterprise Programme

Mid-term Review

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

Mission Dates: 12-28 September 2022

Document Date: 18/11/2022

Project No. 2000001475

Report No. 6271-GD

Latin America and the Caribbean
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 1	3,990	3,797	95%
IFAD Loan 2	2,410	-	0%
CDB	5,000	507	10%
Government	2,000	1,294	65%
GIDC	330	69	21%
Beneficiaries	270	7	2%
Total	14,000	5,674	41%

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

Component	IFAD loan			IFAD Loan			CDB			Government			GIDC/Beneficiaries			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
Enterprise Business Development	1,702	2,515	148%	1,844	-	-	-	-	-	113	-	-	483	7.5	2%	4,142	2,584	62%
Climate Smart Agriculture Programme	1,932	4,434	23%	195	-	-	5,000	196	4%	266	180	68%	117	-	4%	7,510	823	11%
Management/M&E	356	257	72%	371	-	-	-	-	-	1,621	945	58%	-	-	-	2,348	1,202	51%
TOTAL	3,990	3,215	81%	2,410	-	-	5,000	196	4%	2,000	1,124	56%	600	12	2%	14,000	4,609	33%

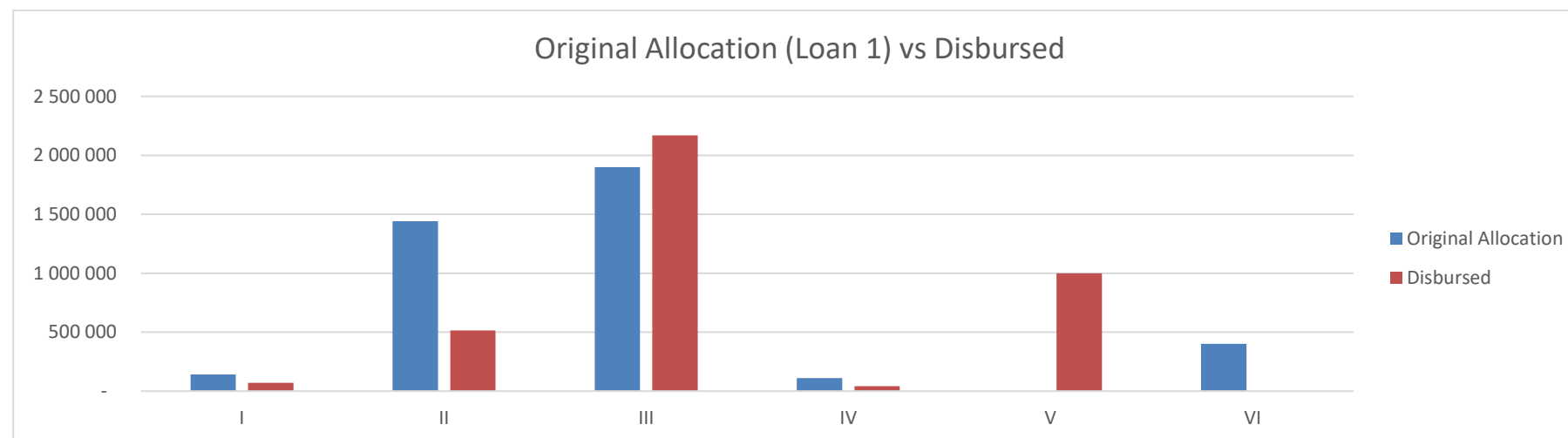
Table 2Ci: IFAD loan disbursements (USD, as at 30-09-2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Vehicles, Equipment & Materials	140,000	-	70,277	-	69,723	50%
II	Grants	1,440,000	-	515,016	-	924,984	36%
III	Consultancies, Training & TA	1,900,000	-	2,168,783	-	-268,783	114%
IV	Salaries and Operating Costs	110,000	-	42,425	-	67,575	39%
	Unallocated	400,000	-	-	-	400,000	0%
	Initial deposit	-	-	1,000,000	-	-	100%
	Total	3,990,000	-	3,796,501	-	193,499	95%

