

Georgia

Agriculture Modernization, Market Access and Resilience Project

Supervision Report

Main report and appendices

Mission Dates:

Document Date: 09/04/2018

Project No. 1100001760

Near East, North Africa and Europe Division
Programme Management Department

Abbreviations and Acronyms

A. Project Overview

Region: Near East, North Africa and Europe Division Project at Risk Status: Not at risk
 Country: Georgia Environmental and Social Category: B
 Project Name: Agriculture Modernization, Market Access and Resilience Project Climate Risk Classification: not available yet
 Project Id: 1100001760 Executing Institution: Ministry of Agriculture
 Project Type: Rural Development Implementing Institutions: Ministry of Agriculture
 CPM: Dina Saleh
 Project Director: not available yet
 Project Area: not available yet

Approval Date 01/09/2014 Last audit receipt 07/06/2017
 Signing Date 17/02/2015 Date of Last SIS Mission 22/07/2016
 Entry into Force Date 28/05/2015 Number of SIS Missions 1
 Available for Disbursement Date 15/07/2015 Number of extensions 0
 First Disbursement Date 21/07/2015 Effectiveness lag 8 months
 MTR Date 10/09/2017
 Completion Date 30/06/2019
 Financial Closure 31/12/2019

Project total financing

IFAD Financing breakdown	IFAD	\$13,300,000
Domestic Financing breakdown	National Government	\$2,457,600
	Beneficiaries	\$9,760,800
Co-financing breakdown,	Global Environmental Facility	\$5,300,000
	Denmark	\$4,187,000
Project total financing		\$35,005,400

Current Mission

Mission Dates:

Days in the field:

Mission composition:

Field sites visited:

B. Overall Assessment

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

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

Sustainability and Scaling-up		Rating	Financial Management and Execution		Rating
Institutions and Policy Engagement		4	Acceptable Disbursement Rate		3
Partnership-building		4	Quality of Financial Management		5
Human and Social Capital and Empowerment		4	Quality and Timeliness of Audit		6
Quality of Beneficiary Participation		4	Counterparts Funds		4
Responsiveness of Service Providers		4	Compliance with Loan Covenants		5
Environment and Natural Resource Management		4	Procurement		4
Exit Strategy		4			
Potential for Scaling-up		4			

C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

The AMMAR Project aims at achieving the cardinal outcomes of improving the livelihood of rural populations, enhancing agricultural and irrigation infrastructure resilience to climate-change, improving the functioning of inclusive climate-smart agriculture (CSA) value chains, and expanding market opportunities for smallholders' produce.

Specifically, the project is expected to tackle actual and perceived risks to investment by all value chain actors. This will be achieved by providing packages of technical support alongside partial matching grants for private investments, and by facilitating commercial linkages between producers, buyers, processors and traders along selected value chains (VC). To facilitate these investment processes, the project supports direct government investment in "public goods", irrigation and other productive and value chain infrastructure, on the basis of the priorities set by the value chain actors themselves.

The project had been designed as a 4-year project; it entered into force in May 2015 and the first Supervision Mission conducted in July 2016 had assessed the overall project performance as moderately satisfactory because the implementation progress for AMMAR was lagging behind what had been planned for the AWPB for 2016. Three Implementation Support Missions (ISM) were then conducted (December 2016 and March-April, June-July 2017), in order to provide intensive technical assistance to the Project Implementation Unit, identify bottlenecks, and propose practical recommendations for improving and accelerating AMMAR implementation procedures/arrangements.

The Mid-Term Review (MTR) of AMMAR was carried out in compliance with its financing agreement and executed and managed jointly by both the GoG and IFAD with the objective to (i) review overall project implementation progress, (ii) assess continued project relevance, effectiveness in achieving the objectives, effectiveness of the project's targeting and gender mainstreaming strategy, efficiency in project implementation, impact on food security and incomes of the rural poor as well as on equitable benefits accruing to women, (iii) assess operational aspects, such as project management and implementation of activities and also the extent to which objectives are being fulfilled, and (iv) check the Economic and Financial Analysis (EFA) of the project based on project design models, updating main assumptions and revisiting project logic as depicted in the logical framework.

Strong focus has been put on corrective actions needed for the project to achieve impact, and this MTR was therefore a decisive review to address the constraints encountered by the Project in the first phase and propose remedial actions to enable the project to fully achieve its development objectives within the less than two-year remaining period.

The mission held detailed meetings with the AMMAR project team, and met with the representatives of the Ministry of Agriculture (MoA), the Ministry of Agriculture of the Autonomous Republic of Adjara (MoA Adjara), the Agriculture Projects Management Agency (APMA), Extension Service (MoA), the Food and Agriculture Organization (FAO), and the Georgia Amelioration Company (GA). The mission also met target project beneficiaries for their feedback on identified challenges and investment needs at the different levels of their respective value chains (primary production, post-harvest handling, processing, market access). To this effect, field visits were organized in Samegrelo, Shida-Kartli, Adjara and Kakheti regions. The mission also interacted with the major service provider (ELKANA), to help them strengthen the outcome of their technical assistance to beneficiaries along their different interventions (Demonstration Plots, Climate-Smart Agriculture Training, mobilization of grant applicants).

The key issues and recommendations were discussed with the AMMAR team during several debriefing sessions and formally presented to Mr Nodar Kereselidze, First Deputy Minister of Agriculture, at a wrap-up meeting on 21 September 2017. The issues agreed are documented in the relevant sections of the report.

Key Mission Agreements and Conclusions

The AMMAR team has fully taken on board the 2016 supervision mission recommendations but thus far, it has not brought the hoped for improvements in achieving financial targets; coherence between AWPB and implementation is considerably weak. AMMAR team is thus urged to keep up the steady efforts that have been observed over the last year, in order to make up for time lost at inception and capitalize on the solid basis that has now been established across all project interventions. Another operational area needing improvement is gender focus, where there is a need to develop a gender mainstreaming action plan that aims at making the project interventions more inclusive for women. The M&E system has all the elements needed for an advanced M&E system. Poverty focus: bay leaf and honey were added to original 4 priority VCs since they are traditionally linked to smallholder farmers as well as poor, and grants are open to farmers starting from 0.1ha. AMMAR has been effective in the geographical targeting which follows ASP's approach (4 regions selected with 7 priority value chains). However, the demand-driven approach needs to assure the linkages between the rehabilitated infrastructures, the land restoration interventions, the matching grant facility and the selected VCs. The project is benefiting from an additional GEF grant which aims to enable expansion of Climate Smart Agriculture (CSA) and Efficient Irrigation Technologies (EIT) at plot level, risk management at landscape level and climate mainstreaming at policy level. This makes a very comprehensive package to build climate resilience of AMMAR beneficiaries. However, AMMAR needs to improve connection with watershed aspects, and further explore bio-engineering options. In addition to this, the project now has to handle the new DANIDA Grant programme for rural Young Entrepreneurs, which has been mainstreamed in AMMAR grant interventions. It brings of course an additional challenge to AMMAR and APMA team, but at the same time represents a great opportunity to expand the project outreach, in line with other Government's interventions supporting small and micro rural enterprises.

Four issues that will need particular attention in the forthcoming months: (i) the maintenance of the tertiary and quaternary irrigation canals that is not yet guaranteed and puts AMMAR's infrastructures' investments at risks; (ii) the disbursement of grants to agri-business / processing companies (W2 grants) that remains at alarming levels (15% of 2017FY target); (iii) the Landscape Restoration interventions that incurred serious delays and shortcomings in the first two years and are still to be fully deployed, and (iv) the need to now 'connect the dots', i.e. link the various project interventions (esp. infrastructures, grants and climate-smart agriculture/landscape restoration training) to meet the needs and demand of AMMAR beneficiaries and thus maximize the project's impact.

