



Investing in rural people

Lesotho

Wool and Mohair Promotion Project

Mid-term Review

Main report and appendices

Mission Dates: 09 - 21 September 2019

Document Date 05/02/2020

Project No. 2000000053

Report No. 5318-LS

East and Southern Africa Division
Programme Management Department

Abbreviations and Acronyms

ASAP	Adaptation for Smallholder Agriculture Project
ATOs	Area Technical Officers
AWP&B	Annual work Plan & Budget
BEDCO	Basotho Enterprise Development Corporation
BDS	Department of Building Design Services
BoQ	Bill of Quantities
CAHWs	Community-Based Animal Health Workers
CLEWs	Community Livestock Extension Workers
DA	District Administrators
DAO	District Agriculture Officer
DSF	Debt Sustainability Framework
DAPOs	District Animal Production Officers
DAR	Department of Agricultural Research
DLS	Department of Livestock Services
DPCC	District Project Coordination Committee
DPFO	District Project Field Officers
DRRM	Department of Range Resources Management
DVOs	District Veterinary Officers
FA	Financing Agreement
FIT	Field Implementation Team
GA	Grazing Association
GIZ	The Deutsche Gesellschaft für Internationale Zusammenarbeit
GoL	Government of Lesotho
IDOC	Infrastructure Development Oversight Committee
ICRAF	International Centre for Research in Agroforestry
LAC	Lesotho Agricultural College
LDSF	Land Degradation Surveillance Framework
LMS	Lesotho Meteorological Services
LNWMGA	Lesotho National Wool and Mohair Growers Association
M&E	Monitoring and Evaluation
MAFS	Ministry of Agriculture and Food Security
MDP	Ministry of Development Planning
MEM	Ministry of Energy and Meteorology
MFRSC	Forestry, Range and Soil Conservation
MIS	Management Information System
MLGC	Ministry of Local Government and Chieftainship
MPWT	Ministry of Public Works and Transport
MSCM	Ministry of Small Business Development, Cooperatives, and Marketing
MTR	Mid Term Review
MPAT	Multidimensional Poverty Assessment Tool

NUL	National University of Lesotho
NRM	Natural Resource Management
OFID	OPEC Fund for International Development
PICSA	Participatory Integrated Climate Services for Agriculture
PCTC	Project Consultative Technical Committee
PCU	Project Coordination Unit
PFO	Project Field Officer
PSC	Project Steering Committee
PIM	Project Implementation Manual
RDF	Rangeland Development Fund
RIMS	Results and Impact Management System
SADP	Smallholder Agricultural Development Project
SSA	Shearing Shed Association
ToT	Trainings of Trainers
WA	Withdrawal Application
WAMPP	Wool and Mohair Promotion Project
4P	Public Private Producers Partnership

A. Project Overview

Region:	East and Southern Africa Division	Project at Risk Status:	Not at risk
Country:	Lesotho	Environmental and Social Category:	B
Project Name:	Wool and Mohair Promotion Project	Climate Risk Classification:	not available yet
Project ID:	2000000053	Executing Institution:	Ministry of Agriculture and Food Security
Project Type:	Rural Development	Implementing Institutions:	not available yet
CPM:	Philipp Baumgartner		
Project Director:	Mr. Retselisitsoe Francis Khoalenyane		
Project Area:	National (10 districts)		

Approval Date:	19/09/2014	Last audit receipt:	19/11/2019
Signing Date:	17/06/2015	Date of Last SIS Mission:	21/09/2019
Entry into Force Date:	17/06/2015	Number of SIS Missions:	12
Available for Disbursement Date:	17/08/2016	Number of extensions:	0
First Disbursement Date:	22/08/2016	Effectiveness lag:	9 months
MTR Date:	09/09/2019		
Original Completion Date:	30/06/2022		
Current Completion Date:	30/06/2022		
Financial Closure:	not available yet		

Project total financing

IFAD Financing breakdown	Debt Sustainability Framework	\$5,805,000
	IFAD	\$5,805,000
	ASAP Trust Fund	\$7,000,000
Domestic Financing breakdown	National Government	\$3,978,000
	Private sector local	\$1,545,000
Co-financing breakdown,	OPEC Fund for International Development	\$12,000,000
	To be determined	\$2,825,000
Project total financing:		\$38,958,000

Current Mission

Mission Dates:	09 - 21 September 2019
Days in the field:	4 (split in 3 teams = 12 days)
Mission composition:	1. Philipp Baumgartner, CPM and Mission Leader; 2. Zainab Semgalawe, IFAD Lead Technical Specialist (Project implementation/management); 3. Mawira Chitima, Lead Global Technical Specialist (Comp C1 & C3, infrastructure); 4. Francesco Rubio, Environmental Specialist (Comp A1, A2); 5. Erika do Amaral Valerio, Value Chain Specialist (Comp B, and C2); 6. Alessandro Neroni, Procurement Specialist; 7. Alice Abillu, Financial Management Specialist; 8. Justice Morena, Monitoring and Evaluation Specialist (M&E).
Field sites visited:	Maseru (Ha Ramohope, Likalaneng, Morija, Rothe, Ha Matela, Mantsonyane, Thuathe, Masianokeng, Semonkong); Mafeteng (Kolo, Matelile, Tsakholo, Hermon); Thaba – Tseka; Mohale's Hoek (Mekaling, Maphutseng); Quthing (Moyeni, Mt Moorosi, Mphaki, Seforong); Qacha's Nek (Mosaqane, Qacha's Nek, Ha Sekake)

B. Overall Assessment

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

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

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

Relevance		5			
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The Mid-term Review mission^[1] for the Wool and Mohair Promotion Project (WAMPP) was conducted during the period of September 9-21, 2019. The main mission objective was to assess the progress towards the overall project objectives, if project design remains relevant, and suggest adjustments in line with today's performance and country context to ensure sound project delivery towards the set objectives. The mission also discussed project sustainability and project exit strategy for key activities.

The mission held extensive technical consultations with all key project implementation institutions and partners, including beneficiaries (see Annex 4). A round table meeting was held to discuss challenges and opportunities of the recent wool and mohair sector reform (see below), and the associated implications to achievement of WAMPP objectives. The implementers' workshop attended by over 70 participants from WAMPP implementing partners, stakeholders and beneficiaries was conducted to discuss key implementation issues, mission findings and way forward.

A wrap-up meeting was held in Maseru on 19th September 2019 to highlight the mission's findings and recommendations to PS of the line ministries. The Aide-Mémoire presented and discussed presents the joint agreement of the two parties and assessed the performance of WAMPP at MTR, and outlines related actions and follow-ups required to achieve project objectives and impacts. The mission would like to thank the Government of the Kingdom of Lesotho and all the people met during the mission for the courtesies and support extended to the MTR mission (See Annex for list of people met).

[1]Mission composition: 1. Philipp Baumgartner, Country Director and Team Leader; 2. Zainab Semgalawe, Regional Technical Specialist; 3. Justice Mokoteli, IFAD Country Programme Officer; 4. Mawira Chitima, Lead Technical Specialist, Infrastructure; 5. Erika Do-Amaral-Valerio, Value Chain Consultant; 6. Francesco Rubino, NRM Specialist; 7. Alessandro Neroni, Procurement Consultant; 8. Manuel Mang'anya, Monitoring & Evaluation Specialist; 9. Alice Abillu, Financial Management Consultant; and during the initial phase of the mission, 10. Motsoasele Leballo, Rural Development Expert.

Key Mission Agreements and Conclusions

The project remains relevant to the context in Lesotho, and it is very popular among sector actors and the ministries involved. All three line ministries' PSs have detailed knowledge of the project, an indication of strong ownership. The project continues to progress actively since the last supervision mission, and notably infrastructure work has intensified in the past 9 months, with the construction of fodder store and machinery shelter underway, and the construction of two shearing sheds is due to start in the coming months. The breeding programme and operation of the breeding studs specifically is taking good shape, and the support of national and international breeding expert as recommended in earlier missions show professionalisation of this activity. Trainings of trainers have continued and substantive efforts went into capacity building at various levels.

The project remains both complex and complicated. It entails three line ministries (MAFS, MFRSC, MSCM), plus three additional ministries (MLGC, MPWT, MEM/LMS), in part of the project implementation. As a value chain development project, WAMPP engages various actors from along the value chain, and the LNWMGA, and implementing partner and co-finance in the project, representing about 40,000 producers. While simplifying this project is a partial outcome of the mid-term review mission, it proves difficult to reduce activities, given their overall relevance and substantive planning and stakeholder investment made in almost all activities. Yet, the mission recommends a partial restructuring and reallocation, mostly from component A2, and made recommendations to ensure appropriate tracking of implementation progress.

The project management is moderately unsatisfactory. Internal governance structures are only partially adhered to, and the PMU suffers from high staff turn-over. Managerial capacities and appropriate utilisation of management systems for FM and M&E have to be strengthened. The PMU has limited financial mandate and clearance for even small field and operational expenditures jeopardise implementation speed and process on the ground.

After 4 years of implementation, disbursement stands at 28% overall, with variations among co-financiers (see Annex 1), and commitment of additional 5%. Outreach has reached close to 12% of the end-target and output targets on average range around 21% of project target. Yet, given late start of infrastructure work and significant investment in ToT approaches, these numbers are expected to increase significantly over the coming 12 months. The recent mid-term survey is largely inconclusive, which is partly explained by the recent El Niño and its effects on rural livelihoods and further compounded by late and apparently lower payments in the wool and mohair sector (see below). Still 15.7% of households reported higher incomes than in earlier years, while 42.3% reported lower incomes. MPAT Hunger index increased from 37% to 44.2%, while the resilience score increased from 42.3 to 44.8 since the baseline survey in 2017, indicating households taking more precautionary measures and coping strategies (which is partly attributed to El Niño and its effects). Asset ownership scores reduced from 46.9 to 44.7 in the same timeframe. It is recommended to conduct Annual Outcome Surveys (AOS) in line with IFAD guidelines following this MTR, and the mission discussed and agreed to adjust /extend the questionnaire to the Lesotho and project context, as required.

There remain significant challenges for the project going forward, and utilisation of allocated funds will only be likely if project management is improved and coordination among participating ministries and within the PMU strengthened.

Sustainability of some activities depends on the viability of the growers association to take over full control at project end, and WAMPP will need to support appropriate capacity building in the next 18 months as one key priority. The progress on improved management of rangelands is slowest, and while the proposed mitigation strategy of hiring a third party and implementing a presented recovery plan by the respective department seem feasible, close follow-up in the coming 6 months by GoL and IFAD is required.

The mission analysed the project budget and adjusted unit costs from cost tabs at design to current prices. In line with project AWPB and future planning, and cognisant of the financing gap per design (USD 2.85 Mio), a need for reallocation of funds became apparent that was discussed in wrap-up and with the project (see below). Activities in component A2 were over-budgeted at design and are taking slowest to take up, hence about USD 2.5 Mio were re-allocated to activities under B2 and C2 and C3, where unit costs had increased (mainly for infrastructure), and progress is most advanced (stud rehabilitation and breeding programme). The mission observed some limitations in project's ability to realistically budget and time costs, and related discussions were held to increase coherence of AWPBs and actual implementation progress. The project will need to adjust the 2019/20 AWPB accordingly and re-submit to IFAD for NO.

In line with above, the mission had the following recommendations going forward

1. Partial restructuring of component A2, affecting the budget allocation and implementation arrangements by adding a third-party for fast-tracking the planned activities' implementation;
2. Reallocation of OFID funds from A to B and C, and revision of current AWPB and PP in line with up-dated costs and timelines as discussed with the mission;
3. Strong attention to post-project sustainability for set of activities under component B in the form of strengthening the growers association to take over full responsibility as the project approaches closing date;
4. Increased attention to project related inter-ministerial communication and coordination at national and district level to ensure this multi-sectoral value chain project can achieve its objective;

Close supervision of awarded contracts and construction site supervision, timely revision of related plans and contract registry as well as timely contract enforcement on slow-performing contractors.

D. Overview and Project Progress

Component A - Climate Smart Rangeland Management

Overall assessment. Component A is not moving as expected and is therefore rated as moderately unsatisfactory, mainly justified by the slow implementation of activities under Subcomponent A2. Nonetheless, the mission registers progress in the quality of planning and a general sense of improved interaction, which appears to translate into a more harmonious working environment between the PCU and the line ministry's department, DRRM. Speaking to this, a new Component Lead has been hired and is working to unlock the current bottlenecks, addressing the urgent planning needed for activities related to the formation of Grazing Associations (GAs). Hence, though physical progress may not depict a satisfactory picture, there is a plan and an assessment of activities to be implemented under this component that (where appropriately supported by all involved) can deliver immediate results in the next 6-month period. In regard to the other activities in Component A, a number will be phased out, leaving the project with the opportunity to focus on fewer (3-4) key deliverables until project end – with the expectation that this will prompt the necessary focus, time and budget for these core deliverables - and also considering the total spending of the component amounts to 20%, similar to the disbursements of Components B and C.

Subcomponent A1: Effective information for climate smart rangeland management. Of the two Subcomponents, A1 continues its positive delivery, both physical (85%) and financial (90%). Since the last mission a number of activities have taken place, among which the mission records: (i) very slight progress in regard to the Rangeland Management Act, for which the project has received concurrence from various Ministries. Nevertheless, the most immediate actions for this activity refer to the necessity to merge the two existing drafts of the legislation, coupled with the expectation that WAMPP and the line Ministry guarantee the execution of the necessary consultations with all key stakeholders. (ii) Under LDSF activities, 11 officers (2 WAMPP and 9 DRRM District staff) attended a training on remote sensing in Kenya (August 2019). It was furthermore agreed that, given the support received from ICRAF and the on-going procurement of IT material, the DRRM Unit tasked with remote sensing of the sentinel sites shall be fully equipped to proceed with the additional set of 10 sites, where only imagery will be acquired to assist the national baseline assessments of rangeland. It is therefore fundamental that the assigned DRRM Unit be equipped with 3 desktop computers (of the total 6 at HQ) and 2 laptops, to support the District officers, who will also receive desktop computers. Also, the mission suggests further structured interactions with both FAO and GIZ, who are implementing similar activities. (iv) A total of 55 rain gauges and 53 thermometers have been installed, and the LMS informed the mission that trainings have been conducted in all 10 districts. The mission therefore strongly recommends that the remaining assets be installed by mid-November, to ensure a practical follow-up to the trainings. (v) In relation to PICSA, a total of 195 Agricultural Assistants (80 men; 115 women) were trained, and the mission notes that though suffering from a slow rollout, the field observations confirm a strong appreciation by both extension officers and farmer groups for the concept. It is hence thought that further support to this activity will be guaranteed, with an associated budget to further support its logistics.

Among the activities that will be phased out, the mission observes a slow and unclear execution of the SMS Early Warnings to farmers, with several issues related to the contract signed with a service provider ECONET that appears to not have a strong outreach among farmers. Hence the closure of this activity, and reallocation of funds.

Sub-Component A2: Climate smart participatory rangeland management. The mission registers that of the 200 GAs to be supported, WAMPP currently appears to not have rolled out activities in any. Given this, the WAMPP and DRRM team have accompanied the mission in the field visits, where different GAs (active, dormant, and potential) were encountered, further corroborating the belief that an initial mapping was undertaken and on-field activities are on-going and active (also supported by other programs). In order to surpass the current stall, the DRRM is working on a 6-month recovery strategy that should provide immediate results, targeting first the active and dormant GAs. The key recommendation from the mission is therefore that the 6-month recovery plan be developed immediately, with solid attention on GAs and detailed-oriented planning, with a focus on (i) strategies to immediately target the Active and Dormant GAs [proceeding with the idea of targeting the 'low-hanging-fruits' (e.g. procuring for the Active GAs, and fast tracking the work in the Dormant GAs)]; (ii) detailed time of delivery, with key milestones over the 6 months; (iii) timeline of activities, considering specifics per type of GA (Active, Dormant, New); (iv) roles and responsibilities (e.g. main lead of specific teams/activities, full list of staff involved per GA, their task, etc.). From this, the expectation is to rapidly move into implementing the plan, also making the necessary arrangements to the international tender process to hire a Service Provider that will assist with the GAs activities. In addition, there is a strengthened understanding and agreement of the relevance of the activities that will be promoted through GAs, and how this speaks to both the objective of the project, but also to the sustainability of the economic activities for smallholder farmers supported through WAMPP, most of which largely depend on improved rangeland management, across all districts.