Table 2Cii: IFAD loan disbursements (USD, as at 30-09-2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
I	Consultancies	1,236,000	-	-	-	1,236,000	0%
II	Grants and Subsidies	739,000	-	-	-	739,000	0%
III	Operating Costs	190,000	-	-	-	190,000	0%
IV	Vehicles	5,000	-	-	-	5,000	0%
	Unallocated	240,000	-	-	-	240,000	0%
	Initial deposit	-	-	-	-	-	0%
	Total	2,410,000	-	-	-	2,410,000	0%

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



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Climate Smart Agriculture and Rural Enterprise Programme

Mid-term Review

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 12-28 September 2022

Document Date: 18/11/2022

Project No. 2000001475

Report No. 6271-GD

Latin America and the Caribbean
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

Component/Outcome <i>Sub-component or Output</i>	Indicator	Unit	Period: 01.01.2022 to 26.8.2022			Cumulative Actual	Appraisal Target	%
			AWP&B 2022	Actual (2022)	%			
Outreach								
Number of persons receiving services promoted or supported by the Programme		Persons	1135	368	67%	2046	7,500	27%
Corresponding number of households reached		Households	1135	368	67%	2046	7,500	27%
Corresponding total number of household members		Persons	3405	2295	67%	6,138	22,500	27%
Goal: To contribute to the reduction of rural poverty and vulnerability of men/women in rural communities in GOG.	% indigent, poor and vulnerable HHs increasing their assets by more than 10%.	Households	-	-	-	-	60%	-
Development Objective: Project beneficiaries improve their livelihoods and resilience by accessing new jobs, starting-up /consolidating businesses and adopting CSA practices.	[N HHs reporting an increase of at least 10% of income (by sex and age of HH head)]	Households	-	-	-	-	4,500	-
	[CI 3.2.2]: Number of persons reporting adoption of environmentally sustainable and climate resilient technologies and practices	Persons	-	0	0	0	500	0
	[CI 2.2.1]: Number of new jobs created (by sex, age, and employed/self-employed)	Jobs	-	71	100%	179	400	22%
Component 1 /Outcome								
Outcome: Start up and new enterprises in rural areas are supported through capacity building, technical services and financing. <i>Sub-component / Output</i>	No. of enterprises created/consolidated	Enterprises	0	0	0	0	120	0
1.1 Youth receive employment skill training.	No. of youth (by sex, age) receiving VST.	Persons	254	33	13%	338	400	85%
1.2 Start-ups receive technical support services for business development.	No. of people (by sex, age) receiving technical support services.	Persons	106	106	100%	500	500	100%
1.3 Youth start-up businesses access grant financing.	No. of youth (by sex) accessing Youth Business Grant Fund	Persons	220	106	48%	311	400	77.7%

1.4 Start-ups and new enterprises supported with capacity building and technical services	[CI 2.1.1]: Number of rural enterprises accessing business development services	Enterprise	48	0	0%	15	270	5.5%	
Component 2 / Outcome									
Outcome: Farmers have increased access to CSA practices	[CI 1.2.4]: Number of persons reporting an increase in production (by sex and age of HH head)	Persons	0	0	0	0	400	0	
	[CI 2.2.6]: Number of persons reporting improved physical access to markets, processing and storage facilities	Households	0	0	0	0	3,000	0	
<i>Sub-component / Output</i>									
2.1 Farmers, MOA extensionists and vulnerable people in poor rural communities receive training on CC and CSA practices.	N of people (by sex, age) trained in innovative technologies, smart agriculture and CC.	Persons	570	478	83.8%	770	2,200	35%	
2.2 Farmers receive extension services on CSA practices and on improving marketing links.	[CI 1.1.4]: Number of persons (by sex, age) trained in production practices and/or technologies	Persons	205	196	95%	434	1,200	36%	
	N of farmers (by sex, age) receiving market support services.	Farmers	85	30	35%	159	400	39.7%	
2.3 Individual farmers and/or groups receive grant financing for CSA initiatives	N of adaptation and climate smart investment projects financed through CSA Grant Fund.	CSA projects	64	0	0%	43	120	35%	
	N of backyard gardens financed through CSA Grant Fund.	BY projects	35	0	0%	10	60	16.7%	
2.4 Rural roads rehabilitated to improve and/or maintain access to markets.	N of rural roads rehabilitated in the project area.	Roads	13	0	0	0	30	0	

