

The International Fund for Agricultural Development

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**ISLAMIC REPUBLIC OF AFGHANISTAN**  
**RURAL MICROFINANCE AND LIVESTOCK SUPPORT PROGRAMME**

**MID-TERM REVIEW**

Asia and the Pacific Division  
Programme Management Department

April 2012

REPORT No. 2676-AF

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## AFGHANISTAN

### Rural Microfinance and Livestock Support Programme (Project No. 1460/Grant No. 8033)

Mid-Term Review Mission: 16-30 April, 2012

#### Aide-Memoire

**Program goal:** to reduce the vulnerability and improve the livelihood means, incomes, food security and nutritional status of poor and vulnerable rural households on a sustainable basis in selected areas of Afghanistan

**Program purpose:** to provide sustainable access to smallholders, existing livestock owners and those who aspire to have livestock – with a focus on women, woman-headed households, the uncreditworthy and the Kuchis (nomad livestock holders) – to appropriate microfinance services and technical livestock packages and the skills required to engage in new, more productive or more profitable economic, livestock-based enterprises

**Program components:** (1) Rural Microfinance: (1.1 Innovation Facility; 1.2 Financial Graduation of the Ultra-Poor; 1.3 Technical Support and Capacity Building for MFIs; 1.4 Management Support); (2) Support to Livestock Sector (2.1 Integrated Dairy Scheme; 2.2 Livestock Services in the North; 2.3 Backyard Poultry Development; 2.4 Dairy Goat Development); (3) Program Management and Coordination (3.1 Program Coordination Unit; 3.2 Young Professional Program; 3.3 Special Financing Activities)

**Total cost:** US\$ 26.01 million

**IFAD contribution:** US\$ 23.62 million (SDR 16 million)

**Approval date:** 30 April 2009

**Effectiveness:** 24 August 2009

**Current project completion date:** 30 September 2013

#### A. Introduction<sup>1</sup>

1. A Mid-Term Review mission for the Rural Microfinance and Livestock Support Program (RMLSP) has been carried out from 16 to 30 April 2012.

2. Objectives of the mission were to assist the Government (i) in assessing the project performance and the progress towards the project objectives, (ii) identifying issues in project implementation and possible solutions, (iii) identifying lessons that could be used to improve the design of the new project (the Central Region Community Development Project), and (iv) assess compliance with fiduciary aspects.

3. The mission consulted government officials, members of the Project Coordination Unit (PCU), Service Providers (FAO, ICARDA, DCA, and MISFA), beneficiaries and key stakeholders at both central and provincial/district level<sup>2</sup> (the mission itinerary and a list of the people consulted is presented in appendix 9).

4. A stakeholder workshop was organized in Kabul on 28 April to present and discuss the main findings and conclusions of the mission, and seek feedback on the proposed actions. A wrap-up meeting chaired by Mr. Ghani Ghoriani, Deputy Minister (Technical), Ministry of Agriculture, Irrigation and Livestock (MAIL) was held in Kabul on 29 April. Comments received by the Government have been addressed in the present document.

<sup>1</sup>The mission was led by Mrs. Lucy Maarse (Livestock Specialist), and comprised Mr. Karim Merchant (Institutional Specialist and Advisor to the team), Mr. Michael Hamp (Senior Technical Advisor – Rural Finance), Mr. Salim Jiwani (Microfinance Specialist), Mr. Haroon Nessar (Poultry Specialist), Mr. Saif Abbas (Financial Management Specialist), Ms. Judith D. Souza (Gender, Poverty and Knowledge Management Specialist), Mr. Rafique Shaheel (M&E Specialist), Mr. Qaim Shah (Country Program Officer), and Mr. Matteo Marchisio (Country Program Manager).

<sup>2</sup> The mission members were divided in three teams. A first team travelled to the Balkh province from 21 to 25 April to look specifically at the poultry and integrated dairy scheme activities. A second team travelled to Nangarhar from 22 to 25 April to look specifically at the integrated dairy scheme and dairy goat activities (unfortunately the security situation at the moment of the field trip discouraged the team to travel to one of the districts where the goat activities were implemented). A third team should have travelled to Bamyan from 19 to 22 April to specifically look at the ultra-poor and veterinary activities. Unfortunately the flights to Bamyan were cancelled due to bad weather conditions, and thus the field trip to this Province had to be cancelled. Cross cutting issues were looked at transversally by the three teams.

5. The mission would like to thank Mr. Abdul Latif Zahed, Project Director, the partner organizations (FAO, ICARDA, DCA, and MISFA), and their respective teams for the support received in organizing and carrying out the mission. The mission would in addition like to thank the Government officials and all the people consulted during the mission for their availability and for their frank assessment and constructive feedback.

## **B. Overall Assessment of Project Implementation**

### **I. Progress and overall assessment**

6. The **overall assessment** of the project performance at mid-term stage is positive.

7. The project, particularly under **component 2 (Livestock Support)**, is on track towards achieving most of its targets (and some of the results are becoming visible), and it is likely that several targets will be exceeded by the end of the project<sup>3</sup>. **Feedback from the beneficiaries** is generally positive, and there is demand to expand the activities.

8. The **component 1 (Rural Microfinance)**, after the initial delays and despite the persistence of challenges in the sector, has provided some good results to build on (i.e. Financial Graduation of the Ultra-Poor sub-component).

9. As far as the **Programme Management component** is concerned, the quality and the overall performance of the programme management and coordination functions, including financial management and procurement, is broadly satisfactory. The Project Coordination Unit (PCU) has managed to respond proactively and adjust to the challenges of the programme, and managed its Service Providers (SPs) satisfactorily. The coordination of SPs and activities has increased in quality, as has its reporting. The utilization of the Project Steering Committee (PSC) as a strategic mechanism has improved. A key factor in the good performance of the PCU is the stability in the Programme Director and other key positions.

10. **Total disbursement** as of 04 May 2012 is SDR 6.12 million (i.e. US\$ 9.52million: 38% of the total budget, 40% of IFAD loan), which - considering the delays that the programme suffered in starting the implementation of the activities under component 1 - is a commendable achievement.

11. **Impact of the security situation:** the programme does not seem to have been adversely affected by the volatile security situation in the country. Most of the activities have been carried out without interruptions, and beneficiaries have been reached in all target districts. The only component that has suffered from the security situation is component 1 (Rural Microfinance), where the security situation has affected the work of the Microfinance Institutions (MFIs), and, as a result, loan outreach in rural areas has not progressed well.

### **II. Main issues and recommendations**

12. **Rural Microfinance Component.** The start-up of implementation of this component was significantly delayed for a number of exogenous factors, mainly related to the policy and regulatory framework of the sector. During the last supervision mission (March 2011), it was decided to reassess the situation at mid-term. Since then, there has been some progress. MISFA has proactively managed the MFIs consolidation process. However, despite these changes, there are still several challenges in the sector. The sector consolidation is still far to be achieved. The deteriorating of security situation in several provinces is one of the factors for limited loan outreach in rural areas. However, the microfinance sector remains of high relevance for the delivery of financial services to and the economic development of rural areas. Within this framework, there is however scope for continuing some of the successful activities of the component. The Financial Graduation of the Ultra-Poor sub-component for instance has shown

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<sup>3</sup>For instance, (a) under the **Integrated Dairy Scheme sub-component**, 93% of the targeted households are benefiting from the project activities. Herd size has increased. Quantity of milk production has improved. (b) Under the **Veterinary Service sub-component**, despite the delays in the start-up of the activities, almost 1.4 million heads of animals have already been vaccinated, about half million have been treated, and almost 8 million have been de-wormed thanks to the activities supported by this sub-component. (c) Progress under the **Dairy Goat sub-component** exceeds in many cases 100% of the targets, and (d) even in the **Backyard Poultry sub-component**, despite the high mortality rate of the first batch of pullets, progress can be considered moderately satisfactory.

some initial success, and there is an increasing demand of the services provided under this sub-component (i.e. potential for scaling-up).

13. **Recommendations:**

- (a) Expand the Financial Graduation of the Ultra-Poor sub-component to one additional province in order to guarantee synergies with activities under component 2.
- (b) Complete the on-going pilots under the Innovation Facility sub-component. However, because of the existing sector constraints, no additional 'innovations' should be undertaken. Based on the expected results, funds of the Innovation Facility are not expected to be utilised entirely. It is recommended that US\$ 1.1 million should be re-allocated to component 1.2 (Financial Graduation of the Ultra-Poor) and another US\$ 1 million to component 2 (Support to Livestock Sector).

14. **Livestock Support Component.** Despite the good performance of the component, post-project sustainability of the activities and of the beneficiary institutions is a key concern. In the post-MTR period, the project should therefore focus on consolidating the achievements of the component, building the capacity and transferring the responsibility of the implementation to the government agencies and beneficiary organizations, and ensuring convergence and synergies among the various activities supported by the project.

15. **Recommendations:**

- (a) Strengthen the technical and institutional capacity and ensure a gradual hand-over of the project responsibilities to Dairy Unions and Cooperatives.
- (b) Strengthen the capacity and formalize the role of MAIL/DAIL staff in taking over, planning, monitoring, quality control and support functions after project completion.

16. In the case of the **poultry sub-component**, there are some concerns on the long-term sustainability of these models. There are number of assessments currently being carried out and about to be finalized on the impact and sustainability of the poultry models in Afghanistan.

17. **Recommendation:**

- (a) Wait until the results of these assessments are available before suggesting any change in the poultry model adopted by the project.

18. **Project Management and Coordination.** Despite the overall satisfactory performance, the PCU is still facing a number of challenges: (a) *Gaps in capacity and evolving institutional environment*: the existing capacity of the PCU is not sufficient to adequately monitor and technically back-up the rural microfinance component and to oversee the procurement functions performed by MAIL and the SPs; and (b) *Quality of coordination and reporting of the SPs*: despite the increased quality of coordination and reporting of the SPs, this area has margins for improvement. For instance, while DCA and ICARDA continue to use RMLSP reporting formats, FAO has the burden of competing pressures of reporting against its own internal monitoring framework and narratives in tandem with that of the Programme. In addition, FAO reports directly to the office of the Minister for MAIL and not to the programme which causes undue delay to the reconciliation of information and subsequent production of regular project reports.

19. **Recommendations:**

- (a) Create a Microfinance Specialist and a Procurement Specialist positions to strengthen the capacity of the PCU to technically back-up the project and improve the quality of its financial management (the latter will be funded only for one year under the project budget, and will be subsequently funded under the CRCDP).
- (b) In order to ensure more uniform and coherent terms and conditions to allow the PCU coordination and oversight, and in view of a possible extension, MAIL would need to revisit the original conditions of all SP contracts, clearly defining a greater role of oversight for the project, and ensuring unambiguous reporting expectations and lines of communication. The revised contracts shall also include the terms for formal engagement of MIAL/DIAL staff in planning, monitoring and implementation of project activities and gradual transfer of responsibilities.

## Conclusions and way forward

20. **Extension:** considering **(a)** the time needed for the consolidation of the institutions and investments and the gradual hand-over of the responsibilities to the government and the beneficiary organizations, **(b)** the initial delay in the start-up of programme activities, particularly those supported under component 1, which is affecting the convergence among the various activities supported by the programme, and **(c)** the fact that because of the uncertain security situation in the country and that IFAD had no prior experience in the country it was decided to opt for a shorter than usual implementation timeframe for the programme, **the mission believes, based on the progress so far and opportunities offered, there is a rationale for a 1 year extension of the programme completion date.**

21. Since no additional budget is available, **the extension will be on no-cost basis.** The proposed recommendations would need to be implemented through reallocations resources<sup>4</sup> within the existing resources between activities or among components.

Agreed action	Resp.	Agreed date
- Request for project extension should be submitted to IFAD.	MAIL, PCU	Immediate
- Complete the on-going pilots under the Innovation Facility sub-component should be completed; no additional 'innovations' should be undertaken. Expand the Financial Graduation of the Ultra-Poor sub-component to one additional province.	MISFA, PCU	Immediate
- Strengthen the technical and institutional capacity and ensure a gradual hand-over of the project responsibilities to Dairy Unions and Cooperatives.	FAO	Immediate
- Strengthen the capacity and formalize the role of MAIL/DAIL staff in taking over, planning, monitoring, quality control and support functions after project completion.	All SPs (2.1-2.4)	Immediate
- Create a Microfinance Specialist and a Procurement Specialist positions to strengthen the capacity of the PCU to technically back-up the project and improve the quality of its financial management.	PCU	Immediate
- Reallocate budget within components/sub-components, as proposed. Submit a request for budget reallocation to IFAD. Contracts between MAIL and SPs should be amended accordingly, and PCU and SPs should develop a detailed WP to implement mission recommendations taking into consideration the extended project duration.	PCU, SPs	Immediate
- MAIL would need to revisit the original conditions of all SP contracts, clearly defining a greater role of oversight for the project, and ensuring unambiguous reporting expectations and lines of communication.	MAIL, PCU, SPs	Immediate

<sup>4</sup> See Section F.VII 'Proposed revised budget – Post MTR'. A summary of the proposed budget reallocation is reported in the table below.

Category Description		
1. Rural Microfinance	- 1.001 m	
2.1 Integrated Dairy Scheme		+ 0.715 m
2.2 Veterinary Services		+ 0.615 m
2.4 Dairy Goat Development		+ 0.330 m
3. Program Coordination Unit		+ 0.480 m
4. Special Financing Facility	- 1.139 m	
<b>Total</b>	<b>- 2.140 m</b>	<b>+ 2.140 m</b>



## C. Outputs and Outcomes

### I. Component 1: Rural Microfinance [*Moderately Satisfactory*]

**Component objective:** to increase access by an estimated 20,000 rural clients with a focus on women to a wider range of microfinance products and services adapted to the specific needs in the agriculture sector, especially livestock.

**Allocated budget:** US\$ 11.25 million (including government in-kind contribution estimated at US\$ 0.17 million)

**Sub-components:** (1.1) Innovation Facility; (1.2) Financial Graduation of the Ultra-Poor; (1.3) Technical Support and Capacity Building for MFIs; (1.4) Management Support.

**Implementing Agency:** MISFA

22. The weakness of the microfinance sector is negatively affecting the implementation of the component. Implementation of the activities under this component was delayed about 12 months for a number of reasons<sup>5</sup>. Since the last supervision mission (March 2011), MISFA has proactively managed the MFI consolidation process by initially consolidating three MFIs and later another two MFI were added into one entity named Mutahid Development Finance Institution. MISFA has also identified and is under the process of consolidating a further two MFIs into Mutahid in the second half of this year. Despite these changes, sector consolidation is far to be achieved. Remaining MFIs are facing several problems<sup>6</sup>. Hence, the number of MFIs cooperating with MISFA declined from 16 (2009) to 7 (2012). The security issues in a number of provinces remains as a major risk for the achievement of the development objectives of the programme. However, deteriorating security situation is not the only reason why loan outreach to rural areas is not progressing. Most of the issues are of structural nature and addressing those takes time. The ongoing consolidation process revealed also that the Afghanistan microfinance sector still needs strong technical support<sup>7</sup>. Therefore, the outlook for the microfinance sector is not too optimistic and it should not be expected to see major improvements in outreach only through disbursements of loans to rural areas in the short to medium term.

23. However, the microfinance sector remains of high relevance for the delivery of financial services to and the economic development of rural areas. Banks, non-bank financial institutions and informal service providers cannot fill the void alone. Moreover, the target of 20,000 additional borrowers is modest against the number of existing borrowers (less than 9%) and the perceived unmet demand (2%).

#### Sub-component 1.1 - Innovation Facility [*Moderately Unsatisfactory*]

**Sub-component objective:** to encourage and support MISFA partner organizations to offer a wider range of sustainable financial services in rural areas to address market demand by smallholders.

24. Output indicators for this sub-component included (i) 'the number of MFIs submitting proposals and percentage approved', and (ii) 'at least 3 pilots launched during the first year'. So far, MISFA has received 5 proposals for the Innovation Facility, 4 have been approved<sup>8</sup>. Two pilots will be launched in 2012<sup>9</sup> (Y3).

<sup>5</sup> Namely (a) a tax issue between MISFA and the Ministry of Finance (MoF), which had led to MISFA's refusal to accept payments from the project and signing of contracts with partner MFIs and technical service providers until December 2010; (b) the deteriorating security situation, particularly in some regions of the country which significantly impacted on the operations of MFIs with regard to client growth, portfolio quality and operating costs; and (c) the on-going consolidation process of MISFA's partner MFIs, as opposed to quickly expand outreach of the microfinance sector through large scale disbursement of loans only.

<sup>6</sup> Either they are still in the process of turnaround but with an end in sight (OXUS) or they just entering restructuring stage (BRAC). Others have difficulties in realising their business model might not work out as planned (ASA). Two more MFIs departed completely from the microfinance sector while MISFA ceased its financial contractual arrangements with two others, namely FINCA and the Islamic Investment and Finance Cooperatives (IIFC) commonly referred to as WOCCU. They continue to operate independently.

<sup>7</sup> E.g. in terms of loan product development, management, governance, credit delivery, MIS systems, internal audits and controls. Capacity building at all staff levels is also a priority in order to keep institutions on a solid footing for good credit management.

<sup>8</sup> (1) DMFI transformation (BRAC/MEDA), (2) Rural/Agriculture lending (FMFB/MEDA), (3) Sharia-compliant lending (BRAC/Ernst&Young) (4) Sharia-compliant lending (OXUS).

<sup>9</sup> (1) Rural/Agriculture lending (FMFB/MEDA), (2) Sharia-compliant lending (OXUS).

25. Despite some progress, the implementation of these ‘innovations’ is delayed and affected by a number of factors<sup>10</sup>. Preparing qualified proposals, identifying suitable TA providers, testing and introducing innovations takes much longer in the Afghan context than anticipated (average 24 months). For these reasons, no additional ‘innovations’ should thus be undertaken during the remaining project life. The sub-component should focus only on completing the ongoing innovations.

26. Based on the above, funds of the Innovation Facility are not expected to be utilized entirely. The balance should be reallocated.

27. Loan Loss Fund. Based on a risk assessment of its lending activities, MISFA has duly established with its own resources a Loan Loss Fund of USD 1.08 million and entire met its commitment to the project.

Agreed action	Resp.	Agreed date
- The ongoing pilots under the Innovation Facility sub-component should be completed, but no additional ‘innovations’ should be undertaken.	MISFA, PCU	Immediate
- The balance funds of the Innovation Facility should be reallocated to support the expansion of the Financial Graduation of the Ultra-Poor sub-component to one additional province and to component 2.	PCU, MISFA	Immediate

### **Sub-component 1.2 - Financial Graduation of the Ultra-Poor [*Satisfactory*]**

**Sub-component objective:** to pilot test and develop a methodology appropriate for Afghanistan which will help in the financing graduation of the poorest who are generally not included in micro-finance programmes.

28. Outcome indicators for this sub-component included (i) ‘percentage of beneficiaries who access a loan from a regular MFI’ (i.e. graduation), and (ii) ‘percentage of beneficiaries enabled to generate a regular income’. As far as the first indicator is concerned, beneficiaries are not yet so advanced to become borrowers of regular MFIs. The indicator should thus be monitored towards the end of the graduation process. As far as the second indicator is concerned, about 30-35% of beneficiaries (i.e. about 120-140 households referring to 400 beneficiaries<sup>11</sup>) are able to generate regular income from the productive assets transferred (the project target is 80% of the initially planned 200 beneficiaries, i.e. 160 households, by the end of year 3).