Through matching grants AMMAR interventions are expected to tackle new innovations, but with the mobilization process still ongoing it is too early to judge whether the project interventions will be fully innovative in this regard. The mere one and a half year of effective implementation since inception does not allow the mission to assess precisely to which extent AMMAR will meet its development objective. Key mission findings show that within the less than two years remaining before project completion, the project must expect

substantial challenges in achieving certain outcomes, such as the percentage of households reporting adoption of new/improved inputs, technologies or practices (target 50%), the value of private investment in inclusive value chain for farmers and agribusinesses (target US\$9,000,000), and the percentage of matching grant beneficiaries who increase their income by an average of 8% (target 50%). The reason is twofold: first because of the total duration of the project (four years), which is unusually short to implement a project with such ambitious value chain development approach (normal timeline is six to seven years); second because AMMAR is still to 'connect the dots', in other words to adequately link its project beneficiaries to the multiple interventions put at their disposal (esp. regarding their access to water, CSA practices and technologies, finance), so as to maximize the project impact.

However, the drastic progress observed over the past 12 months has laid the foundation for such synergies to materialize, and the mission believes that the mobilization, commitment and professionalism of AMMAR team and key service providers can generate a real breakthrough in 2018FY.

D. Overview and Project Progress

The last Supervision Mission held in July 2016 concluded that while the new concept of value chain development could somehow justify the delays and lack of coordination observed in the first stages of the project, most of the pre-requisites for smooth implementation were set in place in the second half of 2016, and it was thus expected that AMMAR would considerably increase its pace of implementation over the following 12 months. Notwithstanding the positive trend observed since the last supervision mission, the implementation progress is still lagging behind, with actual expenditures by September 1st 2017 standing at only 22% versus the planned budget for 2017FY. To a certain extent, this improvement has materialized throughout 2017, with key achievements recorded as follows: (i) the project now has a

complete pipeline of infrastructures (8 for irrigation schemes and 9 for roads and bridges), whose rehabilitation is expected to be completed on time, with full disbursement of budget set at appraisal ; (ii) the grant facility has become fully operational, and 95 investment projects were already

approved by mid-August 2017, out of a total of 133 applications received from November 2016; (iii) 9 demo plots out of a target of 10 have been established and a first batch of training was delivered in 6 of them; (iv) a market assessment was conducted around 8 Value Chains, and an operational marketing strategy developed consecutively with a set of short-, medium- and long-term actions meant to create/strengthen market linkages within the context of AMMAR Value Chains. These achievements have translated into a steady increase in yearly project disbursements, from US\$96,830 in 2015, to US\$850,563 in 2016 and US\$2,088,084 in the first 8.5 months of FY 2017. Detailed Key findings are summarized below for each project sub-component.

E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness

Rating: 4

Previous rating: 4

Justification of rating

In terms of physical progress, as of 31 August, 2017 the project has reached 3,496 households (HH) out of the targeted 10,000 households, representing 35% of appraisal target. Given that several irrigation schemes are already under the pipeline for the next two years, it is realistically expected that the project will reach this intended overall target. However, the project has so far achieved mixed output results when compared to targets set for MTR. There is a prospect to improve in 2018, given that the irrigation rehabilitation and small infrastructure development will have started and

Log-Frame Analysis & Main Issues of Effectiveness

Sub-component 1.1 - Irrigation and Value Chain infrastructure. The total area of irrigation schemes to be rehabilitated covers 12,855ha, against an overall project target of 4,750ha, at an average cost of US\$835/ha. The irrigation development will reach a total of 14,154 households. The seeming over achievement is mainly due to a focus on only lining canals selectively, on a as needed basis. As a result some secondary canals are lined but all tertiary canals are not lined. Irrigation schemes are mainly supporting the apple, peaches and vegetable value chain, by increasing the area under production from 30% to 100%, and improving overall yields and crop quality, as described in the feasibility studies. The pipeline of projects for rehabilitation of 10.5km of gravel roads and 3 bridges is on target. The investments in roads and bridges will improve access to market for 3,375ha of persimmon, bay leaf and vegetables reaching a total of 2,533 households. The rehabilitation currently taking place has little effort towards modernisation and upgrading of the water supply systems to improve water use efficiencies and resilience and encourage farmers to modernize on-farm irrigation systems. The feasibility studies cover the engineering aspects very well, but need improvement in agronomic, marketing and institutional aspects of the schemes. The approach of preparing feasibility studies by canal reach has risks of possible double counting scheme area and beneficiaries, inflate unit cost of scheme development and having no scheme development masterplan. Landscape Restoration Rating - See SECAP review. Sub-component 1.2 - Facilitating private investment in agricultural VC. At the time of MTR, a total of 133 applications were received. Most of the grant applications relate to Window 1 (W1). Activities in Adjara are lagging behind in addition. AMMAR is being rolled out countrywide since June 2017 and has already managed to attract 11 grant applications from five new regions. 59% of total applications relate to newly introduced value chains (esp. vegetables), while kiwi, has not yet generated any application. Most of the applications relate to various agricultural implements: tractors, greenhouses and less for drip irrigation equipment, which was foreseen in AMMAR project design as one of the leading investments. This is for a large part due to the simultaneous implementation of several other grant projects by APMA (e.g. Plant the Future, USAID/REAP, Co-Financing of Agro-Processing and Storage Enterprises, etc.), competing with AMMAR under better conditions (e.g. higher grant shares). Yet, AMMAR keeps a definite comparative advantage in the sense that its W1 grants target smallholder farmers even below 1ha. The W2 grants are lagging behind, mostly as indicated above because of the existing competition with other grant programmes, but also because the nature and amounts of such projects do not induce frequent investments, and the number of such agro-enterprises remains limited in Georgia. To give more attention to gender participation, a market study on floriculture has also been recently initiated, as women engagement in this sector is traditionally high. The most recently added VC of walnut (July 2017), that is meant to meet a strong domestic market demand and support the development of a nascent walnut processing industry through W2 grants. DANIDA grant (the programme for Inclusive Growth and Employment for Young Entrepreneurs in Georgia) was launched in June 2017. Discussions held with AMMAR and APMA teams showed that eligibility criteria and implementation procedures are now quite in place, but the project is still to recruit appropriate business development service providers who will play an essential role in the different steps of DANIDA grants. Sub-component 2.1 - Value chain development processes and support. Policy dialogue on climate-resilient value chains. As part of the cooperation with the Ministry of Environment, a Road map and Stocktaking analysis has already been developed and submitted as part of the "Climate Change National Adaptation Plan (NAP) for Agricultural Sector". Value chain selection and prioritization. While the Multi Stakeholder Process (MSP) was supposed to be the foundation of VC selection, the necessity to make up for delays incurred in the first year led to a top-down selection of the first VCs. The second batch of VCs was more in line with a bottom-up approach that took into account the opportunities identified by AMMAR team. Market linkages. The marketing specialist has so far generated a wealth of useful information and developed a realistic strategy with clear recommendations to enhance market access for AMMAR beneficiaries. Access to Finance. The project has undertaken some efforts to link up with MFIs and try to attract them to partner with the project. This has been done mainly through visits to MFIs, MSP meetings, inviting them to field visits, etc. While the outreach of some MFI such as CREDO and CRYSTAL to rural areas is high, their lending activities are often restricted to a) input supply credit scheme, and b) traditional credit facilities that are not intended for agriculture. Till present, AMMAR team could not achieve a major breakthrough in attracting the MFIs to work with its beneficiaries for various reasons, some due to the way the MFIs work, set their criteria, ceilings and interest rates, as well as their knowledge and perception of agriculture and human capacities. Sub-component 2.2 - Climate smart agricultural technology transfer. Demonstration plots: ELKANA has properly selected Lead Farmers (LF) who are respected and valued by their fellow farmers, open to ideas, innovative and willing to support others. It was noted that in some demo fields farmers were undertaking experimentation with and without the application of recommended technologies on some areas to observe the effect on yield and eventually financial benefits. It is recommended that this becomes a regular practice in all demo plots to further convince farmers of promoted interventions and enhance adoption. While the demo plots are planned to promote modern technologies, some technologies are too expensive to be afforded by smallholder farmers. CSA training: Two types of CSA training have been undertaken by ELKANA on several crops. The second type of training was for farmers and was undertaken around the demo plots established by ELKANA on farms of selected Lead Farmers. Farmer training covers theoretical as well as practical hands-on training in the field, lasting for few hours. The delivered training is fulfilling the CSA focus with emphasis on enhanced productivity under the specific agro-ecological conditions using climate smart and environment-friendly practices. With the limited training duration, there would also be a need to provide further mentoring and follow-up with the farmers during the season. The mission noted that the trainers who received the ToTs, especially the extension agents of the Ministry of Agriculture, have not been given any role or responsibility within the project to further implement and use their knowledge in support to AMMAR beneficiaries. The mission has accordingly discussed with the AMMAR team and ELKANA a set of agreed on actions that are meant to enhance the effectiveness and impact of the training.