Grenada

Climate Smart Agriculture and Rural Enterprise Programme

Mid-term Review

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 12-28 September 2022

Document Date: 18/11/2022

Project No. 2000001475

Report No. 6271-GD

Latin America and the Caribbean
Programme Management Department

Grenada

Climate Smart Agriculture and Rural Enterprise Programme

Mid-term Review

Appendix 7: Integrated Project Risk Matrix (IPRM)

Mission Dates: 12-28 September 2022

Document Date: 18/11/2022

Project No. 2000001475

Report No. 6271-GD

Latin America and the Caribbean
Programme Management Department

Overall Summary

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

Risk Category / Subcategory	Inherent risk	Residual risk
<i>Vulnerability of target populations and ecosystems to climate variability and hazards</i>	<i>Substantial</i>	<i>Low</i>
Stakeholders	Moderate	Moderate
<i>Stakeholder Engagement/Coordination</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Stakeholder Grievances</i>	<i>Low</i>	<i>Low</i>
Overall	Moderate	Low

Country Context	Moderate	Moderate
Political Commitment	Low	Low
<p>Risk:</p> <p>The risk that a country's political developments result in delays or the potential reversal of key political decisions and commitments (including approval and implementation of laws and regulations, and timely counterpart funding) that underpin the project's success is low. SAEP is aligned with the priorities of the new government.</p>	Low	Low
<p>Mitigations:</p> <p>Maintain a fluid dialogue with the project and country authorities so to make sure that project priorities remain high in the political agenda.</p>		
Governance	Low	Low
<p>Risk:</p> <p>The risk related to governance is low. governance failures at country level are not foreseen and in case these materialize it doesn't seem they will affect project implementation</p>	Low	Low
<p>Mitigations:</p> <p>Continue monitoring country developments and together with progress from the project so to take action in case a shock related to governance materializes.</p>		
Macroeconomic	Substantial	Moderate
<p>Risk:</p> <p>The vulnerability of the country to external shocks, particularly to fluctuations of the touristic in-flows that could reduce the demand for the businesses promoted by the Programme. In particular the COVID-19 pandemic has decreased the arrivals of international tourists highly affecting the country economy. This may reduce the government budgetary support to the project causing further delay to project implementation.</p>	Substantial	Moderate
<p>Mitigations:</p> <ul style="list-style-type: none"> - SAEP will promote small businesses linked to agriculture, agro-processing and related services that have the capacity to supply the domestic market (as supported by the MoA through the campaign "Eat local, buy local"). - Higher yields and quality control will be supported in order to gain competitiveness against imported products, adopting a business approach to become a reliable supplier. - High quality technical support services will contribute to increase competitiveness and instill entrepreneurship drive. 		
Fragility and Security	Moderate	Moderate