Actions	Responsibility	Deadline
Finalize the 6-month recovery strategy for Grazing Associations (with well-defined timelines, roles & responsibilities, GA-specific activities, etc.)	Component A manager; DRRM	September 2019
Start implementation and International Tender process for Service Provider (Subcomponent A2)	FM; Component A manager; DRRM	October 2019
Prepare an new/updated PICSA roll out strategy, considering the 195 AAs trained (*which trainer is going where, when, and how many farmers he/she is going to train) – and target existing groups mentioned in previous mission.	Component A manager	September 2019
Finalize distribution of rain gauges and thermometers in all districts/identified sites	Component A manager	15 November 2019
Finalize draft Rangeland Management Act (*merging the two drafts) and organize associated stakeholder consultations	Component A manager	November 2019

Component B: Improving Livestock production and Management

- Overall assessment.** The performance of component B is considered moderately satisfactory. Breeding activities are progressing, and the first auction of rams reared at the Quthing stud will take place in January 2020. There was significant progress on infrastructure construction and animal procurement for breeding activities. As pointed out by the previous supervision mission, one major drawback remains the reliance on the tender process by the project, causing delays in implementation. Infrastructure investment needs at the stud are exceeding project allocations. LNWMGA and relevant ministries might need to mobilize additional resources.
- Subcomponent B1:** Improved livestock nutrition: the main activities under this subcomponent include (i) the development of the literature review, which will provide the bases for fodder trials and demonstrations, and (ii) kick-off on the establishment of a channel for supplying feed and drugs. The mission identified a lack of consistency in supplying feed and vet drugs to farmers. The LNWMGA intends to develop a dedicated department to commercially operate these activities to guarantee sustainability and the consistent provision of these productive inputs.
- Subcomponent B2:** Improved livestock breeding: the main activities under this subcomponent have been (i) the recruitment of an international breeding expert; (ii) the submission of the draft for the National Breeding Plan to

IFAD; (iii) the undertaking of several infrastructure improvements, including perimeter fencing, shearing shed and fodder store construction and machinery shelter construction; (iv) the submission of a draft manual for culling and exchange to IFAD. However, the manual of this program is being reviewed to include the strategy on the disposal of unproductive animals. In addition, the first auction of rams reared in the Quthing breeding center is estimated to be held in January 2020.

4. **Subcomponent B3: Improved animal health:** the main achievements under this subcomponent are as follows: (i) contract development is in progress for the engagement of the international epidemiologist, who will resume duties in November; (ii) the project has trained 246 CAHWs who will be fully operational upon acquisition of veterinary kits; (iii) TORs have been developed to engage the designer for the construction of a national diagnostic laboratory.

Component C. The project has made significant progress in implementing activities under the component, with construction activities beginning and a pipeline of projects under procurement. Some progress has been made in the construction of 20 shearing sheds, water supply to some existing sheds and access road construction. The construction of new sheds has been slowed by the need to change specifications during construction, land ownership issues on two sites and overstretched contractors and construction supervisors. The procurement for the rehabilitation of wool sheds and the construction of 2 slaughtering slabs is at an advanced stage.

1. **Sub-component C1: Value Chain Based Enterprise Enhancement.** Main progress under this sub-component has been the following: (i) 222 members of 10 DWMGA were trained on management of shearing sheds as well as shearing sheds records handling; (ii) MSCM Staff and LNWMGA Recorders (8 people) were trained on computerized shearing sheds records a system on computerized shearing sheds records was developed. Procurement for IT equipment for SSA is in progress; (iii) Strategic plan for LNWMGA was development; (iv) 74 shearers, 80 classers and 148 recorders have been trained in improved methods; (v) 20 new shearing sheds are under construction, and procurement of contractors for the rehabilitation of 43 shearing sheds is at an advanced stage. However the progress of the new construction is unsatisfactory with 12 contracts over contract end date but less than 20% complete; (vi) 16 shearing sheds and surrounding communities are now receiving water supply, with construction ongoing at 16 other shearing sheds; (vii) Shearing sheds equipment is being delivered; (viii) there is very slow progress for the maintenance of 36 km of feeder road, with work completed in 1 site and still ongoing in 17 sites.
2. The training of shearers, recorders and classers is commendable and should be intensified through the development of a training programme that leads to certified professionals.
3. The main problems affecting progress and quality of infrastructure activities are: a) insufficient consultations with shearing shed association (SSA) on the need and purpose of interventions; b) some contractors for the shearing sheds seem to be overstretched with low progress at or near contract closure (50% of contracts are beyond contract period and the rest unlikely to be completed within time); c) the was need to change the specifications of the new shearing sheds after consulting with a structural engineer, resulting in cost increases (approximately USD105,000 per shed); d) land disputes on two sites has delayed construction; e) construction supervision by the project is overstretched, causing an increased risk of quality construction; e) unavailability of reliable road construction equipment from district councils.
4. The mission recommends that the project assists each SSA or LNWMGA to develop a shearing shed development plan outlining i) the key interventions (new construction, rehabilitation, water supply, electricity supply, access road or new equipment) to be done and the ii) key performance improvement indicators (efficiency, wool/mohair quality etc) to be achieved; iii) financing for capital expenditure and operation and management; iii) sustainability framework at each shed. The plan will also include co-financing of priority interventions with the SSA. after completion of the shed development plan and before starting the rehabilitation of existing sheds, it is recommended that the Ministry of Agriculture and Food Security enter into an implementation agreement with each SSA, for clarity on responsibilities during the construction period.
5. To improve the quality of construction contracts oversight, the mission recommends a) preparation of ESMPs for all construction sites; b) increasing the budget and human resources for the project to be able to adequately supervise the construction works and to improve contract management and monitoring; c) consider hiring construction equipment from private sector for road construction to alleviate the shortage of equipment from District Councils.
6. **Sub-component C2 - Cottage Industry and Niche Market Development:** Progress under this component is as follows: i) an assessment of the local wool and mohair cottage industry was completed and it informed the interventions by the project; ii) 315 youth members of cooperative movements were mobilised to venture into wool and mohair cottage enterprises (72% women); 40 youth (62% women) were trained on knitting and 52 (65% women) on marketing and business management; ii) an assessment of the potential for linking the cottage industries to niche markets has been completed; iii) training on product design was provided by BEDCO to 80 persons; A tender for the supply of equipment for the wool processing facility is at an advanced stage, but the ownership and management of the structure are still not fully elaborated. The approach being used by the project to developing the wool and mohair cottage industries is focussing on groups of youth organised in associations, resulting in high training costs (over USD50,000 per training session, 2 sessions per district per year) and long gestation periods to develop products for niche markets. The studies done under this component are a good base to develop a rural enterprise project, that includes the wool and mohair industry, in a future programme. The project should focus effort on the processing facility for provision of high quality raw material and on exposing the

existing cottage industries to a diversified product designs, especially targeting niche markets.

7. **Sub-component C3 - Promotion of Livestock Auctions & District Slabs** Progress under this sub-component is as follows: (i) a tender has been issued for a service provider to operate and manage the two district slaughter slabs to be constructed; (ii) the evaluation of tenders for the construction of two slaughter slabs has been completed and will be submitted to IFAD for no objection; (iii) preparation of the designs and bill of quantities for the auction yards is in progress; (iv) Two private auctioneers and 12 marketing officers were trained on auctioneering and 22 marketing officers on livestock marketing.

The approach to slaughter slabs development should be towards simple slabs, (with no cold room facilities), that focus on hygienic slaughter, hide preservation and improved waste management. The progress on livestock auction yards rehabilitation has been slow, but is now picking up with designs. Some auctions have been run that have indicated a willingness by farmers to sell animals through them.

Actions	Responsibility	Deadline	Status
TORs for the development of a feasibility study, a business plan, and technical support to create the commercial department within the LNWMGA, operating the revolving funds and the exchange program as a business, are published internationally.	Consultant/component B manager	30/10/2019	Agreed
Finalisation of the culling and exchange manual	National and international breeder experts/ component B/LNWMGA	30/09/2019	Agreed
Prospection of potential meat buyers (culling and exchange programme) within the country	National and international breeder experts/ component B/LNWMGA	30/09/2019	Agreed
Increase number of construction supervising engineers/clerk of works.	PD/ Engineer	/2019	
Fill the position of Component C Manager	PS/MSCM	October 30	Agreed
Organize a meeting with PFOs to discuss their operational challenges and how to integrate them in PCU	PD	October 30	Agreed

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Previous rating: 4

Justification of rating

Implementation of the planned activities is in progress. The project activities being implemented under components B and C have advanced significantly. However, delays in the tender process remains an important bottleneck for the implementation of activities under these components. The project has reached out to only 20,980 beneficiaries against the project target of 185,000. Development objective indicators were accessed for the MTR and the 'resilience increases (MPAT index # 9) by year 7,' was the only one that reached the target established for the MTR.

Log-Frame Analysis & Main Issues of Effectiveness

Log-Frame Analysis & Main Issues of Effectiveness

Output A1: This output was reported as achieved by the last mission. The project target for establishing 10 biophysical

baselines for rangelands and grazing areas has been achieved.

Output A2: During the last mission, the project reported that 61 groups were supported to sustainably manage natural resources and climate-related risks against a project. However, after thorough analysis, the current mission noted that none of the reported groups were actually supported. The project targeted 200 groups, but the actual achievement was zero. The project reported that 5,395 individuals (which represent 11% of the project target to engage 50,000 individuals) were engaged in NRM and climate risk management activities or formulating environmental management plans training (PICSA training).

Output B1: A total of 276 persons have been trained in production practices and/or technologies against an appraisal target of 10,000 (which represent 3% of the project target). No community livestock extension workers have been trained thus far, with the activity being postponed to next year.

Output B2: A total of 904 sheep and 206 goats were procured for the national elite breeding flock, which represent 60% and 26% of the project targets, respectively.

Output B3: A total of 246 community animal health workers were trained, which represent 39% of the project target, out of which 74 were female and 172 were male. There is no progress thus far on the disease surveillance activity.

Output C1: This output did not progress since the last mission. A total of 173 SSAs have been trained in enterprise management, surpassing the project target of 147; however, no business plans have been completed yet. Additionally, 223 persons (SSA committee members) have been trained in income-generating activities or business management against the appraisal target of 473. The infrastructure activities have started; 22 shearing sheds and 20 km of roads will be constructed by the end of the current planning year. The tender process for the rehabilitation of the shearing sheds will be closed by the end of September 2019.

Output C2: A total of 166 persons were trained, surpassing the project target of 160, out of which 118 were female and 48 were male.

Output C3: No district slabs have been constructed or rehabilitated. The expression of interest for engagement of the private sector to operate the two slabs was open and it will be concluded in the next month. No auction sites have been constructed. BoQs for the auction sites construction are on progress.

Theory of Change: The project rationale remains valid, and the theory of change is aligned to the project rationale, with outputs clearly linked.

Changes to Logframe: The logframe required adjustments in 2 indicator values, namely: Sharing shades constructed, Persons receive training in wool and mohair processing, product design, and bookkeeping.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Prepare shearing shed development plans	PD/Comp. C	03/2020

Development Focus

Targeting and Outreach

Rating: 3

Previous rating: 3

Justification of rating

Targeting remains moderately unsatisfactory. The project focuses a lot on implementation of delayed activities, and has yet to increase its focus and reporting on pro-poor benefits of the project. While the targeting strategy developed in 2018 is understood and accepted, limited progress on its implementation was observed. Having said this, PICSA is applied at SSA level as recommended in the last mission, and the animal feed and drug supply reached small producers, too. Geographically, the project remains active in the poorest areas of the country, and hence has a good potential to improve livelihoods of those in need.

Main issues

The project will need to increase its attention and implementation towards poorer producers. The breeding programme, through elite-breeders as multipliers will eventually have significant impact on smaller/poorer producers, who are buying significant share of rams bred by project benefiting ram-breeders. However, this needs to be better documented. The establishment of grazing associations and project financial support to equip them with required tools, public investments (water points, etc.) and training will further increase pro-poor participation in the project and bring up outreach. PICSA is delivered to farmers/producers of all income levels and shall also have significant benefits for poorer and female producers, as well as youth. The current M&E formats only capture this to a limited extent and the project might need to issue periodic mini-surveys to capture more significantly these effects - especially in preparation of project completion, starting from 2021.

Agreed Action	Responsibility	Agreed Date
Implement the targeting strategy Adhere to the targeting strategy during project implementation	PCU	12/2018

Gender equality & women's participation

Rating: 4

Previous rating: 4

Justification of rating

The programme's gender and targeting strategy emphasizes gender mainstreaming in all the project interventions. The implementation of this strategy has recorded satisfactory achievements. Most project activities in the project components have included participation of men, women and youths. Components A and B successfully reached a significant number of women in training activities, such as PICSA (ToT 65% and 55% of farmers) and CAHWs (30%), respectively. The establishment of new grazing associations under sub-component A2 offers an opportunity for WAMPP to increase outreach to women, including participation in leadership positions. As stated below, there is also an opportunity of an increase in women and youth participation under Component A and C.

Main issues

New grazing associations will be encouraged to have at least 30% women, and to achieve gender balance in management committees. Component A also includes one sub-component which is focusing on cottage industry, specifically targeting women and youths. Under Component C, women are trained and involved in classing and recording activities in the shearing sheds, while shearers are exclusively young men. Women also hold leadership positions in management committees of shearing shed associations, although in most cases they are much fewer than men. Going forwards the SSAs should be encouraged to include more women in their committees. Women participation in WAMPP supported trainings in shearing shed management was relatively low (approx. 20%), which suggests that women's representation in SSAs' committees could be increased.

The PDR envisages 50% women involved in rangeland management planning. Considering that women are currently underrepresented in SSA and GAs, this target seems overambitious.

Agreed Action	Responsibility	Agreed Date
Encourage women participation in the newly formed GAs and VGS (in order to access project support, at least 30% women, both among members and management committees)	Component A head	12/2018

Agricultural Productivity

Rating: 5

Justification of rating

During MTR the mission observed that the project has achieved significant increase in wool and mohair quality and quantity, including improved breeding stock. As a result of project interventions such as affordable feeds and medical drugs, farmers harvest around 3.5 kg of wool per sheep, and around 0.85 kg mohair per goat surpassing Lesotho's average yields of 2.63 kg and 0.75 kg. Both wool and mohair yields performed very well against the PDR target range of 2.64 to 3 kg and 0.75kg to 1.0 kg for wool and mohair respectively, in less than three years of project implementation in contrast to the 7 year goal. It is therefore evident that WAMPP activities contribute to the increase in agricultural productivity or production in the project target area.

Main issues

In the light of declining subsistence agriculture due to unaffordable cost of inputs, evident soil erosion, frequent droughts resulting from extreme climatic conditions, decreasing arable land, devastating AIDS pandemic among others, WAMPP's interventions include capacitating LWMGA in procuring feeds and medication for sheep and goats. As a result of affordable feeds and medical drugs i.e good health and nutrition there is a marked improvement in the quality and quantity of wool and mohair produced by farmers in the project areas.

From selected interviews, the mission learned that despite the new marketing regulation has impacted their revenue. One of the most successful farmers reported that through the intervention of the project, the yield of wool has increased substantially from 2400 kg to 2800kg while the revenue received conversely reduced from 300,000 Maloti to 200,000 Maloti.

Nutrition

Rating: 3

Justification of rating

Following the FNG analysis in Lesotho, the project made efforts to retro-fit nutrition sensitive interventions into the AWPB. These are still to be implemented, yet some first discussions indicate realistic focus on Social Behaviour Change Campaigns (SBCC) in partnership with WFP Lesotho. In addition, the KM officer plans to increase engagement with national champions for the nutrition agenda. The next mission will need to evaluate the progress on these activities.

Adaptation to Climate Change	Rating: 5	Previous rating: 4
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Justification of rating

The MTR rates adaptation to climate change as moderately satisfactory due to a combination of i.) the project's strong focus on adaptation and climate resilience, ii.) the considerable measures taken to improve the resilience of local communities, and iii.) the improvements made in planning to fast-track implementation of activities over the next 6 months, though with slow implementation. Hence the change in rating.

However, WAMPP's relevance in regard to adaptation to climate change remains valid, corroborated by the fact that its overall objective and activities are still structurally aligned with the policy objectives of the Lesotho National Climate Change Policy 2017-2027.

Main issues

The project continues its progress towards improving the resilience of local communities, but still faces challenges in regard to the implementation of on-field activities. Nonetheless, there appears to be an effort to ensure more robust planning, and the preparation of a 6-month Recovery Plan for GAs works toward a rapid implementation in the immediate future – thereby being able to then monitor and support the multiple climate adaptation measures that will be promoted by farmer groups (GAs, FOs, Shearing Sheds, etc.). Therefore, the expectation remains for an increased household resilience stemming from improved agricultural practices, access to improved climate information services, diversified income sources, and increased adoption of adaptive practices.