Agreed Action	Responsibility	Agreed Date
<p>Amendment of Marketing Specialist Contract</p> <p>Amend MS contract to reflect additional tasks and related budget, and prepare AWPB 2018 budget accordingly. Description of tasks:</p> <ul style="list-style-type: none"> - draft additional training module on specific VC markets (esp. niche market), advantages of proper branding and labelling, - identify precisely potential pilot group(s) that could benefit from PDO - facilitate market linkages, ensure volumes and quality match the demand, trace sales increases - assist M&E specialist and VC Coordinator in capturing business relationship between W2 beneficiaries and their suppliers (e.g. number, volumes, profiles, price trends, quality requirements, etc.) - assist AMMAR team in preparing forthcoming participation to Agro-exhibition (e.g. establish participant list, liaise with fair organizers, accompany farmers during event) 	PM, VC Coordinator, Procurement Officer, Financial	09/2017
<p>Operation and Maintenance</p> <p>There is no maintenance being done for the rehabilitated unlined canals. Some of the canals visited are already covered in grasses and weeds, before the construction works are completed. Obtain commitment from GA for maintenance of newly rehabilitated schemes. Initiate mobilisation of farmers for each rehabilitated hydraulic unit for improved canal maintenance in close collaboration with the GILMD efforts</p>	Engineers, GA	09/2017
<p>Service Providers for DANIDA grants</p> <p>Finalize the TORs for business development service providers, and explore the possibility to shorten procurement process by hiring a first batch of SPs that have already been approved and used by other international agencies in similar assignments</p>	PM, VC Coordinator Procurement Officer	09/2017
<p>Drop Kiwi VC</p> <p>Stop further interventions in Kiwi VCs</p>	APMA, VC Coordinator	09/2017
<p>Data collection on trainees</p> <p>Further expand the data collection on trainees by using pre- and post-training evaluation forms to be completed by farmers (content details in the technical report) to inform project on farmers' attitude towards technology adoption and the possible use of the matching grants. Immediate and regular analysis of collected data should be done to enhance the training, targeting and project outreach for grants.</p>	M&E officer, ELKANA, Regional Coordinators, Social	09/2017
<p>Amendment of Marketing Specialist Contract</p> <p>Amend MS contract to reflect additional tasks and related budget, and prepare AWPB 2018 budget accordingly. Description of tasks:</p> <ul style="list-style-type: none"> - draft additional training module on specific VC markets (esp. niche market), advantages of proper branding and labelling, - identify precisely potential pilot group(s) that could benefit from PDO - facilitate market linkages, ensure volumes and quality match the demand, trace sales increases - assist M&E specialist and VC Coordinator in capturing business relationship between W2 beneficiaries and their suppliers (e.g. number, volumes, profiles, price trends, quality requirements, etc.) - assist AMMAR team in preparing forthcoming participation to Agro-exhibition (e.g. establish participant list, liaise with fair organizers, accompany farmers during event) 	PM, VC Coordinator, Procurement Officer, Financial	09/2017
<p>Irrigation rehabilitation</p> <p>The rehabilitation of schemes includes the lining of some secondary canals and opening and cleaning of quaternary and tertiary canals. Include low maintenance technologies option analysis for quaternary and tertiary level water systems in the feasibility study and detailed designs. Consideration of life cycle costing should be considered in options analysis during feasibility assessment. E.g. if a canal is to be rehabilitated, options analysis should include the full life cycle costs of developing, managing and maintaining. This analysis may reveal that lining and or pipes may be lower cost than open channels (as has been the case in other countries and may be with the WB project you are managing where piped conveyance has been included)</p>	VC Coordinator and Engineers	09/2017

<p>Preparation of Maps</p> <p>Maps of each scheme clearly showing the canal system after rehabilitation are not shared with IFAD. The project has been using google earth based maps. The completion of rehabilitation should be an opportunity for the preparation Prepare and share with IFAD, as built drawings and maps for all rehabilitated irrigation schemes and small infrastructure</p>	Engineers	09/2017
<p>Allow MoA co-financing for greenhouses in Adjara region, subject to conditions described below</p> <p>Provided grant procedures between MoA Adjara and APMA, allow co-financing from MoA Adjara up to 80% total grant for green-houses up to 500 sq. m. max, and advertise widely through Adjara regional coordinator and media channels</p>	PM, VC Coordinator, APMA, MoA Adjara	09/2017
<p>Introduce citrus VC for Adjara region (subject to conditions described below)</p> <p>(i) APMA to coordinate with MoA of Adjara to fully ensure the understanding of AMMAR grant facility and rules. If grant procedures from both sides are deemed compatible, then: (ii) include citrus VC in AMMAR VCs for Adjara and advertise widely through Adjara coordinator and media channels (iii) Allow for the complementarity of AMMAR's grants (40%) with the budget of MoA Adjara (30%) to reach 70% support in improved seedlings and farming equipment so as to be in line with usual Adjara grant lines, and expand MoA Adjara outreach (iv) Make use of existing MoA citrus orchards as demo plots for training: MoA to dedicate 0.5 ha demo to AMMAR training (v) MoA Adjara provides comprehensive list of persons to be trained as ToT (including extensionists from Agro-Service centers, university students -in final year of studies, private sector agronomists) (deadline 15/11/2017) (vi) identified ToT staff are sent to Turkey for specific training module (deadline 31/01/2018) (vii) citrus training is rolled out (continuous starting February 2018)</p>	PM, VC Coordinator, APMA, MoA Adjara	09/2017
<p>Open walnut, persimmon and bay leaf VCs to start-ups</p> <p>Make start-ups eligible to W2 grants in the walnut, persimmon and bay leaf value chains, update APMA website accordingly and advertise widely</p>	PM, VC Coordinator, APMA	09/2017
<p>Ascertain interest to introduce floriculture (women targeted)</p> <p>Based on floriculture market appraisal, if VC is assessed by AMMAR team as eligible, request NO from IFAD, then include floriculture VC in APMA website, and advertise countrywide with supporting documents</p>	VC Coordinator, Marketing Specialist, APMA	09/2017
<p>Feasibility studies</p> <p>The FS are engineering focused, with little attention to required investments in agronomic and market access improvement for irrigation schemes. Improve content of Feasibility Studies (FS) to include requirements for improved agronomic practices, environmental considerations and marketing arrangements. Also check on assumptions made in the FS.</p>	VC Coordinator & Engineers	09/2017
<p>Rehabilitation Masterplan</p> <p>Prepare a comprehensive rehabilitation masterplan (with overall assessment of feasibility) for each large irrigation schemes, with clearly identified rehabilitation phasing. The total scheme costs and area shall be used to define the investment cost per ha to determine efficiency.</p>	VC Coordinator and Engineers	09/2017
<p>Enhanced Training Curricula</p> <p>Enhance the training curricula to (i) make the training sessions as one continuous and coherent training such that the participants are expected to attend all sessions and (ii) include in the training curriculum a simple financial and economic analysis of the technologies as well as special topics of interest to the farmers (climate change, niche markets, etc.);</p>	ELKANA, VC Coordinator, Marketing Specialist	09/2017