Risk: The country is vulnerable to climate shocks. increased temperatures and more erratic rainfall patterns could affect production gains achieved during programme implementation and cause production losses.	Moderate	Moderate
Mitigations: - Different CSA practices and technologies will be tested and fostered to improve resilience. - Access to local markets by smallholders will be improved, in order to provide an economic incentive for CSA adoption and develop food processing capacity and skills.		
Sector Strategies and Policies	Low	Low
Policy alignment	Low	Low
Risk: The risk that a country's strategies and policies governing the rural and agricultural sector are not sufficiently pro-poor and/or aligned with IFAD priorities is low. The Programme is aligned with the top priorities of the Government of Grenada, fostering employment creation, particularly for youth, and Climate Smart Agriculture, to improve income levels and the resilience of farmers to CC and variability. SAEP is also strongly aligned with IFAD's policies, particularly with the IFAD Strategic Framework 2016-2025.	Low	Low
Mitigations: Maintain a fluid dialogue with the project and country authorities so to make sure that project priorities remain high in the political agenda.		
Policy Development and Implementation	Low	Low
Risk: The risk that the country's strategies and policies governing the rural and agricultural sector lack a sound evidence base and are not representative of rural peoples' organizations views is low.	Low	Low
Mitigations: Maintain a fluid dialogue with the project and country authorities so to make sure that project priorities remain high in the political agenda.		
Environment and Climate Context	Substantial	Moderate
Project vulnerability to environmental conditions	Moderate	Moderate
Risk: The risk that existing or possible future environmental conditions or extreme events (e.g. earthquake, volcano eruption, land erosion, salinity, siltation etc.) may have significant adverse impacts on food and nutrition security, agricultural productivity, access to markets, value chains, infrastructure, and/or the incidence of pests and diseases, resulting in increased vulnerability or deterioration of target populations' livelihoods and ecosystems.	Moderate	Moderate
Mitigations: Climate change mitigation actions as listed below encompass all potential environment risks.		
Project vulnerability to climate change impacts	High	Moderate

<p>Risk:</p> <p>The risk that existing or possible future climate variability and/or extreme climatic events may have significant adverse impacts on food and nutrition security, agricultural productivity, access to markets, value chains, infrastructure, and/or the incidence of pests and diseases, resulting in increased vulnerability or deterioration of target populations' livelihoods and ecosystems. As a Small Island Developing State in the Caribbean, Grenada is highly exposed to climate change and its effects, with IFAD target population being the most vulnerable</p>	High	Moderate
<p>Mitigations:</p> <p>The project is designed to promote climate smart agricultural practices to enhance the resilience of smallholder farmers. Details on the Climate Smart Agricultural practices promoted are available in the SECAP and in the PDR</p>		
<p>Project Scope</p>	Moderate	Low
<p>Project Relevance</p>	Moderate	Low
<p>Risk:</p> <p>The risk that the objectives and interventions of the project are not sufficiently relevant or responsive to the needs and priorities of the intended target group throughout the project's lifespan is low.</p>	Moderate	Low
<p>Mitigations:</p> <p>The quality and timeliness of programme services would also constitute a mitigation measure for reducing the risk or low youth participation (one of the main risk), as young men and women require fast and effective responses</p>		
<p>Risk:</p> <p>The risk that the objectives and interventions of the project are not sufficiently relevant or responsive to the needs and priorities of the intended target group throughout the project's lifespan is moderate. A social risk lies in the gender unbalance that could result if males, particularly young men, are not willing to participate in the Programme's activities, especially when promoting farming activities.</p>	Moderate	Low
<p>Mitigations:</p> <p>The quality and timeliness of programme services would also constitute a mitigation measure for reducing the risk or low youth participation (one of the main risk), as young men and women require fast and effective responses</p>		
<p>Risk:</p> <p>The risk that the objectives and interventions of the project are not sufficiently relevant or responsive to the needs and priorities of the intended target group throughout the project's lifespan is moderate. A social risk lies in the gender unbalance that could result if males, particularly young men, are not willing to participate in the Programme's activities, especially when promoting farming activities.</p>	Moderate	Low
<p>Mitigations:</p> <p>The quality and timeliness of programme services would also constitute a mitigation measure for reducing the risk or low youth participation (one of the main risk), as young men and women require fast and effective responses</p>		