Establishment of national rangeland monitoring systems based on the Land Degradation Surveillance Framework (LDSF) has been completed in the first 10 sentinel sites. As a logical follow up, the DRRM Unit assigned will be supported with the procurement of IT infrastructure, which includes remote sensing material. This will serve also for the upcoming (no cost) exercise relate to the additional 10 sites, where only imagery will be acquired (expected for February 2020). The work will then focus on (i) Plot Level Observations (Land use, Rangeland health, Topographic position, Land-use history, Slope, Composite soil samples); and (ii) Subplot level observations (Woody cover rating, Tree & shrub densities, Visible erosion).

Nine (9) DRRM technical officers participated in this workshop which was held in Kenya in August, 2019, covering key concepts, methods and applications of LDSF data analysis remote sensing which recapped the previous workshops.

Last, looking as sustainability, the project and DRRM team will be linking with the user-lead design of a 'decision dashboard' (Lesotho Dashboard) as a central location to view and interact with information and data.

The Rangeland assessments have been completed for 19 of the 42 sites, and the project expects to complete the remaining 26 assessments by February 2020.

The University of Reading contract has been extended, and though activities with LMS lacked a certain robustness in their implementation, the MTR registers a strong appetite and interest from smallholder farmers and producers in the Participatory Integrated Climate Services for Agriculture Approach (PICSA). For this, provisions of a dedicated budget for AAs have been made to further support the activity in reaching the aspired target of 50,000 farmers trained, moving rapidly with a 6-month delivery of all trainings to farmers. The 195 officers trained under Trainings of Trainers (ToTs) on PICSA will be rolling-out the training in the 10 Districts, ensuring groups of no more than 30 participants. This is a solution thought to answer the heavy work burden of extension staff, and provide the necessary follow up and sound targeting strategy - with budget provisions made for a 6-month follow up to the first round of training.

The MTR suggest LMS continue providing information to WAMPP and Component A, both from weather stations and the rain-gauges/thermometers installed (for which installation must be concluded by October 2019) – linking this data to PICSA trainings, and making it available to all AAs.

Under Components B and C, activities such as fodder trials and the design of climate-smart infrastructure for the shearing sheds (e.g. elevation, water harvesting, etc.) also positively showcase the projects climate-adaptive activities.

Analysis of Greenhouse Gas (GHG) emissions is still not possible as activities have not fully commenced on-field, but the MTR positively registers that the MPAT socio-economic indicator on resilience has grown by two points since the last mission.

Agreed Action	Responsibility	Agreed Date
Rain gauges and thermometers Complete installation of rain gauge and thermometers remaining (145)	WAMPP Component A Manager/ LMS	10/2019
Complete Rangeland Assessments in remaining 26 sites	Component A Manager/ DRRM	02/2020
Complete LDSF activities in remaining 10 sites	Component A Manager/ DRRM	02/2020
Complete procurement of pending items (LDSF IT material, etc.)	Procurement Officer/ Component A Manager/ WAMPP	10/2020

b. Sustainability and Scaling up

Institutions and Policy Engagement

Rating: 3

Previous rating: 5

Justification of rating

Overall, engagement of various institutions at national and district level, including public institutions, private sector and universities is an important feature to ensure sustainability of WAMPP. At national level implementation of WAMPP components is integrated in the government's line ministries, to ensure continuation after the project closes. In addition, the three component Managers at PCU are seconded from the line ministries for the same purpose. At community level WAMPP is focusing on establishing and strengthening local institutions such as grazing associations, rangeland management association, headers associations and wool and mohair shearing shed associations, which spearhead the implementation of WAMPP activities, including strengthening of community ownership.

Main issues

Background

The programme design provided key features for enhancing sustainability at different levels. WAMPP interventions under the three technical components are implemented with engagement of local institutions, such as Grazing Association (component A) backed up with legal and policy framework and capacity building interventions for sustainable engagement. Under component B, the LNWMGA has played a significant role in community mobilization through the shearing Associations; identification of interventions, implementation and supervision of WAMPP activities and representation of its members at national level; and policy and legislation dialogues for wool and mohair. Financial contribution from the association towards the project is key to beneficiaries' ownership and sustainability. In addition a participatory planning approach for interventions such as rangeland management in component A through the GAs has been adopted for delivery of programme activities to enhance sustainability.

The breeding programme under component B, for example include on-farm breeding with farmer involvement in selection and improvement of merino sheep breeding. The breeding programme is reviving two government owned breeding studs for Merino sheep and Angora goats, leased to the LNWMGA. WAMPP has made substantial investment in the two studs. For sustainability the LNWMGA need to develop business plan for the two farms to ensure that they are run as a business that generates adequate returns to investment (ref. to component B).

Overall, engagement of various institutions at national and district level, including public institutions, private sector and universities is an important feature to ensure sustainability of WAMPP. At national level implementation of WAMPP components is integrated in the government's line ministries, to ensure continuation after the project closes. In addition, the three component Managers at PCU are seconded from the line ministries for the same purpose. At community level WAMPP is focusing on establishing and strengthening local institutions such as grazing associations, rangeland management association, headers associations and wool and mohair shearing shed associations, which are essential not only for spearheading implementation of WAMPP activities, but also for building community ownership of the interventions. In addition, substantial programme resources have been invested in building capacities of rural institutions. Beneficiaries such as shearing she associations have received training in various aspects to strengthen their capacity to manage and operate their activities in order to empower them and strengthen sustainability. District extension staff and farmers have received training under component A2 for PICSA to allow institutionalization of the approach in the government extension system.

Main issues

While the project has taken up the task of influencing policy and regulatory work, the progress on the range-land management act is slow. Cabinet approval has not yet been granted to reform the act. Consultations with the principal chiefs during the MTR mission indicated a lack of broad-base consultation, though the project credibly provided evidence that some chiefs have been consulted in 2018 on the intended reform. In going forward, the project team is required to have a more strategic engagement on the range management act with stakeholders at all levels.

The project was affected by the changes in the Wool and Mohair marketing regulations, and the various project parties, namely the line ministries agriculture and small business, as well as the growers association played a key role in the implementation of the new regulation. The project could have played a more proactive role in steering this process. Yet, it is reputable that the PMU and the respective line ministries maintained strong relationships despite some political tensions around this reform process. The MTR mission hosted a round-table event where parties came together and shared main learning from the reform. The PMU is tasked to support the follow-up of these points.

Overall, the project – in line with comments on the KM strategy – has failed to prioritise areas of political influence and strategically endorse change in those. Appropriate medium term planning of interventions, including field visits of MPs to relevant sites, analytical work feeding into government discussions and facilitating meetings with relevant stakeholders, including rural producers and their organisations can be part of a menu going forward.

Partnership-building	Rating: 3	Previous rating: 3
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Justification of rating

WAMPP design registered several partnerships, including trade partnerships within wool and mohair industry under component C. Wool and Mohair brokers such as BKB, a South African wool and Mohair broker who played a key role in linking smallholder producers with market and facilitate access to finance and improved technologies in partnership with LNWMGAs, has contributed significant outcomes towards achievement of programme objectives. The programme also has brought in private partners to support implementation of various WAMPP activities. Partnership with private service providers like Basotho Enterprise Development Corporation (BEDCO) have been established to support WAMPP activities such as training of beneficiaries. An NGOs will be recruited soon to partner with Ministry of Forestry in establishment and strengthening grazing associations under component C. In addition the programme implementation arrangement is designed to foster partnerships between various implementers at national level (line ministries), through PSC and local level (District Administrations) through DPCCs.

Main issues

Partnership between government institutions, local governments and farmers through LNWMGA have been critical in implementation of WAMPP. However, the relationship between the Ministry of Agriculture and Food Security (MAFS), the lead agency for WAMPP and the MFRSC Department of Range Resource Management (DRRM) has experienced long standing operational challenges which have contributed to sluggish implementation progress for component A and achievement of tangible results. The MTR mission devoted substantial time to find lasting solutions to rebuild this critical partnership (see details in Component C).

The new wool and mohair marketing regulations in Lesotho has had a very significant negative impact on the capability and capacity of the LNWMGA's contribution to the WAMPP. The transition period to new regulation which led to de-registration of BKB as a broker resulted to several trade disruptions and delayed cash flow to farmers and the LNWMGA. The process to re-issue licence to BKB registration of new brokers is expected to lead to competition and restoration of healthier trade partnerships and benefits to WAMPP's target groups. Especially, under the previous broker and regulatory regime, the LNWMGA was collecting 2 cent / kg of wool/mohair shorn in each shed. This cash was their main income base and is currently not collected, negatively affecting the financial status of the association.

Partner Name (may also include networks, multi-stakeholder partnerships etc.)	Details of partnership <i>Indicate whether NGO, INGO, UN agency, Government agency etc. Is the partnership based on written agreement? Provide any additional details about the partnership</i>
Co-financing partnerships	
Lesotho National Wool and Mohair Growers Association	LNWMGA is a co-financing partner in WAMPP and implements significant parts of the project activities. It plays a key role in managing and rehabilitating the two national breeding studs. There is a MoU between the project and LNWMGA.

KM and Policy partners	
National University of Lesotho (NUL)	NUL is a partner and service provider in the project and supports the development of climate adopted fodder species, as well as maps for the rangeland.
Private Sector	
LNWMGA	As.above

Human and Social Capital and Empowerment **Rating: 4**

Justification of rating

Development of social capital and empowerment of beneficiaries is integrated in the programme design and implementation approaches through self-managed wool and mohair producer associations namely at different levels (Searing Shed Associations, District Wool and Mohair Growers Association and LNWMGA); cottage industry and Grazing Associations. These are critical for social capital development , ensure cohesion among project beneficiaries to support collective actions and support and sustain programme activities. In addition, skills from trainings to programme beneficiaries have resulted in both economic and social empowerment among programme beneficiaries, especially for women and youths.

Quality of Beneficiary Participation **Rating: 4** **Previous rating: 4**

Justification of rating

Under component A , beneficiaries participate in the project through their local grazing associations while under component B they participate through their respective growers associations. These associations are inclusive and willing members join and participate in the activities freely. The MTR field visits revealed that some community members who have not formally subscribed to be grazing association members participate in the roster of activities for the project organised by the associations.

Main issues

Both the grazing associations and the growers associations require their members to make regular stipulated contributions to the association. The mission noted that the contribution structure and the activities undertaken by each association are quite diverse and unique to the needs of each particular community. During the MTR mission field visits, a community member from some distant village without a grazing association came to the meeting to express their interest for WAMPP to facilitate formation of grazing association in their village signifying local ownership of these structures.

However, the Mission noted that the PFOs who are working at the grassroots level do only feed back in a limited way into the national planning sessions with lessons from the ground. The mission recommends that this planning feedback loop should be enhanced for full beneficiary participation.

Responsiveness of Service Providers **Rating: 4** **Previous rating: 5**

Justification of rating

The partnership with the National University of Lesotho (NUL) has been fruitful. For component B, NUL established fodder trials and demonstrations in two control sites and assessed the status of the national flock (sheep and goats). It also conducted research on the prevalence of internal and external parasites. Meanwhile, the international breeder expert was engaged in April 2019 and delivered the first draft of the National Breeding Program. Also, the breeder expert assisted in the selection and procurement of the improved breeding stock. Other service providers included MAMAC, BEDCO, MSBCM and Grootfontein College of Agriculture

Main issues

For component C, MAMAC was the training provider for shearers. Negotiations with MAMAC for shearer training **took longer than expected** because of the high course charges, which resulted in delays in the training schedule. Additional trainings at the shearing shed level (classing and recording) was provided by MSBCM. The trainers received training on advanced wool classing from Grootfontein College of Agriculture.

BEDCO is providing training for commercial and enterprises management for the shearing sheds and cottages industries, and its service is satisfactory. However, the follow-up of BEDCO is lacking, which can affect the effectiveness of the training. During the mission, it was identified that the targeting for the design training was not appropriated. Majority of the trainees were not familiarized with the industry or given access to equipment or inputs to start their production.

Environment and Natural Resource Management **Rating: 4** **Previous rating: 5**

Justification of rating

Though, as per the last mission, no tangible improvements have been made in the environment or the natural resource base in the project target area (hence the change in rating), the preparatory work appears to be translating into achievable results and implementation plans. The MTR confirms the environmental norms have been followed for most project activities and no negative impacts on the environment have been noted as a result of project implementation thus far.

Main issues

Component A has the ambition and potential to truly drive the ENRM activities in the project, and the field visits undertaken during the MTR speak directly to the vast potential the rehabilitation of the rangelands will have. Brush control was verified in the Foothills and Mountain Tops, and cut-&-carry and rotating/resting of plots is already being practiced by some active GAs in the lowlands (*lowveld*). It is important to consider that in some cases, Grazing Associations may well include up to 8-10 villages, easily expanding over thousands of hectares. Therefore, managing the quality of the Environment Management Plans that will be developed for each of the 200 GAs is topical, ensuring these speak not only to the environmental governance structure – but also provide robust and implementable solutions that follow up to the previous community awareness process, and provide answers to the GAs ambitions.

In regard to the Rangeland Management Act, the project now has 2 drafts that will have to immediately be merged into a final one. In the meanwhile, the MTR suggests that new consultations be scheduled with all relevant stakeholders (by November 2019), ensuring buy-in on the draft prior to the submission to Cabinet, and the obtainment of all necessary concurrences.

Agreed Action	Responsibility	Agreed Date
Obtain concurrences for Rangeland Act	WAMPP/ DRRM	11/2019
Schedule consultations with relevant stakeholders	WAMPP/ DRRM	11/2019

Exit Strategy **Rating: 3** **Previous rating: 3**

Justification of rating

The project's approach to project exit is moderately unsatisfactory at this stage. A range of activities have elements of in-built sustainability, which is notable and very positive. Shearing sheds are operated and maintained by shed associations and they are in general able to sustain these important structures for several decades, as the many existing sheds from the 1960s and 1970s indicate. Yet, major issues of post-project sustainability prevail. The rehabilitation and operation of studs still mainly relies on project funding with a significant monthly wage bill for 11 staff at each of the two studs. Similarly, culling and exchange programme and the two revolving funds are not yet sustainable.

Main issues

The breeding programme is robust from a breeding perspective, and the studs management is operating satisfactory, though Mokhotlong still needs to stock more animals and sustainable access of water is currently a challenge at Quthing stud. The project exit in activities under component B, namely the breeding programme, the culling and exchange programme, the revolving fund for fodder and the one for medicine is not clear formulated and important dimensions of business viability are unclear today. Appropriate financial structures, with designated bank accounts in the name of the association are put in place, yet are currently not fully utilised. Strong government interference in the past year - partly as a political move to calm producers in the absence of service provided by the past broker from South Africa - around animal dipping after shearing prove not to be sustainable, given the challenges to process these services in a timely manner.

Work with cottage industries has started, yet continuous supply of adequate design and potential formalise links with larger buyers and remunerative markets are yet to be established. Maintenance of structures, such as the slaughter slabs, wool testing laboratory and IA center remain with government, which poses a risk on availability of funds for their maintenance.

Capacity building measures, such as training in PICSA, support to grazing associations, support to CAHWs, classers and shearers and cottage industries, currently paid for by the project are only partially likely to continue. While this is not necessarily a weakness, the project so far has not developed a plan on which activities to phase out, and which to continue under what modality.

The mission recommends to project to start developing an exit strategy, building up from each component and consider each activity with a timeline for phasing out project-financed activities and answering how the activities and structures can be sustained beyond project duration. Given the status of implementation, this is not the most urgent activity, but should be developed by June 2020, to allow 2 years of implementation of the project exit strategy. The project could engage a facilitator to support this process, if required.

Agreed Action	Responsibility	Agreed Date
Activity-wise timeline for project exit and hand-over Develop WAMPP exit strategy outlining activity-wise timeline for project exit and hand-over, including clear responsibility and month, plus additional budget needs post-project and indicative source.	PMU	02/2020

Potential for Scaling-up **Rating: 3** **Previous rating: 4**

Justification of rating

The project contains elements that have significant potential for scaling up. The breeding programme under component B will eventually become the national pillar of animal breeding and could transform the wool and mohair production in terms of quality and productivity. The participation of the LNWMGA in operational and management of the two breeding studs for sheep and goat breeding offer opportunities for taking to scale the improved sheep and goats to larger number of wool and mohair producers. Training of PICSA through ToT approach provides room to scale-up this approach countrywide and its integration in the national extension services. Though the roll-out of PCSA is lagging behind there are prospects for accelerated scaling up through the trained extension staff. For this to happen resource allocation needs to be increased to support the roll-out process.

c. Project Management

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

Justification of rating

The MTR mission confirms that the programme management and coordination structures proposed at the design of WAMPP are still valid and adequate to support WAMPP implementation at national and district levels. The Programme Steering Committee (PSC) has continued to provide policy and strategic guidance to PSU and line ministries; unlock implementation hindrances and ensure that WAMPP is on track towards achievement of its objectives; and approve AWPBs. The Project Consultative Technical Committee (PCTC) provides technical and operational support to project implementers and the Infrastructure Oversight Committee (IDOC) has remained active in facilitating the implementation of infrastructure development activities.