<p>Action Plan for market linkages with W2 grant beneficiaries</p> <p>Develop a 6 months action plan with the vision of:</p> <p>a) Identifying at least 3 potential buyers of selected VC with commitments to buy from AMMAR to be supported through W2 grants (with binding or non-binding contracts to beneficiaries): the number of beneficiaries to be discussed with the team based on their work plan</p> <p>b) Providing the needed support to the beneficiaries, suppliers of products to the buyers, to provide the needed quantity and quality requested by the buyer (targeted training and grants if needed)</p> <p>c) Putting a system in place to trace the increase in sales by AMMAR beneficiaries to those identified buyers (through records the buyers and/or the beneficiaries)</p>	<p>VC Coordinator, M&E Specialist, Marketing</p>	<p>11/2017</p>
<p>Alternatives to expensive technologies</p> <p>Promote the discussion with farmer groups during the trainings on possible affordable and effective alternatives to the highly expensive technological options (fully automated, very long duration material, etc) where possible and promote them as options for possible business ideas for use with grants.</p>	<p>ELKANA, Agronomist and external consultants where needed supported by APMA</p>	<p>11/2017</p>
<p>Pilot Value Chain Platform (Apple)</p> <p>Initiate Pilot Apple VC platform in Shida-Kartli regions, centered around apple producers benefiting from training and irrigation schemes, and including input suppliers, processors, fresh buyers, nurseries, labs, ICC staff, GA, other donors, heads of municipalities, etc</p>	<p>VC Coordinator, Marketing Specialist, Engineer</p>	<p>11/2017</p>
<p>STA from Rural Finance Consultant</p> <p>Hire a rural finance consultant (or provided by IFAD) to assess the local situation thoroughly and provide concrete actions needed to enhance the engagement of MFIs in AMMAR or future IFAD projects and other agricultural development projects in Georgia. (IFAD has several good and successful experiences in the region that could be shared with AMMAR). ToRs to be developed by end of October 2017</p>	<p>PMU supported by IFAD</p>	<p>11/2017</p>
<p>Training on facilitation skills</p> <p>Provide a special training by a national or international consultant or service provider in facilitation skills for working with farmers and farmer groups. The training would cover all those closely working with farmers, including public and NGO extension staff, AMMAR and ELKANA team where needed, and selected lead farmers who express interest in follow-up actions with fellow farmers. ToRs to be developed by mid-October 2017</p>	<p>IFAD team to provide ToRs for the consultant/SP and suggest potential candidates</p>	<p>11/2017</p>
<p>Training plan for ICC extension agents</p> <p>Prepare and implement a training plan on cooperation with the MoA for the ICC extension agents who have been trained by AMMAR to follow-up with the farmers who have been trained by ELKANA in their respective areas</p>	<p>VC coordinator, ELKANA and MoA</p>	<p>12/2017</p>
<p>Promotion of live fences, natural hedges</p> <p>Promote the use of plant hedges within demo plots as natural fences that support ecosystem services (bees and natural enemies) and as sources of income (bay leaf, etc.).</p> <p>1) screen and identify potential indigenous woody plants to be that could be promoted as hedges around the vegetable and berry crops which have multiple use (protection as barrier, promotion of ecosystem services and potential income generation);</p> <p>2) promote those woody plants within the demonstration plots (even the ones already established), and within W1 grants (as part of the vegetable, berry, floriculture VC or in support to bees and pollination in fruit tree grants)</p>	<p>VC Coordinator, Agronomist, ELKANA</p>	<p>12/2017</p>
<p>Training plan for new farmer communities</p> <p>Expand the training plan to cover the new farmer communities benefiting from the now completed irrigation and infrastructure schemes. Prepare and implement a training plan for these beneficiaries using on-site training, establishment of new demonstration plots or through field visits to other regions. This would require a modification of the ToRs and corresponding budget for ELKANA</p>	<p>ELKANA, Regional Coordinators, Agronomist, Engineers and VC coordinator</p>	<p>06/2018</p>

Value Chain Infrastructure Identify and (if found) prepare feasibility studies for small infrastructure, other than roads and bridges, as may be necessary for each VC, that may attract private sector investments. The project will be demand driven but the project may undertake feasibility assessments for such infrastructure to create demand from the respective municipalities and entrepreneurs.	VC Coordinator and Engineers	06/2018
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Development Focus

Targeting and Outreach

Rating: 4

Previous rating: 4

Justification of rating

The mission recognizes that the support provided to the economically and commercially active segments of the target population is generating innovative models and valuable drivers for the economy. However AMMAR, delegating the identification of the beneficiaries to its implementing partners, lacked of an adequate strategy able to give specific consideration to vulnerable women-headed households as planned at design. Discussions with beneficiaries and partners also seems to show that lower socio-economic groups are facing difficulties in accessing credit and this might limit their application to AMMAR grants facility.

Main issues

The project is only in its third year of implementation and it is still too early to assess the actual impact of AMMAR interventions in terms of rural poverty reduction: none of the irrigation infrastructures have been completed so far, most of the investments triggered by the grants only started to take place early 2017, and the training sessions on CSA practices are yet to translate into results once adopted throughout a full cropping season.

According to AMMAR data, by end of September 2017, a total of 3,946 people directly benefitted from project activities (31% women). The primary target groups are smallholder farmers that demonstrate agricultural production potential in higher value commodities in targeted value chains, the secondary 10 target groups are other value chain actors (agribusinesses, cooperatives, service providers) while the actual geographical focus has been determined by the country's climate change vulnerability and presence of supported value chains in areas where there is agricultural and irrigation development potential. The programme should develop a targeting strategy and action plan with associated costs and activities to be reflected in the next annual work plan and budget (AWP/B). The Gender and Targeting Focal Point would be responsible for its implementation and would guide the service providers in the identification, mobilization and engagement of project target groups as required. This includes the organization of additional training sessions and useful to ensure a more-active participation of poor smallholder farmers in project activities and the exposure to the climate-smart practices supported by the project. For this purpose, it is important that the ToRs of the Value Chain Specialist, who also act as Gender and Targeting Focal Point, reflect adequately gender and youth mainstreaming activities. In the forthcoming implementation period AMMAR, in collaboration with a new social mobilizer, is expected to boost youth engagement by (i) sensitizing project partners regarding the importance of their participation, (ii) facilitating access to training and evidence-based knowledge; and (iii) expanding their economic opportunities. The introduction of the new resources through DANIDA grant facility for young entrepreneurs, combined with integrated knowledge and capacity building opportunities offered by AMMAR, is expected to better address the youth's needs and help expanding their productive and income-generating potential. If more time had been available, the introduction of household methodologies (e.g. GALS) would have also helped them to develop a vision for their future, strengthen their self-determination, reflect on existing challenges and opportunities, also in relation to value chain development and market access.

Agreed Action	Responsibility	Agreed Date
Social Mobilizer in youth targeting, grant applicant mobilization, etc. Develop ToRs for additional SP (Social Mobilizer) to improve applications and access to grants by the poor small holder farmers that have limited access to credit (including youth)	IFAD	09/2017
Guide targeting approaches Improve the engagement of youth and women in project activities; ensure more-active participation and inclusion of poor smallholder farmers	Social Mobilizer, Gender Focal Point	11/2017
Update TORs of the Value Chain Specialist (who acts as Gender Focal Person for the project) TORs of the VC Specialist to reflect gender and youth mainstreaming activities and targeting interventions, to ensure accountability and appropriate allocation of time. It should also be ensured that the Gender Focal Point supervises all the activities linked to gender, youth and women's empowerment and coordinates the service providers as needed	Gender Focal Point/ Project Manager	08/2018

Gender equality & women's participation

Rating: 4

Previous rating: 3

Justification of rating

The mission rates gender focus as moderately satisfactory. The M&E system is carefully monitoring women's participation in project activities through sex-disaggregated data and taking also into account qualitative indicators (e.g. testimonials from the field). However,

the late introduction of a gender action plan and the lack of a clear operational strategy on gender mainstreaming and women's empowerment has limited so far the gender transformative potential of the project. However, project staff have accepted the relevance of these concepts and more efforts are now needed to ensure their full internalization as routine practice within and outside the PMU.