<p>Risk:</p> <p>The risk that the objectives and interventions of the project are not sufficiently relevant or responsive to the needs and priorities of the intended target group throughout the project's lifespan is moderate. A social risk lies in the gender unbalance that could result if males, particularly young men, are not willing to participate in the Programme's activities, especially when promoting farming activities.</p>	Moderate	Low
<p>Mitigations:</p> <p>The quality and timeliness of programme services would also constitute a mitigation measure for reducing the risk or low youth participation (one of the main risk), as young men and women require fast and effective responses</p>		
<p>Technical Soundness</p>	Moderate	Low
<p>Risk:</p> <p>Since the Programme is promoting agriculture, another social risk lies in the capacity to counteract the youth's lack of interest to be involved in farming activities.</p>	Moderate	Low
<p>Mitigations:</p> <ul style="list-style-type: none"> - The SAEP will only promote profitable activities, so that economic opportunities could arise in the farming or non-farming sector. - The Programme will also showcase success stories and work with the children in primary and secondary school through the 4H activities to revert the negative perception on agriculture, so that unemployed youth would take advantage of available opportunities wherever they may arise 		
<p>Risk:</p> <p>Since the Programme is promoting agriculture, another social risk lies in the capacity to counteract the youth's lack of interest to be involved in farming activities.</p>	Moderate	Low
<p>Mitigations:</p> <ul style="list-style-type: none"> - The SAEP will only promote profitable activities, so that economic opportunities could arise in the farming or non-farming sector. - The Programme will also showcase success stories and work with the children in primary and secondary school through the 4H activities to revert the negative perception on agriculture, so that unemployed youth would take advantage of available opportunities wherever they may arise. 		
<p>Institutional Capacity for Implementation and Sustainability</p>	Moderate	Moderate
<p>Implementation Arrangements</p>	Moderate	Low
<p>Risk:</p> <p>Institutional risks are linked to the capacity of service providers to target the right beneficiaries and to provide quality and timely support to them.</p>	Moderate	Low
<p>Mitigations:</p> <p>SAEP will implement a number of mitigation measures: roles and responsibilities of the PMU and the institutional partners will be clear, vesting full implementation responsibility in the service providers; institutional partners will participate in planning and will include activities and targets in their own work-plans; contractual arrangements will be based on performance; payments will be approved and processed according to progress reports; and, beneficiaries will be involved in monitoring the quality of the services at various levels. The Programme will take an additional step and will support the key implementing partners to improve and/or expand their support services.</p>		

Monitoring and Evaluation Arrangements	Moderate	Moderate
<p>Risk:</p> <p>The risk that the project executing agency's M&E processes and systems are weak or inefficient, resulting in a limited ability to monitor, validate, analyse and communicate results is moderate. There have been some staffing issues related to the M&E capacity. Now this seems to be resolved.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>continue supporting project staff, especially newcomers, in understanding the project characteristics and IFAD's policies in relation to M&E</p>		
Project Financial Management	Moderate	Low
Project Organization and Staffing	Moderate	Low
<p>Risk:</p> <p>The structure of the finance unit (1 Finance Manager and 2 Accounting Clerks) is adequate. One member resigned in September. Expected increase in the level of activities could affect the proper functioning of the unit.</p>	Moderate	Low
<p>Mitigations:</p> <p>Recruitment of an Accounting Officer is currently ongoing and is expected to be completed by November 2022.</p>		
Project Budgeting	Substantial	Moderate
<p>Risk:</p> <p>Budget utilization remains relatively low, representing 40% of total approved loan financing. This has been a result of the relatively slow start, which has been exacerbated by the Covid pandemic. Budgeting and utilization of funds is driven by the pace of project implementation. The project has taken steps to improve the pace of implementation with the relaxation of Covid-related measures, but the pace could remain relatively slow.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>It is advisable to implement monthly meetings between Finance Officer and Project Director on main financial issues and monitoring of progress against AWPB. Reinforce procurement officer link to AWPB and cash flow. Avoid using an approach based on commitments: activities not completed should not be carried over from the previous AWPBs per default.</p>		
Project Funds Flow/Disbursement Arrangements	Moderate	Moderate
<p>Risk:</p> <p>There are currently no issues that would hinder the efficient flow of funds. Counterpart funds and funding from the CDB are disbursed upon request from the project.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>Disbursements are driven by the pace of project implementation. Project has not been utilizing FI 2%2533. It has been agreed that a request for the utilization of the unallocated amount should be formalized by the GoB.</p>		
Project Internal Controls	Low	Low