Main issues

Despite the initial delays in setting up a full PSU the MTR mission noted some improvements in project management. All the vacant positions in the PCU have been filled, including the project accountant, assistant M&E officers, project engineer, clerk of works, etc. The project coordination mechanisms at district level, such as Field Implementation Teams (FITs) and Districts Project Coordination Committees (DPCC) are in place and fully functional under the administrative leadership of District Administrators (DAs) and technical leadership from District Agriculture Officer (DAO) and other technical departments. The recruitment of Projects Field Officers (PFO) for all 10 districts has been completed and integrated in the District structures where they serve as frontline coordinators of WAMPP.

The mission observed gaps in the following aspects: (i) technical linkages across line ministries and between the project components - this has resulted in operational silos and lack of harmonization, and delays in implementation of project activities; (ii) communication /flow of information between project implementers at national level and local levels; (iii) delays and inconsistencies in flow of funds to respective project implementers; (iv) full integration of PFOs in the PCU structures for planning of project activities. In addition, PCU has recorded high staff turnover over time. The Manager for component A, and Financial Manager are new, replaced the incumbents who were recalled by the line ministry and resigned, respectively. The Manager for component C was recalled back to the MSCM just before the mission. This situation continues to be a challenge to technical and operational continuity and implementation progress of WAMPP activities, posing a major risk to the achievement of the objectives of the programme.

The MTR mission recommends that (i) to enhance PCU staff retention decision to remove staff member should only be performance based and justified staff changes should be assessed and endorsed by PSC, with proper overlap plans to allow business continuity ii) activities in the three technical components should be planned jointly, involving all technical staff and PFOs in order to improve component synergies and interlinkages at operational level; iii) development of AWPB should start from district level to assure "fit for purpose" (iv) revisit composition of FITs to ensure inclusion of all the relevant implementers, such as AEOs, ATO, AAS, GCS to enhance information flow to and from districts to Resource Centres; (v) PFO should be better integrated in the programme, provided with adequate operational resources, encouraged to bring lessons from the ground to feed into planning of operational activities at national level.

Agreed Action	Responsibility	Agreed Date
Grant no-objection to several pending requests according to priorities	IFAD	03/2019

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

Justification of rating

The project has a dedicated and very qualified KM officer. WAMPP produces a range of knowledge products, ranging from brochures and short articles to radio and television contributions. In addition, a range of publication material in terms of hats, T-shirts and calendars were produced and distributed. A Logo was developed and is implemented. K&M should be used more strategically on specific thrusts and themes to support project implementation in key areas, and contribute to behavioural change, public awareness and buy-in in intended reforms at the sector level.

Main issues

The KM strategy is impressive, and lists all necessary elements. Implementation seems a bit more opportunistic. Media reporting, posting on Facebook and presentations in TV, together with communication and dissemination events at community gatherings are effective and raise WAMPP profile in the past two years. In terms of supporting project objectives, a lot of communication went into sensitisation about the culling and exchange programme. Yet, there is limited strategic focus on the project core themes as outlined in the KM strategy.

It is desirable to prioritise selected areas for KM interventions. The project would benefit from strategic planning of various communication products to reinforce messages and reach desired behavioural change of value chain actors. For example, up-take of electric shearing equipment is very low, and while practiced extensively in South Africa few kilometres away, demonstrations did not happen so far. Similarly, the importance of community based rangeland management and dissemination of proven success case in Lesotho (some GAs going back to the 1980s and covering more than 30.000 ha of range land) did not happen. Similarly, animal feeding, breeding and stock-management practices are not widely communicated to support intended improvements of the project.

KM is budgeted in the AWPB and activities are mostly executed. The KMO is also supporting project implementation and acts on behalf of component leads, if they are absent / positions vacant. He hence has excellent knowledge of the various project activities and frequently travels to the field, and excellent precondition for strong KM in the project going forward.

Agreed Action	Responsibility	Agreed Date
Field monitoring visits for data verification When going to collect stories from the field, the KM officer also double-checks on the ground information on activities and results provided to the M&E unit.	M&E/KM	01/2019
Sensitisation on sustainable rangeland management Increase radio programmes for sensitisation on the importance of sustainable rangeland management	KM officer/ DDRM	04/2019
Development of a step by step implementation plan Develop a step by step implementation plan for rolling out of dissemination of results on livestock breeding, nutrition and health practices research being carried out by NUL for the result to reach out to all sheep farmers	KM&C Officer	09/2019
Priority areas for KM engagement Develop list of 3-5 priority areas for knowledge management engagement to support project achieving sector transformation, prepare scaling-up and adoption of innovative activities.	KM Officer	10/2019
Commercial department within the LNWMA Development of feasibility study, business plan and technical support to create the commercial department within the LNWMA operating the revolving funds and the exchange programme as business.	Component B Manager	

Value for Money

Rating: 3

Previous rating: 4

Justification of rating

The project design shows good return on investment. The outreach is significant and potential transformation of the sector, specifically through the targeted and significant investment in the national breeding plan, which will translate in higher producing animals over the coming decade should pay off. However, at current stage of implementation and with de-facto limited outreach, the operational costs of the project are relatively high. Expenditure under PMU and related activities are significant while project progress on the ground is only catching up.

Main issues

The MTR mission assessed costtabs from design and found significant increase in most infrastructure investments. Yet, investments of about 105000 USD per shearing shed for structures with expected 50 year life duration are reasonable. Similarly, significant investments in rehabilitation and operation of the two breeding studs will pay-off and first auctions of locally bred animals in early 2020 show first returns on these investments. PICSAs trainings had significant up-front investments in ToT and through international TA to the country and various implementing partners. First impacts from farmers that adopt their planting cycles based on the training are observed and the roll-out to scale and the expected target of 50.000 producers will justify the high up-front investments of about USD 1.5 Mio (i.e. 300 USD/beneficiary). Culling and exchange programme has yet to start rolling out, but initial costs estimates show a subsidy per beneficiary of about 200 USD, which would be reasonable given the expected dual gains from improved genetics and animal production and the reduction in stock-size and pressure on rangelands. The only un-reasonable investment to date seemed expensive trainings for youth in the cottage industry, where 2-week trainings in local hotels accumulated too expensive exercises with little observable up-take after the trainings. The mission hence recommended to discontinue this approach.

Coherence between AWPB and Implementation

Rating: 3

Previous rating: 2

Justification of rating

As at MTR, the programme had utilised 34% of the allocated programme budget of US\$38.9 million and achieved 31% (weighted on sub-component budget allocation) of the programme outputs. WAMPP has reached out to 5,197 households representing 10% of the 50,000 targeted households. The low programme performance as at MTR was largely due to the

slow implementation of activities in climate smart rangeland management (Sub-component A 2) and delays in commencing infrastructure projects

AWPB Inputs and Outputs Review and Implementation Progress

Component A: Achieved approximately 83% of planned activities under A1 and 4% under A2 by MTR period against programme activities. Activities to support 200 GAs have not yet started partly due to poor coordination between DRRM and the PCU. The mission recommended that a 6-months recovery strategy be developed to fast track implementation of the A2 interventions noting that sustainability of the economic activities for smallholder farmers supported through WAMPP largely hinge on improved rangeland management.

Component B achieved approximately 4% of planned activities under B1, 31% under B2, 62% under B3 by MTR period against programme activities. Rolling out of B1 activities has been affected by delays in training CLEW who were expected to train farmers in livestock production practices and technologies.

Component C achieved approximately 38% of planned activities under C1, 21% under C2, 22% under C3 by MTR period against programme activities. Although construction of SS has commenced, the quality of infrastructure is being compromised and the mission recommended that PCU come up with effective strategy for supervision of infrastructure to meet technical specifications. Although construction of SSs has picked up, the other infrastructure regarding maintenance of feeder roads is very slow.

As for expenditure by sub-component, A1 had almost exhausted allocated budget at 96% at MTR. On the other hand, A2 was the least at only 4%. Other sub-components (B1, C1 and D2) utilised almost half of the allocated funds while B3, C2, C3, and D1 utilised about 20% each.

WAMPP Cumulative Physical Progress against Budget Utilisation by Sub-Component by August 2019 (%)		
Subcomponent	Budget utilisation	Physical Progress
A1 - Effective information for climate smart rangeland management	96%	83%
A2 - Climate smart participatory rangeland management	4%	4%
B1 - Improved livestock nutrition	50%	4%
B2 - Improved livestock breeding	31%	31%
B3 - Improved animal health	23%	62%
C1 - Value chain based enterprise enhancement	46%	38%
C2 - Cottage industry and niche market development	21%	21%

C3 - Promotion of livestock auctions and district slabs	22%	22%
D1 - Coordination, Knowledge Management and M&E	18%	18%
D2 - Project Coordination Unit	48%	48%

Regarding the 2019/2020 budget, the mission noted that the annual budget of US\$20 million was too high to be spent in one year and therefore unrealistic for a US\$38 million programme. The mission therefore advised PCU to improve on the process of reviewing activities and costing once components submit their respective annual plans and budgets.

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

Justification of rating

The project has a comprehensive MIS that enhances M&E functions that assist in the preparation of automated AWPB, progress reports, ORMS reports and updated project logframe. The system was set up early this year and the programme has made good progress in populating the MIS with the assistance of the new M&E Assistant. However, the mission noted that there were a number of inconsistencies in the data generated against what was verbally reported by Component managers. Thus despite the celebrated installation of the MIS in the last supervision, PCU has challenges in validating data in the MIS. The project produces timely regular progress reports. The mission advised PCU to carry out critical analysis of the M&E reports as a basis for adjusting strategies to improve programme delivery.

M&E System Review

MIS System PME/MIS is an Access Database system built around 7 registers: 1) institutions register, 2) beneficiary organizations register, 3) AWPB register, 4) AWPB implementation register, 5) outputs register, 6) Outcomes/impact register, and 7) knowledge management.

As part of the system the results management framework is aligned with the project ToC. The framework includes indicators as specified in the logframe and other indicators that are part of the M&E system. All indicators are gender disaggregated and allow for analysis by district.

The MIS is a very powerful tool and quite comprehensive and thus the mission encourages the project to fully utilize the software for all M&E related aspects as well as the AWPB preparation. To avoid inconsistencies in data on same parameters but from different sources, the mission recommends that the existing MIS be the only source of data/reports. PCU should also ensure that PFOs have access to the system, and input data directly to the system for efficiency and accuracy. Currently the PFOs don't have access to the system due to delays in the procurement of computers.

The project team has not adequately carried out field monitoring visits to validate reported progress and provide vital technical backstopping. In cases where field exercises are conducted, the mission noted that such field visits are not well designed and miss out some obvious challenges that if identified could have assisted PCU to make effective recommendations/strategies to address the challenges. The poor coordination among component managers and other key PCU staff in planning and assessment of progress was also observed.

Reporting Quarterly, semi-annual and annual progress reports are generated by the MIS system, which is managed by M&E Officers, mainly in the form of tables, and the project prepares the narrative sections for the reports with some comments. PFOs send reports to component managers on regular basis and the component managers have access to the MIS through their computers that are linked to the MIS.

Project reports are adequately disaggregated by gender and very little by youth.

The mission noted that PCU has introduced regular critical reflection meeting that bring together key project staff including PFOs to review project performance. The mission noted that the meetings do not go deep enough to come up with practical solutions to speed up project delivery.

Outcome monitoring The project has started reporting only on a few immediate outcomes and is yet to begin reporting on main project outcomes, as reflected in the logframe due to late start of implementation. The MTR was compromised due to lack of outcome data since the two studies (assessment of trainings and marketing study) that should have been carried out to form basis for MTRs, were not carried out due to procurement technicalities. The mission advised the PCU

to fast track the two studies as well as plan to conduct annual outcome surveys.

Knowledge management It was noted that progress reports presented to the mission e.g. “MTR report” did not contain a section on lessons learnt. The project was advised to engage component managers and PFOs to isolate and document lessons learnt in regular progress reports or publish them in separate documents. Since the M&E and KM officers share same office this allows regular communication and is conducive to operationalize linkages between KM & M&E products.

Staffing An M&E assistant has been hired and assisting the M&E officer in managing the MIS.

Agreed Action	Responsibility	Agreed Date
Review of ToRs Review of ToRs for sector reform analysis and tendering internationally & adjust Assurance of Learning (AOL) methodology for Lesotho/WAMPP context and prepare tender	M&E Officer	10/2019
System upgrade to incorporate System upgrade to incorporate unique identification of households and beneficiary farmers to avoid double counting	M&E Officer	12/2019
Regular data validation sessions Conduct regular data validation sessions with Component managers to avoid data inconsistencies	M&E Officer	
Periodical updates of the MIS system and data back-ups	M&E Officer	

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

Rating: 4

Previous rating: 5

Justification of rating

The project is entering a key moment in its implementation, with many upcoming activities. Under Component A, the work with GAs will require solid monitoring of ecosystem health of the rangelands, but also reducing the climate vulnerability of the target groups through the promotion of PICSA trainings. Under Component B and C, various infrastructure projects will be prompted, and the project team and Component Managers will have to ensure the respect of environmental and social standards (through ESMPs and EIAs) and safety health conditions for workers (SHE) in the shearing sheds, slabs, etc. - across all activities. The rating is lowered, as attention on the aforementioned aspects needs additional strengthening.

SECAP Review

In regard to **Component A**: It is important that all GAs, and their associated plans, be recognized at district level by Principal and Sub-Chiefs – guaranteeing that all Environmental Management Plans be embedded in the District Planning and of knowledge to the District Council – thereby providing an additional layer of enforcement.

The project should monitor equal participation, as coordinated efforts that speak to the majority (not to a small elite) will determine the success of activities, collection of contributions and the respect of grazing rules.

Under **Component B**, the Culling & Exchange will see a total of 6000 sheep and 3000 goats will culled and sold (1500 and 750 exchanged). The project is currently developing a Culling & Exchange Manual, under the supervision of the Component Manager and International Breeder Consultant – with a culling plan, whereas animals will be managed through a mobile pen.

Considering the above, the MTR suggests:

- The Manual give due consideration to the disposal of the animals – be this through a future agreement with an abattoir and/or retailers
- That animal health, wellbeing (e.g. access to water) and sanitary conditions be guaranteed in the timespan related to their exchange/sale (which should be in the range of a 24hr process)

In regard to **Component C**, the MTR suggest the project pay specific attention to:

- Land Acquisition for Infrastructure (shearing sheds) – ensuring documentation for ownership/use of land be

- adequately accounted for (at national/district level, with Principal Chiefs, etc.)
- Water abstraction from shearing sheds:
 - Guaranteeing water safety downstream (e.g. managing waste into water, and confirming usage is in line with yield of water-source/river basin)
 - Ensure water supplied to sheds and boreholes is potable – project must test water springs prior to installation, with regular bi-annual tests.
 - On the positive side, the MTR registers that these activities will make water available where it currently isn't, thereby making communities more resilient
- The Project must ensure Safety Health and Environmental Management (SHE) in the sheds, stud farm and slabs – ensuring there is accounting e.g. for: (i) proper/safe clothing + masks; (ii) good aeration, natural lighting, rain water harvesting (at structure design); (iii) safe working environment; etc.
- The project should ensure Environmental & Social Management Plans (ESMPs) for all water supply schemes (boreholes, river diversion from small streams, etc.)
 - Further to this, there must be provisions to obtain the necessary water permits from the Ministry of Water (learning from other project, e.g. SADP)
 - This is valid also for water infrastructure that may be built in GAs (e.g. boreholes)
- The project should also expect to provide ESMPs for the 2 slabs that will be built
 - Attention to the waste management (e.g. blood, skin, etc.), hygiene, monitoring of any diseases in carcasses (e.g. foot & mouth), and general basic SHE
 - If required by national legislation (see documents below), an EIA should be prepared
- The projects should ensure the Stud Farm have both an ESMP and an ESIA – complying with the national legislation (e.g. the Lesotho Environment Act, which defines EIA regulation, and the National environmental action plan.