Main issues

As at September 2017 overall the 31% of beneficiaries are women but, information from the field and interactions with project implementing partners, confirmed that gender inequalities are still an issue in the rural areas and affected women's participation in project activities during the first implementation period (only 11% attended multi stakeholder meetings, 18% trainings, 11% got a grant). The mission is confident that, with adequate operational modalities and delivery mechanisms in place, these targets will substantially increase in the forthcoming implementation phase. Within this framework AMMAR is called to consolidate its efforts in building the capacity of its key partners to identify and mobilize vulnerable women-headed households (as foreseen in project design), understanding their role within each VC, defining market potential, as well as challenges and training needs. The current gender action plan should be revised and converted into a comprehensive gender and targeting strategy with a concrete implementation plan that will guide the operationalization of its objectives ("how to") and ensure that they are translated into activities, inputs, outputs and outcomes, with a physical and financial planning. To maximize efforts, project staff is also called to explore new opportunities for strategic partnerships (e.g. with Women Information Centre) and/or to expand the ongoing collaborations (e.g. with ELKANA).

Agreed Action	Responsibility	Agreed Date
Targeting Strategy Develop a gender and targeting strategy that includes a detailed action plan with associated costs, which must be reflected in the next AWPB. Ensure that gender and targeting objectives are translated into activities, inputs, outputs and outcomes, and physical and financial planning	Gender Focal Point, VC Coordinator, Regional Coordinators	11/2017
Synergies with NGOs and government programmes involved in women empowerment Description of Action: Foster women's mobilization, empowerment and capacity development via NGOs and government programmes involved in women empowerment. Explore synergies, define entry points (e.g. their self-help groups, cooperatives and training centres) and elaborate a plan for collaboration	Gender Focal Point, VC Coordinator, Regional Coordinators	11/2017
Increase women's participation in project-related activities (i) Undertake an analysis of the women's role in each VC, including workload, decision making and inequalities. Identify market potential and training needs and (ii) Design gender-sensitive trainings, meetings and exchange visits in collaboration with the service provider and enable mechanisms to ensure identification and participation of rural women, especially the most vulnerable and marginalized. Adjust curricula as needed (food safety and nutrition awareness can also be considered for inclusion)	VC Coordinator/Gender, Focal Point, Marketing specialist, ELKANA	11/2017

Agricultural Productivity **Rating: 4** **Previous rating: 4**

Justification of rating

The project is still at a too early stage to assess its impact in terms of food security and agricultural productivity. But the mission can highlight that all project activities are aimed at increasing both, through (i) enhanced access to water (via rehabilitated irrigation infrastructures) and climate-smart irrigation technologies (via grants) and (ii) theoretical and hands-on training on climate smart agricultural practices. It is only in 2018 that the first impacts will start to be visible, and it is therefore essential that AMMAR M&E continues close monitoring of project interventions

Nutrition **Rating: N/A**

Adaptation to Climate Change **Rating: 4** **Previous rating: 4**

Justification of rating

All project activities are aimed at strengthening the resilience of local communities vis-a-vis climate-related shocks and stresses. The GEF grant is particularly dedicated to promote landscape restoration in areas prone to floods and wind erosion, the climate start agricultural training proposes a wide range of techniques (Conservation Agriculture, Composting, Vermiculture, fertigation, etc.) to fight land degradation, and the W1 grants facilitate access to efficient irrigation technologies. The impact of these interventions is expected to witnessed from 2018 onwards.

b. Sustainability and Scaling up

Institutions and Policy Engagement **Rating: 4** **Previous rating: 4**

Justification of rating

The "Climate Change (CC) National Adaptation Plan (NAP) for agriculture sector" drafted with the support of AMMAR will be part of the overall Georgia's country CC NAP that is expected to cover all sectors vulnerable to the climate change. A draft report has already been submitted in the 2nd quarter of 2017, and the final document of the Agriculture NAP is expected to be delivered by 30 September 2017. The overall Georgia Country NAP will ultimately be approved by Governmental decree. The post-soviet era in Georgia is characterized by a strong reluctance on the part of farmers to work as a group, be it in the form of Cooperative, Producer Association, or Water Users Organizations (WUO). Out of +/- 2,000 cooperatives currently registered in Georgia, it is commonly acknowledged that less than 10% are operational. AMMAR has strived to reach cooperatives involved in the project's selected value chains, but managed so far to receive only 8 applications for grants (6% of total applications), of which 5 have already been approved.

Main issues

The Government of Georgia has completed the preparation of an irrigation strategy (with assistance from the World Bank), that aims to strengthen the organisation and participation of farmers in irrigation schemes in scheme management and investment. The strategy promotes the formation of water user organisations to operate and maintain irrigation systems at tertiary level. An irrigation law is expected to be enacted by June 2018. Currently, the farmers on irrigation schemes are not organised and are rarely consulted during rehabilitation planning, system design preparation and civil works. It is expected that when the WUOs are formed and legalised, the participation of the farmers will increase. Meanwhile, there is a risk that the current ongoing rehabilitation of tertiary canals may not be maintained properly until handover to farmers is possible, since GA has limited capacity to cover all the schemes in a timely manner. The new law will facilitate the scaling up of irrigation rehabilitation in Georgia as it will promote PPPs, with farmers and enterprises working together to facilitate investments.

Partnership-building

Rating: 4

Justification of rating

The AMMAR team have recently made efforts to expand implementation partnerships and have satisfactorily collaborated with the USAID funded ZRDA project, Georgian Farmers Association and cooperatives supported by the EU ENPARD programme. Additional partnerships are being explored on climate related aspects on identifying suitable CC Adaptation activities

Human and Social Capital and Empowerment

Rating: 4

Previous rating: 4

Justification of rating

The project is currently at a too early stage (less than 2 years of active implementation) to enable deep assessment and understanding of the extent to which the capacities and the social capital of poor women and men have been built, expanded or strengthened.

Quality of Beneficiary Participation

Rating: 4

Previous rating: 4

Justification of rating

The participation of beneficiaries in decision making for infrastructure development seems low. The main decisions are made by GA for irrigation and municipalities for small infrastructure, on behalf of farmers. This is mainly because GA and municipalities pay 5% contribution for infrastructure development. Farmers make decisions on investment for on-farm irrigation systems. They also make decisions on the choice of crops to grow, depending on available markets and investment opportunities.

Main issues

This service provider will be working closely with ELKANA to support in mobilizing male and female farmers to attend the trainings, to discuss with them ideas for the grants and encourage them to apply and support them in the process, to support the M&E officer in data collection on the beneficiaries, to support the gender focal point in AMMAR with the identification of needs and constraints of women in the VCs and together identify special activities that could help them participate in the activities, and other activities => see agreed actions in Targeting and Outreach section.

Responsiveness of Service Providers

Rating: 4

Previous rating: 4

Justification of rating

ELKANA was able to deliver well on its tasked forces. Nine out of the 10 planned demonstration plots were established in a very proper manner while the remaining one has already been identified. The farmers who hosted the demo plots in their fields were properly selected as they were respected by the neighboring farmer communities and they were open for experimentation on their fields and accommodating to the visits and questions posed by neighboring farmers. ELKANA was also able to mobilize farmers and initiate training on the demonstration plots established. Farmers seemed to be well satisfied with the training, although they indicated that they would appreciate more hands-on practical training. The level of the gender participation in the training was also properly taken into consideration, and ELKANA appropriately supported the M&E officer in providing the needed information and data on the farmers trained. ELKANA was also able to quickly fill in the gap of identifying potential areas to be used for the landscape restoration demonstration when CENN contract was ended. However, there is a lot of scope for the improvement of the performance and responsiveness of ELKANA, especially in their being more proactive and innovative. Little initiative was observed to go beyond what was exactly in their ToRs. This may be explained by a lack of sufficient experience and integration within the AMMAR team.