<p>Risk:</p> <p>Between the Government Treasury and the finance unit, there is controls and segregation of duties to ensure the integrity of financial transactions. Payments are made by the treasury with sufficient authorization and supporting documentation.</p>	Low	Low
<p>Mitigations:</p> <p>None</p>		
Project Accounting and Financial Reporting	Low	Low
<p>Risk:</p> <p>There are no issues related to the quality of accounting and financial reporting. The financial staff is competent and the systems (Government SmartStream and Project's QuickBooks) in place are adequate to meet the needs of the project and the reporting requirements of all stakeholders.</p>	Low	Low
<p>Mitigations:</p> <p>None</p>		
Project External Audit	Moderate	Low
<p>Risk:</p> <p>The last audit report was prepared and submitted five days after the deadline. The project cited health reasons on the part of the auditing staff as the reason for the delay. As is the case for all projects, the audit is carried out by the Office of the Auditor General of the Government of Grenada. The quality of the audit is satisfactory and there were no material discrepancies reported in the management letter.</p>	Moderate	Low
<p>Mitigations:</p> <p>SAEP project to submit unadited financial statements to IFAD by the deadline (30-April-2023).</p>		
Project Procurement	Moderate	Low
Legal and Regulatory Framework	Moderate	Low
<p>Risk:</p> <p>The risk that the Borrower's regulatory and institutional capacity and practices (including compliance with the laws) are inadequate to conduct the procurement in a manner that optimizes value for money with integrity.</p> <p>Country procurement law and regulations exist, but not the manual. No standard bidding documents (SBD) exist in Grenada. The bidding documents are developing under MoF guidance, but they are not finalized. In this sense, international bidding documents in use are basically the ones in use in the WB and IDB. In 2015 Public Procurement and Disposal of Public Property Regulations has been published. Generally speaking, this Regulation is aligned with multilateral banks procurement regulation and provisions.</p>	Moderate	Low
<p>Mitigations:</p> <p>The Project must use (as reference) IFAD regulatory framework on procurement which has been shared with Project Unit.</p>		
Accountability and Transparency	Moderate	Moderate

<p>Risk:</p> <p>The country's Public Procurement Authority it is established to be both the supervisor of the process and the body responsible for actual procurement. The OECD recommendation is that the body in charge of supervising procurement, collecting information about the procurement methods used, contracts for goods and services awarded, and enforcing compliance with procurement rules, should not itself have any responsibility for actual procurements.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>The Project must establish in the PIM procedures for complaints management during the procurement process. Concerning the no existence of a 2-tiered system to handle complaints, the Project must ensure to provide prompt responses to the involved parties and follow up and make recommendations to ensure that complaints are dealt by the Review Commission.</p>		
Capability in Public Procurement	Low	Low
<p>Risk:</p> <p>SAEP's procurement unit is composed by a Procurement Officer (PO) and procurement Assistant. The unite shows good knowledge in local procurement procedure as well as in donor funded projects procedures' procurement. Furthermore, the unit has demonstrated efficiency and transparency.</p>	Low	Low
<p>Mitigations:</p> <p>Training on IFAD Procurement regulatory framework will be delivered during the project life cycle to ensure compliance with IFAD project procurement guidelines.</p>		
Public Procurement Processes	Low	Low
<p>Risk:</p> <p>SAEP project is using the Procurement National System that has a complete set of rules and regulation that starting from 2007 and updated in 2015, Those have been substantially harmonized with the international best practices (with the help of IBD and WB). Nevertheless, it lacks SBD as well as local procurement methods consistent with IFAD's</p>	Low	Low
<p>Mitigations:</p> <p>The Project must follow IFAD's Procurement Handbook and IFAD's SBD will be used; indeed, the LtB indicates that when the local norms are not in line with IFAD's, the Projects must use IFAD's.</p>		
Environment, Social and Climate Impact	Moderate	Low
Biodiversity Conservation	Moderate	Low
<p>Risk:</p> <p>The risk that the project may cause significant threats to or the loss of biodiversity, availability of diversified nutritious food, ecosystems and ecosystem services, territories of the indigenous peoples, or the unsustainable use/production of living natural resources.</p>	Moderate	Low
<p>Mitigations:</p> <p>The project does not work in protected areas or areas of high biodiversity significance and does not promote expansion of activities into such areas</p>		
Resource Efficiency and Pollution Prevention	Moderate	Low