The MTR notes that the **Complaints procedures and Grievance mechanism** is not yet in place, hence WAMPP team and M&E officers/Component Managers must proceed to ensure this is in place, facilitating the receipt and resolution of concerns and complaints with respect to alleged non-compliance of environmental and social policies.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Complaints procedures and Grievance mechanism Finalize complaints procedures and Grievance mechanism	M&E officers/Component Managers	10/2020

d. Financial Management & Execution

Acceptable Disbursement Rate	Rating: 4	Previous rating: 3
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Justification of rating

IFAD Disbursement guidelines estimate a 7 year investment project in the 5th year of implementation, to be disbursed at approximately 64%. There has not been any extensions. To date, WAMPP actual disbursement rate on the financing from IFAD and other co-financiers is 28% (or USD 8.6 million of USD30.6million). Disbursement rates on IFAD loan and IFAD grant stand at 48.4% while that of 37.8% on the ASAP grant. OFID loan is 8.33% disbursed and the completion date for OFID is 30 September 2019. Negotiations are underway with OFID to extend the completion date of the OFID financing by at least 18 months.

Main issues

Justification of rating

IFAD Disbursement guidelines estimate a 7 year investment project in the 5th year of implementation, to be disbursed at approximately 64%. There has not been any extensions. To date, WAMPP actual disbursement rate on the financing from IFAD and other co-financiers is 28% (or USD 8.6 million of USD30.6million). Disbursement rates on IFAD loan and IFAD grant stand at 48.4% while that of 37.8% on the ASAP grant. OFID loan is 8.33% disbursed and the completion date for OFID is 30 September 2019. Negotiations are underway with OFID to extend the completion date of the OFID financing by at least 18 months.

Main issues

The overall financial project implementation from inception to date stands at 34% of the appraisal

amount US\$38.9 million. However, during appraisal there was a financing gap of US\$2.8 million, which still needed to be financed. To date no financier has been identified to contribute this amount such that the mission has provided technical support to WAMPP to align the activities for the remaining period of project implementation to the reduced resource envelope of US\$36.131 million.

Funds flow, and Designated Account (DA). Implementation of project activities has peaked in the FY2019/220 and the combined Authorized Allocation (AA) of USD 2.5 million has been assessed to be inadequate to facilitate smooth flow of funds. WAMPP has submitted a request to IFAD to increase its Authorised Allocation by 100% from US\$1.5 million to US\$3 million and the mission is supportive of this request and recommends that WAMPP further requests OFID to increase its AA of US\$1million by at least 50%.

WAMPP should however ensure timely preparation of Withdrawal Applications (WA) so that it maintains sufficient float at all times. The last WA was submitted to IFAD in July 2019 covering transactions up to 31st March 2019 and WA covering transaction for the quarter ended 31 July 2019 are yet to be submitted.

In July 2019 the PCU submitted WA application number 16 prepared by LNWMGA to IFAD for replenishment. However, the mission noted that supporting documentation for the SOE items on this WA were not filed at the PCU which should be the hub of all of the projects financial transactions . The supporting document by LNWMGA were deemed inadequate.

Two implementing agencies of WAMPP have requested direct financing and replenishment citing delays in accessing project funds, which is slowing down project implementation. At design, it was envisaged that the primary fund flow mechanism from MAFS to DRRM, LNWMGA and MSCM as implementing agencies would be advance/justification whereby funds would be advanced to implementing agencies by MAFS in their respective dedicated bank accounts. To enhance financial reporting in the implementing agencies, the design was such that transactions would be captured in off-the-shelf accounting packages with monthly reporting to MAFS by component, expense category and financier. The mission noted that these steps have not been implemented and that there are significant delays to fund implementing agencies. The mission recommends a detailed review of the financial management systems within the implementing agencies to assess their adequacy for direct financing and replenishment.

Agreed Action	Responsibility	Agreed Date
<p>Conduct FM assessment of implementing agencies to assess their adequacy for direct financing and replenishment</p> <p>The assessment is meant to establish the capacity the the implementing agencies to manage project funds.</p>	Finance Manager	11/2019

Fiduciary aspects

Quality of Financial Management

Rating: 3

Previous rating: 3

Justification of rating

The quality of financial management is rated moderately unsatisfactory. The Financial Management System (FMS) in use by WAMPP is 'TOMPRO'. However, the project suspended posting of transactions in TOMPRO at the end of March 2019 to configure the activity codes to match those developed by the M&E department in order to allow linking of financial information to physical progress against AWPB targets, and generation of accurate AWPB execution reports. Project accounting, budget control and monitoring and financial reporting are weak because they are currently excel-based. Additionally, the budget for the FY 2019/20 which commenced in April 2019 is still in draft. The mission recommends full deployment of TOMPRO urgently to strengthen the control environment of the project.

Main issues

Staffing: A new finance manager for WAMPP was recruited in May 2019 following the resignation of the previous manager. There are currently two project assistant accountants. As a result of the transaction backlogs which have accumulated since the suspension of TOMPRO and due to the increased level of project activities, the mission is supportive to the PMU's proposal to strengthen its financial management capacity by the recruitment of a Senior Project Accountant to support the Finance Manager on six monthly contracts for a maximum period of 12 months.

Accounting, Internal Controls and Financial Reporting: The project made slides in the automation of financial management system evidenced by automatic generation of financial reports by category, component, and activity, the generation of smart SOEs and bank reconciliations. However, the project slid back into manual financial management system since April 2019 while reconfiguring the chart of accounts with new activity coding and the delay in completion of this exercise is compromising the financial control environment of WAMPP. As TOMPRO processing resumes, management of advances to PCU staff and implementing agencies should be improved by processing them through a debtor's sub-ledger to facilitate age analysis and monitoring of these advances. Together with the TOMPRO service provider, the project will need to review possible efficient ways of synchronizing transactions processing with financial reporting needs of the project without having to perform multiple processing of single transaction, as is the case currently.

Budgeting: WAMPP's budget for the current fiscal year from April 2019 to March 2020 is still a draft one which is yet to be approved by IFAD. During MTR, the mission reviewed the activities to be implemented from the current budget period to the project completion date of 30 June 2022. The PCU is now expected to incorporate the MTR input in the current year budget and resubmit it for IFAD's approval. This budget should be captured in TOMPRO for budget control.

Agreed Action	Responsibility	Agreed Date
<p>Update the financial records in the accounting software</p> <p>Capture all accounting transactions from 1st April t and the approved AWPB for the FY 2019/20 in TOMPRO accounting software.</p>	Finance Manager	09/2019
<p>Recruit a short-term contract accountant</p> <p>Capacitate FM unit at PCU by recruiting Senior Project Accountant on 12 months contract.</p>	Finance manager/Project coordinator	11/2019
<p>Accounting for LNWMGA contributions</p> <p>This will be on cash basis and upfront to the Project as opposed to using IFAD loan/ grant funds and await reimbursement</p>	PCU Finance Manager	
<p>Data capturing and input to TOMPRO</p> <p>Prepare separate payment vouchers for the amount payable by IFAD and the VAT element payable by GoL</p>	Finance Manager	

Quality and Timeliness of Audit

Rating: 3

Previous rating: 3

Justification of rating

The audit was performed in accordance with International Standards of Supreme Audit (ISSAI), however these were not timely submitted.

Main issues

Although the audit was properly performed, the report was not timely submitted and hence the automatic rating of a 3.

Counterparts Funds

Rating: 4

Previous rating: 5

Justification of rating

GoL Counterpart financing for the Project was set at USD 3 978 000 to cover among other things duties and taxes, salaries for Project staff, and office space for PCU.

Main issues

Justification of rating

At MTR , total expenditures funded by GoL have amounted to USD1.245million, being 31% of the stipulated amount. The PCU has not accounted for government contributions in the form of office space and staff costs of GoL seconded to the project. The mission recommends that this exercise be undertaken immediately.

Agreed Action	Responsibility	Agreed Date
Quantify contributions by GoL . Quantify and capture government contribution in form of seconded staff salaries to the project	Finance Manager	

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

Justification of rating

WAMPP has generally complied with most covenants contained in the financing agreement. The MTR mission however noted partial or non-compliance in the need to exercise best efforts to ensure continuity in key Project personnel throughout the Project Implementation Period signified by high staff turnover and also on the of non- deployment of an accounting software since April 2019 up to the MTR . Submission of Interim Financial Reports (IFRS) remains outstanding.

Procurement

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

Justification of rating

The Mission rated procurement as 3 (moderately unsatisfactory). This is mostly due to significant procurement delays, weak contract management/administration and lack of coordination and clear demarcation of tasks between the procurement function and other functions within the PMU. The procurement plan (PP) is not used as a tracking and monitoring tool and is not kept updated. The Project has followed up on most procurement-related agreed actions from previous supervision missions, including preparation of the contract register and the recruitment of an International Procurement Consultant.

Procurement Review

The Project is staffed with a Procurement Officer (PO) and two Procurement Assistants.

Activities in the 2019-2020 PP are identified by a ref. no. to the AWPB. However, the PP was submitted late and the stated budget is sometimes unrealistic, as the AWPB is prepared with no sufficient inputs from the PO (e.g. for MTR consultancy, the estimated budget was 135% lower than the lowest financial proposal received). Packaging of activities is done without consulting user departments and is often not respected. The PO did not use the PP as an active tracking and monitoring tool. Further, the PP did not list the recruitment of an International Procurement TA and the related process was carried out at MAFS level.

In the past months, the Project implemented formal procurement requisitions, although user departments are often late in submitting them to the PO. Solicitation documents comply with IFAD requirements and procurement processes are generally respected. However, inaccurate BoQs and specifications delayed a number of procurement activities.

A sample review of procurement activities revealed that:

- an activity for supply of goods has to be repeated for expiration of the bid validity period;
- a number of bidders recurrently fails to pre-qualify due to incomplete bids, thus affecting competition;
- in one case, the procurement method followed differed from the one in the PP (i.e. LCS instead of CQS);
- in another case, the evaluation criteria were not agreed with the User Department;
- capacity at evaluation stage needs to be improved;
- for all construction works, insurance policies were not collected from contractors.

Contract administration/management also lacks coordination. The PD needs to appoint a contract manager for each signed contract and ensure that the contract monitoring form shared by the Mission is employed and kept updated.

Procurement files reviewed are mostly complete, including bid and performance securities, albeit lacking bid opening minutes and evaluation forms. In one case, quantity of items and contract price were increased with no record of this change. No files for procurement activities carried out by Implementing Partners are maintained at PCU.

The contract register is updated with all contracts from May 2018 and only lacks indication of IFAD No-Objection no. and reference to the Contract Monitoring Form.

The fixed assets issue register is not kept updated by the Procurement Unit and recently-acquired items are not tagged.

Agreed Action	Responsibility	Agreed Date
Contract Register to be prepared for the Project The Project should establish and update a Contract Register as per the requirement of the LTB.	Procurement Unit	02/2019
Active involvement in the preparation of the AWPB Ensure that the Procurement Unit is actively involved in the preparation of the AWPB and that the procurement plan is synchronized with the targets set in the AWPB and with the needs of the User Departments.	PD/PO	09/2019
Procurement activities Timely initiate procurement activities by submitting formal procurement requisitions according to the physical targets set in the AWPB and to the timelines laid out in the procurement plan.	User Departments	09/2019
Contract managers Appoint contract managers for all signed contracts and ensure that contract monitoring forms are employed and kept updated.	PD	09/2019

e. Key SIS Indicators

Likelihood of Achieving the Development Objective	Rating: 4	Previous rating: 4
Assessment of the Overall Implementation Performance	Rating: 4	Previous rating: 4

Justification of rating

The project has been catching up in implementation progress. Yet, the change in component management of component A, and the delays in the procurement areas, affected the implementation of construction work. Project management meetings, such as the PSC meeting were held irregular.

F. Relevance

Relevance	Rating: 5
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Justification of rating

The project objective remains highly relevant to the context in Lesotho. The drought in the past years has potentially increase the importance of increasing climate resilience among small producers in Lesotho. The activities under component A and B are important in that regard and will continue to be so. Component C and increased focus to commercialisation of the sector further remain relevant in a context of global decline in mohair production, and wool remaining a main source of revenue for rural Basotho.

Main issues

The project activities under component C might benefit from integrating state-of the art technological innovations around shearing and cottage industry production. Approach should include cluster development, electric shearing and improved shed business planning & data management.

Component A has promoted advanced approaches to climate adaptation, namely the PICSA model and proposed innovations in management of rangeland. Yet, slow progress under A2 implies little evidence on the appropriateness and potentially improvements in range-management practices (intensive rotational grazing, etc.) should be considered for scaling up.

G. Project Modifications

Responsibility	Modification type	Description					
Project Director	Reallocation	The project should request re-allocation of funds under OFID. IFAD fund reallocation will not be required yet. This will affect the respective size of component A, B and C.					
ORMS Team	Logical Framework	Results Hierarchy	Indicators				
			Name	Baseline	Mid-Term	End Target	Reasons for Changing
		Output 2.3 Community based Animal Health Services established and staff trained	Males - Number	-	260	260	Reduced by half by the project
			Total - Number	-	312	364	Total reduced due to adjustment above
		Output 3.1.a Shearing Shed Association members are trained for viable enterprise development	SSA trained in enterprise management, having a business plan				
			SSA - Number	125	125	147	Reduced End and Mid from 135 to 125 and End target from 157 to 147 due to costs and time
			2.1.2 Persons trained in income-generating activities or business management				
			Persons trained in IGAs or BM (total) - Number	-	237	473	Mid-Term & End Target were revised during development of MIS thorough consultation with IFAD & Comp-C manager

Responsibility	Modification type	Output	Description				Indicator to be added to ORMS
		Output 3.1 b Shearing shed facilities and infrastructure are provided	Shearing sheds constructed				Indicator to be added to ORMS
			New SS constructed	125	125	147	Inadequate statistics from government on existing SS.
			Existing SS rehabilitated			46	
		Output 3.2 Cottage group members are trained in business and technical matters	Persons receive training in wool and mohair processing, product design, and bookkeeping				Output: Women to be deleted since the output also includes men and young people Indicator: To replace "women" with "persons" or "People" to be inclusive
			Females - Number	-	120	120	1. Revised downwards to 120 for both Mid and End Targets (160 less youth - 40)
			Males - Number	-	-	-	To be added to ORMS
			Number of persons trained - Number	-	160	160	Revised downwards because 40 is already included in the 160.
		Output 3.3 District Livestock auctions, and slaughter slabs are constructed	Auction sites/district slabs				
			District slabs - Number		-	2	1. Mid-Term Adjusted to zero on technical reasons 2. Reduced from 7 to 2 due to costs

Responsibility	Modification type	Description
Country Programme Manager	Logical Framework	Outreach indicators targets have been modified based on ORMS. The goal and DO level old RIMS indicators were replaced by indicators from MPAT. Baseline figures were modified based on results of MPAT baseline survey. Indigenous multiplier has been removed (not valid for Lesotho) along with others not relevant to project. Whenever possible ORMS indicators were included. Targets for gender and youth were included.

H. Lessons Learned

PFO integration in the programme

PFO should be better integrated in the programme, provided with adequate operational resources, encouraged to bring lessons from the ground to feed into planning of operational activities at national level

Development of AWPB should start from district level to ensure it is "fit for purpose"

Development of AWPB should start from district level to ensure it is "fit for purpose"

Joint planning of activities

Activities in the three technical components should be planned jointly, involving all technical staff and PFOs in order to improve component synergies and interlinkages at operational level

PCU staff retention

To enhance PCU staff retention, decision to remove staff member should only be performance based and justified staff changes should be assessed and endorsed by PSC, with proper overlap plans to allow business continuity.

Participatory Integrated Climate Services for Agriculture Approach

WAMPP 2018 report: The Participatory Integrated Climate Services for Agriculture Approach (PICSA) is an approach that seeks to build resilience at the farm level by supporting decision-making through the integration of information on location-specific climate, crops, livestock, and livelihoods. It emphasizes practical hands-on methods that can easily be used and understood by farmers by integrating livelihood alternatives to those on-farm. Extension service workers are trained on PICSA and then they go out and train farmers.

M+E and climate adaptation, Participatory Integrated Climate Services for Agriculture Approach

WAMPP 2017 report: Good to notice the strong link between M&E and climate adaptation activities. Solid evidence on PICSA would be very helpful as this seems a promising innovation. The Participatory Integrated Climate Services for Agriculture Approach (PICSA) is an approach that seeks to build resilience at the farm level by supporting decision-making through the integration of information on location-specific climate, crops, livestock, and livelihoods. It emphasizes practical hands-on methods that can easily be used and understood by farmers by integrating livelihood alternatives to those on-farm. Extension service workers are trained on PICSA and then they go out and train farmers.