29. This sub-component is being implemented in three districts of Bamyan. Productive assets have been transferred to the targeted beneficiaries. Beneficiaries obtained health services and counselling, training in entrepreneurship and started to generate income from assets transferred. Services provided under RMLSP component 2 (such as immunisation services) have successfully been linked to this sub-component. The main challenges in implementing this sub-component include (i) the remoteness of some places, which does not allow BRAC (the contracted Service Provider for this sub-component) staff to spend sufficient time with individual beneficiaries, and (ii) the lack of sufficient skills and knowledge of some BRAC officers.

30. Output indicators (i.e. ‘number of beneficiaries trained’ and ‘number of beneficiaries provided with a productive asset’) have been achieved. In addition, as of today, the following are some of the results achieved under this sub-component according to the RMLSP-PCU Report: (i) 28% of the beneficiaries have overcome extreme poverty within one year, (ii) 92% of the beneficiaries increased access to food, (iii) 65% of the beneficiaries have improved housing conditions (A more detail list of the results achieved under this sub-component can be found in the RMLSP-PCU Report). Despite the challenges highlighted above, the sub-component can therefore be considered successful. There is an increasing demand for the services provided under this sub-component.

<sup>10</sup> For instance, in implementing the Rural/Agriculture lending, FMFB and MISFA struggled to identify and contract a suitable TA provider. In implementing the Sharia-complaint lending (OXUS), certain key approval, like certification by the Sharia Council - both at central and provincial levels, induction of Sharia Advisor, etc., to launch Sharia-compliant lending products, have not yet been done and are quite sensitive issues for such lending. The start-up of the Sharia-complaint lending (BRAC) is affected by BRAC financial and operational shortcomings.

<sup>11</sup> 400 households, instead of the 200 initially planned and budgeted, are the selected beneficiaries under this sub-component.

31. In view of the initial successes of this sub-component, of the increasing demand of the services provided under the sub-component, and in order to ensure the synergies between this sub-component and the other components of the project, it is recommended to expand the TUP to one additional province, as originally envisaged in the project design. It is advised that the replication be led by MISFA. The selection of executing agency should be done through an open bidding process and the targeted beneficiaries should be around 600-800 households.

Agreed action	Resp.	Agreed date
- To expand the Financial Graduation of the Ultra-Poor sub-component to one additional province (The selection of executing agency should be done through an open bidding process).	PCU, MISFA	Immediate

### **Sub-component 1.3 - Technical Support and Capacity Building [*Moderately Satisfactory*]**

**Sub-component objective:** to provide MFIs with the necessary technical assistance, capacity building and operational support to develop innovative financial products and to help enhance their capacity through staff training for financial product identification, assessment, and risk measurement.

32. Outcome indicators for this sub-component included: (i) 'number of MFIs with new product lines or improved operating procedures and business processes', and (ii) 'number of MFI staff trained by topic and MFI'. As far as the first indicator is concerned, not new products have been yet implemented. Procedures and processes will be improved/amended during the launch of the pilots. As far as the second indicator is concerned, MISFA has not trained MFIs on innovations. This will be done by the respective TA provider or through in-house trainings. So far, no trainings on innovation facility have been conducted.

33. Technical assistance and capacity building to partner MFIs is rendered in conjunction with the innovative solutions, which will be awarded funding under RMLSP. Identification of the most capable and specialist Service Providers is the key. MISFA and the PCU identified collaboration opportunities with other donors engaged in Afghanistan's financial sector development, in particular with the USAID-funded Financial Access for Investment in Development of Afghanistan (FAIDA) Programme, which plans to develop tiered training delivery channels and, also in this respect, to strengthen the capacity of the Afghanistan Microfinance Association (AMA). In a recently completed Training Needs Assessment by AMA, the focus on top 5 training areas are delinquency management, credit appraisal, market of MF products, Accounting and Branch Management. Under this component, RMLSP should encourage MISFA to expand its strategic partnership with AMA for undertaking these activities: (i) Capacity Building of CSPIs, (ii) Training on financial literacy, (iii) Coordination between BDS providers and MFIs, (iv) Information management and (v) Social performance management.

34. At this stage the MTR mission considers that the most obvious and indirect linkages of activities should be made between RMLSP Component 1 and Community Based Savings Group, which is providing financial services to the rural poor, particularly focusing on savings at the household level and which has great potential for outreach. However, there are a number of other programmes that also qualify for further consideration, such as the UN-Habitat promoted savings and credit self-help groups in 20 provinces, Village Savings and Loan Associations under the AREDP etc.

### **Sub-component 1.4 - Management Support**

**Sub-component objective:** to increase MISFA's capacity to manage a growing number of partner organizations and help in knowledge management and policy development for the sector.

35. Currently, there is no dedicated staff member in the PCU to look after the microfinance component. However, the amount of work involved in this component would require a full time dedicated specialist who could provide technical back-up and guidance for the implementation of the activities supported under this component. It is thus recommended that a senior rural finance specialist be recruited in the PCU to provide back-stopping support to this component. The costs of this position could be covered by utilizing the resources budgeted for the Chief Technical Advisor cost (fully unutilised as of now).

## II. Component 2: Livestock Support [*Satisfactory*]

**Component objective:** to strengthen the livestock production systems of poor rural households, while developing their marketing opportunities, and improve local livestock production, productivity and income.

**Allocated budget:** US\$ 8.42 million (SDR 5.7 million)

**Sub-components:** (2.1) Integrated Dairy Scheme (US\$ 3.52 m (SDR 2.39 m); (2.2) Veterinary Services in the Northern Region (US\$ 2.66 m (SDR1.8 m); (2.3) Backyard Poultry Development (US\$ 1.01 m (SDR 0.69 m); (2.4) Dairy Goat Development (US\$ 1.23 m (SDR 0.84 m).

36. The overall progress and achievements of this component can be considered satisfactory, particularly taking into consideration the initial delays that most of the sub-components suffered. One of the reasons for the satisfactory performance is due to the fact that the project could build on the capacity built by similar investments previously carried out in the same geographical areas.

### Sub-component 2.1 - Integrated Dairy Scheme [*Satisfactory*]

**Sub-component objective:** to improve the production and efficiency of milk production and processing, and to establish a member-owned network of dairy producers.

**Allocated budget:** US\$ 3.52 million (SDR 2.39 million)

**Implementing Agency:** FAO

37. Currently out of the targeted 1,500 households, 1,398 HHs (93%) participate actively in the project activities<sup>12</sup>. Herd size has increased thanks to improved dairy husbandry practices (such as fodder production and feeding), health care, housing, clean milk production, calf rearing and breeding, but not by obtaining additional dairy cows from outside as no system has been developed so far (mainly because of the delays in taking off of the microfinance component). Milk production from both local breeds and cross breed dairy cows has improved, but the potential benefits deriving from the sale of the increased milk production cannot yet be achieved because of the limitations in marketing large volumes of milk.

38. A number of primary and secondary dairy cooperatives, consisting of 1,186 registered members (26 female) and 212 potential members, have been developed, have federated into a cooperative milk union, and have recently been officially registered. A plot of land has been allocated by DAIL to the Union for the construction of a milk - and feed plant, and registered in the name of the Union. The plot also provides space for expansion as well as other infrastructures such as planned training centre and nitrogen plant. An area for fodder demonstration is included. These developments encourage members to take over project responsibilities such as revolving funds for veterinary drugs, set up fodder seed producing members (31% of target achieved), allocate land for milk collection centres, recruit new members, etc.

39. A milk marketing study has been conducted. The study suggests there is a good market potential for fresh milk and milk products albeit fierce competition is to be expected, suggesting that in order to make profits the Milk Union should operate in a competitive manner from the outset.

40. The area has a long history in artificial insemination and fodder development. The up-take of both activities is encouraging, although it has to be considered that seed and fertilizers are given for free while bull semen straws subsidized. Whether the adoption of improved fodder varieties will be sustained and the extent by which these fodder crops will be integrated in the existing farming systems will greatly depend on the ability of the Unions to market the milk and to provide an attractive milk price to its members.

41. Considerable efforts have been made under the project in providing preventive and curative health care, and the majority of dairy cattle herds are protected against major infectious and non-infectious diseases, as well as fertility problems. Unfortunately small ruminants and poultry are not usually taken along when addressing animal health issues, although these animals represent an important element in the household livelihood. The project promotes a separate line of veterinary and breeding services, assuming that it can be taken over by the milk union over time – although private Veterinary Field Units are present in the area. As far as artificial insemination (A.I.) services is concerned, private A.I. workers operate in the area, while the project has taken

<sup>12</sup> Both male (93%) and female (85%) members of the concerned HH.

on board A.I. technicians employed by the Government. The choice to develop new parallel institutions as part of the Milk Union instead of strengthening the existing private entities needs to be addressed. The Khatiz Dairy Union is planning to provide Animal Health/A.I., Feeding and Fodder, as well as Extension/Training services, and to recruit more members within and beyond the current geographical areas covered.

Agreed action	Resp.	Date
- Timely hand-over the Feeding and Fodder as well as Extension/Training services to the Khatiz Dairy Union, so that hand-holding and coaching can still be provided during the project period. Integrate the Animal Health/A.I. into the existing Veterinary Fields Units (VFUs) through a Memorandum of Understanding <sup>13,14</sup> .	FAO/ Dairy Union	Post MTR onwards

### Sub-component 2.2 - Veterinary Services [*Satisfactory*]

**Sub-component objective:** to strengthen the system of animal health service provision on a sustainable basis in eight provinces in the North, so as to improve livestock production and productivity, and to help livestock owners to retain greater value for their livestock products.

**Allocated budget:** US\$ 2.66 million (SDR1.8 million).

**Implementing Agency:** Dutch Committee for Afghanistan.

42. Although the start-up of this sub-component was delayed, it is currently being implemented in the 5 targeted Provinces. In each Province, two experienced Veterinarians are based in the provincial office to provide facilitation and support to all VFUs and livestock owners in the Province. In total 261 groups (4,175 members) were created in the 5 Provinces for both male (3,620) and female (555) farmers. Each VFU conducts 2 participatory extension sessions on animal production and health within their community on a monthly basis, and 20 farmers on average attend each session. In addition, 21 self-help groups (SHGs) for women have been created<sup>15</sup>. SHGs showed innovativeness and managed to address need based issues of women.

43. Despite of the scattered location of the VFUs and the recent harsh winter that made the movements difficult, regular and effective monitoring and evaluation has been maintained. DCA has been pro-active in establishing and maintaining continued communication and coordination with local DAIL offices, trying to involve their technical staff in monitoring activities.

44. As far as marketing and promotion is concerned, different approaches have been utilized to increase the awareness of the animal owners on the presence and quality of the Veterinary Field Unit (VFU) services. According to VFU staff these business-oriented extension activities contributed to creating demand for these services.

45. Some of the progress and results achieved under this sub-component include the following: (i) 30 Basic Veterinary Workers (BVWs)<sup>16</sup> (8 Kuchi, 14 male, 8 female) were trained and equipped, 21 new VFUs were established and equipped; (ii) extension work with 17,745 animal keepers was conducted by 105 VFUs through monthly monitoring visits; (iii) 3,000 poor farmers were provided with one time subsidized vet services (deworming campaigns in 37 district, 267 villages and covering 35,769 animals; (iv) extension groups among the poor female/male farmers were created and are active: 326 groups (274 male, 52 female) with a total of 2,960 members (2,343 male, 526 female) in 58 districts. (v) As far as the objective of providing greater and reliable access to Veterinary and Livestock Services to Kuchis, 16 new BVWs were trained and equipped (with veterinary kits), thus allowing 1,210 Kuchis to have access to the immediate veterinary services.

<sup>13</sup> This recommendation is in line with exit strategy proposed in the design document of RMLSP.

<sup>14</sup> It implies reduction in services provision costs allowing the Union to expand as more members are needed to ensure sufficient milk for the dairy processing plant as well as demand for dairy compound feed to be produced by the feed plant currently under construction.

<sup>15</sup> 10 groups (147 women) in Bamyan, 8 groups (164 women) in Baghlan, and 3 groups (53 women) in Badakhshan. Facilitation of SHG formation is on-going in the remaining 2 Provinces (Takhar and Kunduz).

<sup>16</sup> BVWs provide first line preventive and curative health services including awareness creation and sensitisation and form the link between the livestock keepers and the VFUs. The addition of BVWs and of new VFUs to the existing VFUs was based on a need assessment (ref. performance survey of VFUs).

46. The overall improved accessibility of the quality vet services through training of the VFUs, training of the extension workers, publication of herd health packages and brochures, training of the farmers, resulted in 1,361,359 herds of animal vaccinated, 487,538 treated and 7,827,776 de-wormed. In addition, 5 fodder banks were established while business skill development training for farmers, training of the VFU and the MAIL staff happened.

47. The experience of providing extension services through VFUs proved not to be necessarily effective. The engagement of VFU paravets in activities other than the vet activities (e.g. business), reduced the quality and the timeliness of vet services. Therefore, it is recommended to consider developing/linking the already existing small farmer extension groups/self-help groups (women) into business organizations such as “cooperatives” - although not as in the strict legal sense.

Agreed action	Resp.	Agreed date
- Increase the budget allocated to support the recruitment of Young Professional Consultants (YPC) during the project extension period.	DCA, PCU	August 2013
- Give more emphasis on dairy value chain and reduce the efforts for Karakul value chain. Liaise with other SPs (via PCU) to exchange information/experience/best practices on collection, processing and marketing.	DCA, PCU	Post MTR onwards

### Sub-component 2.3 - Backyard Poultry Development [*Moderately Satisfactory*]

**Sub-component objective:** to provide 3,000 poor women and women heads of households with the skills, knowledge and initial inputs they require in order to engage in backyard poultry raising activities.

**Allocated budget:** US\$ 1.01 million (SDR 0.69 million)

**Implementing Agency:** FAO

48. Despite the high mortality rate of the first batch of pullets which affected the performance of this sub-component, progress so far can be considered moderately satisfactory<sup>17</sup>. Out of the 3,000 targeted beneficiaries, 2,000 women have already received the standard training packages, and have organized themselves in 21 village poultry producer groups (VPPGs). The village group leaders (VGLs) are responsible to maintain regular chicken vaccination, supply feed and other inputs and market the surplus eggs.

49. The village poultry groups are not yet matured and have not yet developed a business approach. Despite a memorandum of understanding is being signed between the leaders of the VPGs and a commercial poultry supplier for the regular supply of feed and other poultry appliances, this arrangement has not worked so far because of the lack of a workable logistic mechanism.

50. A total of 793,331 eggs were collected by the beneficiaries, out of which 256,194 (32%) were consumed by the beneficiaries and the rest (68%) were marketed. As the distributed batch of 15 poultry birds/beneficiary is rather small to generate a significant income, the present benefits of this package are mainly in terms of food and nutritional security.

51. The overall institutional setting under this sub-component remains risky and fragile. The VGLs are not earning much by providing services to the members. They are not well connected to Field Veterinary Units (VFUs), through which they should have access preventive and curative poultry health care and extension services. In addition, the training modules provided to these groups are mainly technical and do not cover topics such as community sensitisation, group formation, management or business. Thus, VGLs do not develop those skills that would allow them to negotiate better with commercial poultry entrepreneurs. In this regard, sequencing the work (10 months in one district and then continuing in another) does affect the sustainability.

<sup>17</sup> Some adjustments were suggested during the previous supervision mission to reduce the pullet mortality (e.g. reduce the pullets number from 20 to 15, increase the mixed feed from 25Kg to 75Kg/beneficiary, and increase the in-kind support for the group revolving fund from 3 bags of feed to 10 bags - 50 Kg each).

Agreed action	Responsibility	Date
- There are some concerns on the long-term sustainability of the poultry model. There are number of assessments about to be finalized on the impact and sustainability of the these models. Wait until the results of these assessments are available before suggesting any change in the model adopted by the project.	PCU, FAO	As soon as the assessments are available

### Sub-component 2.4 - Dairy Goat [*Satisfactory*]

**Sub-component objective:** to provide 1,000 poor women and women heads households with the skills, knowledge and initial inputs they require in order to engage in small-scale dairy goat production.

**Allocated budget:** US\$ 1.23 million (SDR 0.84 million).

**Implementing Agency:** ICARDA.

52. The SP for this sub component can be complemented for making use of other service providers (DCA, SERVE) available in the area, coordinating with the Community Development Committees while also involving the appropriate govt. ministries (MAIL, Ministry of Women Affairs). It thus manages to anticipate on and coordinate with institutions available at the ground.

53. About 1,000 households are benefiting from the sub-component<sup>18</sup>. The HHs are selected according to the agreed criteria<sup>19</sup>.

54. Women seem to have been empowered by the approach adopted by the sub-component. This approach in fact did not only increase the technical knowhow of the targeted HH members (who are mostly women), but it also gave attention to other important household issues, such as household dynamics, women rights, hygiene, balanced meals, etc. The passing-on-of-gift<sup>20</sup> proves to be an excellent means to strengthen group work (134 groups formed; 134% achievement) and cohesion. Out of the 1,010 goats distributed (101% achievement), 120 beneficiaries managed to pass on to 142 HHs (63% achievement).

55. Dairy goat production has increased thanks to the improved dairy goat husbandry practices<sup>21</sup> adopted by the target beneficiaries<sup>22</sup>: average weight of goats after 7 months is 21 kg; average milk yield after 3 months is 88.55 liters.

56. On-farm testing of improved feeding systems based on locally available products is on-going. The overall target achievement is 176%, despite some challenges encountered during implementation, i.e. diseases of goats and other livestock, shortage of feed/forages, security concerns and heavy snow fall which resulted to slow down the Atriplex growth. Back and forward linkages (access to services, inputs and markets) are developed sustainably using existing institutions.

57. Cash income improved through sale of improved traditional milk products and off spring (low mortality rates, i.e. 98% of distributed goats are alive). Introducing improved scrubs (Atriplex), trees (Mulberry) and fodder (Mung bean) is helpful but rehabilitation of pastures is requested (this requires investing in community mobilization to discuss the utilization of common pastures). VFUs are not yet fully able to master all major goat diseases and strengthening their preventive and curative goat health care is required.

Agreed action	Resp.	Agreed date
- Analyse how the dairy goat program could be up-scaled. Document the good practices (e.g. improved home goat milk processing; Atriplex, etc.).	ICARDA, PCU	Post MTR

<sup>18</sup> i.e. 5 villages in Baghlan-e-Sanati District, and 5 villages in Pul-i-Khumri District in the Baghlan Province, and 12 villages in Dara-e-Noor District in the Nangarhar Province.

<sup>19</sup> Apart from HH selection criteria, there should also be pastures available implying that HHs live in arid or semi arid high altitude area.

<sup>20</sup> A group of women receive 1 to 3 healthy local pregnant doe (female goat) and its off-spring is passed on as per criteria agreed upon. In this way, step by step each member can re-build or expand her herd of goats.

<sup>21</sup> i.e. investments in forage crops and trees (mulberry, Atriplex: 1,364% achievement), home-made supplementary feed mix (winter feeding) and health care.

<sup>22</sup> i.e. 1,049 women; 105% achievement.