Risk: The risk that the project may cause significant pollution to air, water, and land, and inefficient use of finite resources that may threaten people, ecosystem services and the environment at the local, regional, and global levels.	Moderate	Low
Mitigations: Potential pollution risks have been identified and avoidance/mitigation measures have been included in the environmental and social management plan ESMP.		
Cultural Heritage		No risk envisaged - not applicable
The project does not work in areas considered of cultural significance		
Indigenous People		No risk envisaged - not applicable
The project does not work with people who self-identify as indigenous or are considered indigenous by the Government of Grenada		
Labour and Working Conditions	Moderate	Low
Risk: The risk that the project may cause exploitative labour practices (e.g. forced or child labour), gender based violence, discriminatory and unsafe/unhealthy working conditions for people employed to work specifically in relation to the project, including third parties and primary suppliers.	Moderate	Low
Mitigations: The project stipulates that on farm labour does not involve employment of children in violation of national and international laws and agreements.		
Community Health and Safety	Moderate	Low
Risk: The risk that the project may cause significant adverse impacts on the physical, mental, nutritional or social health/safety status of an individual, group, or population, including as a result of gender based violence.	Moderate	Low
Mitigations: The project ESMP ensures that agrochemical application plan is based on soil test (to avoid overuse) and that discharge of agrochemicals is acceptable		
Physical and Economic Resettlement		No risk envisaged - not applicable
No physical or economic resettlement is envisioned in the project		
Greenhouse Gas Emissions	Moderate	Low
Risk: The risk that the project may significantly increase greenhouse gas emissions and thereby contribute to anthropogenic climate change.	Moderate	Low

<p>Mitigations:</p> <p>The promotion of climate smart agriculture includes the installation of renewable energy, the use of organic pesticides and fertilizers, and the establishment of diversified agroforestry production systems, all of which reduce CO2 emissions</p>		
<p>Vulnerability of target populations and ecosystems to climate variability and hazards</p>	Substantial	Low
<p>Risk:</p> <p>The risk that the project may significantly increase the exposure or vulnerability of target populations' livelihoods, ecosystems, economic assets or infrastructure to climate variability and hazards.</p>	Substantial	Low
<p>Mitigations:</p> <p>Given the high exposure and vulnerability of Grenada to climate change, smallholder farming is inherently under risk, hence the project climate risk rating. However the climate smart practices promoted by the project will enhance stakeholder's resilience and are designed to reduce farmer's vulnerability. Hence, the transition to climate resilient agriculture significantly reduces this risk</p>		
<p>Stakeholders</p>	Moderate	Moderate
<p>Stakeholder Engagement/Coordination</p>	Moderate	Moderate
<p>Risk:</p> <p>The risk for the Programme not to reach the most vulnerable sectors of the target population (the unemployed single mothers and youth at risk of juvenile delinquency not being able to come forward to benefit from the Programme's opportunities).</p>	Moderate	Moderate
<p>Mitigations:</p> <p>The PMU will monitor the participation of beneficiaries by sex and age, taking affirmative actions when necessary to correct unbalances, so that the risk would decrease along implementation. Youth and gender participation could be promoted through the type of activities and training provided and through the communication strategy for disseminating the Programme's opportunities.</p>		
<p>Stakeholder Grievances</p>	Low	Low
<p>Risk:</p> <p>The risk that the project has ineffective grievance/complaint redress processes (including with respect to allegations of non-compliance with IFAD's standards on fraud, corruption, or SEA) is low. The project embed these policies as well the national regulations.</p>	Low	Low
<p>Mitigations:</p> <p>continue monitoring project implementation would avoid any risk related to fraud, corruption and SEA.</p>		