Disbursement Pressure overtook project committee engagement

The WAMPP project had a slow start-up and lagged disbursement, especially on time-bound OFID funds. IFAD escalated this situation to the PS MAFS in Nov 2017 and March 2018, which led to increased attention to the project at PS level. In consequence the project did speed up implementation and disbursement. Yet, consultation through planned committee work at national and district level became more erratic, leading to some lower than desired ownership and lack of awareness by certain key stakeholders (especially at district level). To mitigate this situation, the Dec 2018 SM proposed to move from "emergency" status to normal implementation mode and re-install the committees for consultation and technical discussions as foreseen in the PIM.

I. Agreed Actions

Agreed Action	Responsibility	Agreed Date
Development Effectiveness		
Implement the targeting strategy Adhere to the targeting strategy during project implementation	PCU	12/2018
Encourage women participation in the newly formed GAs and VGS (in order to access project support, at least 30% women, both among members and management committees	Component A head	12/2018
Rain gauges and thermometers Complete installation of rain gauge and thermometers remaining (145)	WAMPP Component A Manager/ LMS	10/2019
Complete Rangeland Assessments in remaining 26 sites	Component A Manager/ DRRM	02/2020
Complete LDSF activities in remaining 10 sites	Component A Manager/ DRRM	02/2020
Prepare shearing shed development plans	PD/Comp. C	03/2020
Complete procurement of pending items (LDSF IT material, etc.)	Procurement Officer/ Component A Manager/ WAMPP	10/2020
Sustainability and Scaling up		
Obtain concurrences for Rangeland Act	WAMPP/ DRRM	11/2019
Schedule consultations with relevant stakeholders	WAMPP/ DRRM	11/2019
Activity-wise timeline for project exit and hand-over Develop WAMPP exit strategy outlining activity-wise timeline for project exit and hand-over, including clear responsibility and month, plus additional budget needs post-project and indicative source.	PMU	02/2020
Project Management		
Field monitoring visits for data verification When going to collect stories from the field, the KM officer also double-checks on the ground information on activities and results provided to the M&E unit.	M&E/KM	01/2019
Grant no-objection to several pending requests according to priorities	IFAD	03/2019
Sensitisation on sustainable rangeland management Increase radio programmes for sensitisation on the importance of sustainable rangeland management	KM officer/ DDRM	04/2019

<p>Development of a step by step implementation plan</p> <p>Develop a step by step implementation plan for rolling out of dissemination of results on livestock breeding, nutrition and health practices research being carried out by NUL for the result to reach out to all sheep farmers</p>	KM&C Officer	09/2019
<p>Priority areas for KM engagement</p> <p>Develop list of 3-5 priority areas for knowledge management engagement to support project achieving sector transformation, prepare scaling-up and adoption of innovative activities.</p>	KM Officer	10/2019
<p>Review of ToRs</p> <p>Review of ToRs for sector reform analysis and tendering internationally & adjust Assurance of Learning (AOL) methodology for Lesotho/WAMPP context and prepare tender</p>	M&E Officer	10/2019
<p>System upgrade to incorporate</p> <p>System upgrade to incorporate unique identification of households and beneficiary farmers to avoid double counting</p>	M&E Officer	12/2019
<p>Complaints procedures and Grievance mechanism</p> <p>Finalize complaints procedures and Grievance mechanism</p>	M&E officers/Component Managers	10/2020
<p>Commercial department within the LNWGMA</p> <p>Development of feasibility study, business plan and technical support to create the commercial department within the LNWGMA operating the revolving funds and the exchange programme as business.</p>	Component B Manager	
<p>Regular data validation sessions</p> <p>Conduct regular data validation sessions with Component managers to avoid data inconsistencies</p>	M&E Officer	
<p>Periodical updates of the MIS system and data back-ups</p>	M&E Officer	
Financial Management & Execution		
<p>Contract Register to be prepared for the Project</p> <p>The Project should establish and update a Contract Register as per the requirement of the LTB.</p>	Procurement Unit	02/2019
<p>Active involvement in the preparation of the AWPB</p> <p>Ensure that the Procurement Unit is actively involved in the preparation of the AWPB and that the procurement plan is synchronized with the targets set in the AWPB and with the needs of the User Departments.</p>	PD/PO	09/2019
<p>Procurement activities</p> <p>Timely initiate procurement activities by submitting formal procurement requisitions according to the physical targets set in the AWPB and to the timelines laid out in the procurement plan.</p>	User Departments	09/2019

<p>Contract managers</p> <p>Appoint contract managers for all signed contracts and ensure that contract monitoring forms are employed and kept updated.</p>	PD	09/2019
<p>Update the financial records in the accounting software</p> <p>Capture all accounting transactions from 1st April t and the approved AWPB for the FY 2019/20 in TOMPRO accounting software.</p>	Finance Manager	09/2019
<p>Conduct FM assessment of implementing agencies to assess their adequacy for direct financing and replenishment</p> <p>The assessment is meant to establish the capacity the the implementing agencies to manage project funds.</p>	Finance Manager	11/2019
<p>Recruit a short-term contract accountant</p> <p>Capacitate FM unit at PCU by recruiting Senior Project Accountant on 12 months contract.</p>	Finance manager/Project coordinator	11/2019
<p>Accounting for LNWMGA contributions</p> <p>This will be on cash basis and upfront to the Project as opposed to using IFAD loan/ grant funds and await reimbursement</p>	PCU Finance Manager	
<p>Quantify contributions by GoL</p> <p>. Quantify and capture government contribution in form of seconded staff salaries to the project</p>	Finance Manager	
<p>Data capturing and input to TOMPRO</p> <p>Prepare separate payment vouchers for the amount payable by IFAD and the VAT element payable by GoL</p>	Finance Manager	

Wool and Mohair Promotion Project

Logical Framework

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members	0	92 500	185 000	6 889	22 489	12.2				
	1.a Corresponding number of households reached										
	Women-headed households		3 200	32 000							
	Non-women-headed households		1 800	18 000							
	Households	0	5 000	50 000	1 317	5 832	11.7				
	1 Persons receiving services promoted or supported by the project										
	Females	0	12 625	25 250							
	Males	0	12 375	24 750							
	Young	0	6 250	12 500							
	Not Young	0	18 750	3 750							
	Total number of persons receiving services	0	25 000	50 000	1 862	6 078	12.2				

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency		Responsibility
Project Goal Boost the economic and climate resilience of poor wool and mohair producers in the Mountain and Foothill Regions of Lesotho	Households with improvement in household assets ownership index (RIMS Level III)							1) Baseline, mid-term and completion impact surveys 2) LVAC reports 3) Qualitative studies to complement indicator-based data 4) Disaster Management Agency (DMA) reports	Phase review	PCU	
	Households	0	5 000	50 000							
	Poor smallholder household members supported in coping with the effects of climate change							1) Baseline, mid-term and completion impact surveys 2) LVAC reports 3) Qualitative studies to complement indicator-based data 4) Disaster Management Agency (DMA) reports	Phase review	PCU	
	Females	0	12 625	126 250							
	Males	0	12 375	123 750							
Total household members	0	25 000	250 000								

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Development Objective (i) Smallholder livestock producers generate higher incomes and more sustainable livelihoods: (ii) Smallholder livestock producers increase their ability to cope with and recover from climate shocks	Resilience increases (MPAT index # 9) by year 7							1) MPAT, Baseline and completion surveys 2) LDFS sentinel sites monitoring soil cover, and erosion risk 3) Qualitative studies to complement indicator-based data. 4) On-going monitoring of wool and mohair production and sales	Phase review	PCU	Livestock owners (SSAs) have free access to international auction floor
	Resilience increase	42.3	44.45	46.5	45	45	96.8				
	Proportion of households experiencing periods of longer than two weeks without sufficient food by Year 7							1) MPAT, Baseline and completion surveys 2) LDFS sentinel sites monitoring soil cover, and erosion risk 3) Qualitative studies to complement indicator-based data. 4) On-going monitoring of wool and mohair production and sales	Phase review	PCU	
	Hunger reduction	35	26.25	17.5	44.2	44.2	252.6				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
	50,000 households with improved income by Year 7							1) MPAT, Baseline and completion surveys 2) LDFS sentinel sites monitoring soil cover, and erosion risk 3) Qualitative studies to complement indicator-based data. 4) On-going monitoring of wool and mohair production and sales	Phase review	PCU	
	Improved income			50	15	15	30				
Outcome 1. Livestock producers manage rangelands in sustainable and climate smart way	International and country dialogues on climate supported							• Rangeland management Act passed by national parliament	once	DRRM, LMS, PCU component officer	1) Chiefs accept to delegate management authority to RMA to issue grazing permits 2) Herders continue to refuse to sell unproductive animals
	Dialogues	0		1							
	Land under climate-resilient practices							Results of the Biophysical baseline and subsequent surveys	Annually	DRRM, LMS, PCU component officer	
	Land area	280 000	350 000	600 000		280 063	46.7				
Output 1.1 A new Rangeland Management Baseline is established for enhanced biophysical and climatic monitoring	A biophysical baseline for rangelands and grazing areas established in all districts							LDSF	Annually	DRRM in the MFLR and LMS in the MEMWA, PCU component officer	1) Local and traditional leadership are supportive 2) Intra-community conflicts disrupt progress
	Districts	0	10	10	0	10	100				

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency		Responsibility
Output 1. 2 Community based Climate Resilient Rangeland Management established	Individuals engaged in NRM and climate risk management activities						Survey and Monitoring reports on implemented plans and rehabilitated areas	Annually	PCU component officer, M&E officer, DRRM	1) Local and traditional leadership are supportive 2) Intra-community conflicts disrupt progress	
	Males		20 000	40 000	876	876					2.2
	Total		25 000	50 000	1 792	5 366					10.7
	Females		5 000	10 000	916	916					9.2
	Community groups engaged in NRM and climate risk management activities						Survey and Monitoring reports on implemented plans and rehabilitated areas	Annually	PCU component officer, M&E officer, DRRM		
	Groups		100	200	0	59					29.5
	Group members - females		2 500	5 000							
	Group members - males		2 500	5 000							
	Group members - total		5 000	10 000	2 950	5 900	59				
	Environmental management plans formulated (RIMS)						Survey and Monitoring reports on implemented plans and rehabilitated areas	Annually	PCU component officer, M&E officer, DRRM		
Plans		100	200								
Outcome 2. Smallholder sheep and goat producers increase the production of superior quality wool and mohair	Share of superior mohair and wool quality increases above baseline for LNWMGA members by year 7						Shearing shed records	Annually	PCU component officer, M&E officer, LNWMGA	1) Heavy snow, frost and drought negatively impact availability of forage rangeland crop residues and cultivated forage 2) Demand for quality wool and mohair remains constant or increase	
	Increase of share of superior mohair and wool (Proportion of all wool that is superior)	58.15	62.8	69.78							
	Increase of share of superior mohair and wool (Proportion of all mohair that is superior)	79.38	85.7	95.3							

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Output 2.1 Sheep and goat extensionists and producers are trained in improved feeding practices	Community Livestock Extension Workers (CLEW) are trained in improved feeding and breeding practices, of which 20% women							1) District livestock reports 2) Training reports 3) Research publications	Quarterly	PCU component officer, M&E officer, LNWMGA	1) Forage seeds and feed inputs are available at affordable prices at shearing sheds 2) Extension staff are willing to remain in rural areas"
	CLEW	0	260	260	0	0	0				
	CLEW women	0	10	20	0	0	0				
	1.1.4 Persons trained in production practices and/or technologies							1) District livestock reports 2) Training reports 3) Research publications	Quarterly	PCU component officer, M&E officer, LNWMGA	
	Men trained in livestock	0	4 000	7 000	30	202	2.9				
	Women trained in livestock	0	1 000	3 000	0	74	2.5				
	Young people trained in livestock	0	1 250	2 500	0	148	5.9				
	Not young people trained in livestock	0	3 750	7 500	30	128	1.7				
	Total persons trained in livestock	0	5 000	10 000	30	276	2.8				
	Males	0	4 000	7 000							
Females	0	1 000	3 000								
Output 2.2.a A National Breeding Programme is established to boost wool and mohair production	National elite breeding flock of sheep and goats established							1) NWMGA reports 2) Training reports 3) District livestock reports 4) Breeding Centres reports 5) Research publications	Quarterly	PCU component officer, M&E officer, LNWMGA	1) Breeding Centres are leased to LNWMGA 2) Improved genetic stock is available in numbers required by farmers 3) Livestock auctions are organised and slaughtering slabs are operational
	Flocks of sheep	0	750	1 500	306	904	60.3				
	Flocks of goats	0	400	800	206	206	25.8				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Output 2.2.b An exchange programme for substitution of unproductive sheep and goat with quality breeding stock is established	Rams and bucks distributed to herders under the Exchange Programme by year 7							1) NWMGA reports 2) Training reports 3) District livestock reports 4) Breeding Centres reports 5) Research publications	Quarterly	PCU component officer, M&E officer, LNWMGA	1) Breeding Centres are leased to LNWMGA 2) Improved genetic stock is available in numbers required by farmers 3) Livestock auctions are organised and slaughtering slabs are operational
	Rams	0	1 000	2 000		0	0				
	Bucks	0	500	1 000		0	0				
Output 2.3 Community based Animal Health Services established and staff trained	Disease surveillance, prevention and response system established							1) DLS Disease surveillance reports 2) Training reports 3) Quarterly LNWMGA reports	Quarterly	PCU component officer, M&E officer, LNWMGA	1) CAHWs are willing to remain in rural areas 2) Vet drugs are available and affordable to livestock producers
	System	0	1	1	0	0	0				
	Staff of service providers trained (RIMS)							1) DLS Disease surveillance reports 2) Training reports 3) Quarterly LNWMGA reports	Quarterly	PCU component officer, M&E officer, LNWMGA	
	Males	0	260	260	0	172	66.2				
	Females	0	52	104	0	74	71.2				
	Total	0	312	364	0	246	67.6				
Outcome 3. Livestock producers increase market returns from wool and mohair systems	Increase in profits from wool and mohair (has profitability of wool/mohair production increased? Can farmers quantify the increase; and can they identify main reasons for increase?)							1) BKB and other outlet market reports 2) Shearing Shed records 3) Cottage industry records	Annually	PCU component officer, M&E officer, LNWMGA	1) Livestock owners (SSAs) have free access to international auction floor 2) international market returns sustain industry vitality 3) Access to supply top quality mohair resolved
	Profits increase	0	10	20	15.3	15.3	76.5				

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency	Responsibility	
Output 3.1.a Shearing Shed Association members are trained for viable enterprise development	SSA trained in enterprise management, having a business plan							LNWMGA Progress reports; SSA Annual Reports; Wool broker "Fibre Track; SSA reports; BKB Fibre track	Quarterly	PCU component officer, M&E officer, MTICM, LNWMGA	1) Farmers are willing to adopt market oriented practices 2) Depressed fibre prices affect flow of wool and mohair through SSAs (R) 3) Loss of especially shearers to more remunerative SA labour market
	SSA	125	125	147		38	25.9				
	2.1.2 Persons trained in income-generating activities or business management							LNWMGA Progress reports; SSA Annual Reports; Wool broker "Fibre Track; SSA reports; BKB Fibre track	Quarterly	PCU component officer, M&E officer, MTICM, LNWMGA	
	Persons trained in IGAs or BM (total)	0	237	473	12	255	53.9				
Output 3.1 b Shearing shed facilities and infrastructure are provided	2.1.5 Roads constructed, rehabilitated or upgraded							1) LNWMGA Progress reports 2) SSA Annual Reports 3) SSA reports	Quarterly	PCU component officer, M&E officer, MTICM, LNWMGA	
	Length of roads		36	50	7	7	14				
	Shearing sheds constructed							1) LNWMGA Progress reports 2) SSA Annual Reports 3) SSA reports	Quarterly	PCU component officer, M&E officer, MTICM, LNWMGA	
	New SS constructed			24							
	Existing SS rehabilitated			43							
Output 3.2 Cottage group members are trained in business and technical matters	Persons receive training in wool and mohair processing, product design, and bookkeeping							1) Enterprise reports 2) WAMPP progress reports 3) Quarterly business monitoring reports	Quarterly	PCU component officer, M&E officer, MTICM,	1) The SSA are able and willing to provide good quality mohair (A) 2) Links between the cottage women group and financial institutions is facilitated by the project and MTICM (A)
	Females	0	120	120	20	118	98.3				
	Young	0	40	40							
	Number of persons trained	0	160	160	28	181	113.1				

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2019)	Cumulative Result (2019)	Cumulative Result % (2019)	Source	Frequency		Responsibility
Output 3.3 District Livestock auctions, and slaughter slabs are constructed	Auction sites/district slabs						1) WAMPP progress reports 2) MTICM documentation of auctions 3) District slab reports	Quarterly	PCU component officer, M&E officer, MTICM, LPMS	1) Few buyers are prepared to purchase grade D and C livestock through auctions (R) 2) Farmers are not willing to sell unproductive animals at the market price established through auctions	
	Auction sites		12	12		0					0
	District slabs			2		0					0
	2.1.6 Market, processing or storage facilities constructed or rehabilitated										
	Market facilities constructed/rehabilitated										
	Processing facilities constructed/rehabilitated										
	Storage facilities constructed/rehabilitated										