### **III. Component 3: Program Management and Coordination [*Moderately Satisfactory*]**

#### **Sub-component 3.1 - Programme Coordination Unit<sup>23,24</sup> [*Moderately Satisfactory*]**

58. The quality and the overall performance of the programme management and coordination functions is satisfactory. The Project Coordination Unit (PCU) has managed to respond proactively and adjust to the challenges of the programme, and managed its SPs satisfactorily. The coordination of SPs and activities has increased in quality, as has its reporting. The utilization of the PSC as a strategic mechanism has improved. A key factor in the good performance of the PCU is the stability in the Programme Director and other key positions.

59. Despite the overall satisfactory performance, the PCU is still facing a number of challenges: (a) *Gaps in capacity and evolving institutional environment*: the existing capacity of the PCU is not sufficient to adequately monitor and technically back-up the rural microfinance component and to oversee the procurement functions performed by MAIL and the SPs; and (b) *Quality of coordination and reporting of the SPs*: despite the increased quality of coordination and reporting of the SPs, this area has margins for improvement. With two years of their respective contract periods now complete, the SPs still face constraints synergising been both project components. The PCU has taken on certain incentives to rectify this such as holding monthly coordination meetings and several one-off meetings for SPs aimed at strengthening a more uniform understanding of the project. In addition, while DCA and ICARDA continue to use RMLSP reporting formats, FAO has the burden of competing pressures of reporting against its own internal monitoring framework and narratives in tandem with that of the Programme. Moreover, FAO reports directly to the office of the Minister for MAIL and not to the programme which causes undue delay to the reconciliation of information and subsequent production of regular project reports.

60. To address the identified gaps, two actions are proposed. First, to create a Microfinance Specialist and a Procurement Specialist positions to strengthen the capacity of the PCU to technically back-up the project and improve the quality of its financial management (the latter will be funded only for one year under the project budget, and will be subsequently funded under the CRCDP). With the inclusion of the proposed microfinance and procurement specialists, the PCU will now be in a position to restructure itself for the remaining duration of the project. The PCU will now have three distinct units: (i) technical (livestock and microfinance); (ii) monitoring and reporting (M&E, MIS and KM); and (iii) financial management, including procurement. This will allow a more demarcated division of labour within the PCU. Second, in order to ensure more uniform and coherent terms and conditions to allow the PCU coordination and oversight, and in view of a possible extension, MAIL would need to revisit the original conditions of all SP contracts, clearly defining a greater role of oversight for the project, and ensuring unambiguous reporting expectations and lines of communication. The revised contracts shall also include the terms for formal engagement of MIAL/DIAL staff in planning, monitoring and implementation of project activities and gradual transfer of responsibilities.

61. With regard to current project staff salaries, MAIL has released a revised salary and emolument scale that needs to be adhered to – this is not as competitive compared to other externally funded donor projects within MAIL. The current package is currently devoid of any health or life insurance which will need to be reviewed in line with IFAD project packages in neighbouring countries within the region to ensure corporate policies are followed in a uniform manner.

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<sup>23</sup> The overall responsibility for the coordination of programme activities rest with the Programme Coordination Unit (PCU) which also acts as the Secretariat for the Project Steering Committee (PSC). The PCU facilitates meetings, prepares consolidated Annual Work Plan & Budgets (AWP&B), submission of Withdrawal Applications and required fiscal and fiduciary responsibilities. In addition, it conducts regular M&E of programme activities and assessment surveys, produces regular reports, and facilitates IFAD missions.

<sup>24</sup> Since the initial design, the PCU now reports to a General Directorate of Programmes (formerly the programme Implementation Coordination Unit) within MAIL. At this level, the relationship between the GDP and the PCU has begun to mature and there is now a mutual reliance for exchange of relevant information of institutional mutual assistance that lies even beyond the remit of the Project.



### **Sub-component 3.2 - The Young Professional Programme (YPP) [*Satisfactory*]**

62. The Project has now almost completed its second round of interns under the YPP. This second round of ten graduates from Agriculture Faculties of several national universities has had practical and well-planned exposure to real life situations under the supervision of Service Providers. Over half of the first round of YPPs were offered full-time posts by the very SPs they had worked with, with two others finding work in national institutions in less than a year.

63. The project is currently limiting itself to ten graduates a year, which provides additional resources to undertake research and conduct surveys, whilst also working alongside project colleagues and with SPs in the field. Whilst this is recognized as having been of a great advantage to the future employability of the YPPs, a more formalized structure now needs to be in place to provide a structured career path for the graduates, plus an increase in the number of YPPs to fifteen should also be considered. The formalization should include regular rotation of staff to ensure equal time and exposure to key tasks and the possibility of training courses to be availed.

### **Sub-component 3.3 - Special Financing Facility**

64. Part of the Special Financing Facility has been allocated to support the construction of the dairy processing plant in Jalalabad, which was not initially budgeted in the original project budget. The balance could be used to cover the additional administrative costs that the project will incur if a project extension is granted. Any additional balance could be reallocated to the different components/sub-components to finance activities aimed at consolidating the achievements of the project and ensuring post-project sustainability.

<b>Agreed action</b>	<b>Resp.</b>	<b>Agreed date</b>
- Create new posts of Microfinance Specialist and Procurement Specialist.	PCU/IFAD	Immediate
- Amendment or re-negotiation of SP contracts to ensure more uniform and coherent terms and conditions to allow the PCU coordination and oversight.	PCU	Immediate
- The Project will finalise a proposal and budget for a structured learning approach and training for the next round of YPPs.	PCU	July 2012

## **D. Project Implementation Progress**

### **I. Quality of Project Management [*Satisfactory*]**

65. Despite the delayed commencement of the Project and a number of external constraints beyond its immediate control, the PMU has managed to adjust expectations and manage its SPs satisfactorily. The coordination of SPs and activities has increased in quality, as has its reporting. The Project has responded proactively to recommendations from several Supervision and Follow-up Missions and systems for communication and management (programmatic and fiscal) show improvement, along with its relationship with MAIL.

66. The PSC meets on a regular basis but on occasions, the appropriate ministerial representatives are not sent due to other commitments. The meetings are run in an efficient manner given the time constraints of its members.

67. However, the project needs to focus on the institutional linkages and programmatic synergies that will bring both components closer together.

### **II. Planning, Monitoring & Evaluation [*Moderately Satisfactory*]**

68. The Project has setup an M&E system based on an M&E plan, which is functional to support project management by aggregating data reported by the four Service Providers (SPs)<sup>25</sup>. The M&E system of SPs monitor activities and outputs of the project. PCU have also begun monitoring outcomes for SPs on the basis of which informed decision and management actions have been taken. An automated MIS is developed by the Project, which stores and retrieves real time data. Data collection and reporting forms are developed corresponding to a set of indicators, which are

<sup>25</sup> Monitoring data is collected by Service Providers through their M&E system with formats designed by the PCU.

used by SPs to collect and report data. Monthly coordination meetings are held as part of a learning system. A baseline survey of the project has been completed. The last supervision mission made specific recommendations, most of which have been addressed by the project, except those related to gender mainstreaming and monitoring, blending qualitative and quantitative methods, and monthly monitoring of the microfinance component.

69. The Project M&E needs to be strengthened by strengthening the M&E systems of the four Service Providers, by improving the data collection formats to capture all relevant data of the logframe and first level RIMS indicators. Quality assurance of data collected by SPs is of concern, which needs to be addressed by the PCU.

70. The MIS is still inadequate to capture all the data, and analysis of data is partially done to support informed decision. The MIS will include logframe and RIMS (first & second level) indicators, and data will be collected and analysed to take informed decisions during quarterly review meetings. M&E tools of SPs are unable to capture short-term impacts on women's empowerment, food and nutrition security and contribution of the sub-sectors to household income. The Annual Outcome Surveys (AOS) completed last year are without a comparison/control group; using control groups is necessary to have a slightly robust assessment of Project attribution to developmental outcomes.

71. The RIMS annual reports and RIMS baseline survey was not done and the mid-term survey is yet to take place for the system to be fully satisfactory.

72. Given that there will be changes in institutional arrangements and resource allocation after MTR, SP and MAIL officials need to conduct qualitative half-yearly concurrent assessments at the provincial level of new institutional arrangements, interventions for sustainability of project outputs and outcomes, and emerging issues (including those related to women's' empowerment). The results of the assessment would be reported to General Directorate of Programmes and the PCU. With changes in M&E and inclusion of additional indicators to the log frame and technical monitoring parameters for the livestock subsectors, the M&E plan will undergo revision.

73. Coordination meetings are held regularly and minutes are prepared. Further structuring of monthly coordination and quarterly reviewing meetings are required whereby M&E information becomes the basis for the review progress in AWP, adoption of technology, scaling of demonstrations and learning. Annual and half-yearly project reports are detailed and exhaustive, and require being simple. Besides the Manager M&E and KM, capacities of MIS Manager, YPPs and M&E focal points of the SPs are inadequate, which is required to be addressed.

74. The Project Appraisal document does not illustrate the participatory planning process. However, the project has initiated a participatory planning and review process involving the service providers. The Mission has observed that women in the project villages and CDC members are discussing developmental needs of the villages including government schemes, production, marketing and related project activities. The PCU along with SPs need to explore the possibilities for initiating participatory bottom-up planning process by involving community institutions, DAIL, and IPs. Service Provider plans will be required to look at interventions and activities addressing sustainability of outputs and outcomes reflecting reorientation of coordination with the Private Sectors and IPs. The narrative texts of the SP RO-AWPB are well written, but an integrated narrative of RMLSP is required to be prepared stating budget objectives, focus of the AWPB and definite timelines.

Agreed action	Resp.	Agreed date
- Complete the detail M&E plan including the M&E Matrix clearly defining the scope of the M&E system post the MTR.	Manager M&E at the PCU & SPs	By end August 2012
- Prepare the RO-AWPB by initiating a participatory and bottom-up planning process and include a narrative text to the RMLSP AWPB.	Manager M&E at the PCU	By October 2012
- PCU to review the M&E systems of SPs and revise the data collection tools for the MIS based on the revised set of indicators in the log frame and RIMS to capture impact data on, women's empowerment, food and nutrition security and contribution of the sub-sectors to household income.	Manager M&E at the PCU & SP	Complete by July 2012
- Project to conduct AOS and complete RIMS survey with comparison/control group. RIM survey equipment has to be procured from IFAD.	Manager M&E at the PCU & SPs	Starting December 2012 for AOS and Starting July 2012

Agreed action	Resp.	Agreed date
- SP and MAIL officials jointly conduct Concurrent Assessment of the delivery system, adoption, scaling-up, and performance of institutional arrangements and monitoring of emerging issues including those related to women's empowerment at the provincial level.	Programme Director	Starting September 2012
- PCU to simplify half-yearly and annual reports and submit RIMS Annual Report to IFAD.	Manager M&E at the PCU	Complete by August 2012
- Build capacities of PCU staff and M&E focal points of SPs through hands-on training on quality assurance of M&E and MIS.	Programme Director	Completed by December 2012

### III. Gender [*Moderately Satisfactory*]

75. Progress towards gender/women empowerment can be considered moderately satisfactory. The November 2011 Bi Annum Report reports that 21.8% of the targeted women were reached with extension services; 21.8% women were trained in hygiene milk production; 100% women were trained in poultry production; 100% women were trained as poultry trainers; 519 women were trained in cashmere collection (against a target of 300); there is a 20% drudgery reduction of women keeping goats through improved tools and equipment, and there is a 100% achievement in the establishment VPPGs. ICARDA reports that 1049 women were trained in dairy goat raising, and 134 women's dairy goat groups were established. DCA reports the formation of 261 farmer groups with 555 women groups and 3,620 men groups with 21 women's Self Help Groups. DCA and ICARDA have made efforts to gain the confidence of the community elders to support the project targeted especially at women. At the provincial level, ICARDA is working closely with the Department of Women's Affairs.

76. At the moment there is no gender strategy for the project. There is a gender strategy for MAIL, but it is difficult to translate it operationally. Most of the "gender" activities in the project are geared towards women focused activities and not aiming at social transformation<sup>26</sup>. On the positive side, many of the issues identified during the last supervision mission have been addressed. DCA and ICARDA have ensured the recruitment of more female staff for the project outreach to women. ICARDA has identified female village facilitators who are in charge of organizing the women, initiating knowledge sharing meetings, calling the veterinary doctor, briefing the organization on the security situation etc. – that are the key link between the project and the beneficiaries.

77. As per project design, the organizational chart of the PCU does not include a Gender Officer to help steer gendered responsive implementation. The present capacity of the PCU to adequately address gender across all spectrums of implementation needs to be strengthened<sup>27</sup>. The PCU

<sup>26</sup> For instance, gender is mainly looked at and measured in terms of percentage of women participation to the trainings or through other sex disaggregated data.

<sup>27</sup> For instance, recruitment for the project has followed the MAIL Human Resource directives that do not allow for affirmative action for women. Implementation at the field level reflect many gender responsive activities but at the PCU level it is not adequately reflected and reports remain systematically gender neutral because of inadequate capacity at this level to guide the SPs to report in a more gendered responsive manner.

proposal is to appoint the female veterinarian (DVM) of the team as gender focal point by providing her additional responsibilities. It has however to be noted that the DVM has no formal trainings or exposure in gender. This can be considered a temporary solution until when a Gender Specialist will be recruited under the new CRCDP, and will provide cross-support to the implementation of the RMLSP.

Agreed action	Resp.	Agreed date
- Formulate a simple gender strategy with a doable and realistic action plan; development of a check list for livestock sub-components to steer gender responsive service delivery.	PCU, SPs, MAIL	By December 2012
- Gender-mainstream the M&E system as per the revised log-frame and conduct assessment of gender issues and interventions related to women's empowerment.	PCU, SPs, MAIL/DAIL	By December 2012

#### **IV. Poverty [*Moderately Satisfactory*]**

78. The PDR is clear on who should fall into the poverty grouping. It also clearly defines the process for the beneficiary selection through the CDCs and other traditional institutions. There are some concerns on the poverty focus in the Dairy component, but the approach adopted by this component is in line with the targeting strategy defined in the PDR. The Micro Finance component has a self-targeting strategy and is demand driven with a special focus on IFAD's target groups (as per the PDR), but there are limited data to confirm it. Likewise, the observations during the field visits confirmed the poverty focus of the dairy goats and poultry components. However, there is little data to confirm the field observations. The TUP sub-component has extended the number of beneficiaries to 400 women headed households (from the initially agreed 200 households). DCA and ICARDA have a sharp poverty focus in identifying beneficiaries. DCA has taken special measures to ensure that the most vulnerable and marginalized are included into the project. DCA and ICARDA are also working with the pastoral community of Kuchis with much specified interventions that are contextual.

#### **V. Targeting [*Moderately Satisfactory*]**

79. The PDR provided detailed selection criteria for targeting within the components. The PCU have developed an elaborate targeting strategy which has laid down targeting criteria for each component based on the PDR. Overall there are eight criteria out of which four are to be selected. This raises issues of subjectivity and which criteria can be considered negotiable and which non-negotiable. DCA and ICARDA include the Poorest of the Poor households and women headed households wherever they are working. ICARDA is also looking at households that are differently able and at addicted persons. There is a strong empowerment and rights based approach to institutional building and project implementation for ICARDA and DCA. This has helped tremendously in building strong, cohesive community groups of women. DCA is working with Kuchis and consulted the Kuchi representative in the provinces, in line with the principles of engagement set out in IFAD's Policy of Engagement with Indigenous Peoples. As per the January 2012 monitoring report, it is estimated that 28% of the total beneficiaries under the Micro Finance component have overcome extreme poverty. In the poultry annual outcome survey, about 20% are female headed households.

80. Targeting, however, is not being monitored at the PCU level (although ICARDA and DCA do). The targeting for the dairy component is questionable. In most cases it was observed that the households involved had three or more cows (instead of two or less, as per targeting strategy in the PDR).

Agreed action	Resp.	Date
- In the extension period of the project and for the extending the target beneficiaries, the SPs will need to have a sharper target focus on the poorer households especially in the IDS.	PCU, SPs	By December 2012

## VI. Innovation and learning [*Moderately Satisfactory*]

81. This project was not specifically designed to be “Innovative”, except for component 1, in which the project aimed at introducing innovations in the microfinance sector by enabling MFIs to develop new financial products and services. The project rather focused on replicate or scale-up approaches that had been previously piloted and demonstrated successful.

82. As described in section C, because of the challenges in the microfinance sector, the development of ‘innovations’ under component 1 has been rather limited. It has been thus decided that no additional ‘innovations’ should be undertaken during the remaining project life. The sub-component should focus only on completing the ongoing innovations.

83. As far as component 2 is concerned, despite innovation was not a key objective of the component, there have been a number of innovative features which makes this project truly innovative in the context of a post conflict Afghan society. For instance, the “Passing on the Gift” practice in the goat sub-component was completely new in the Afghan context and has contributed to build a sense of social cohesion among poor vulnerable women. The Farmer Field Days were initially conceived with the aim of providing a gathering to various stakeholders (Kuchis, government staff, male and female farmers, etc.) to demonstrate different farming practices and techniques, but turned out to be an innovative mechanism in the Afghan context for cross-learning. DCA has promoted the concept of paying of animal care services among the poor thus breaking the notion that ‘the poor can’t pay for quality services’.

84. A weak aspect of innovation is documentation and learning. There is a strong polarization of knowledge, attitudes and skills at ministry level due to the varying education systems of the staff (Soviet trained personnel, young people who have moved out to other western countries for their education, etc.). The SPs also have varying degree of capacity due to the different requirements of the donor agencies. In such a complex scenario, the PCU has to deal with all these divergent groups of stakeholders. The PCU has faced chronic problems with the KM Officer as the KM concept is quite alien to the context and there is little capacity in the country for such a position. There are few learning systems present in the PCU right down to the provincial level and the M&E system is not geared towards capturing lessons and innovations. There is generally poor clarity on KM, KM systems, KM roles and responsibilities of staff and KM activities. The PCU has developed recently, with the support of a consultant funded through the Swedish Trust Fund, a KM action plan. However, the action plan was quite top down and focused more on assessments and studies than to look at developing information process that are more inclusive. In general, the learning within the project could be attributed to the openness of the PCU and SP staff to new ideas and flexible approaches.

Agreed action	Resp.	Agreed date
- The PCU should encourage the adoption of a knowledge sharing culture within the organisation	PCU	Post MTR onwards
- Initiate the process of linking the M&E to feed into the knowledge management of the project.	PCU, SPs, MAIL/DAIL	Post MTR onwards

## E. Fiduciary Aspects

### I. Financial management [*Moderately Satisfactory*].

85. The overall internal control systems were found to be relatively strong, especially considering the country context and the fact that the systems at ministerial levels could still be considered in their nascent phase. In general, GoIRA has strong financial management arrangements in place, with strong centralized controls and disbursement authorization/payment systems (see for details in annex 4). All payments approvals require submission of adequate supporting documentation by the project, which are subsequently filed in an orderly manner by the project finance team. The overall approval and record retention is considered sufficiently strong.

86. It was however noted that the project currently performs the entire accounting function, including maintenance of the general ledgers and the preparation of financial statements, in Microsoft Excel. Since MS Excel is not proper accounting software, it does not offer all the

software-based accounting controls that are generally present in most accounting software. Furthermore, it does not provide the convenience of automatic generation of financial statements and other financial reports, which could be used internally for informed decision-making and management by RMLSP. The mission therefore recommends procurement/ adoption of proper Financial Management software, which should be aligned with current project requirements and volume of transactions, and provides stronger system-based accounting controls. This would be required to be followed up with effective trainings of the finance staff of RMLSP on the new software, as well as arrangements for data migration of RMLSP accounting record to the new software.