Environment and Natural Resource Management	Rating: 4	Previous rating: 4
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Justification of rating

Integration of Water Framework Directive approaches in project activities has increased, although in order to obtain tangible impacts on the environmental sustainability of agricultural practices much more work is needed, e.g. a wide involvement of stakeholders during and after the implementation of the Charebula project, further interaction with other relevant public administrations, etc.

Main issues

Refer to Section E - SECAP

Exit Strategy	Rating: 4	Previous rating: 4
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Justification of rating

Irrigation and small infrastructure: Sustainability of the investments can be put at risk with the lack of timely maintenance of infrastructure. The municipalities and GA may not have adequate resources to cover all the maintenance requirements for the new infrastructure. However, for irrigation systems that have been rehabilitated, government has promised to provide the required resources to maintain all tertiary systems until they are handed over to farmers once the new irrigation law is enacted and WUO are legalised. It is estimated that the timeframe for the WUO to be legalised is 1.5 to 2 years.

Potential for Scaling-up	Rating: 4	Previous rating: 4
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Justification of rating

The CSA training is presently linked to the demonstration plots. These are however, costly, especially that they are done as fields with high technology and ideal situations. Accordingly, it is very improbable that the project or the farmers will be able to scale up demo plots just for the sake of training. However, the CSA training for farmers could be expanded and scaled up in various ways. This could include activities such as the use of already available demo plots from other development projects, bringing farmers from one area to visit another area with established demo plots, establishing on farmers' fields new demo plots that are very simple and not using high technologies, but with climate smart good agricultural practices, train farmers in undertaking cost-benefit analysis of the technologies, experimentation on farmers' fields (ensuring that farmers are given compensations for potential losses and incentives for allowing experimentations in their fields), use of scoring for the applied techniques undertaken by farmers visiting demo plots, and promotion of discussions between farmers to understand why and how these technologies work, etc. Such activities, when part of the training, could promote adoption and hence the scaling up of the technologies since farmer learning from fellow farmers is highly effective.

c. Project Management

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

Since the last IFAD supervision mission that took place in July, the mission is able to report a definite improvement in the way AMMAR team apprehends, implements and coordinates the project. Key positions have been filled (Regional Coordinators, part-time Agronomist, Marketing Specialist), and the VC Coordinator is now also endorsing the function of Project Dty Manager. This has generated significant progress in the rolling out of most activities (translating in increased disbursement from USD 770,000 in 2016 to USD 1,756,000 in the first 8 months of 2017).

Main issues

Despite the substantial improvement in AMMAR Project Management, the mission feels that there is still room for improvement in the overall coordination and targeting of AMMAR, particularly in the field of overall training and linkages between grants and irrigation schemes (as indicated above, see section on effectiveness) Clear action plans should be established on a regular basis, involving key staff across all AMMAR interventions, and overall progress self-monitored without waiting for IFAD implementation support missions Synergies with other development partners are also not often translating into concrete actions. AMMAR needs to increase its visibility and be more proactive in seizing identified opportunities to collaborate with other programmes.

Agreed Action	Responsibility	Agreed Date
Engagement with other development agencies Ensure that AMMAR team is fully aware of all other (relevant) donor's interventions (updated list), duly represented in major events, and seizes identified opportunities to complement other's activities (including exchange visits)	VC Coordinator, VC Specialist	09/2017
AMMAR 'Command Unit' Set up a 'command unit' that will meet at least on a monthly basis with the aim to 'connect the dots', i.e. update progress, identify and qualify beneficiaries, analyze data collected through M&E and Regional Coordinators, and most importantly develop action plan for forthcoming month with key targets (e.g. number of irrigation beneficiaries who receive training, apply for matching grants; number of farmers who already received training and go for a second round in line with their needs; number of beneficiaries who are connected to new market opportunities, number of new women involved in AMMAR interventions, etc.) One of the tools that this unit must use on a systematic basis is the AWPB, that should be disaggregated per quarter (not only for execution, but also for planning)	VC Coordinator, Engineer, M&E Specialist, with inputs from all AMMAR team members	09/2017

Knowledge Management

Rating: 4

Previous rating: 4

Justification of rating

In infrastructure development, the project has not been very innovative. The project should be more innovative in modernising irrigation systems so as to help reduce operational and maintenance costs, improve water use efficiency, reduce on-farm labour requirements and open opportunities for achieving improved crop quality, yields and diversification.

Main issues

The mission appreciated AMMAR's attention on KM-related activities and its commitment to capitalize on the success stories and good practices that have emerged during this initial project life cycle. It also recognized that AMMAR, as first IFAD-supported value-chain development project in the country, is expected to generate new important learning that could be instrumental in informing on-going project implementation and possibly driving replication and scaling up. This will imply an up-scaling of the KM and communication activities along with expansion the project interventions and defining a clear action plan for the remaining implementation period. Support has been provided by the mission to guide this capitalization process, facilitate the elaboration of several knowledge products (e.g. through the adoption of the guidelines provided in the IFAD Communications Toolkit), and ensure proper dissemination to wider audiences.

Value for Money

Rating: 4

Justification of rating

Based on the financial and economic analysis of the project, the use of resources in AMMAR is efficient and the project has an economic rate of return (ERR) of 24% despite the delayed start to the project. This return is rather conservative because it does not take into account other benefits of the project such as the rehabilitation of roads that would lead to further post-harvest losses reduction in areas with rehabilitated roads, the benefits incurred by indirect beneficiaries in other parts of the value chain and the benefits of irrigation rehabilitation for beneficiaries who had irrigated land prior to the rehabilitation of irrigated schemes but nonetheless see improvements in the quality of their irrigation.

Main issues

An Economic and Financial Analysis (EFA) of the Agriculture Modernisation, Market Access and Resilience (AMMAR) Project in Georgia was conducted to assess and compare the costs and benefits of the project, to analyse its viability from the perspective of the beneficiaries (financial analysis) and from the perspective of the economy as a whole (economic analysis). The data used primarily come from the project team (including the project agronomist), business models prepared for grant applications, discussions with project beneficiaries during the mid-term review mission and project information regarding past and future activities. The main activities of the project resulting in financial benefits were the rehabilitation of infrastructure, the small grants for beneficiaries for production or post-production investments and the trainings delivered through the demonstration plots. These activities covered the project value chains. While the project currently includes nine value chains, it was impossible to create models reflecting all the activities and value chains due to time constraints. Hence the models do not cover all the value chains but rather the relative investments in each value chain in practice. In addition, the models assume that infrastructure and grant beneficiaries in certain value chains systematically overlap with the training beneficiaries, which is not necessarily true in practice. The models differ significantly from those conducted for the EFA at design to better reflect project activities. The EFA at design was conducted prior to the selection of the value chains and had to make assumptions regarding these value chains. At this stage of the project, we can already understand where investments are made, both in terms of value chains and specific activities, and the models strive to reflect this. In most models, the gains come from additional yields enabled by the irrigation (flood or drip) and, in some models, an improved technical itinerary due to the trainings provided on demonstration plots. The greenhouse models are based on off-season production that allow the farmers to sell at higher prices. In the case of the simple greenhouse, producing early on in the season allows the farmer to obtain higher prices for his/her products. In the case of the heated greenhouse, the farmer continues to produce early in the season (without heating), but also has an additional crop cycle in the winter thanks to the heating, when prices peak. The hail net model works more as an insurance, whereby the purchase of a hail net reduces production losses due to hail. With the explanation of the hail net model for the apple orchard (about which more information is provided in the appendix), all the models were financially viable using a discount rate of 10%. At the current investment costs per ha (US\$835), the project seems highly efficient in the use of resources. However, there is need to assess efficiency using life

cycle costing (LCC) for infrastructure, LCC will take into account the total cost of civil works construction, plus operation and maintenance costs for the life of the infrastructure. It may be that some other technologies, such as pipelines, where feasible, or lined canals may have a lower LCC and prove to be more longterm efficient use of resources.