Lesotho

Wool and Mohair Promotion Project

Mid-term Review

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

Mission Dates: 09 - 21 September 2019
Document Date 05/02/2020
Project No. 2000000053
Report No. 5318-LS

East and Southern Africa Division
Programme Management Department

Appendix 2: Financial: actual financial performance by financier; by component and disbursements by category

Table 2A: Financial performance by financier

	Appraisal USD'000	Disbursement USD'000	% Disbursed
IFAD Loan	5,805	2,582	44.5%
IFAD Grant	5,805	2,582	44.5%
ASAP Grant	6,999	2,428	34.7%
OFID Loan	11,975	1,000	8.35%
Government of Lesotho	3,977	1,246	31%
LNWMGA	1,545	127	8%
Other Financier	2,825	-	0%
Total	38,931	9,964	25.6%

Table 2B: Financial performance by financier by component (USD '000) as at 31 July 2019

COMPONENT	IFAD LOAN			IFAD GRANT			ASAP GRANT			OFID LOAN			GoL			LNWMGA			FINANCING GAP			TOTAL					
	Appr.	Actual	%	Appr.	Actual	%	Appr.	Actual	%	Reallocation	Actual	%	Appr.	Actual	%	Appr.	Actual	%	Appr.	Actual	%	Appraisal/Reallocation	Actual	%			
<i>Promotion of Climate Smart Practices & Land Use of Sustainable Rangeland Improvement</i>																											
A1 - Effective information for climate smart rangeland management	149	0	0%	149	0	0%	1,999	2,018	101%	0	0	0%	222	54	24%	0	0	0%	83	0	0%				2,592	2,072	80%
A2 - Climate smart participatory rangeland management	57	2	4%	57	2	4%	4,486	334	7%	3,409	0	0%	820	12	1%	0	0	0%	0	0	0%				8,829	350	4%
Sub total	206	3	1%	206	3	1%	6,475	2,352	36%	3,409	0	0%	1,042	65	6%	0	0	0%	83	0	0%				11,421	2,423	21%
<i>Improved Livestock Production and Management</i>																											
B1 - Improved livestock nutrition	242	151	63%	242	151	63%	349	0	0%	0	0	0%	48	18	38%	0	0	0%	566	0	0%				1,437	321	22%
B2 - Improved livestock breeding	1,461	389	27%	1,461	389	27%	0	0	0%	1,932	386	20%	426	76	18%	1,370	140	10%	440	0	0%				7,090	1,347	19%
B3 - Improved animal health	343	164	48%	343	164	48%	63	0	0%	0	0	0%	149	22	15%	49	16	33%	132	0	0%				1,079	350	32%
Sub total	2,046	704	34%	2,046	704	34%	412	0	0%	1,932	386	20%	623	116	19%	1,419	156	11%	1,128	0	0%				9,606	1,697	18%
<i>Wool and Mohair processing and Marketing</i>																											
C1 - Value chain based enterprise enhancement	231	369	160%	231	369	160%	112	0	0%	6,519	226	3%	890	36	4%	126	19	15%	96	0	0%				8,205	1,022	12%
C2 - Collage industry and niche market development	180	87	48%	180	87	48%	0	0	0%	0	0	0%	51	8	17%	0	0	0%	471	0	0%				882	182	21%
C3 - Promotion of livestock auctions and district slabs	248	111	45%	248	111	45%	0	0	0%	0	6	0%	112	10	9%	0	0	0%	162	0	0%				770	237	31%
Sub total	659	567	86%	659	567	86%	112	0	0%	6,519	233	4%	1,053	56	5%	126	19	15%	729	0	0%				9,857	419	4%
<i>Project Coordination, Knowledge Mgt. and M & E</i>																											
D1 - Coordination, Knowledge Management and M&E	803	158	20%	803	158	20%	0	0	0%	0	0	0%	78	11	14%	0	0	0%	85	0	0%				1,769	327	18%
D2 - Project Coordination Unit	2,091	993	47%	2,091	993	47%	0	5	0%	140	1	1%	1,181	997	84%	0	6	0%	800	0	0%				6,303	2,989	47%
Sub total	2,894	1,151	40%	2,894	1,151	40%	0	5	0%	140	1	1%	1,259	1,008	80%	0	6	0%	885	0	0%				8,072	3,316	41%
Total	5,805	2,424	42%	5,805	2,424	42%	6,999	2,357	34%	12,000	621	5%	3,977	1,246	31%	1,545	181	12%	2,825	0	0%				38,956	9,198	24%

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

Category	Category Description	Original Allocation	Revised Allocation	Disbursed	W/A Pending	Balance	Per cent Disbursed
200008	CONSULTANCIES	480,000.00	480,000.00	265,988.31		214,011.69	55.41%
200013	GOODS, SERVICES AND INPUTS	920,000.00	920,000.00	291,230.87		628,769.13	31.66%
200016	OPERATING COSTS	630,000.00	630,000.00	294,662.63		335,337.37	46.77%
200018	SALARIES AND ALLOWANCES	1,060,000.00	1,060,000.00	323,103.34		736,896.66	30.48%
200022	WORKSHOPS	360,000.00	360,000.00	309,217.67		50,782.33	85.89%
270001	AUTHORISED ALLOCATION	0	0	368,272.58		-368,272.58	0.00%
290001	UNALLOCATED	380,000.00	380,000.00	0		380,000.00	0.00%
TOTAL:		3,830,000.00	3,830,000.00	1,852,475.40		1,977,524.60	48.37%

Table 2D: IFAD Grant disbursements (SDR, as at 31 August 2019)

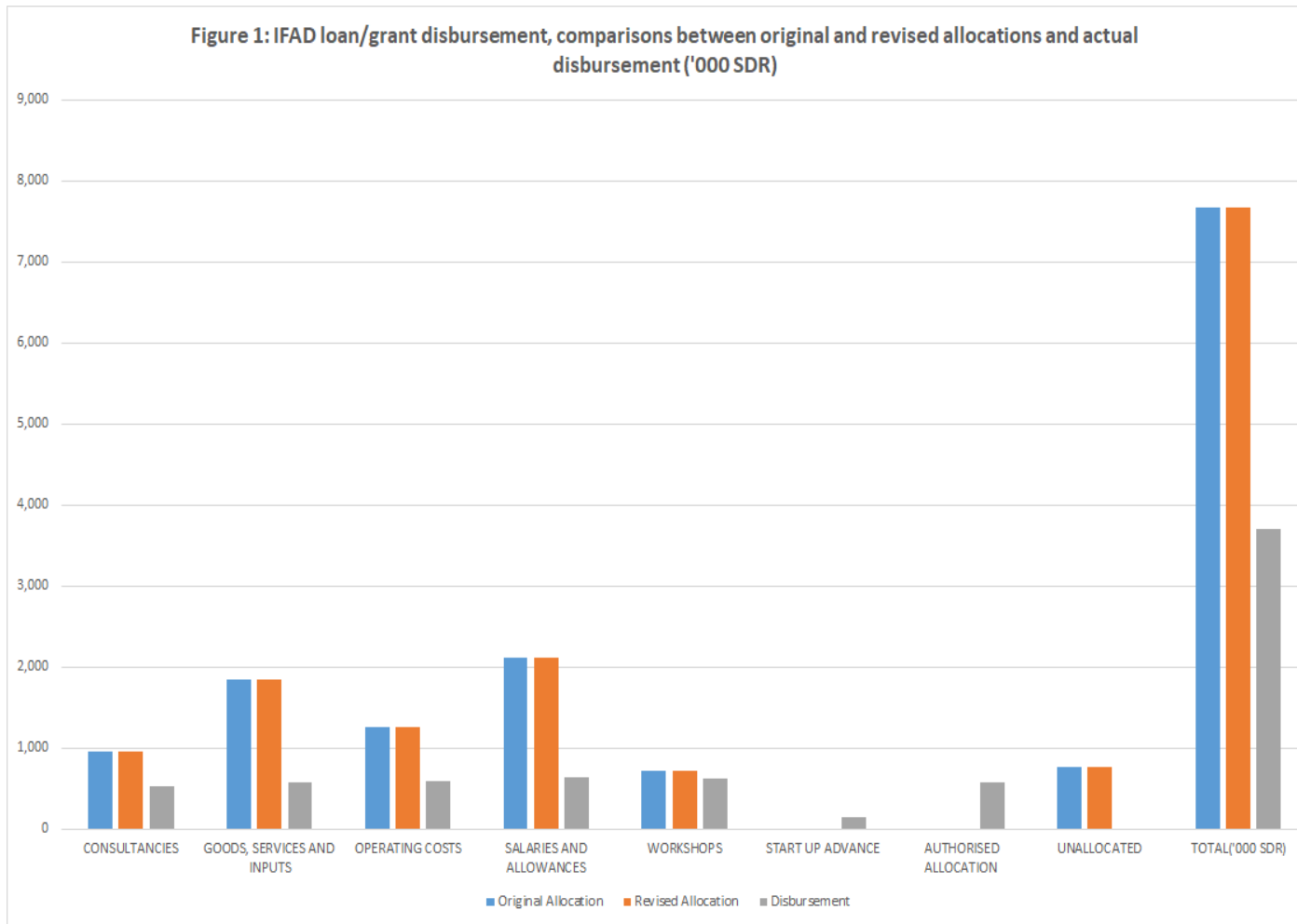
Category Code	Category Description	Original Allocation	Revised Allocation	Disbursed	W/A Pending	Balance	Per cent Disbursed
200008	CONSULTANCIES	480,000.00	480,000.00	265,988.31		214,011.69	55.41%
200013	GOODS, SERVICES AND INPUTS	920,000.00	920,000.00	291,230.89		628,769.11	31.66%
200016	OPERATING COSTS	630,000.00	630,000.00	294,670.52		335,329.48	46.77%
200018	SALARIES AND ALLOWANCES	1,060,000.00	1,060,000.00	323,103.35		736,896.65	30.48%
200022	WORKSHOPS	360,000.00	360,000.00	309,217.61		50,782.39	85.89%
250001	START UP ADVANCE	0	0	152,459.33		-152,459.33	0.00%
270001	AUTHORISED ALLOCATION	0	0	210,676.96		-210,676.96	0.00%
290001	UNALLOCATED	380,000.00	380,000.00	0		380,000.00	0.00%
TOTAL:		3,830,000.00	3,830,000.00	1,847,346.97		1,982,653.03	48.23%

Table 2e: ASAP Grant disbursements (SDR, as at 31 August 2019)

Category	Category Description	Original Allocation	Revised Allocation	Disbursed	W/A Pending	Balance	Per cent Disbursed
200008	CONSULTANCIES	1,560,000.00	1,560,000.00	519,632.91		1,040,367.09	33.31%
200013	GOODS, SERVICES AND INPUTS	430,000.00	430,000.00	324,252.83		105,747.17	75.41%
200016	OPERATING COSTS	200,000.00	200,000.00	48,943.48		151,056.52	24.47%
200018	SALARIES AND ALLOWANCES	450,000.00	450,000.00	172,182.23		277,817.77	38.26%
200022	WORKSHOPS	1,510,000.00	1,510,000.00	310,587.48		1,199,412.52	20.57%
270001	AUTHORISED ALLOCATION	0	0	368,272.58		-368,272.58	0.00%
290001	UNALLOCATED	460,000.00	460,000.00	0		460,000.00	0.00%
TOTAL:		4,610,000.00	4,610,000.00	1,743,871.51		2,866,128.49	37.83%

Table 2f: OFID loan disbursements (USD, as at 31 August 2019)

Category	Category Description	Original Allocation	Revised Allocation	Disbursed	W/A Pending	Balance	Per cent Disbursed
200004	RANGELAND MANAGEMENT	4,190,000.00	3,409,000.00			3,409,000.00	0.00%
200005	IMPROVED LIVESTOCK PRODUCTION AND MANAGEMENT	720,000.00	1,932,000.00			1,932,000.00	0.00%
200006	WOOL AND MOHAIR PRODUCTION AND MARKETING	6,890,000.00	6,519,000.00			6,519,000.00	0.00%
200007	PROJECT MANAGEMENT	200,000.00	140,000.00			140,000.00	0.00%
270001	AUTHORISED ALLOCATION	0.00	0.00	1,000,000.00		-1,000,000.00	0.00%
TOTAL:		12,000,000.00	12,000,000.00	1,000,000.00		11,000,000.00	8.33%



Lesotho

Wool and Mohair Promotion Project

Mid-term Review

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 09 - 21 September 2019

Document Date 05/02/2020

Project No. 2000000053

Report No. 5318-LS

East and Southern Africa Division
Programme Management Department

Appendix 2: Physical progress measured against AWP&B

Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
Output: A1 A New Rangeland Management Baseline is established for enhanced biophysical and climatic monitoring	Indicator: A biophysical baseline for rangelands and grazing areas established in all districts (10 sentinel sites established) → total = 10 (site)	- indicator result: 8 (site) in 2017/18 (Year3)	Number	10	8	80%	10	20	50%	
		- indicator result: 2 (site) in 2018/19 (Year4)	Number	2	2	100%				
		- indicator result: 0 (site) in 2019/20 (Year5)	Number	10	0	0%				Waiting for procurement of IT equipment whose process is underway
	Indicator: DRRM Staff trained on LDSF methodology and rangeland status monitoring → total = 21 men and 14 women (person)	- indicator result: 20 men and 13 women in 2018/19 (Year4)	Number	35	33	94%	33	35	94%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)	Number	0	0					
	Indicator: LMS, Forestry, MAFS, MSCM extension staff trained in climate change monitoring, evaluation and information services (PICSA) → total = 80 men and 115 women (person)	- indicator result: 80 men and 115 women in 2018/19 (Year4)	Persons	220	195	89%	195	220	89%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)	Persons	200	0	0%				
	Indicator: Automatic weather stations established → total = 5 (number)	- indicator result: 5 (number) in 2017/18 (Year3)	Number	5	5	100%	5	5	100%	
	Indicator: Climate risk and vulnerability maps prepared → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	7	0	0%	0	0		
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	7	0	0%				
Output: A2 Community-based Climate Resilient Rangeland	Indicator: Local and area chiefs trained on the annual livestock census → total = 0 men and 0 women (person)	- indicator result: 0 men and 0 women in 2018/19 (Year4)	Persons	600	0	0%	0	600	0%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)	Persons	600	0	0%				Activity is underway and will be reported end of September 2019

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
Management established	Indicator: Community groups (RMA/GA, VGS) engaged in NRM and climate risk management activities (CI 3.1.1)	- indicator result: 0 men and 0 women in 2018/19 (Year4)	Number	200	0	0%	0	200	0%	
		- indicator result: 81 men and 0 women in 2019/20 (Year5)		200	81	40%				Groups sensitised and range management plans prepared and waiting for WAMPP support
	Indicator: Members of community groups (RMA/GA, VGS) engaged in NRM and climate risk management activities → total = 0 (person)	- indicator result: 0 (person) in 2018/19 (Year4)	Persons	10000	0	0%	0	10000	0%	Groups sensitised and range management plans prepared and waiting for WAMPP support
	Indicator: Individuals (from groups & PICSA training) engaged in NRM and climate risk management activities → total = 5395 (person)	- indicator result: 3574 (person) in 2018/19 (Year4)	Persons	50000	3574	7%	5395	50000	11%	
		- indicator result: 1821 (person) in 2019/20 (Year5)		46426	1821	4%				PICSA steps are too long
	Indicator: Environmental management plans formulated (RIMS) → total = 61 (number)	- indicator result: 59 (number) in 2018/19 (Year4)	Number	200	59	30%	61	200	31%	
		- indicator result: 2 (number) in 2019/20 (Year5)	Number	141	2	1%				Waiting for new grazing associations to be formed
	Indicator: Trainers trained on Holistic Rangeland Management → total = 121 men and 136 women (person)	- indicator result: 5 men and 7 women in 2018/19 (Year4)		12	12	100%	269	300	90%	
		- indicator result: 116 men and 129 women in 2019/20 (Year5)		257	245	95%				
	Indicator: Pilot sites for holistic rangeland management established → total = 18 (site)	- indicator result: 0 (site) in 2018/19 (Year4)		5	0	0%	0	5	0%	0%
- indicator result: 0 (site) in 2019/20 (Year4)			5	0	0%				Waiting for purchase of equipment	