87. **Disbursement.** As of 04 May 2012 total disbursement is SDR 6.12 million (i.e. US\$9.52million: 38% of the total budget, 40% of IFAD loan), which - considering the delays that the programme suffered in starting the implementation of the activities under component 1 - is a commendable achievement.

## **II. Counterpart funds [*Satisfactory*].**

88. RMLSP does not envisage cash counterpart funding by the Government. Minor in-kind contributions (e.g. provision of office space to the PCU) are budgeted for contribution by the Government, and have been available on a timely basis for the grant.

89. In addition, the Provincial Government of Nangarhar provided a land parcel in the outskirts of Jalalabad to the project for the construction of the dairy processing plant<sup>28</sup> The mission also observed voluntary beneficiary contributions, for instance through the allocation of their home space to the use of the Dairy Unions.

90. It has to be noted that the project benefited from additional US\$ 93,000 from the 'Swedish complementary contribution to IFAD to provide grant financing for improved food security of country programmes' to provide training on Livestock Production and Animal Health to the staff of the General Directorate of Animal Health and Production of the Ministry of Agriculture, Irrigation and Livestock, and to support the preparation of a Knowledge Management strategy for the project. These activities have been carried out with the technical support of FAO TCI. The activities were completed in December 2011. As a result of the technical assistance provided thanks to the Swedish complementary contribution the capacity of the Government, particularly at provincial level, to provide support to the project in the areas of livestock production and animal health has been strengthened.

## **III. Loan covenants [*Moderately Satisfactory*].**

91. The compliance of various loan covenants is summarized in the 'Appendix 4.: Compliance with financing agreement covenants: Status of implementation'.

92. The following loan covenants are currently not being fulfilled, and their compliance is recommended by the mission:

- *Submission of draft Consolidated Annual Work plans and Budget to IFAD 60 days before the beginning of each fiscal year:* While the AWPBs are prepared by RMLSP and all service providers, the mission could not identify a fully systematic and timely consolidation of all AWPBs at MAIL level, and subsequent submission to IFAD.
- *Bi-annual submission of progress reports to IFAD:* the mission noted that semi-annual progress reports required to be submitted by RLMLSP are not being systematically prepared and submitted to IFAD on a timely basis.
- *Annual preparation and submission of Procurement Plan to IFAD:* the mission noted that Procurement Plan is not being prepared and submitted on an annual basis, which is being recommended by the mission.

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<sup>28</sup> This is in addition a good example of how IFAD resources could leverage additional financing, as the dairy processing plant is being built with IFAD resources, while the feed plant in the same compound has been built utilizing JICA resources.

#### **IV. Procurement [*Moderately Satisfactory*].**

93. The mission observed a robust procurement function in place in the project, largely based on the Government stringent control systems. It was noted that the Government has developed a Procurement Law, as well as detailed Procurement Regulations, which are largely and materially aligned with international best practices in procurement. The various procurement approval procedures and thresholds were also found to be strict. Detailed procurement procedures in place in the Government and in the project are detailed in annex 4.

94. However some weaknesses were noted in the procurement process, which are recommended for action by the mission:

- **Lack of a Procurement Specialist in the PCU:** the mission is of the opinion that such a position is necessary to provide strong oversight on the procurement functions performed by MAIL as well as by the SPs.

*Recommendation:* the mission recommends the creation of a Procurement Specialist position, to be placed in the PCU. Considering this position would perform a transversal function as it would provide support to both the RMLSP and the CRCDP (currently under design), in view of the possible budget constraints under this project, the mission suggests that the position be funded from RMLSP for one year, be subsequently funded from CRCDP budget.

- **Lack of clarity on tax exemptions entitlements for goods procured under the project:** the mission observed the lack of knowledge among the project staff on issues related to available tax exemptions on goods procured under the project (as purchased for not-for-profit purposes) and the modality for application of case-by-case tax exemptions for grant-funded procurements. Based on the discussions with the Ministry of Finance (ref. working paper for details), the mission is of the opinion that such exemptions can possibly be obtained if formally requested to MOF.

*Recommendation:* the mission recommends that MAIL formally approaches MOF to clarify the tax exemption entitlements of goods procured under the project.

- **Lack of monitoring of procurement functions performed by the Service Providers:** the mission observed a relatively weak monitoring of the procurement functions carried out by the SPs. The mission is of the view that while all service providers have robustly designed procurement policies and procedures, the PCU should nevertheless monitor their compliance with them. This would be particularly relevant for MISFA, which would carry out a significant number of procurement of services. This function could be performed by the Procurement Specialist to be recruited.

#### **V. Audit [*Moderately Satisfactory*].**

95. Audit is being performed regularly for the project and all its service providers. Audit reports are submitted to IFAD, though some delays in the submission have been noted vis-à-vis the agreed time for submission in per Grant Agreement. It was also noted that these audit reports had unqualified audit opinion.

96. The mission noted that the RMLSP audit for last fiscal year has not been carried out by a proper audit firm. The auditors who conducted the audit belong to a firm that is not registered as an audit firm. It is however acknowledged that the audit profession is still in development stages in Afghanistan, and no strong governance or oversight exists on eligibility of organizations for performing as auditors. The mission thus recommends that, for future audits, the project should require the registration with any international auditing body as an audit firm, with license for practice in the pertinent country, as a prerequisite for appointment as auditors. The quality of audit firm, and international reputation and rating, and CVs of proposed audit team, should also be assigned weights in the selection of auditors.

97. Additional recommendations include the following:

- The PCU should monitor the appointment of auditors by other SPs, including MISFA. Single sourcing for selection of auditors should not be allowed in future.
- The PCU should be given the internal audit report of FAO, as required in the Grant Agreement.
- Details of audit are included 'Appendix 8: Audit Log'. We were informed by RMLSP that no audit observations were noted by auditors of SPs and PCU, and accordingly no management letter was provided as a deliverable of the audit exercise, listing audit observations. In our view, this is not a standard audit practice, and does not provide sufficient value for money for audit exercise. We therefore recommend that PCU should ensure that audit deliverables (including those of the SPs) include detailed Management Letters, highlighting all gaps in the accounting and internal control systems of the respective entities. This should be a specific requirement stipulated in the TORs of audit of PCU and SPs, as verified by PCU. These gaps should be systematically noted, and followed by RMLSP, for corrective action, to ensure improvement in the overall internal control systems of RMLSP and all SPs. This in turn is likely to lead in improvement in financial management, accounting and governance of this grant.

Agreed action	Resp.	Agreed date
- Creation of a Procurement Specialist position, to be placed in the PCU, and to be funded for one year.	PCU	Immediate
- MAIL formally approaches MOF to clarify the tax exemption entitlements of goods procured under the project.	MAIL, PCU	By 2012
- For future audits, the project should require the registration with any international auditing body as an audit firm.	PCU, MAIL	By 2012
- PCU should monitor the appointment of auditors by other SPs, including MISFA. Single sourcing for selection of auditors should not be allowed in future.	PCU	Immediate
- FAO should provide its internal audit report to the PCU.	SP (FAO)	Immediate
- Audit deliverables (including those of the SPs) should include detailed Management Letters, which should be reviewed by PCU for corrective action by SPs.	PCU, all SPs	Immediate

## F. Sustainability

98. The project faces a design issue in that its timeline is not sufficient for a truly participatory development approach to take root and achieve its objectives. This was further debilitated by a slow start and poor documentation and processes that needed investment and training of the Project staff. Since 2011, systems are now in place and with a recommended extension; the Project will likely be able to achieve its objectives to a greater extent. In order to do this, the project will require support mechanisms for a longer period and a more emphasized role for the MAIL to assist in joint monitoring and supervision to ensure the harmonizing of processes between MAIL, DAIL and the project. In addition, a detailed training and capacity building strategy and action plan for the duration of the Project will have to be developed to endure all beneficiaries, national staff and implementation systems are equipped with the necessary skill sets to carry on the same or related activities.

99. More specifically on the Livestock Support Component - despite the good performance of the component, post-project sustainability of the activities and of the beneficiary institutions is a concern. In the post-MTR period, the project should therefore focus on consolidating the achievements of the component, building the capacity and transferring the responsibility of the implementation to the government agencies and beneficiary organizations, and ensuring convergence and synergies among the various activities supported by the project.

## I. Institution Building [*Moderately Satisfactory*]

100. At the time of the design, there was a distinct absence of policies and strategies within the Agriculture and Rural Development sector. In addition, given the differing structures, capacities



and approaches of the four SPs, capacity building has been ad hoc and opportunistic at both MAIL and PCU/SP levels. There have been certain gains in planning and monitoring through the more systematic engagement of DAILs in planning and monitoring, but this has to be more consistent with all SPs. It is also noticeable that the quality and knowledge of implementation was noticeably higher in the field than at the centre for one SP in particular. The latter also highlights the need to improve communications between field and central offices. The sustainability of the microfinance component is completely dependent on the understanding built through sensitization process adopted by MESFA to educate the rural communities regarding the benefits of microfinance. Under the backdrop of Islamic financing culture and ‘non-charging’ of interest, the initiatives under innovative products will increase the chances of tailoring products to culture and needs of the clientele and perhaps is a chance to ‘break the ice’ as far as microfinance is concerned. With regards to the livestock components of the project, the SPs have interwoven activities that would possibly lead to sustainability of outputs, but the Project is beginning to understand that this will be need to be done consciously and systematically to sustain outputs and outcomes of the various interventions.

## II. Empowerment [*Satisfactory*]

101. Though there is no data to support this assessment, the field visits showed a high sense of empowerment among the beneficiaries. There are many anecdotal evidences that illustrate the sense of achievement among the beneficiaries. Awareness raising, community sensitization, self-help/business group formation, and income generation activities are the different ways that the SPs have utilized for community empowerment within their project context. However to bring about social transformation required consistent back stopping support and highly developed skills. Project staff needs to be continuously trained and mentored to evolve their community development skills. Long term facilitation at the field level along with consistent follow up is required to make these institutions self-reliant and not depend on the SPs as they are presently doing.

Dimensions of empowerment	Progress and achievements
<b>Social and women empowerment</b>	Participation of women and men from the identified household in the dairy cow project including memberships in Community Based Organisations; socially disadvantaged households especially women headed households; pastorals etc. are included in project activities and benefits sharing.
<b>Economic Empowerment</b>	Increase in the household income, and complimenting nutritional security; savings of the SHGs; healthy internal lending and repayment among the members of SHGs; ability to plan and execute livestock and poultry related work among women.
<b>Environmental empowerment</b>	Improved health and hygiene standards among the household and the animals; better fodder practices.
<b>Knowledge empowerment</b>	Outcome and impacts of various trainings, capacity building, exposure visits, technical supports provisions in enhancing knowledge, skills and capacity of the communities; knowledge in new agricultural and farming technologies; etc.

## III. Quality of beneficiary participation [*Moderately Satisfactory*]

102. The scope and scale of beneficiary participation has been subject to a menu of options offered by the project design and must be viewed from that perspective as it impacts performance. Despite this, individuals and groups have matured quickly having already been subject to significant investment in their capacities through a variety of social capital building programmes. However, significant work will need to be done to ensure that there is greater feedback and influence on decisions and strengthening of demand-driven interventions and facilitation in all project activities. To date, one of the SPs excels in being highly responsive, with a second having an equal but more formal relationship. Unfortunately, the overall score is not as high due one of the SPs adopting a more prescriptive model that does not leave space for exchange of ideas expression of aspirations and needs by participating beneficiaries. The beneficiary participation and engagement with the project are dependent on the ability to match their aspiration and share their needs with the IPs and if this culture of accepting views and ideas and sharing aspirations of communities is missing as an organizational culture of the SP, it debilitate them from soliciting quality community participation.

**IV. Responsiveness of service providers [*Moderately Satisfactory*]**

103. The score was brought up by the relatively proactive and innovative performance of two out of three SPs. The PCU maintains regular reviews and monitoring of the SPs and can make limited corrections and re-align SPs during the consultative AWP&B planning process. Two of the SPs have also shown reluctance to adhere to M&E requirements of the projects either due to lack of staff or know how, or both. However, with the extension of the project, the opportunity for amending or drafting new contracts will offer the Project and MAIL an opportunity to redefine its relationship with the SPs and ensure greater adherence to terms and conditions of delivery, coordination and reporting.

**V. Exit Strategy [*Moderately Unsatisfactory*]**

104. A formal exit strategy is not yet in place. However, most of the mission recommendations are meant to consolidate the achievements of the project, build/strengthen the capacity and transfer the responsibility of the implementation to the government agencies and beneficiary organizations, and ensure convergence and synergies among the various activities supported by the project - thus ensuring post-project sustainability.

**VI. Potential for scaling-up and replication [*Satisfactory*]**

105. The project has generated a number of lessons, good practices, models, and implementation mechanisms that are being replicated in the design of the new IFAD-funded Central Region Community Development Project.

## VII. Proposed revised budget - post MTR

106. To implement the proposed recommendations, a budget reallocations within the existing resources between activities or among components is proposed.

		Current allocation (SDR)	Proposed new allocation (SDR)	Current allocation (US\$)	AV for sub-comp. 2.4 (USD)	Dairy plant (USD)	Feed (USD)	Proposed reallocation for PCU (USD)	Proposed reallocation for IDS (USD)	Proposed reallocation for Vet Services (USD)	Proposed reallocation for Vet Services and Dairy Goat (USD)	Total adjustments (USD)	Proposed new reallocation (USD)
1	Rural Microfinance	6 000 000	5 321 647	8 858 180.53	--	--	--	(479 827)	(521 669)	--	--	(1 001 496)	<b>7 856 684.53</b>
2.1	Integrated Dairy Scheme	2 385 000	3 343 436	3 521 126.76	--	700 000	--	--	715 000	--	--	1 415 000	<b>4 936 126.76</b>
2.2	Veterinary Services	1 800 000	2 216 250	2 657 454.16	--	--	--	--	--	544 000	70 536	614 536	<b>3 271 990.38</b>
2.3	Poultry Development	685 000	700 071	1 011 308.94	--	--	22 250	--	--	--	--	22 250	<b>1 033 558.94</b>
2.4	Dairy Goat	835 000	1 153 590	1 232 763.46	144 819	--	--	--	--	255 000	70 536	470 355	<b>1 703 118.68</b>
3	PCU	1 485 000	1 810 006	2 192 399.68	--	--	--	479 827	--	--	--	479 827	<b>2 672 226.68</b>
4	Special Financing Facility	1 355 000	--	2 000 472.44	(144 819)	(700 000)	(22 250)	--	(193 331)	(799 000)	(141 072)	(2 000 472)	<b>0.00</b>
	Unallocated	1 455 000	1 455 000	2 148 109	--	--	--	--	--	--	--	--	<b>2 148 108.78</b>
	<b>Total</b>	<b>16 000 000</b>	<b>16 000 000</b>	<b>23 621 815</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>23 621 815</b>

Note: Revised allocation has been calculated at the going exchange of 1US\$ = SDR 0.67734

## G. Impact

107. Because of the uncertain security situation in the country and because IFAD had no prior experience in the country, it was decided to opt for a shorter than usual implementation timeframe for the programme. This MTR was carried out after only about two years of project implementation, too early to record significant impacts. However, the mission noted that in some cases, besides the progress towards achieving the project targets, some results are becoming visible. Below a summary of some of the results in some key areas. The assessment is mainly based on field observations and anecdotal evidence.

### I. Physical and financial assets [*Moderately Satisfactory*]

108. After several delays, constructions of the dairy plant in the outskirts of Jalalabad has finally begun. Constructions of animal shelters being carried out. After the initial delays and despite the persistence of challenges in the sector, there have been some good progress in component 1 (Rural Microfinance), particularly under the Financial Graduation of the Ultra-Poor sub-component.

### II. Food Security [*Moderately Satisfactory*]

109. ICARDA has provided 21 trainings to 728 women on nutritional aspects of legumes and food preparation for a balanced diet in association with another legume project of the organization. There are also anecdotal references by the goat rearing women on how they have improved their consumption of food by purchasing a variety of food like salt and sugar to complement their present diet through the sale of the milk/dairy products and chickens. In the poultry groups there were also positive references to increase in nutritional standards at the household level. It is estimated that 256,194 eggs were consumed by the beneficiaries.

110. However there are no adequate steps taken by the project to address food security at the household level in a systematic manner. Measuring the project contribution to food security is difficult as the indicators identified are still yet to be made operational. It was noticed in the dairy component that women preferred to use the income from the sale of milk for enhancing the feed of the animals first and then use it to improve household conditions.

### III. Increase in incomes

111. M&E tools of SPs are unable to capture short-term impacts on, among other issues, household income. There are however some indications that net-income of the households targeted by the project has improved. For instance, under sub-component 1.2, it is recorded that about 30-35% of beneficiaries (i.e. about 120-140 households referring to 400 beneficiaries) are able to generate regular income from the productive assets transferred. In component 2.4, cash income of beneficiaries has improved through sale of improved traditional milk products.

## H. Conclusion

112. **The overall assessment of the project performance at mid-term stage is positive.** The project, particularly under component 2 (Livestock Support), is on track towards achieving most of its targets, and it is likely that several targets will be exceeded by the end of the project. Even component 1 (Rural Microfinance), after the initial delays and despite the persistence of challenges in the sector, has provided some good results to build on (i.e. Financial Graduation of the Ultra-Poor sub-component). As far as the Programme Management component is concerned, the quality and the overall performance of the programme management and coordination functions, including financial management and procurement, is broadly satisfactory. The Project Coordination Unit (PCU) has managed to respond proactively and adjust to the challenges of the programme, and managed its SPs satisfactorily.

113. Despite the good performance of the project, post-project sustainability of the activities and of the beneficiary institutions is a key concern. **In the post-MTR period, the project should therefore focus on consolidating the achievements of the project, building the capacity and transferring the responsibility of the implementation to the government agencies and beneficiary organizations, and ensuring convergence and synergies among the various activities supported by the project.** Because of the existing constraints in the

microfinance, no additional 'innovations' should be undertaken. The balance funds of the Innovation Facility should be reallocated to support the expansion of the Financial Graduation of the Ultra-Poor sub-component to one additional province and to component 2. The PCU is still facing a number of challenges, particularly related to the capacity of the PCU to technically back-up the project and to the quality of coordination and reporting of the SPs. In order to ensure more uniform and coherent terms and conditions to allow the PCU coordination and oversight, MAIL would need to revisit the original conditions of all SP contracts, clearly defining a greater role of oversight for the project, and ensuring unambiguous reporting expectations and lines of communication.

114. Considering (a) the time needed for the consolidation of the institutions and investments and the gradual hand-over of the responsibilities to the government and the beneficiary organizations, (b) the initial delay in the start-up of programme activities, particularly those supported under component 1, which is affecting the convergence among the various activities supported by the programme, and (c) the fact that because of the uncertain security situation in the country and that IFAD had no prior experience in the country it was decided to opt for a shorter than usual implementation timeframe for the programme, the mission believes, based on the progress so far and opportunities offered, **there is a rationale for a 1 year extension of the programme completion date.**

115. Since no additional budget is available, the extension will be on no-cost basis. The proposed **recommendations would need to be implemented through budget reallocations** within the existing resources between activities or among components.



## **Appendices**

### **Appendices**

Appendix 1	Summary of project status and ratings.....
Appendix 2	Progress against previous mission recommendations.....
Appendix 3	Financial: Actual financial performance by financier; Disbursements by category and by component
Appendix 4	Compliance with financing agreement covenants: Status of implementation.....
Appendix 5	Physical progress measured against AWP&B and appraisal targets, including RIMS indicators.....
Appendix 6	Updated logical framework.....
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Appendix 9	Supervision mission schedule and persons met.....