Coherence between AWPB and Implementation	Rating: 3	Previous rating: 3
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Justification of rating

AMMAR AWPB for 2017 was very ambitious with over USD 8 million committed along the various project's interventions. Substantial delays were incurred in Component 1, especially for Landscape Restoration activities, while the disbursement of grants remained almost exclusively linked to primary production investments (W1), which require smaller amounts than processing/agri-business investments. As of 01/09/17 the overall disbursement rate stands at 22% of total expenditures planned for 2017AWPB, but appropriate corrective measures are put in place, based on the self-assessment made by AMMAR team, recommendations provided by IFAD missions, and analysis of past experiences. The coherence between AWPB and implementation is thus rated as Moderately Unsatisfactory.

AWPB Inputs and Outputs Review and Implementation Progress

In irrigation and small infrastructure, the expenditure in comparison to the AWPB has been moderately satisfactory with about 38% of the budget spent so far. Most of the expenditure has been in preparation of feasibility studies (at 76% of the budget). The main reason for the below expectation expenditure in irrigation and infrastructure is an ambitious programme that assumed completion of feasibility studies, detailed designs and construction in one and same 14 AWPB. It is prudent to assume, during planning that feasibility studies and detailed designs are planned for one AWPB cycle and construction of civil works in the following AWPB cycle. The planning for civil works execution should take into account periods that the contractor cannot access the site due to farmers irrigating or adverse weather conditions. Compared to actual contract values, AMMAR AWPB also underestimates the budget required to carry out activities. As an example, the rehabilitation of Dzevera-Skertuli Irrigation was budgeted to cost GEL500,000 for civil works but the contracted amount was GEL1,649,914 and GEL30,000 for construction supervision, but contracted amount was GEL165,956. This has been a common error during planning for infrastructure. Notwithstanding the steady progress observed in the recent months (against zero grant disbursement in 2016) the overall financial execution of AMMAR grants remains low at 33.4% of 2017 AWPB. While the W1 grants seem on good tracks to achieve close to 100% financial execution by the end of 2017FY (standing at 67% execution by 01/09/2017), the disbursement of W2 grants remain at alarming low levels (15% execution), and it shows that the assumptions made by AMMAR and APMA teams on the respective applications for these 2 grant windows were not appropriate. This calls for immediate actions to (i) increase mobilization around W2 grants (see agreed actions in Effectiveness section), and (ii) consider reallocating resources from W2 to W1 grants in the next 2018AWPB. Current projections indicate that the execution of AMMAR grant facility will be around 51% by year end, which is moderately unsatisfactory. The disbursement related to Landscape Restoration interventions is extremely low (16.8%), in direct relation with the low performance of the SP (contract terminated) and the delays in setting up a new approach. It is not expected that yearly disbursements will exceed 31% of 2017AWPB, which is unsatisfactory. Component 2 value chain development process and support has achieved a financial execution of 23% by 01/09/2017, mostly due to lower investment costs than anticipated in the establishment of demo plots, that account for almost 80% of Comp2 budget). Other activities such as policy dialogue, marketing studies and technical assistance have been executed at satisfactory level, and are actually expected to exceed target by year end. Overall disbursement of Component 2 is rated moderately satisfactory. The Programme management component was executed at 50% by 01/09/2017, which is satisfactory. Salary disbursements and recurrent costs are slightly lower than planned expenditures; the budget for operational costs and staff training remained however almost untouched so far.

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
<p>Planning for W1 and W2 grants</p> <p>In view of progress made in the last quarter of 2017FY, taking into account actions agreed to improve grant mobilization (introduction of new value chains, opening up to start-ups for certain VCs, etc.), make realistic assessment of potential for W1 and W2 grants, and plan 2018 budget accordingly</p>	PM, VC Coordinator, FM Specialist	10/2017
<p>Planning for Civil Works</p>	Engineers	12/2017

Performance of M&E System	Rating: 5	Previous rating: 4
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Justification of rating

The M&E system for AMMAR maintains its satisfactory performance. All the agreed actions referring to M&E defined during the supervision (July 2016) and two follow up missions (December 2016 and June 2017) have been implemented. All aspects for having an effective M&E system are in place, reports are prepared on adequate timing with physical progress for all indicators, the M&E plan is effective and the M&E officer is highly qualified, and the M&E data is used by the project team.

M&E System Review

The M&E unit at AMMAR is being managed by a highly qualified M&E officer who is reporting to the project manager. The M&E officer has developed databases for the different project activities to keep tracking of the different beneficiaries along with the geo-referencing of the different sites (irrigation schemes, land restoration sites, demonstration plots, grants beneficiaries and small infrastructure). All kind of data collection tools are being used to collect relevant data and information from the field. The project has been successful in monitoring of all activities/output indicators, while for the outcome/impact indicators, a number of studies/surveys will be conducted in the coming 2 years to capture results of the higher level indicators. This will include an adoption study to assess the impact of the trainings on demonstration plots. The project staff has increased their monitoring visits based on the previous supervision mission recommendations.

Following the new modifications in IFAD to shift from the Results and Impact Management System (RIMS) to the Operational Results Management System (ORMS), the project log frame has been modified to include the new IFAD core indicators, however, further modifications were conducted during this MTR mission to reflect changes in the implementation arrangements. The updated version of the log frame is attached to the MTR report. The mission has also supported the M&E officer in revising the M&E system to incorporate DANIDA interventions into the M&E system. New database was established for DANIDA grants to track beneficiaries and all indicators were added under the system. Furthermore, the MTR mission has incorporated the DANIDA indicators into the log frame to mainstream those activities with AMMAR project. Under the M&E system, the data collected allows for disaggregation by gender, type of intervention, land ownership, and types of crops grown. The project M&E system provides a wealth of information which will support the knowledge management activities in the remaining life of the project. The M&E officer has developed success stories on some beneficiaries and more knowledge management products will be prepared once the results of the interventions become more tangible.

Agreed Action	Responsibility	Agreed Date
AWPB modification Include tables on expected targets for different indicators under the M&E system	M&E officer / VC and GEF Coordinators / Engineers	11/2017
Adoption study Conduct an adoption study for the completed demonstrations	M&E officer / ELKANA	02/2018

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

Rating: 4

Justification of rating

The assessment of environmental risks and the consideration of potentially negative environmental effects of project actions have been to a limited extent implemented so far, due to limited background data and local capacities, and also a lack of consideration of relevant river processes. However, this has been tackled extensively during the last missions and it has determined a positive change of approach in the definition of project activities. This approach is further developed in the description of actions agreed before and during the course of this MTR.

SECAP Review

Given the small scale of the interventions related to landscape restoration, no significant negative environmental impacts are expected. The main foreseeable environmental concerns are the ones associated with the management and disposal of excavated materials and construction debris.

In addition, all approved proposals/designs are required to meet requirements of the environmental legislation of Georgia and feasibility studies are undertaken, considering environmental and social aspects. (see below detailed review of AMMAR main interventions related to Landscape Restoration). As for irrigation and small scale infrastructure, during the preparation of the feasibility studies and detailed designs, environmental and social assessments must be carried out to prepare environmental and social management plans for each sub-project (inclusive of demonstrations plots). The project should hire an environmental/safeguards specialist to assist in ensuring that mitigation measures are adequately identified and implemented. Some canals to be rehabilitated are passing through densely populated areas, very close to fenced properties. These areas pose a risk to the smooth implementation of the project and to causing potential damage to property.

d. Financial Management & Execution

Disbursement by financier

Type	Name	Current Amount	Disbursed Amount	Actual Rate
Domestic Financing breakdown	National Government	\$2,457,600		
	Beneficiaries	\$9,760,800		
Co-financing breakdown,	Global Environmental Facility	\$5,300,000		
	Denmark	\$4,187,000		

Acceptable Disbursement Rate

Rating: 3

Previous rating: 4

Fiduciary Aspects

Quality of Financial Management

Rating: 5

Previous rating: 5

Justification of rating

Although AMMAR at its current pace utilises a lower financial resource than had originally been anticipated, the accounting practices, systems and controls adopted by AMMAR FM team perform satisfactorily well and provide adequate support for the project to achieve

its goals.