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments	
				Annual Targets (Since Inception)	Actual	%					
Output: B1 Sheep and goat extensionists and producers are trained in improved feeding practices	Indicator: Community Livestock Extension Workers (CLEW) are trained on improved feeding and breeding practices, and animal health, of which 20% is women → total = 0 men and 0 women (person)	- indicator result: 0 men and 0 women in 2018/19 (Year4)		260	0	0%	0	260	0%		
		- indicator result: 0 men and 0 women in 2019/20 (Year5)		260	0	0%				Low Annual Target - was resolved with NUL to start training MAF staff who will later train farmers. Training will commence in Dec. 2019	
	Indicator: Persons (farmers) trained in production practices and/or technologies (livestock) (CI 1.1.4) → total = 202 men and 74 women (person)	- indicator result: 172 men and 74 women in 2018/19 (Year4)	Persons	200	246	123%	276	10000	3%	Result description: Farmers trained in production practices and/or technologies. Farmers from Peka shearing shed were trained on improved nutrition practises. Location: Project Area	
		- indicator result: 30 men and 0 women in 2019/20 (Year5)	Persons	200	30	15%					
	Indicator: Trials and demonstrations on fodder production conducted → total = 4 (site)	- indicator result: 2 (site) in 2018/19 (Year4)		4	2	50%	2	40	5%		
		- indicator result: 2 (site) in 2019/20 (Year5)		2	2	100%				Further trials to be established upon commencement of Summer season	
	Output: B2a A National Breeding Programme is established to boost wool and mohair production	Indicator: Number of sheep in National elite breeding flock established (1530) → total = 904 (Animal)	- indicator result: 298 (Animal) in 2017/18 (Year3)		300	298	99%	984	1500	66%	
			- indicator result: 300 (Animal) in 2018/19 (Year4)		604	300	50%				
- indicator result: 306 (Animal) in 2019/20 (Year5)				606	306	50%					
Indicator: Number of goats in National elite breeding flock		- indicator result: 0 (Animal) in 2018/19 (Year4)		316	0	0%	206	800	26%		

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
	established (830) → total = 206 (Animal)	- indicator result: 206 (Animal) in 2019/20 (Year5)		206	206	100%				
	Indicator: Breeding centres (breeding of sheep and goat) rehabilitated → total = 3 (number)	- indicator result: 1 (number) in 2017/18 (Year3)		2	1	50%	1	2	50%	
		- indicator result: 1 (number) in 2018/19 (Year4)		1	0	0%				Construction work for machinery shelter, fodder store and shearing shed is ongoing
		- indicator result: 1 (number) in 2019/20 (Year5)		1	0	0%				Initial construction work has started but there have been delays in subleasing of the 2nd breeding centres (Mokhotlong)
Output: B2b An exchange programme for substitution of unproductive sheep and goat with quality breeding stock is established	Indicator: Rams distributed to herders under the Exchange Programme by year 7 → total = 0 (Animal)	- indicator result: 0 (Animal) in 2018/19 (Year4)	Number	2000	0	0%	0	2000	0%	
		- indicator result: 0 (Animal) in 2019/20 (Year5)	Number	100	0	0%				Resolved with IFAD to pilot the programme with small no of animals. In order to manage risk a& acquire lessons learned for programme expansion
	Indicator: Bucks distributed to herders under the Exchange Programme by year 7 → total = 0 (Animal)	- indicator result: 0 (Animal) in 2018/19 (Year4)	Number	2000	0	0%	0	1000	0%	
		- indicator result: 0 (Animal) in 2019/20 (Year5)	Number	50	0	0%				Resolved with IFAD to pilot the programme with small no of animals. In order to manage risk a& acquire lessons learned for programme expansion
Indicator: Rams distributed to commercial breeding farms under	- indicator result: 0 (Animal) in 2018/19 (Year4)	Number	40	0	0%	0	40	0%		

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
	the Exchange Programme → total = 0 (Animal)	- indicator result: 0 (Animal) in 2019/20 (Year5)	Number	40	0	0%				The private commercial breeding programme has been postponed to 2020/2021 due to budget cuts & prioritization
	Indicator: Bucks distributed to commercial breeding farms under the Exchange Programme → total = 0 (Animal)	- indicator result: 0 (Animal) in 2018/19 (Year4)	Number	40	0	0%	0	40	0%	
		- indicator result: 0 (Animal) in 2019/20 (Year5)	Number	40	0	0%				The private commercial breeding programme has been postponed to 2020/2021 due to budget cuts & prioritization
Output: B3 Community-based Animal Health Services established and staff trained	Indicator: Staff (veterinary) of service providers trained (on advanced vet technologies) - (RIMS) - CAHW → total = 172 men and 74 women (person)	- indicator result: 172 men and 74 women in 2018/19 (Year4)	Persons	260	246	95%	246	260	95%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)	Persons	14	0	0%				Training will be conducted in Feb. 2020
	Indicator: Disease surveillance, prevention and response system established → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Persons	1	0	0%	0	1	0%	Advertisement for Surveillance eqpt was made at in local media but bidders did not meet the requirements. Advertisement was made to recruit international epidemiologist but there was no competent candidate. Devt of contract is in progress after extending advert to international orgs by the assistance of IFAD livestock specialist. The consultant has presented a financial proposal and will be available starting from Nov. 2019

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
		- indicator result: 0 (number) in 2019/20 (Year5)	Persons	1	0	0%				
	Indicator: Community Animal Health Workers (CAHW) trained on improved health practices	- indicator result: 183 men and 63 women in 2018/19 (Year4)	Persons	260	246	95%	246	260	95%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)	Persons	260	0	0%				
Output: C1a Shearing Shed Association members are trained for viable enterprise development	Indicator: Number of persons receiving services promoted or supported by the project (CI 1) → total = 0 men and 0 women (person)	- indicator result: 0 men and 0 women in 2018/19 (Year4)	Persons	473	20	4%	20	473	4%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)	Persons	453		0%				
	Indicator: SSA trained in enterprise management, having a business plan → total = 20 (number)	- indicator result: 20 (number) in 2018/19 (Year4)		157	20	13%	20	157	13%	
		- indicator result: 0 (number) in 2019/20 (Year5)		137	0	0%				
	Indicator: Number of persons (SSA committee members) trained in income-generating activities or business management → total = 20 men and 0 women (person)	- indicator result: 20 men and 0 women in 2018/19 (Year4)		473	20	4%	20	473	4%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)		453		0%				
	Indicator: Number of shearing shed recorders trained on Record Keeping → total = 98 men and 138 women (person)	- indicator result: 53 men and 95 women in 2018/19 (Year4)	Persons	174	148	85%	236	174	136%	Result description: Newly recruited Recorders from all the ten districts were trained on shearing sheds record keeping. Location: National Level
		- indicator result: 45 men and 43 women in 2019/20 (Year5)	Persons	80	88	110%				
	Indicator: Number of shearers trained on proper shearing of sheep and goats → total = 74 men and 0 women (person)	- indicator result: 74 men and 0 women in 2018/19 (Year4)		800	74	9%	74	800	9%	
		- indicator result: 0 men and 0 women in 2019/20 (Year5)		726	0	0%				
	- indicator result: 25 men and 55 women in 2017/18 (Year3)	Persons	270	80	30%	355	270	131%		

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
	Indicator: Number of classers trained on proper finer classing → total = 225 men and 405 women (person)	- indicator result: 22 men and 54 women in 2018/19 (Year4)	Persons	190	76	40%				
		- indicator result: 78 men and 121 women in 2019/20 (Year5)	Persons	230	199	87%				
Output: C1b Shearing shed facilities and infrastructure are provided	Indicator: Increased value of infrastructure developed/upgraded to support shearing sheds → total = 0 (USD'000)	- indicator result: 0 (USD'000) in 2018/19 (Year4)	USD	6000	0	0%	0	6000	0%	
		- indicator result: 0 (USD'000) in 2019/20 (Year5)	USD	6000	0	0%				
	Indicator: Roads constructed, rehabilitated or upgraded (CI 2.1.5) → total = 0 (km)	- indicator result: 0 (km) in 2018/19 (Year4)	Km	50	0	0%	0	50	0%	
		- indicator result: 0 (km) in 2019/20 (Year5)	Km	50	0	0%				
	Indicator: New shearing sheds constructed → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	22	0	0%	0	16	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	22	0	0%				
	Indicator: New shearing sheds provided with equipment → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	22	0	0%	0	16	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	22	0	0%				
	Indicator: Existing shearing sheds rehabilitated/upgraded → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	43	0	0%	0	46	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	43	0	0%				
	Indicator: Existing shearing sheds provided with equipment → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	65	0	0%	0	65	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	65	0	0%				

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Component/Outcome	Indicator	Indicator result	Unit	Period: As at 31st August 2019			Cumulative Actual	Appraisal Target	%	Comments
				Annual Targets (Since Inception)	Actual	%				
	Indicator: Number of shearing sheds with water supply (boreholes, etc.) established. → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	40	11	28%	11	40	28%	
Output: C2 Women cottage group members are trained in business and technical matters	Indicator: Number of cottage processing facilities established → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	3	0	0%	0	3	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	3	0	0%				
	Indicator: Women receive training in wool and mohair processing, product design, and bookkeeping → total = 48 men and 118 women (person)	- indicator result: 40 men and 98 women in 2018/19 (Year4)	Persons	166	138	83%	166	160	104%	
		- indicator result: 8 men and 20 women in 2019/20 (Year5)	Persons	28	28	100%				
Output: C3 District livestock auctions, and slaughter slabs are constructed	Indicator: Auction sites constructed/rehabilitated → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	12	0	0%	0	12	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	12	0	0%				
	Indicator: District slabs constructed/rehabilitated → total = 0 (number)	- indicator result: 0 (number) in 2018/19 (Year4)	Number	7	0	0%	0	10	0%	
		- indicator result: 0 (number) in 2019/20 (Year5)	Number	7	0	0%				
	Indicator: People (12 marketing officers and 2 private auctioneers) trained on auctioneering → total = 34 men and 16 women (person)	- indicator result: 10 men and 4 women in 2017/18 (Year3)	Persons	14	14	100%	36	14	257%	
		- indicator result: 10 men and 12 women in 2018/19 (Year4)	Persons	12	22	183%				

Lesotho

Wool and Mohair Promotion Project

Mid-term Review

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 09 - 21 September 2019

Document Date 05/02/2020

Project No. 2000000053

Report No. 5318-LS

East and Southern Africa Division
Programme Management Department

Appendix 3: Compliance with legal covenants: status of implementation

Financing Agreement Section	Covenant	Compliance Status	Remarks
Section B.6	The Borrower/Recipient shall open and thereafter maintain two (2) designated accounts in United States Dollars (USD) in the Central Bank of Lesotho to receive respectively the proceeds of the Loan and DSF Grant and of the ASAP Grant (collectively, the "Designated Accounts"), and two (2) Project accounts denominated in Maloti (collectively, the "Project Accounts").	Complied	
Section B.7	The Borrower/Recipient shall provide counterpart financing for the Project in the amount of three million nine hundred and seventy-eight thousand United States dollars (USD 3 978 000) to cover among other things duties and taxes, salaries for Project staff, and office space for the Project Coordination Unit (PCU)	Partial compliance	The current contribution from GoL stands at 31% of the stated total amount. Office space for PCU not yet evaluated and recognized in the financial statements
Section E.2	The right of the Borrower/Recipient to withdraw the proceeds of the OFID Financing under the OFID Financing Agreement to the extent this has entered into force not cancelled	On-going - complied	
Section E.2d	The Lead Project Agency shall have entered into the performance-based agreement with the Lesotho National Wool and Mohair Growers Association (LNWMGA) in the form approved by the Fund	Complied	
Section E.2e	The Lead Project Agency shall have entered into the Memorandum of Understanding (MOU) with each Ministry designated as a Project Party in Section C 2 of the Financing Agreement the form approved by the Fund.	Complied	

Section E.4b	The Lead Project Agency shall have installed a multi-site off-the-shelf accounting Project software	Partial compliance	TOMPRO accounting package has been installed at the PCU only. The design required installations at MAFS, MFLR and MTICM. Posting of transactions in TOMPRO not done for the past 6 months.
Section E.4c	The LNWMGA shall have contracted an independent audit firm, acceptable to the Fund to conduct a performance audit of the Project activities assigned thereto	Not complied	No performance audit has been conducted on LNWMGA
Schedule 1 (II) Par 12	The Lead Project Agency and the Fund shall jointly carry out a review of the Project implementation no later than the third anniversary of the date of Entry into Force of this Agreement	Complied	MTR recommendations to implemented by stated due dates
Section 7.1 (b) ii	(ii) Before each Project Year, the Lead Project Agency shall, if required, submit the draft Project AWPB to the oversight body designated by the Borrower/Recipient for its review. When so reviewed, the Lead Project Agency shall submit the draft Project AWPB to the Fund for comments no later than sixty (60) days before the beginning of the relevant Project Year. If the Fund does not comment on the draft Project AWPB within thirty (30) days of receipt, the AWPB shall be deemed acceptable to the Fund.	Complied	The AWPB for FY2019 /20 was submitted and will be adjusted to take into account MTR recommendations.
Section 7.5 (a)	Procurement of goods, works and services financed by the Financing shall be carried out in accordance with the provisions of the Borrower/Recipient's procurement regulations, to the extent such are consistent with the IFAD Procurement Guidelines. Each Procurement Plan shall identify procedures which must be implemented by the Borrower/Recipient in order to ensure consistency with the IFAD Procurement Guidelines.	Partial compliance	Procurement method followed differed from the one in the PP in some instances

Section 7.8 (a) Insurance	The Borrower/Recipient or the Lead Project Agency shall insure all goods and buildings used in the Project against such risks and in such amounts as shall be consistent with sound commercial practice.	Complied	
Section 7.8 (b)	The Borrower/Recipient or the Lead Project Agency shall insure the goods imported for the Project which are financed by the Financing against hazards incident to the acquisition, transportation and delivery thereof to the place of use or installation in accordance with sound commercial practice.	Complied	
Section 7.11 Project Personnel	The Borrower/Recipient or the Lead Project Agency shall appoint the Project Director and all other key Project personnel in the manner specified in the Agreement or otherwise approved by the Fund. All key Project personnel shall have qualifications and experience specified in the Agreement or otherwise approved by the Fund. The Borrower/Recipient shall exercise best efforts to ensure continuity in key Project personnel throughout the Project Implementation Period. The Borrower/ Recipient or the Lead Project Agency shall insure key Project personnel against health and accident risks to the extent consistent with sound commercial practice or its customary practice in respect of its national civil service, whichever is appropriate	Partial Compliance	High staff turnover at PCU: Component A Manager , and Financial Manager are new replacements while Component C manager was recalled back to the MSCM just before the mission

Section 8.3 (a)	The Lead Project Agency, or other party so designated in the relevant Agreement, shall furnish to the Fund periodic progress reports on the Project, in such form and substance as the Fund shall reasonably request. At a minimum, such reports shall address (i) quantitative and qualitative progress made in implementing the Project and achieving its objectives, (ii) problems encountered during the reporting period, (iii) steps taken or proposed to be taken to remedy these problems, and (iv) the proposed programme of activities and the progress expected during the following reporting period	Not Complied	Interim Financial statements not submitted to the Fund
Section 8.3 (c)	The Borrower/Recipient shall ensure that the recommendations resulting from the MidTerm Review are implemented within the specified time therefore and to the satisfaction of the Fund. Such recommendations may result in modifications to the Agreement or cancellation of the Financing.	Deadlines specified in MTR report	MTR recommendations to implemented by specified due dates
Section 9.2 Financial Statements	The Borrower/Recipient shall deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Project for each Fiscal Year prepared in accordance with standards and procedures acceptable to the Fund and deliver such financial statements to the Fund within four (4) months of the end of each Fiscal Year.	Complied	
Audit Section 9.3 (a)	Each Fiscal Year, have the accounts relating to the Project audited in accordance with auditing standards acceptable to the Fund and the Fund's Guidelines on Project Audits (for Borrowers' Use) by independent auditors acceptable to the Fund;	Complied	
Section 9.3 (b)	Within six (6) months of the end of each Fiscal Year, furnish to the Fund a certified copy of the audit report. The Borrower/Recipient shall submit to the Fund the reply to the management letter of the auditors within one month of receipt thereof	Complied	Report submitted on time.

Section 9.3 (c)	If the Borrower/Recipient does not timely furnish any required audit report in satisfactory form and the Fund determines that the Borrower/Recipient is unlikely to do so within a reasonable period, the Fund may engage independent auditors of its choice to audit the accounts relating to the Project. The Fund may finance the cost of such audit by withdrawal from the Loan and/or Grant Accounts	N/A	Subject to the above
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