### Appendix 1.: Summary of project status and ratings

Project 1460 [8033]; Rural Microfinance and Livestock Support Programme; Mid Term Review; April 2012.

#### Basic Facts

Country	Afghanistan			Project ID	1460	Loan/DSF Grant No.	8033
Project	Rural Microfinance and Livestock Support Programme					Supp. Loan/DSF Grant	
Date of Update	01-May-2012					Financing terms	D
Supervising Inst.	IFAD/IFAD						
No. of Supervisions	2	No. of Implementation Support/Follow-up missions	1				
Last Supervision	March 2011	Last Implementation Support/Follow-up mission	December 2011				

					USD million	Disb. rate %
Approval	30-Apr-2009			Total costs	26.01	
Agreement	07-Jul-2009	Effectiveness lag	3.9	IFAD Total	23.62	
Effectiveness	24-Aug-2009	PAR value	Not at risk	IFAD loan		
MTR				DSF grant	23.62	40
Current completion	30-Sep-2013	Last Amendment	13-Jan-2010	IFAD grant		
Current closing	31-Mar-2014	Last Audit	20-Feb-2011	Domestic Total	2.22	
No. of extensions	0			Government (National)	0.00	
				Domes. Fin. Inst.	2.22	
				Co financing Total		

#### Project Performance Ratings

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

<b>B.3 Outputs and outcomes</b>	Last	Current	<b>B.4 Sustainability</b>	Last	Current
1. Component 1 (Rural Microfinance)	3	4	1. Institution building (organizations, etc.)	5	4
2. Component 2 (Livestock Support)	5	5	2. Empowerment	5	5
3. Component 3 (YPP)	4	5	3. Quality of beneficiary participation	4	4
			4. Responsiveness of service providers	5	4
			5. Exit strategy (readiness and quality)	2	3
			6. Potential for scaling up and replication	4	5

### B.5 Justification of ratings

- The project, particularly under component 2 (Livestock Support), is on track towards achieving most of its targets. Even component 1 (Rural Microfinance), after the initial delays (which justified an unsatisfactory PSR rating during the last supervision) and despite the persistence of challenges in the sector, has provided some good results which justify a (moderately) satisfactory rating. As far as the Programme Management component is concerned, the quality and the overall performance of the programme management and coordination functions is satisfactory. Financial management and procurement are moderately satisfactory. Disbursement is 40%.
- Improvements vis-à-vis the project performance ratings of the previous supervision have been observed in the areas of counterpart funds (mainly because of the provision by the Provincial Government of Nangarhar of a land parcel to the project for the construction of a dairy processing plant), performance of M&E, effectiveness of targeting approach, and potential for scaling-up. Justification for an increase in the rating in the latter area is given by the fact that some of the lessons, good practices and models that are being implemented through the project have been replicated in the design of the new IFAD-funded project in Afghanistan.
- The only area where the performance of the project remains moderately unsatisfactory is the exit strategy. Post-project sustainability of the activities and of the beneficiary institutions is the main concern of the project at the moment, and most of the MTR recommendations focus on ensuring the consolidation of the achievements of the project, building the capacity and transferring the responsibility of the implementation to the government agencies and beneficiary organizations, and ensuring convergence and synergies among the various activities supported by the project.

### Overall Assessment and Risk Profile

		Last	Current
C.1	Physical/financial assets	3	4
C.2	Food security	3	4
C.3	Overall <b>implementation progress</b> (Sections B1 and B2)	4	4
Rationale for implementation progress rating			
C.4	Likelihood of achieving the development objectives (section B3 and B4)	4	4
<ul style="list-style-type: none"> <li>- The project, particularly under component 2 (Livestock Support), is on track towards achieving most of its targets (and some of the results are becoming visible), and it is likely that several targets will be exceeded by the end of the project. There are indications that both food and nutritional security improved as well as net-income of participating households. Certain activities targeting the very poor (TUF, Dairy Goats, etc.) contributed to asset building and empowerment of women.</li> <li>- Although post-project sustainability is, at the moment, an area of concern, it is expected that with the proposed one year extension, the development objectives can be achieved, and post-project sustainability ensured.</li> </ul>			
C.5	<p><b>Risks</b> <i>Short description of major risks for each section and their impact on achievement of development objectives and sustainability</i></p>		
	<p><b>Fiduciary aspects:</b></p> <ul style="list-style-type: none"> <li>- Familiarisation with IFAD guidelines and procedures including preparing all data for the relevant missions remains important</li> </ul>		
	<p><b>Project implementation progress:</b></p> <ul style="list-style-type: none"> <li>- Albeit the security difficulties and therefore limitations in reaching out to some remote areas, it is important to remain critical and open regarding the selection and monitoring of the beneficiaries/participating HHs. Being business oriented and reaching out to the poorest does not automatically go together.</li> <li>- The steering of the SPs by PCU/MAIL is important in order to ensure that cross cutting themes (gender, knowledge management, etc.) and synergies among the components and sub-components (Livestock) materialises.</li> </ul>		
	<p><b>Outputs and outcomes:</b></p> <ul style="list-style-type: none"> <li>- In case component one (microfinance) can actually complement component two as planned, it is expected that the outputs and outcomes will be well achieved.</li> </ul>		
	<p><b>Sustainability:</b></p> <ul style="list-style-type: none"> <li>- It is a key concern but with the one year proposed extension and quality follow up of both strategic and operational/technical recommendations it can be mitigated to a large degree.</li> </ul>		

**Summary of key actions to be taken with agreed timeframes**

Issue/Problem	Recommended Action	Timing	Status
- Timing and capacity for consolidation of institutions and hand-over of responsibilities to the government and beneficiary organizations	- Request for project extension should be submitted to IFAD.	Immediate	To be started
	- Reallocate budget within components/sub-components, as proposed. Submit a request for budget reallocation to IFAD. Contracts between MAIL and SPs should be amended accordingly, and PCU and SPs should develop a detailed WP to implement mission recommendations taking into consideration the extended project duration.	Immediate	To be started
	- Strengthen the technical and institutional capacity and ensure a gradual hand-over of the project responsibilities to Dairy Unions and Cooperatives.	Immediate	To be started
	- Strengthen the capacity and formalize the role of MAIL/DAIL staff in taking over, planning, monitoring, quality control and support functions after project completion.	Immediate	To be started
	- Timely hand-over the Feeding and Fodder as well as Extension/Training services to the Khatiz Dairy Union, so that hand-holding and coaching can still be provided during the project period. Integrate the Animal Health/A.I. into the existing Veterinary Fields Units (VFUs) through a Memorandum of Understanding.	Post MTR onwards	To be started
	- Give more emphasis on dairy value chain and reduce the efforts for Karakul value chain. Liaise with other SPs (via PCU) to exchange information/experience/best practices on collection, processing and marketing.	Post MTR onwards	To be started
- Persisting challenges in the microfinance sector	- Analyse how the dairy goat program could be up-scaled. Document the good practices (e.g. improved home goat milk processing; Atriplex, etc.).	Post MTR	To be started
- Strengthening the synergies between TUP sub-component and activities under component 2	- Complete the on-going pilots under the Innovation Facility sub-component should be completed; no additional 'innovations' should be undertaken.	Immediate	To be started
	- Expand the Financial Graduation of the Ultra-Poor sub-component to one additional province. - Reallocate US\$ 1.1 m from the Innovation Facility sub-component to the Financial Graduation of the Ultra-Poor sub-component.	Immediate	To be started
- PCU capacity to technically back-up the project and improve the quality of its financial management	- Create a Microfinance Specialist and a Procurement Specialist positions to strengthen the capacity of the PCU to technically back-up the project and improve the quality of its financial management.	Immediate	To be started
- Quality of coordination and reporting of the SPs	- MAIL would need to revisit the original conditions of all SP contracts, clearly defining a greater role of oversight for the project, and ensuring unambiguous reporting expectations and lines of communication.	Immediate	To be started

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Issue/Problem	Recommended Action	Timing	Status
- M&E system and data quality	- Complete the detail M&E plan including the M&E Matrix clearly defining the scope of the M&E system post the MTR.	By end August 2012	To be started
	- PCU to review the M&E systems of SPs and revise the data collection tools for the MIS based on the revised set of indicators in the log frame and RIMS to capture impact data on, women's empowerment, food and nutrition security and contribution of the sub-sectors to household income.	Complete by July 2012	To be started
	- PCU to simplify half-yearly and annual reports and submit RIMS Annual Report to IFAD.	Complete by August 2012	To be started
	- SP and MAIL officials jointly conduct Concurrent Assessment of the delivery system, adoption, scaling-up, and performance of institutional arrangements and monitoring of emerging issues including those related to women's empowerment at the provincial level.	Starting September 2012	To be started
	- Prepare the RO-AWPB by initiating a participatory and bottom-up planning process and include a narrative text to the RMLSP AWPB.	By October 2012	To be started
	- Build capacities of PCU staff and M&E focal points of SPs through hands-on training on quality assurance of M&E and MIS.	Completed by December 2012	To be started
- Gender and targeting	- Formulate a simple gender strategy with a doable and realistic action plan; development of a check list for livestock sub-components to steer gender responsive service delivery.	By December 2012	To be started
	- Gender-mainstream the M&E system as per the revised log-frame and conduct assessment of gender issues and interventions related to women's empowerment.	By December 2012	To be started
	- In the extension period of the project and for the extending the target beneficiaries, the SPs will need to have a sharper target focus on the poorer households especially in the IDS.	By December 2012	To be started
- Knowledge Management	- The PCU should encourage the adoption of a knowledge sharing culture within the organisation	Post MTR onwards	To be started
	- Initiate the process of linking the M&E to feed into the knowledge management of the project.	Post MTR onwards	To be started
- Fiduciary aspects (Financial Management and Audit)	- MAIL formally approaches MOF to clarify the tax exemption entitlements of goods procured under the project.	By 2012	To be started
	- For future audits, the project should require the registration with any international auditing body as an audit firm.	By 2012	To be started
	- PCU should monitor the appointment of auditors by other SPs, including MISFA. Single sourcing for selection of auditors should not be allowed in future.	Immediate	To be started
	- FAO should provide its internal audit report to the PCU.	Immediate	To be started
	- Audit deliverables (including those of the SPs) should include detailed Management Letters, which should be reviewed by PCU for corrective action by SPs.	Immediate	To be started

## Appendix 2: Progress Against Previous Mission Recommendations

Action Area	Action Agreed	Agreed Date for action to be taken	Whom	Progress in completion of action
- Agricultural and rural microfinance	- FMFB's contribution to technical assistance and capacity development should be reduced to 10% of the costs with regard to the innovative product and service delivery	Immediate	IFAD	- Proposal for assistance with Ag/livestock product reviewed and development included financing of 12% by FMFB
	- Approve FMFB proposal and contract and TA service provider to start working with FMFB	Mar. 2011	MISFA	- Contract between MISFA & FMFB signed in July, FMFB/ MEDA contract signed in August of 2011. Schedule activities done or scheduled through March 2012.
	- Requests IFAD support in order to identify and recruit TA service provider (service provider expert in agricultural/rural lending) and Sign contract with TA service provider	Apr. 2011	MISFA/IFAD	- TA service provider identified - MEDA team began arriving in September (delay due to Ramazan and Eid) have conducted supply-side review, begun existing product review.
- Sharia-compliant loan	- Sign contract with BRAC-MFI and TA service providers	Immediate	MISFA	- TA service provider already identified, contract signed. - Market research conducted by APPRO in Kabul, Herat, Jalalabad & Mazar.
	- Phase 1: conduct demand survey and research, start developing product features	April 2011	BRAC-MFI	- Survey report completed and presented twice namely in September and October for donors, potential partners & MAIL.
	- Phase 2: implement pilot programmes and look into the possibility of replicating and scaling up successful elements of the MADRAC experience (knowledge management)		MISFA / BRAC / Mutahid	- MISFA believes that this should be removed. This was shared with the CPO earlier. Pilot scheduled for first quarter of 2012 once product design is complete. Six branches in total (2 each in Kabul, Mazar & Jalalabad) identified. Team leader assigned from BRAC to over- - see process.
- Deposit-taking MFIs	- Sign contract with BRAC and TA service provider/consultant	Mar. 2011	TA service provider/consult.	- Market survey completed. Report available.
	- TA service provider/consultant starts working and Establishing BRAC's capacity, identify deficiencies, etc.	Apr. 2011	BRAC	- A contract was signed with MEDA and the initial market study and capacity assessment were conducted. However, the capacity assessment indicated that BRAC

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				requires further improvements in credit delivery and internal controls as well as an MIS upgrade prior to engaging in voluntary savings mobilization. BRAC will be reassessed in 2013. Discussions for a similar review with Oxus was done in January of 2012.
- Financial Graduation of the Ultra-Poor	<ul style="list-style-type: none"> <li>- Selection/surveying of villages and beneficiaries, Research (baseline survey etc.) and Training, transfer of assets</li> </ul>	Mar. 2011 to June 2011	BRAC	<ul style="list-style-type: none"> <li>- Beneficiaries' selection completed training and asset transfer under way.</li> <li>- Numerous field visits and monitoring activities conducted and revisions undertaken as appropriate. Given that this is a three year programme, it is too early to speak of results other than that beneficiary satisfaction, which seems quite high.</li> </ul>
- Integrated Dairy Scheme	- FAO to submit ASAP to RMLSP the feasibility study for the establishment of a modern dairy processing plant	ASAP	FAO, RMLSP	- Report submitted on 8.6.2011.
	- FAO to develop feasibility studies for the establishment of a liquid nitrogen plant, six (6) Livestock Service centres, a Regional livestock/dairy training centre.	30 June	FAO, RMLSP	- Short feasibility study regarding nitrogen plant submitted. The other infrastructures (LSC; RDTC) mentioned.
	- Finalize the process for the registration of the 5 district level unions and the creation of the provincial dairy union.	30 June	GoA, FAO	- Registration of four out of five district level unions was completed. The provincial union established and registration of dairy union and one district level at province level completed and sent to MAIL Kabul for further action
	- Assess the opportunity and feasibility to include the neighbouring Eastern provinces of Laghman and Kunar in the programme area	30 August	FAO, RMLSP	- On 6.7.2011, FAO submitted concept note.
- Livestock Services	- RMLSP management to facilitate the interactions and synergies among IPs by organizing a one day workshop every six months to plan coordinate activities, in particular for animal health services to programme beneficiaries. MAIL staff should also be invited to attend the workshops.	30 June	RMLSP, all IPs, MAIL	- Workshop was held in August 2011

	<ul style="list-style-type: none"> <li>- Implement sub-component activities according to the comprehensive work plan agreed between NFM and the mission</li> </ul>	ASAP	RMLSP	<ul style="list-style-type: none"> <li>- Implementation initiated since 1st April 2011; the main element of work plan and updated Progress are:</li> <li>- selection and training of beneficiaries ( 2000 selected women beneficiaries, selected and trained) in Nahri Shahi and Balkh districts,</li> <li>- distribution of inputs as poultry package to the trained women, 35000 pullets ( 20000 Nahri Shahi and 15000 in Balkh district, 75 MT feed (25 MT Nahri Shahi and 75 MT Balkh district), 2000 drinkers, 2000 feeder and 4000 M2 wire mesh to 2000 beneficiaries in Nahri Shahi and Balkh districts.</li> <li>- eggs produced and collected in Nahri Shahi district ( 510509 ).</li> </ul>
<ul style="list-style-type: none"> <li>- Backyard Poultry Development</li> </ul>	<ul style="list-style-type: none"> <li>- Distribute 15 pullets and 75kg of feed as part of the poultry kit. The distribution of pullets carried out not later than the first week of September 2011</li> </ul>	30 August 2011	RMLSP	<ul style="list-style-type: none"> <li>- To implement this recommendation, three important issues are to be considered as (1) number of pullets/beneficiary, (2) quantity of feed/beneficiary, (3) season of pullets distribution.</li> <li>- Lesson learnt from the project implantation in Nahri Shahi district (2010), all these three issues had put negative impact on project implantation with high mortality rate (15%). The number of pullet, quantity of feed was 20 and 25 kg per beneficiary respectively, which needed more money and space for the construction of poultry coop, not affordable by most of the actual vulnerable families and also the amount of feed was very less for 20 pullets to feed the pullets up to coming on egg production.</li> <li>- As per the recommendation of the mission, 15 pullets and 75 kg feed per beneficiary were distributed in Balkh district of Balkh province (2011). Total number of 15000 Golden Crossbred pullets were procured from the local supplier (APDA), selected according to the FAO Procurement</li> </ul>

				<p>Regulations and distributed to 1000 women beneficiaries in Balkh district.</p> <ul style="list-style-type: none"> <li>- The implementation of recommendation greatly improved the situation. The number of pullets were reduced from 20 to 15 and the quantity of feed was increased from 25kg to 75 kg per beneficiary, which put very positive impact on selection of vulnerable beneficiaries and minimizing the mortality rate less than 1% in Balkh district compared with the 15% in Nahri Shahi district,</li> <li>- The 3rd issue of recommendation was strictly considered, and the distribution of pullets was started in the last week of August -11 and completed up to the third week of September-11 in Balkh district, which was done in the months of November and December in Nahri Shahi district (2010), due to the late start of project, cold stress and high mortality was observed (above 15%) due to cold stress, while the mortality in Balkh was minimized to (less than 1%) by distribution of pullets in proper months of the year (August-September) in Balkh district. The same will be followed in Aqcha district in year 2012.</li> </ul>
	<ul style="list-style-type: none"> <li>- Establish a Revolving Fund in the form of stock of feed (10 bags), medicine and vaccine with VGLs</li> </ul>	30 April 2011	RMLSP	<ul style="list-style-type: none"> <li>- 3 bags of 50 kg feed procured and provided to the VGLs in the last week of April 2011.</li> <li>- In order to support and encourage the Villages Group Leaders for carrying their responsibilities, creation of revolving fund in kind was recommended by the mission, which was partially implemented due to the budget limitation in 2010 for Nahri Shahi district. But it will be fully implemented in the Balkh as well in Aqcha districts (2011 and 2012).</li> <li>- The following items were procured and distributed to the VGLs as support for revolving fund in Nahri Shahi district in the</li> </ul>



				<p>month of April, 2011:</p> <ul style="list-style-type: none"> <li>- Poultry feed 3 bags of 50 kg each,</li> <li>- Egg trays, plastic made, 10 tray,</li> <li>- Tri-Bacterial Forth, one bottle,</li> <li>- Multi vitamin, powder, 7 packs, 35 sachet,</li> <li>- Tigafon, 100 g,</li> <li>- ND Vaccine, 2 Vial (500 doses),</li> </ul>
	- Develop a MoU between local input supplier and PPGs to establish	30 April 2011	RMLSP	- MoU between APDA (Ariana Poultry Development Association) was signed on 1st April 2011.
	- Develop a feed adapted to semi-scavenging system	30 April 2011	RMLSP, Local private service providers	- A special formula for semi- scavenging system has been developed and being supplied to the VPPGs.
- Dairy Goat Development	- ICARDA to contact DCA and coordinate the establishment of permanent accessible veterinary services. This will include assessing the feasibility and the cost implication of establishing a permanent veterinary post in the programme area	30 June	ICARDA, DCA, RMLSP	<ul style="list-style-type: none"> <li>- Since the start of the dairy project (first phase- IFAD grant)) ICARDA has collaborated with DCA to supply veterinary services to the communities and for developing ways of sustainable long-term delivery of animal health care and disease prevention programs to all villages.</li> <li>- Basic veterinary workers have been trained and are connected to the veterinary services system established by DCA. As proposed by the mission ICARDA and DCA discussed the feasibility of permanent veterinary posts in the project area to enforce the technical backstopping for the basic veterinary workers and for the organization of vaccination campaigns after the project will have phased out. DCA does not have a program in Nangarhar which is one of the target province for the goat component. During a recent meeting, DCA agreed to explore the possibility of expanding to the province.</li> <li>- In addition to that DCA will be training 2 Para-vets starting mid-January who will continue providing services till DCA expands its operations in Nangarhar</li> </ul>

				<ul style="list-style-type: none"> <li>- Transition is being planned in close collaboration with DCA.</li> <li>- DCA along with other stakeholders, participated in provincial coordination meeting</li> </ul>
	<ul style="list-style-type: none"> <li>- ICARDA to assess within the availability of specialized institution in community development to assist the Implementing Team in developing a plan of action to strengthen social mobilization of the targeted communities</li> </ul>	<p>30 June</p>	<p>ICARDA, Local NGOs, RMLSP</p>	<ul style="list-style-type: none"> <li>- The project considers the goat restocking as an incentive for communities to start working with the project team. A large part of the activities are geared toward introducing better goat husbandry practices in particular feeding and animal health. Thus, the project has never intended to be a livestock restocking project and it has already worked successfully on a number of other aspects.</li> <li>- In our view social mobilization of women groups has to be done with utmost care in the Afghani society. The current social roles have to be carefully respected, so that our capacity building activities targeting the women remain acceptable to the male members of the communities who actually control the access to our target group. The project has already established 88 women groups which are being carefully strengthened through capacity building and joint action.</li> <li>- The kid redistribution program is important for expanding the number of beneficiaries of the restocking component but also to let the beneficiaries of the restocking component contribute to the efforts of the project and not just become passive receivers of a 'gift'.</li> <li>- The selection of beneficiaries receiving goats and the contractual arrangements also strengthen the role of the women groups and are part of the community actions. The successful passing on of more than 200 kids during 2008-2010 to other beneficiaries within the community is a strong indicator that the social</li> </ul>

				<p>mobilization is moving well.</p> <ul style="list-style-type: none"> <li>- The surplus production of dairy products is rather limited, however the feasibility of community based marketing of all products including dairy products, live animals, and cashmere will have to be carefully assessed. However, marketing will certainly be the responsibility of the male members of the society; women are very rarely involved in marketing.</li> <li>- ICARDA will work jointly with the Ministry of Women’s Affairs and SERVE for formalizing and further strengthening the women groups and towards a long-term capacity building program beyond the issues related to the dairy goat project</li> <li>- Linkage of the project has been further strengthened with CDCs in both the provinces. Representatives of Village level CDC were involved before as well; and now also attending each and every coordination meeting in both the provinces. In addition; the women groups established by the project are being linked with the department of women affairs; and with the women groups established by DCA and SERVE are being connected.</li> </ul>
	<ul style="list-style-type: none"> <li>- ICARDA to continue distributing Gujri goats to beneficiaries but to consider distributing Chili bucks to group of women for breeding purposes.</li> </ul>	Continued	ICARDA, RMLSP	<ul style="list-style-type: none"> <li>- Gujri does and bucks have been distributed in both Nangarhar and Baghlan villages in the first phase with very good results. The Gujri offspring showed even better performance in Baghlan than in the Nangarhar mountains.</li> <li>- The Gujri breed is a very robust, triple purpose breed requiring limited input. A quick survey has shown that most of our beneficiaries are not even interested in Chili goats. The Chili goats may have a better dairy potential but they are taller and require more feed.</li> <li>- As the beneficiaries of restocking are very poor, it would be very risky to create more</li> </ul>

				<p>demanding offspring by introducing Chili bucks.</p> <ul style="list-style-type: none"><li>- Furthermore, we would create a crossbred goat with unknown traits and performance. If a crossbreeding program is assumed to be useful, it has to be well planned; otherwise it will lead to a mix of genotypes of which only some may have preferable traits if any.</li><li>- Thus, ICARDA will certainly not distribute Chili bucks to mate with Gujiri does and thereby initiate one of the many unplanned and poorly designed crossbreeding schemes that have been often wrongly introduced with the intention of creating a breed improvement programs and which in most cases were at best a waste of money or at worst replace adapted by unsuitable genotypes.</li><li>- However, to evaluate the above assumption that Gujiri may not be suitable to Nangarhar lowlands, we shall carefully evaluate and compare the performance of Chili goats when they are found in our villages with Gujiri goats to enable us to design best practices for each of our project sites including most suitable genotypes.</li><li>- A preferential survey conducted in both the target provinces validated that majority of the community members prefer raising Gujiri goats. Details were reported through the first annual report</li><li>- ICARDA is considering to submit a separate proposal to the Mid-Term Review from IFAD on Characterization of goat breeds in Afghanistan, which will help initiating a well-managed breeding program, later</li></ul>
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- Program Management	- The Programme will ensure timely implementation through vigorous follow-up and effective monitoring of the programme activities	Immediate	PCU	- Done. For the purpose two new positions i.e. livestock specialist and livestock officer have been created and filled
	- The adequacy of the accounting and internal control needs to be strengthened	Immediate	PCU	- Done. - The following things are done - Advance request form for cash - Expense voucher - Bank book - Cash book - Expense ledger - Receivable A/C - Payable A/C - Trail Balance - Project statement
	- In order to ensure timely implementation of the programme, the AWP&B for the next fiscal year needs to be prepared immediately	15th April 2011	PCU and SPs	- Done. Work plan for the new year was completed by mid-February 2012
	- Government should ensure timely procurement of vehicles by allocating the funds prior to approval of budget out of previous year's unspent budget	Immediate	MAIL/MoF	- On-going. For the soft skin vehicle, evaluation report has been sent to IFAD. As soon as IFAD provides no objection a contract will be signed between MAIL and the supplier. - On the armoured vehicle we look forward for UNOPS to provide a letter to Ministry of Foreign Affairs
	- MISFA should purchase vehicle out of IFAD Grant under MAIL/MISFA Agreement without disturbing overall budget allocated for "purchase of Goods & Equipment"	For review during MTR	PCU/MISFA/IFAD	- Done in 2011 and reviewed during MTR (May 2012),
	- Create new post of Livestock Specialist until MTR, utilizing Special Fund Facility	Immediate and review at MTR	PCU/IFAD	- Done
	- The adequacy of the accounting and internal control needs to be strengthened	Immediate	PCU	- See above
	- The preparation of AWP&B should be completed before start of fiscal year	Immediate	PCU	- See above

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	- The appointment of independent Auditor should be finalized within stipulated time	20 June 2011	PCU	- Done. Report was forwarded to IFAD
	- PCU should also develop its activity based work plan and be made part of the overall AWP&B.	Immediately	PCU	- Done
- Monitoring & Evaluation	- The Database Specialist should work more closely with M&E Specialist to achieve the desired result	Immediately	PCU	- Done
	- The development of MIS should be completed at the earliest and dB Specialist be granted a six month extension based upon successful completion	15th April – mid-June2011	PCU	- Done
	- A gender analysis of all M&E of programme activities and impact assessment surveys should be undertaken for RMLSP and SPs. Capacity development in gender sensitive M&E should be provided to RMLSP staff.	Immediately	PCU	- Partially done.
- Gender	- RMLSP must strive to include human rights/women's rights under Islam training across all interventions targeting both men and women.	To be reviewed at MTR	PCU	- This is not practical in the current environment albeit some SPs do give it attention as observed during the MTR
	- Every effort should be made to increase the number of women programme staff as well as TAs with a strong gender background. In line with this it is strongly recommended that a female livestock specialist be affirmatively recruited into the programme in order to better serve women beneficiaries and participants.	Immediately	PCU	- Position is filled. The PCU team has two female veterinarians but one operates as an assistant procurement officer.
	- To provide technical support to GDP recruitment of a dedicated KM Officer be undertaken to support the immediate GDP/MAIL requirements of fostering knowledge management within the RMLSP components as well as MAIL resources to MAIL.	Immediately	PCU	- Post is filled with a female professional
- Knowledge Management	- Provide a formal linkage with the programme and the KM Unit of the Asia Pacific Department of IFAD for the purposes of importing best practices and	Immediately	IFAD/OIC	- Done

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	- While allocating the resources the capacity of institution and availability of fund may be given highest priority	Immediate	PCU	- Done
	- While preparing the withdrawal application due diligence is required to ensure smooth flow of fund compliance.	Immediate	PCU	- Done
- Other	- Ensure regular exchange on rural microfinance issues with MAIL senior staff so as to increase MAIL's understanding of supporting the development of an inclusive and sustainable rural finance sector.	March 2011 onwards	PCU	- On going
	- Programme representative to attend Agriculture and Food security Cluster meetings on a needs basis	On-going	RMLSP Management	- On going





**Appendix 3.: Financial: Actual financial performance by financier; Disbursements by category and by component**

**Table A & B-Financier Break-up**

Financier	Approval	Disbursements (USD '000)	Per cent disbursed
	(USD '000)		
IFAD loan	-	-	-
IFAD grant	23,62	9,52	40%
Co-financier	2,22	-	0%
Government	0,17	0,17	100%
<b>Total</b>	<b>26,01</b>	<b>9,69</b>	<b>37%</b>

Category	Category description	Original	Revised	Original	Revised	Disbursement	Disbursement	Balance	Per cent disbursed
		Allocation	Allocation	Allocation	Allocation				
		(SDR)	(SDR)	(USD)	(USD)				
1	MISFA	6.000.000	6.000.000	9.961.800,00	8.858.180,53	1.584.013	2.475.980	4.415.987	26%
2,1	Dairy FAO	2.385.000	2.385.000	3.953.700,00	3.521.126,76	1.419.850	2.216.361	965.150	60%
2,2	DCA	1.800.000	1.800.000	3.002.000,00	2.657.454,16	1.606.312	2.502.450	193.688	89%
2,3	Poultry FAO	685.000	685.000	1.138.200,00	1.011.308,94	580.667	886.191	104.333	85%
2,4	ICARDA	740.000	835.000	1.221.000,00	1.232.763,46	684.293	1.049.103	150.707	82%
3	PCU	1.650.000	1.485.000	2.456.000,00	2.192.399,68	244.546	388.586	1.240.454	
4	Special Financing Facility	1.450.000	1.355.000	2.160.000,00	2.000.472,44	-	-	1.355.000	
	Unallocated	1.290.000	1.455.000	(included in PCU)	2.148.108,78	-	-	1.455.000	
	<b>Total</b>	<b>16.000.000</b>	<b>16.000.000</b>	<b>23.892.700</b>	<b>23.621.815</b>	<b>6.119.681</b>	<b>9.518.671</b>	<b>9.880.319</b>	<b>38%</b>

Note: Revised allocation has been calculated at the going exchange of 1USD=SDR0.67734.

**Table C-categories Break-up**

Component	IFAD Grant			Co-financier			Government			Total		
	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%	Approval	Actual	%
	(USD Mil.)	(USD Mil.)		(USD Mil.)	(USD Mil.)		(USD Mil.)	(USD Mil.)		(USD Mil.)	(USD Mil.)	
MISFA	8,86	2,48	28%	2,22	-	0%	0,17	0,17	100%	11,25	2,65	24%
Integrated Dairy Scheme Project (FAO)	3,52	2,22	63%	-	-	-	-	-	-	3,52	2,22	63%
Veterinary Service in the North (DCA)	2,66	2,50	94%	-	-	-	-	-	-	2,66	2,50	94%
Backyard poultry (FAO)	1,01	0,89	88%	-	-	-	-	-	-	1,01	0,89	88%
Goat Project (ICARDA)	1,23	1,05	85%	-	-	-	-	-	-	1,23	1,05	85%
PCU (including Special Financing Facility and Unallocated)	6,34	0,39	6%	-	-	-	-	-	-	6,34	0,39	6%
<b>TOTAL</b>	<b>23,62</b>	<b>9,52</b>	<b>40%</b>	<b>2,22</b>	<b>-</b>	<b>-</b>	<b>0,17</b>	<b>0,17</b>	<b>100%</b>	<b>26,01</b>	<b>9,69</b>	<b>37%</b>

Note: Revised allocation has been calculated at the going exchange of 1USD=SDR0.67734.

Category	Category description	Original	Revised	Disbursement	Balance	Per cent disbursed	Remarks
		Allocation	Allocation				
		(SDR)	(SDR)				
1	MISFA	6.000.000	6.000.000	1.584.013	4.415.987	26%	
2,1	Dairy FAO	2.385.000	2.385.000	1.419.850	965.150	60%	
2,2	DCA	1.800.000	1.800.000	1.606.312	193.688	89%	Amount includes SDR443,838 from WA06 and SDR476,884 of WA14 disbursed but not yet liquidated against this category.
2,3	Poultry FAO	685.000	685.000	580.667	104.333	85%	
2,4	ICARDA	740.000	835.000	684.293	150.707	82%	
3	PCU	1.650.000	1.485.000	244.546	1.240.454	16%	
4	Special Financing Facility	1.450.000	1.355.000	-	1.355.000	0%	EA has utilized this category partially but disbursement reported against other categories. To be addressed by EA later.
Unallocated	Unallocated	1.290.000	1.455.000	-	1.455.000	0%	
	<b>Total</b>	<b>16.000.000</b>	<b>16.000.000</b>	<b>6.119.681</b>	<b>9.880.319</b>	<b>38%</b>	

### Appendix 4.: Compliance with financing agreement covenants: Status of implementation

Section of Grant Agreement	Covenant	Compliance Status/Date	Remarks
Section 2.02	Grant Account and Withdrawals- Opening of Grant Account in the name of	Yes.	
Section 2.03	Special Account- USD denominated Account in Da Afghanistan Bank in the	Yes.	
Section 2.03 (c.)	Compliance of General terms and conditions in operation of Special	Yes.	
Section 2.04	Maintenance of Program Account in the	Yes.	
Section 2.05	Use of grant funds only for Grant	Yes.	
Section 3.02	Submission of draft Consolidated Annual Workplans and Budget to IFAD 60 days before the beginning of each fiscal year.	No.	while the AWPBs are prepared by RMLSP and all service providers, we could not identify a systematic and timely consolidation of all AWPBs at MAIL level, and subsequent submission to IFAD. We recommend that this exercise should be completed 60 days before start of fiscal years, for each submission.
Section 4.01			
Section 4.02	Bi-annual submission of progress reports to IFAD	No.	We noted that semi-annual progress reports required to be submitted by RMLSP are also not being systematically prepared and submitted to IFAD on a timely basis.
Section 5.01 and Section 9.02	Preparation and submission of financial statements of RMLSP to IFAD on an	Yes.	However, we noted regular delays in the submission of these financial statements to IFAD, which were required to be submitted within 2 months of end of each fiscal year.
Section 5.02 (a.) and 9.02	Appointment of auditors and Submission of audit reports by RMLSP and for its service providers	Yes.	However, we noted regular delays in the appointment of auditors which were required to be appointed within 90 days of start of each fiscal year, and in submission of these audit reports to IFAD.
Section 5.02(b.)	Contents of audit deliverables	Partial	While the audit reports for RMLSP and SPs have the required audit opinions, we noted that audit was not conducted by regular audit firms in case of RMLSP. Further, Management Letters were not provided to us for our review for RMLSP or the SPs, which is a requirement of Section 5.02 (b.) of the Grant Agreement.  Further, the internal audit report of UN service provider (UNFAO) was also not provided to IFAD.
Schedule 2, Paragraph 4.	Submission of Statement of Expenditure for Withdrawals from the Special	Yes.	
Schedule 3, Paragraph I. A.	Management of the Programme and Structure and reporting lines of PCU	Yes.	However, not all the positions mentioned in the Grant Agreement have been hired by the Programme. Some of these positions are envisaged to be cancelled/ replaced/ hired under CRCDDP Project Strategic Unit, instead of being hired under RMLSP now.
Schedule 3, Paragraph I. A.6.	Monitoring of terms of reference of the service providers from their respective agreements, for compliance and quality of results.  Promotion of synergies with overall	Partial	In view of the mission, the current level of monitoring of the SPs, including quality of deliverables, is not fully structured and is not entirely strong.  Further, the promotion of synergies with other similar donor-funded projects, included RBSP and HLP, is also relatively weak. This is envisaged to be strengthened through PSU department in the CRCDDP Programme.
Schedule 3, Paragraph I. C	Preparation of Project Implementation Manual with details of financial management policies and flow of funds.	Yes.	However, in our view, there are various gaps in the existing implemented version of the PIM, and our detailed comments thereon are submitted with IFAD mission report for consideration and revision of PIM.
Schedule 4, Paragraph A	Annual preparation and submission of Procurement Plan to IFAD	No.	We noted that Procurement Plan is not being prepared and submitted on an annual basis, which is being recommended by the mission.
Covenants are to be taken up from the Grant Agreement, as discussed earlier.			

Section of Grant Agreement	Covenant	Target/Action Due Date	Compliance Status/Date	Remarks
Section 4.02			Not applicable in the context of Afghanistan (Refer to the communication between MoF And IFAD)	
Section 4.02			Annually	
Section 4.03			Yes	
Section 4.04			Not applicable (no reliable insurance company)	
Section 4.05, Section 11.10(b)			Yes	
Section 4.06			Six Monthly and annual reports	
Schedule 4, para 7			Yes	
Schedule 4, para 8(a)			Yes	
Schedule 4, para 16			Yes and NO	
Covenants are to be taken up from the Grant Agreement, as discussed earlier.				

**Appendix 5.: Physical progress measured against APWB and appraisal targets, including RIMS indicators - Period: 30-03-11 to 30-03-12'**

Goal		Period: 30-03-11 to 30-03-12									
			Benchmark	Mid-term	Completion	Target					
Impact indicators		number									
• % of supported households (HHs) with improved HHs assets ownership index, based on additional assets*		percentage									
• % reduction in the prevalence of child malnutrition (weight for age)*		% G, % B									
• No of HHs reporting an increase in income from livestock, by type of livestock*		% G, % B	5,500	0	0%	5,500					
• No of HHs reporting improved family nutrition (frequency of eating meat, dairy or egg products) and improved food security		% G, % B									
Component		Indicator		Achievement							
				Unit	Indic at or Lev el	Period ending: Dec. 2012			Cumulative		
						AWP&B	Actual	% of AWPB	Apprai sal	Actu al	% of Apprai sal
Component 1: Microfinance											
Sub-Component 1.1/ Out put											
Increased outreach and delivery of innovative products and services for the needs of rural households, farmers and livestock owners	No of active borrowers, by gender and target group category		Borrower	1st	2,000	0	0%	20,000	0	0%	
	No of savers, by gender and target group category		Savers	1st	To be monitore d	0	0%	20,000	0	0%	
	No of MFIs submitting proposals and % approved		MFI	1st	0	0	0%	3	3	100%	
	Average loan size by product line		Number	1st	0	0	0%	0	0	0%	
Sub-Component 1.2/ Out put											
Financial Graduation for the Ultra Poor	Number of beneficiaries trained		Benef <sup>px1</sup> .	1st	400	400	100%	200	400	200%	
	Number of beneficiaries provided with an asset		Benef.	1st	400	400	100%	200	400	200%	
Sub-Component 1.3/ Out put											
Provide TA and support to develop innovative financial products and enhanced capacity	Portfolio at Risk, by MFI and new product line		Percenta ge	1st							
	No of MFI staff trained, by topic and MFI		Staff	1st	TBD	0	0%	NT	0	0%	
Component.2: Livestock Support program											
To strengthen the livestock production systems of poor rural households, while developing their marketing opportunities, and improve local livestock production, productivity and smallholders' incomes.	Some 6,100 HHs with improved income from milk, dairy, poultry production, the sales of meat or animal products* (monitor gender of the household head)		HH	1st	6,100	4,500	74%	6,100	4,500	74%	
	No of livestock owners with their cattle vaccinated at least once a year against major diseases		Livestock (head)	1st	2,000	2,274	114%	6,000	4,846	81%	

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Sub-component 2.1. Integrated dairy scheme (IDS)									
x1: beneficiaries	1,100 milk producers organized in financially viable associations	Number	2nd	1,100	1,100	100%	1,100	1,100	100%
	No of milk producers reporting an increase in income	MP	2nd	0	0	0%	0	0	0%
<b>Output 2.1.1:</b> Dairy farmers assisted through cultivation of improved fodder crops and supply of concentrate and mineral feeds established	No of HHs supported to engage in commercial fodder and in milk production	HH	1st	500	748	150%	1,500	973	65%
	Some 1,100 farmers engaged in commercial fodder production	Farmer	1st	330	224	68%	1,100	224	20%
	Incremental No of ha of fodder crops grown	Hector	1st		11.2			11.2	
<b>Output 2.1.2:</b> Village structures for the dairy scheme/ cooperatives established and member farmers organized through Milk Collection Centre groups/milk producers' cooperative societies/dairy union	Some 15 milk producers' associations and 3 dairy unions formed and functional	Unions	1st	0	0	0%	15	15	100%
<b>Output 2.1.3:</b> Improved animal health and husbandry practices and increased milk production	Milk production per lactating cow increased by 30%	Cows	1st				30%		
	Reduction by at least 90% of tick born disease and other major diseases among participating farmers	Diseases	1st				90%		
Sub Component 2.2. Veterinary service project									
<b>Output 2.2.1: A self-sustaining network of high quality, animal health service providers is established in the northern region</b>	No of livestock owners in the 5targeted provinces with regular access to essential veterinary services	Livestock owners	2nd	228,000	177745	78%	228,000	177745	78%
	A model for service provision to poorest HHs successfully piloted	Model	2nd	1	1	100%	3	3	100%
	60 of additional local Basic Veterinary Workers selected, trained and equipped	BVW	1st	25	30	120%	60	30	50%
	30 veterinary clinics constructed or refurbished	Clinic	1st	20	20	100%	30	20	67%
	90 veterinary clinics painted	Clinic	1st	90	60	67%	90	60	67%
	% of vets and paravets reporting an improved income	VFU	1st	TD					
	% of FVUS financially self-sufficient	VFU	1st	TD	80%	80%	TD	80%	80%
<b>Output 2.2.2: Value chains for livestock products</b>	No of farmers supported for production of quality cashmere	Farmer	1st	1500	1500	100%	3000	3000	100%
	No of farmers reporting an increase in livestock production, productivity and incomes	Farmer	1st	0	0	0%	0	0	0%

<b>Sub Component 2.3. Backyard poultry</b>									
	Some 3,000 women reporting an increased income from poultry raising	Women	2nd	1,000	1,000	100%	3,000	2,000	67%
	Increase by USD 150 on average in annual income deriving from poultry raising	Income	2nd	150	107	71.3%	150	107	71.3%
<b>Output 2.3.1</b>									
<b>Rural women trained in poultry management</b>	3,000 women trained in poultry production and provided with basic inputs and equipment	Women	1st	1,000	1,000	100%	3,000	2,000	67%
	50 female community members trained as trainers	Women	1st	20	20	100%	60	44	73%
<b>Sub Component 2.4 . Dairy goat development</b>									
	Some 1,000 women reporting an increased income from dairy goat production	Women	2nd	TD			1,000		
	Number of additional beneficiaries provided with bucks and does through the "pass on the gift" policy	Benef.	2nd	350	193	55%	450	279	62%
<b>Output 2.4.1.</b>									
<b>Adaptive Research</b>	1,000 women trained in dairy goat production and provided with basic inputs and equipment	women	1st	0	0	0%	1,000	1,220	122%
	100 Women producers' groups established and strengthened	Group	1st	0	0	0%	100	134	134%
	No of goats vaccinated	Goats	1st	3,000	3,940	131%	50,000	3,940	8%





**Appendix 6.: Updated logical framework indicating progress against objectives, outcomes and outputs**

**First Level Results**

FIRST LEVEL RESULTS	Results	Unit	Period ending:	31-Mar		Cumulative			Sum of actuals of previous years	
			AWP&B	Actual	% of AWPB	Appraisal	Actual	% of Appraisal		
Total Outreach										
Component	Sub Component									
1. Rural Microfinance	1.1 Innovation Facility	No of active borrowers, by gender and target group category	Borrower	2000	0	0%	20000	0	0%	
		No of savers, by gender and target group category	Savers	To be Monitored	0	0%	20000	0	0%	
		No of MFIs submitting proposals and % approved	MFI	0	0	0%	3	3	100%	
		Average loan size by product line	Number	0	0	0%	0	0	0%	
	1.2 Financial Graduation for the Ultra Poor	Number of beneficiaries trained	Beneficiaries	400	400	100%	200	400	200%	
		Number of beneficiaries provided with an asset	Beneficiaries	400	400	100%	200	400	200%	
	1.3 Technical Support and Capacity Building for MFIs	Portfolio at Risk, by MFI and new product line	Percentage							
No of MFI staff trained, by topic and MFI		Staff	TBD	0	0%	NT	0	0%		
Component	Sub Component									
2. Livestock Support Programme		Some 6,100 HHs with improved income from milk, dairy, poultry production, the sales of meat or animal products* (monitor gender of the household head)	HH	6100	4500	74%	6100	4500	74%	
		No of livestock owners with their cattle vaccinated at least once a year against major diseases	Livestock O	2000	2274	114%	6000	4846	81%	
	2.1 Integrated Dairy Scheme	No of HHs supported to engage in commercial fodder and in milk production	HH	500	748	150%	1500	973	65%	
		Some 1,100 farmers engaged in commercial fodder production	Farmer	330	224	68%	1100	224	20%	
		Incremental No of ha of fodder crops grown	Hector		11.2			11.2		
		Some 15 milk producers' associations and 3 dairy unions formed and functional	Unions	0	0	0%	15	15	100%	

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FIRST LEVEL RESULTS	Results	Unit	Period ending:	31-Mar		Cumulative			Sum of actuals of previous years	
			AWP&B	Actual	% of AWPB	Appraisal	Actual	% of Appraisal		
	Milk production per lactating cow increased by 30%	Cows					30%			
	Reduction by at least 90% of tick born disease and other major diseases among participating farmers	Diseases					90%			
	2.2 Veterinary Services in the North	200 of additional Basic Veterinary Workers selected, trained and equipped	BVW	25	22	88%	200	28	14%	
		30 veterinary clinics constructed or refurbished	Clinic	20	20	100%	3	3	100%	
		% of vets and paravets reporting an improved income	VFU							
		% of FVUS financially self-sufficient	VFU	TD	80%	80%	TD	80%	80%	
		No of farmers supported for production of quality cashmere and karakul pelts	Farmer	0	0	0%	0	0	0%	
		No of farmers reporting an increase in livestock production, productivity and incomes	Farmer	0	0	0%	0	0	0%	
	2.3 Backyard Poultry Project	3,000 women trained in poultry production and provided with basic inputs and equipment	Women	1000	1000	100%	3000	2000	67%	
		50 female community members trained as trainers	Women	20	20	100%	60	44	73%	
	2.4 Dairy Goat Project	1,000 women trained in dairy goat production and provided with basic inputs and equipment	Women	0	0	0%	1000	1220	122%	
		100 Women producers' groups established and strengthened	Group	0	0	0%	100	134	134%	
		No of goats vaccinated	Goats	3000	3940	131%	50000	3940	8%	

## Second Level Results

SECOND LEVEL RESULTS			
Component	Sub Component	Results	Rating
2. Livestock Support Programme	2.1 Integrated Dairy Scheme	1,100 milk producers organized in financially viable associations	5
		No of milk producers reporting an increase in income	3
	2.2 Veterinary Services in the North	No of livestock owners in the 6 targeted provinces with regular access to essential veterinary services	4
		A model for service provision to poorest HHs successfully piloted	4
	2.3 Backyard Poultry Project	Some 3,000 women reporting an increased income from poultry raising	3
		Increase by USD 150 on average in annual income deriving from poultry raising	2
	2.4 Dairy Goat Project	Some 1,000 women reporting an increased income from dairy goat production	2
		Number of additional beneficiaries provided with bucks and does through the "pass on the gift" policy	4

### Third Level Results

THIRD LEVEL RESULTS					
Indicator	Unit	Benchmark	Mid-term	Completion	Target
% of supported households (HHs) with improved HHs assets ownership index, based on additional assets*	HH				5500
% reduction in the prevalence of child malnutrition (weight for age)*	HH				
No of HHs reporting an increase in income from livestock, by type of livestock*	HH				
No of HHs reporting improved family nutrition (frequency of eating meat, dairy or egg products) and improved food security	HH				



## **Appendix 7: Knowledge management: Learning and innovation**

### **Learning: What has worked particularly well in this project during this period? What have been the reasons for this?**

1. In the case of DCA:

- Farmer Field Days were held with the aim of an inclusive gathering all stakeholders (Kuchis, government staff, male and female farmers, etc.) to demonstrate. In turn, certain farmers are selected to demonstrate this one message to others;
- Using a well formulated and documented participatory approach, DCA have piloted several Training and extension packages within the project with a gender-specific 'role of women in livestock' to be delivered in 2011.
- Self-Help Groups (SHGs) have been established to receive training in small-business, marketing, extension – these topics were selected by communities and participants by VFUs
- Value of knowledge through village exchange of women's groups, where possible, has been used to shape many of the activities and approaches, ensuring ownership.

2. With ICARDA: The "passing the gift" of the dairy goat has worked quite well and women have expressed their desire to extend this to other vulnerable women in order for them to gain security in their livelihood practices. This signifies a move from personal gains but to a more collective aspiration of seeing other women also benefit and increase their quality of life through the project. This signifies that the SP's efforts in building social capital have been mostly successful and that women find within their groups a space to aspire and build a more secure future.

3. SPs that have a good understanding of women rights and importance of women empowerment are able to recruit outstanding female staff and create an appropriate environment for optimal functioning. Those who are less concerned hardly manage to find qualified female staff.

4. Livestock rearers –settlers, transhumant- who rely substantial on common pastures resources can only improve the year-around balanced feeding by investing in improving pasture management; short terms gains can however be made by investing in new species such as fodder grasses, shrubs and trees and fodder banks.

### **Learning: What has not worked so well? What have been the reasons?**

1. Notwithstanding that focusing on one particular animal species (dairy cattle, dairy goats or poultry) is valid, it is important to recognise that Afghan rural household keep various species and therefore it is important to address common aspects –health care in particular- regarding all species. Integrating, for instance, poultry, dairy, kitchen gardening and the fodder/forage crop production will lead to a better livelihood, food security and women empowerment.
2. Herders – and farming households have different assets, capabilities, indigenous knowledge and aspirations. In order to anticipate on these characteristics it is important to adopt appropriate extension methods; i.e. the current transfer of technologies (IDS, poultry) has tendency to benefit most the progressive oriented HHs.
3. Promoting high input, high output systems (backyard poultry) can only be relevant when the batch size (economies of scale) is substantial, a business approach is promoted and adequate access to services, inputs and markets is feasible, which is often beyond the capacity of many rural women even more so when poor. Backyard poultry systems should clearly address what the overall aim is namely securing food and nutritional security or a viable livelihood options. The former request for strengthening the traditional backyard poultry system, while the latter for a commercial set-up which is bankable.
4. Need based international backstopping as is provide by SPs ICARDA and DCA are not only more cost effective but stimulates Afghan ownership, strengthen self-confidence and best shows where the weaknesses are. Full time international expat services in fields where sufficient local capacity is available leads to dependency syndromes and not to learning by making mistakes neither to Afghanisation of service provision.

## **Innovation: Describe any interesting innovation noted during supervision**

1. Ariana Poultry Development Association (APDA): was established in 2003 by FAO, but collapsed in 2006 due to the Avian Influenza (H1N1) outbreak. By 2008, APDA had started again with funds raised from its 20 members and some residual funds of the APDA itself. By 2011 the membership had grown to 80, with an emphasis on medium-to-large farmers. All members have a stake in the Association ranging from AFs 3,000 – AFs 200,000) with 70% of members being 'medium to large' members and the remaining 30% are 'small' members. With a move towards broiler chicks, there is a projected increase of 40% in membership for the next few years. To date, APDA has borrowed USD20k from AIFC (USAID-funded credit programme) and has just had a further loan of USD 300,000 from the ADF to be paid back over three years (at an interest rate of 7.4%).
2. Amu Poultry Production Company (APPC): was part of APDA before spinning off as a private enterprise with two clear sections: (i) Extension and Technical Services; and (ii) Business. Since 2003, APPC has expanded to the point where it has a commercial feed mill with a capacity of 5MT/hr, an incubator with a 60,000 egg capacity and a hatchery that can manage 100,000 eggs.
3. The Young Professional Programme (YPP): The Project has now almost completed its second round of interns under the YPP. This second round of ten graduates from Agriculture Faculties of several national universities has had practical and well-planned exposure to real life situations under the supervision of Service Providers. Eight of the first round of YPPs have found related full-time posts (one with ICARDA, two with DCA, two with other MAIL programmes and three with other ministries). The Project is currently limiting itself to ten graduates a year, which provides additional resources to undertake research and conduct surveys, whilst also working alongside project colleagues and with SPs in the field.
4. Afghanisation of the ministry: As such, the PCU has begun to play an advisory role beyond the parameters of the project and Project Director is now an intrinsic part of the MAIL management meetings. The latter is very much in keeping with the on-going 'Afghanisation' of the ministry.

## **Innovation: How might this be replicated by others, or up scaled here?**

The Young Professional Programme (YPP): This is an innovation that can be applied to many projects of IFAD especially as one of the core target groups is youth. This building up of "Second Line of Leaders" in south countries contributes to building capacity of the country. This innovation will need to be made contextual and encourage more women to apply where it is possible.

Whilst this is recognised as having been of a great advantage to the future employability of the YPPs, a more formalised structure now needs to be in place to provide a structured career path for the graduates, plus an increase in the number of YPPs to fifteen should also be considered. The formalisation should include regular rotation of staff to ensure equal time and exposure to key tasks and the possibility of training courses to be available. In addition, there are enough funds left to increase the number of YPPs to 15 every two years. In addition, the two highest performing graduates will be granted the fees for a Masters' course in Afghanistan. This will help stimulate competition, increase peer bonding and ensure a merit-based reward system.

Amu Poultry Production Company (APPC): Facilitating development of networks and groups in the field of animal production and marketing with the aim to develop forward and back ward linkages (services, inputs, markets) requests for professional extension and training in fields such as business development, group formation, rights of women and men, etc. APDA and APPC enterprises could provide adequate private sector and state supported services to link with a network of village poultry groups. If this were made possible, FAO could then allow the activities of extension, feed and health to be out-sourced, whilst FAO changes its role to reflect growing demands in hands-off technical support, monitoring and building the capacity of the DAAIL to take its role over by the end of the project.

### Appendix 8: Audit Log

Summary Audit Table							
Financial Year	Name of Auditor	Audit Observations as per Audit Report		Audit Observations Settled		Audit Observations Outstanding	
		Numbers	Value	Numbers	Value	Numbers	Value
			Afs/ USD		Afs/ USD		Afs/ USD
				Numbers	Afs/ USD	Numbers	Afs/ USD
2009-10	Allied Gulf for PCU; PWC for MISFA; Rafaqat Babar & Co. Chartered Accountants for DCA; UNFAO is internally audited (report not provided to RMLSP); PWC for ICARDA.	Management Letters of Audit not provided. We were informed that auditors did not find any reportable observations.					
2010-11	Allied Gulf for PCU; PWC for MISFA; Rafaqat Babar & Co. Chartered Accountants for DCA; UNFAO is internally audited (report not provided to RMLSP); PWC for ICARDA.	Management Letters of Audit not provided. We were informed that auditors did not find any reportable observations.					
2011-12	Auditor hiring finalized for PCU (Rafaqat Babar & Co. Chartered Accountants) and also on track for SPs.	N/A	N/A	N/A	N/A	N/A	N/A
Total		Management Letters of Audit not provided. We were informed that auditors did not find any reportable observations.					

Sl. No.	Financial year	Class: Ser/ gen	Audit Ref.	Audit observation	Total Amount per Observation (Rs)	Action taken by the project /PMU(Reply of para wise)	Total amount not settled/ outstanding (Rs)	Remarks
1	2010-11	Min	29-nov	Non Compliance with OSS – 3 POs PSS rating has dropped below threshold. approvals were in order at that time		Remedial action being taken – in case of Asasah. Considerable restructuring being done – this highlights the importance of IA based action plans, remedial action is more than satisfactory.	na	
2	2010-11	Ser	29-nov	misappropriation of funds in Asasah	10,3	Court cases were initiated to deal with staff and recover funds, internal controls strengthened, provision made to cover losses. Out of court settlement is being pursued.	10,3	
3	2010-11	Min	29-nov	misappropriation of funds in BRAC	0.3m	Funds recovered from staff, internal controls strengthened.	0	
		Sub Total:						





## Appendix 9: Supervision mission schedule and persons met

### 9.1 Supervision mission schedule

First the general itinerary<sup>29</sup> is presented and thereafter a more detailed one per sub-team; i.e. sub team Mazar, sub team Jalalabad, - Rural Microfinance and - Finance expert.

As much as possible daily short team meetings were held whereby each member shared his/her main observations of the day. During the field visits, the sub teams would also have a short daily reflection meeting in their quest house or otherwise.

### General Itinerary for MTR mission, RMLSP, 16 – 30 April, 2012

Date	Time	Topic
16-17 April	Arrivals	Arrival and hotel booking, security briefing, team meeting
18-23 April	Departure time from Kabul to Mazar-e-Sharif 18/04/2012 at 09:30 and arrival to Mazar-e-Sharif 12:00	Visit from poultry project and Balkh Dairy Union in Balkh province
19-22 April	Departure from Kabul to Bamyan 19/04/2012 at 09:30 am and arrival to Bamyan at 10 am	Visit from Bamyan <sup>30</sup> Targeting Ultra Poor project and veterinary service project
18-23 April	Departure from Kabul to Nangarhar 18/04/2012 at 14:30 pm and arrival to Nangarhar at 15:00pm	Integrated Development Dairy Scheme Project, Nangarhar province and Dairy Goat Project activities
24 April	09-1600	Meetings with the PCU, Director of Programs and others
	09:00-10:00	Meeting with HLP director and their senior staff
	11:00-12:00	Meeting with RBSP director and their senior staff
	13:00-14:00	Meeting with AHDP director and their senior staff
	15:00-16:00	Meeting with ADF director and their senior staff
	16:00-17:00	Meeting with CARD-F director and their senior staff
25 April	17:00-19:00	EXTENSION UNIT of MAIL Meeting with HLP director and their senior staff
	09:00-16:00	Presentations of relevant MAIL UNITS namely those relevant for the project: - Poultry Unit, - Dairy Unit, - Cooperative Unit, - Animal health Unit, - Kochis Unit, - Nutrition Unit, and - Extension Unit
26 April	09:00-16:00	MISFA meeting
	08:30-10:00	Meeting with DCA, director and project staff
	10:30-12:00	Meeting with ICARDA, director and senior project staff
	13:00-14:30	Meeting with FAO senior technical adviser and senior project staff
26 April	15:00-1700	Extension Director-Habibi
	08:30-11:00	Meeting with MISFA director and senior project staff
	11:30-12:30	Meeting with country director of AKF and their senior staff
	12:00-13:30	Lunch
28 April	13:30-15:00	Meeting with country director of BRAC and their senior staffs
	Morning	- Validation workshop (presenting draft findings for discussion) - distributed draft summary of Aid Memoire
29 April	Wrap-up	Chaired by Mr. Ghani Ghoriana, Deputy Minister

<sup>29</sup>This concerns the original itinerary, which was followed but date, timing and sub team composition changed. Partly due to late arrival of some members and early departure of others.

<sup>30</sup> Due to bad weather the flight was cancelled, while it was not convenient for the rural finance experts to reschedule the visit. Nonetheless, relevant staff of PCU –meant to accompany the team- did manage to conduct the field visits and provided feedback to the mission.

### Sub team travelling to Jalalabad (Integrated Dairy Scheme, DAIL, Dairy Goat)

Date	Day	Time	Subject and Place
22.04.2012	Sunday	15:00	Arrived to Jalalabad, Security briefing and proceed to Guesthouse
23.04.2012	Monday	8:30	Meeting with DAIL key staff at Nangarhar DAIL office
		10:00	Meeting with key staff of the project at FAO Jalalabad office
		11:00	Meeting with women farmers representative at FAO Jalalabad Office
		14:00	Meeting with Khatiz Dairy Union / Cooperative leaderships at FAO Jalalabad Office
24.04.2012	Tuesday	8:00	Visit Khatiz Dairy Union office in Shisham Bagh Jalalabad City
		11:30	Visit project field activities (Women/men capacity building, cattle management, cooperative, Animal Health, Fodder crop and AI ) in Surkhod Road and Kama districts
		15:30	Visit dairy plant compound in Farm Two Jalalabad City
		16:30	Proceed to Guest House.
25.4.2012	Wednesday	8:30	Leaving Jalalabad city to Kabul

### Sub team travelling to Mazar

Date	Day	Time	Subject and Place
21.04.2012	Saturday	10:20	Arrived in Mazar-e-Sharif and proceed to hotel
		12:30-13:30	Lunch
		14:00-15:00	Introduction with FAO project staff
		15:00-16:00	Security briefing
22.04.2012	Sunday	08:30-09:30	Meeting with FAO project staff towards poultry project
		09:30-10:30	Meeting with Balkh DAIL
		11:00-12:00	Visit from poultry services suppliers (Arian poultry development association and Tajik telayee poultry cooperative)
		12:00-13:30	Lunch
		13:30-17:00	Field visit
23.04.2012	Monday	08:00-12:00	Field visit
		12:30-13:30	Lunch
		13:30-16:30 PM	Visit Balkh Livestock Dairy Union (BLDU) facilities
24.04.2012	Tuesday	09:00-10:30	Visit from staff of Implementation partner (IP) of poultry project and meeting with FAO poultry project staff
		11:00-12:00	Visit DCA training center
		12:30-13:30	Lunch
		14:00-16:30	Field visit
25.04.2012	Wednesday	12:40	Departure from Mazar to Kabul

### **MTR team, Finance Expert**

17-22 April: Kabul level: PCU, finance persons of SPs, relevant officers of Ministry of Finance (procurement person) and MAIL.

1. Saturday (21 April):	- Morning MISFA-10 AM- - 1400 FAIDA-in FAIDA office-
2. Sunday (22 <sup>nd</sup> ):	- Meeting with the PCU-to be decided with who as I will be travelling to Jalalabad - 1400 ADF- - 0930 (BRAC Areful Islam)
3. Monday (23 <sup>rd</sup> )	- FMFB 2-3. - AKF 3:15-1630
4. Tuesday 24 <sup>th</sup>	- 11 am: Afghanistan Microfinance Association (Najib CEO) - Oxus 1400-1600. The meeting with CEO
5. Tuesday 26 <sup>th</sup>	- MEDA

## 9.2 PERSONS MET – CONTACT PERSONS – PARTICIPANTS M&E TRAINING

### List of Persons and Organizations met during the MTR mission –April 2012- -RMLSP-

<b>Contact List: Rural Microfinance and Livestock Support Program</b>					
<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Organization</b>		
1	MAIL	Abdul Laitf Zahid	IFAD.....		
2	MAIL	Mohammad Rahim Mirzad	Director, Animal Husbandry		
3	MAIL	Dr. Maryam Habib	RMLSP Monitor		
4	MAIL	Hukum Khan Habibi	Director General Extension and Agriculture Development		
5	MAIL	Dr. Mohibullah Halimi	Director General of Animal Health and Production		
6	DCA	Raymond Briscoe	Country Programme Director Veterinary Surgeon		
7	DCA	Dr. Abdul Qader Fakhri	Deputy Country Director & Regional Program Director		
8	DCA	Dr. Chalachew Niguse	Program Officer		
9	DCA	Dr. Zubidda Popal	Field Monitor		
10	DCA	Dr. Noor Jahan	Field Coordinator, Extension		
11	DCA	Dr. Mohammad Zaid Hares	Poultry Project Manager		
12	Vetserv	Dr. Dad Mohammad Amir	Technical Director / VetServ		
13	DCA	Fazel Haffez	Deputy Director		
14	FAO	Dr. Jafar Emal	National Field Manager (Poultry)		
15	FAO	Dr. Mohammad Jafer Emal	Poultry Project Manager (IFAD)		
16	BLDU	Dr. Erfan Tokhi	Technical Advisor, BLDU		
17	FAO	Dr. Lutfullah Rlang	National Field Manager (Dairy)		
18	FAO	Kalil Ur Rahman	National Field Manager (SPFP)		
19	HLP (GIZ)	Dr. Herman Ves	Livestock Specialist		
20	HLP	Noor Akbari	Project Coordinator		
21	FAO	Anton Van Engelen	Senior Livestock and Rural Development		

<b>Contact List: Rural Microfinance and Livestock Support Program</b>					
<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Organization</b>		
			Consultant		
22	FAO	T. Thapa	CTA Livestock		
23	FAO	Shai Mohammad Karyab	Senior National Agronomist		
24	Kabul Poultry Association	G. Maroof Zafar	Chairman		
25	Amo Poultry	Bashir Muzdah	President		
26	Aryana Poultry Development	Haji Mohammad	Chairman		
27	Taj-Telaye Poultry Cooperative	K. M. Sediq	Chairman		
28	AHDP	Tania Dennison	Project Manager		
29	Ministry of Agriculture, Irrigation & Livestock (MAIL)	Katib Shams	General Director		
30	Dutch Committee for Afghanistan (DCA)	Dr. Faridoon Qaumi	National Field Coordinator (RMLSP)		
31	Ministry of Agriculture, Irrigation & Livestock (MAIL)	Dr. G. M. Ziay	Head of Central Veterinary Diagnostic & Research Laboratory (CVDRL)		

<b>Midterm Revision Wrap up Meeting, List of Participants Date: /April/2012</b>				<b>Monitoring &amp; Evaluation Training, List of Participants; Date: 28/April/2012</b>		
<b>Sr.N</b>	<b>Name</b>	<b>Designation</b>	<b>Organization</b>	<b>Name</b>	<b>Designation</b>	<b>Organization</b>
<b>1</b>	Dr. Faridoon	National Program Manager	DCA	M. Haroon	Intern	RMLSP
<b>2</b>	Raymond Briscoe	C.D	DCA	Hameedullah	Logistic/Data Entry	FAO
<b>3</b>	Hameedullah	Logistic/Data Entry	FAO Poultry project	Faridoon	National Program Manager	DCA
<b>4</b>	Abdul Rahman Manan	Senior Advisor	ICARDA	L. Rhang	NPO	FAO
<b>5</b>	Alma Safi	Site Coordinator	ICARDA	Dr. Belqis Azizyar	Site Coordinator	ICARDA
<b>6</b>	Dr. Belqis Azizyar	Site Coordinator	ICARDA	Alma Safi	Site Coordinator	ICARDA
<b>7</b>	Noor Jahan	Extension Officer	DCA	Nasery	P.Coordinator	ICARDA
<b>8</b>	Abdul Halim	P.Coordinator	ICARDA	Dr. Mustafa Zafar	N.L.O	FAO
<b>9</b>	Abdul Maroof	Consultant	ICARDA	Abdul Maroof	Consultant	ICARDA
<b>10</b>	Abdul Halim Ibrahimi	Livestock Specialist	RMLSP	Dr. Zubaida	Field Monitor	DCA
<b>11</b>	Khalil Baher	Director	MISFA	Fazlullah	Field Coordinator	DCA
<b>12</b>	M.J. Emal	NFM	FAO	Dr. Mariam Habib	Livestock Officer	RMLSP

Midterm Revision Wrap up Meeting, List of Participants Date: /April/2012				Monitoring & Evaluation Training, List of Participants; Date: 28/April/2012		
Sr.N	Name	Designation	Organization	Name	Designation	Organization
13	M. Akbar	Deputy Finance Specialist	MISFA	M. Akbar	Deputy Finance Specialist	MISFA
14	Lutfullah. Rlung	NPO	FAO	Sayed Maseh	ANLPO	FAO
15	M. Aqa	Assistant	FAO	Ziaullah	MIS	RMLSP
16	K Merchant	IFAD-MTR	IFAD	Assadullah	M&E	RMLSP
17	Qaim Shah	CPU	IFAD	Abdul Waris	Intern	RMLSP
18	Matteo Marchisio	CPM	IFAD			
19	D'sousa Judith	Gender Officer	IFAD			
20	Dr. Mariam Habib	Livestock Officer	RMLSP			
21	Shaheel Rafique	IFAD	IFAD			
22	Lucy Maarse	IFAD,MTR	IFAD			

M&E Training, List of Participants, Date: 29/April/2012				M&E Training, List of Participants, Date: 30/April/2012		
Sr.N	Name	Designation	Organization	Name	Designation	Organization
1	Dr. Mariam Habib	Livestock officer	RMLSP	M. Haroon	Intern	RMLSP
2	Hajera Qatra	Intern	KMU	Hameedullah	Logistic/Data Entry	FAO
3	Dr. Zubaida	Field Monitor	DCA	Faridoon	National Program Manager	DCA
4	Faridoon	National Program Manager	DCA	L. Rhang	NPO	FAO
5	Fazlullah	Field Coordinator	DCA	Dr. Belqis Azizyar	Site Coordinator	ICARDA
6	M. Akbar	Deputy Finance Specialist	MISFA	Alma Safi	Site Coordinator	ICARDA
7	Hameedullah	Logistic/Data Entry	FAO	Nasery	P.Coordinator	ICARDA
8	Dr. Mustafa Zafar	N.L.O	FAO	Dr. Mustafa Zafar	N.L.O	FAO
9	Farkhunda Amiryar	Intern	ASPR	Abdul Maroof	Consultant	ICARDA
10	Dr. Belqis Azizyar	Site Coordinator	ICARDA	Dr. Zubaida	Field Monitor	DCA
11	Nasery	P.Coordinator	ICARDA	Fazlullah	Field Coordinator	DCA
12	Ziaullah	MIS	RMLSP	M. Akbar	Deputy Finance Specialist	MISFA
13	Assadullah	M&E	RMLSP	Sayed Maseh	ANLPO	FAO
14	Abdul Waris	Intern	RMLSP	Ziaullah	MIS	RMLSP
15	Dr. Mariam Habib	Livestock Officer	RMLSP	Assadullah	M&E	RMLSP
16				Abdul Waris	Intern	RMLSP
17				Dr. Mariam Habib	Livestock Officer	RMLSP

Contact List: Rural Microfinance and Livestock Support Program					
S/N	Name	Position	Organization		
<b>Program Staff</b>					
1	Abdul Latif Zahed	National Program Director	RMLSP		
2	Assadullah Battar	M&E Specialist	RMLSP		
3	Mohammad Asghar Anwari	Livestock Specialist	RMLSP		
4	Mariam Habib	Livestock Officer	RMLSP		

<b>Contact List: Rural Microfinance and Livestock Support Program</b>					
<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Organization</b>		
5	Mohammad Halim Ibrahim	Livestock Specialist	RMLSP		
<b>Operation Staff</b>					
6	Mohammad Saleem Mirani	Admin/Finance Manager	RMLSP		
7	Ziaullah Karokhel	Database Specialist	RMLSP		
8	Hedayatullah Zurmatti	Admin/Finance Assistant	RMLSP		
9	Uranus	Procurement Assistant	RMLSP		
<b>RMLSP Servis Provider Contact List</b>					
1	Tek B. Thapa	Senior Dairy Advisor/CTA	FAO		
2	Lutfullah Rlung	National Field Manager	FAO		
3	Walid	Security officer	FAO		
<b>Veterinary Services in the North</b>					
3	Raymond Briscoe	Country Program Director	DCA		
4	Faridoon	National Field Coordinator	DCA		
<b>Poultry Project</b>					
5	Mohammad Jafer Emal	National Field Manager	FAO		
<b>Dairy Goat Project</b>					
6	Dr Javed Rizvi	Country Manager	ICARDA		
<b>MISFA</b>					
7	Katrin Fakiri	Managing Director	MISFA		
8	Khalil Baheer	Director Development and Rural Finance	MISFA		
<b>Director of Livestock and Animal Health</b>					
1	Dr. Muhebullah Halimi	Director of livestock/MAIL	MAIL		
<b>Mission Driver Contact List</b>					
1	Abdul Nasir Hakimi	Driver	FAO		
2	Haji Ali Shah	Driver	ICARDA		

<b>Person Met: component 1. 'Rural Microfinance'</b>				
<b>No.</b>	<b>Name</b>	<b>Designation</b>	<b>Organization</b>	
1	Kartin Fakiri	Managing Director	Microfinance Investment Support Facility for Afghanistan (MISFA)	
2	Khalil Rahman Baheer	Director Development & Rural Finance	Microfinance Investment Support Facility for Afghanistan (MISFA)	
3	Mohammad Akbar	Deputy Rural Finance Specialist	Microfinance Investment Support Facility for Afghanistan (MISFA)	
4	Mansur Mehdi	Director Finance & Development	Microfinance Investment Support Facility for Afghanistan (MISFA)	

<b>Person Met: component 1. 'Rural Microfinance'</b>				
<b>No.</b>	<b>Name</b>	<b>Designation</b>	<b>Organization</b>	
5	Khondoker Ariful Islam	Country Representative	BRAC	
6	Chris Underwood	Chief Executive Officer	FMFB	
7	Abdul Karim Haider	Head of Microfinance	FMFB	
8	Naeem Razwani	Marketing & Product Development Manager	FMFB	
9	David Payne	Chief Executive Officer	OXUS	
10	Manil Shrestha	Capacity Building Coordinator - NBA	Aga Khan Foundation	
11	Manoochehr Amiri	MF/CBSG National Manager	Aga Khan Foundation	
12	L B Prakash	Sector Capacity Building Team Leader	FAIDA	
13	Philip Smith	Deputy Chief of Party	FAIDA	
14	Najibullah Samim	Executive Director	AMA	
15	Enio Jaco	Lending Advisor	Agriculture Enhancement Program - MAIL	
16	Ghulam Haider	Senior Advisor	MRRD	
17	Arshad Hussain Zubairi	Manager – Islamic Financial Services	Ernst & Young Ford Rhodes Sidat Hyder	

<b>LIST OF PERSONS MET IN THE FIELD VISIT TO JALALABAD</b>		<b>23 APRIL, IDS, KHATIZ DAIRY UNION MEMBERS, FAO MEETING HALL</b>	
<b>22 APRIL 2012 – ICARDA OFFICE</b>			
<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>	<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>
Eng. Humayoon	Agriculture	Md. Shiren	Union Member
Rahimallah	Province	Mir Azam Gul	Secondary Coop Director
Haj Musharaf	Province	Haj Ayob	Secondary Coop Director
Abdul Malik	CDC	Md Nabi	Dairy Union Deputy Director
Abdul Ahmed Khan	CDC	Ahmad	Coop Director
Dr Abdul Khaliq	CDC	Haj Hamidullag	Director
Abdul Samand	SERVE NGO	Muhabatkhan	Union Member
AR Rahmani	ICARDA	Janzib	Union Member
Noor Ul Haq	ICARDA	Haji Ajmal	Dairy Union Director
Alma Sabi	ICARDA	Haji M Hassan	Dairy Union Cashier
Janam Begum	Village Facilitator	Gullagha	Coop Member
Chasma Gul	Village Facilitator	Abdul Baseer	Coop Director
Gul Jamala	Village Facilitator	Matiullah	Dairy Union Member
Saleina	Village Facilitator	Noorulhaq	Coordinator, ICARDA
Haji Begum	Village Facilitator	Azizullah	YPC, RMLSP
Zalina	Village Facilitator	Abullhalim	Coordinator, ICARDA



<b>LIST OF PERSONS MET IN THE FIELD VISIT TO JALALABAD</b>		<b>23 APRIL, IDS, KHATIZ DAIRY UNION MEMBERS, FAO MEETING HALL</b>	
<b>22 APRIL 2012 – ICARDA OFFICE</b>			
<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>	<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>
Gazi Begum	Village Facilitator	Mahir	YPC, RMLSP
Shaliqa	Village Facilitator	Alma Sabi	Site Technician, ICARDA
Gulsuma	Village Facilitator	Dr Lutfullah	NPO, FAO
Naser	ICARDA	Dr Moh. Zafar	NLPO, FAO
Abdul Maroof	ICARDA	Mir Md Bashir	NLPO, FAO
Himat	RMLSP	Said Maseh	Assistant NLPO, FAO
M Naeer	ICARDA	Dr Nisar	SMA, FAO
Md. Afzal	MAIL	Raz Moh	SMA, FAO
<b>OTHERS</b>			Ms Sharif
<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>	Ms Wahida	Women Trainers
Mr Salarai	Acting Director, RBSP	Ms Lina	Women Trainers
Ms Nahid Wardag	KM Officer, PICU	<b>23 APRIL 2012 – DAIL MEETING, NANGRAHAR</b>	
Noorragha Zawk	Directorate of Youth	<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>
Ms Malaila	Manager, Youth Information Contact Centre	Noorul haq	ICARDA
Mr Assad Zamir	DG, GDP	Abdul Halim Naseri	icarda
<b>23 APRIL 2012 – DAIL MEETING, NANGRAHAR</b>		Mustafa Zafar	NLPO, FAO
<b>NAME</b>	<b>DESIGNATION/ORGANISATION</b>	Rafiullah Rahimdai	SPMS + PMA, DAIL
Zarat ul Rabiul	DG, NUDA	Waheedullah	MIS, DAIL
MH Safi	DAIL	L Rlung	NPO, FAO
Eng Shakirallah	Manager	M Afzal Maraat	Livestock, DAIL