Main issues

All activities of the Financial Management section of the AMMAR PMU are in strict compliance with provisions of the GoG Act on Accounting and Financial Reporting at State Organisations (2014) and they are ultimately managed by the MOA Head of Donors' Projects Management and Monitoring Unit. The team administers all project-related payment requests through the MOF Treasury Payment Processing portal, and mirrors them in COPPER, a bespoke accounting system developed specifically by MOA for managing government accounts on international donor-financed projects. **Personnel.** The FM team consists of a Senior Accountant and FM Manager, both with rich experience of working on international donor-sponsored projects for the Georgian government, and who are responsible for payment processing, accounting and financial reporting for the project. They are employed through consultancy contracts, hence all taxes and social insurance contributions are paid by them without claims on MOA. **Internal control system.** The payment and accounting control practices utilised by PMU are fully aligned with MOF requirements for sanctioning and processing payments on Georgian government procured contracts. PMU FM operations frequently undergo compliance verification spot checks by MOA and MOF auditors. **Budget preparation.** The ongoing AWPB was settled between PMU and IFAD by late February/ early March 2017. It slightly deviates from the project budget limits as approved for AMMAR by the MOF and Georgian parliament in the 2017 State Budget. The main reason being that for the State budget drafting PMU had submitted unchallenged estimates as existed in November 2016, also certain GEL/USD fluctuations were at play in between November 2016 and March 2017. Although AMMAR FM team took into consideration the IFAD 2016 Supervision Mission's recommendation to align both processes in order to eliminate such deviations, they still find it challenging given the AWPB review phase by IFAD, whose suggested modifications PMU strives to fully address in the final cut. **Budget monitoring.** The AMMAR team has fully taken onboard the 2016 Supervision Mission's recommendation, which urged it to monitor project budget implementation (in physical and financial terms) on a quarterly basis. Nevertheless, thus far it has not brought the hoped for improvements in achieving financial targets, as the actual 8-month 2017 results vs 2017FY AWPB planned figures show that the project has been experiencing difficulties in fulfilling this year's budget, having met only at 31%. If all planned for the remainder of the year works are successfully procured then AMMAR will implement 45% of the 2017 budget and will most probably add to the accumulated backlog of yet to-be-contracted works. **Accounting system.** PMU FM team has upgraded COPPER with a new capability allowing them now to reconcile figures in Withdrawal Applications (WA) with DA balances. The system continues to adequately record all transactions without delays and backlogs. Pre-balancing of all accounts is done automatically at each transaction request, and payment recording is only possible if in the "post-transaction" scenario a perfect balancing of all accounts is achieved. Payment orders in consideration of government contributions are submitted by PMU FM through the Treasury system simultaneously with submissions of payment orders for paying contractors from SAs. Upon receiving confirmations from both sources such transactions are immediately recorded in COPPER. **Inventory.** No inventory control is performed by PMU employees since all fixed assets, upon successful signing of works acceptance acts, are booked on the special MOA Amelioration Company AMMAR project account. The Amelioration Company is in charge of maintaining such fixed assets which also generate revenues for them.

Agreed Action	Responsibility	Agreed Date
Personnel With the ever-increasing amount of payment processing, record-keeping and testing of budgeting module within the accounting software, the 2017 MTR recommends AMMAR team to consider adding a new junior role to the FM function. Resolve FM manpower, office space and equipment limitations	PMU FM team	09/2017
Align AWPB with state budget Sustained from IFAD 2016 recommendations	PMU FM team	10/2017
Budget Preparation Integrate a new module in COPPER accounting system to enable PMU FM team to generate quarterly disbursement projections based on 'non- default' payment terms from existing and potential service supplier contracts	PMU FM team	10/2017
Budget monitoring Automate AWPB quarterly budget monitoring process (Expected to be fully resolved once the new project budgeting module is coded up in COPPER)	PMU FM team	10/2017

Quality and Timeliness of Audit	Rating: 6	Previous rating: 4
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Justification of rating

IFAD waived the Borrower's obligation to submit LPA's audited financial reports for 2015FY due to the low level of project activity in that year. After pre-agreeing procurement terms for appointing external financial auditor with IFAD in May 2017 PMU went through a comprehensive auditing process covering its 2015FY and 2016FY operations in accordance with the International Public Sector Accounting Standard "Financial Reporting under the Cash Basis of Accounting". Having completed the scope, the appointed auditor issued an unqualified report, confirming the PMU's financial records and statements as fairly and appropriately presented. Equally, no deficiencies in ongoing payment authorisation, flow of funds and record keeping practices of PIU have been identified by internal MOA/MOF auditors.

Counterparts Funds	Rating: 4	Previous rating: 4
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Justification of rating

The Georgian government contributes to the project through waiving and exempting VAT, taxes and custom duties for PMU suppliers. As of 31st August 2017, the total government support for the project amounted to USD 306,597 (or 12% of the allocated amount), of which USD 221,758 were received during the course of first 8 months of 2017. This is explained by the acceleration of payments to construction companies, who started to invoice PMU for interim delivery stages, and to consultancy firms, whose scopes have been broadened up by PMU for training and best-practice dissemination assignments. According to AMMAR estimates, during the first 8 months of 2017 private beneficiaries have contributed to the project causes in the amount of USD 500,963, mainly through co-financing schemes supported by IFAD loan and GEF grant. Main issues Since the 2016 Supervision Mission the composition of AMMAR funding base has experienced a winddown of the USD0.5M IFAD grant, with a full repayment of outstanding balances from its DA back to IFAD on 23 June 2017, and an addition of a pass-through DANIDA grant in the amount of DKK27,965,000. The Georgian government and project beneficiaries are still committed to the project. All irrigation rehabilitation is done after commitment from GA to contribute 5% of the rehabilitation costs. All small infrastructure development is done after commitment by the respective municipality to contribute 5% of the development costs.

Compliance with Loan Covenants	Rating: 5	Previous rating: 4
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Justification of rating

Financial statements, SOEs and representations: 2015FY and 2016FY audited financial statements were presented to IFAD in May 2017 and were found acceptable. So far, no deviations from IFAD accounts have been identified, therefore all reporting requirements on PMU historical transacting are met. Cross-examination of SOE supporting electronic and hard-copy records of contracts and payment orders confirms that the disbursed proceeds have been used for eligible expenditures incurred by the project. Budgeting for 2018 AWPB is still under way at PMU, but is expected to be finalised in time for the 2018 State Budget Request submission in mid-November. Project FM activities are performed in compliance with provisions of the Letter to the Borrower, Financing Agreement covenants, and relevant sections on procurement, financial management and disbursement as outlined in the Project Implementation Manual.

Procurement

Procurement	Rating: 4	Previous rating: 4
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Justification of rating

AMMAR's procurement remains moderately satisfactory

Procurement Review

A review was done to the Procurement Management Procedures and Progress. The review covered the Procurement Plan, Contract Register, and Bidding files. **Procurement Staff:** AMMAR Project is staffed with an experienced Procurement Officer (part time) who is handling all the Procurement tasks under the Project and ensuring compliance with IFAD's Guidelines and Procedures. The Bidding process is managed by the PIU while the evaluation committees are formed from MOA's staff with participating members from AMMAR's project as observers and non-voting members. **Procurement Plan:** A revision of the Procurement plan revealed the following: The plan was updated capturing major dates. Some Date and Value fields mentioned "TBD" or revisions against actuals were missing. This should be avoided. The Plan merged all Procurement categories in one sheet. In some cases, the Procurement Plan was upgraded without receiving IFAD's clearance. The plan showed an excessive use of the Selection Based on Consultant's Qualifications (CQS) method which should be used only with very small assignments or on exceptional cases cleared by IFAD. **Procurement Progress:** From January 2017, 32% of the planned contracts value for the year 2017 was contracted as of September 20, 2017. This figure does not take into consideration the Project Management staff contracts. Some adjustments were performed to the time line especially for the Works contracts taking into consideration the interruption during the irrigation season. Given the low value of actual contracted figure, additional efforts are to be made at the level of implementation including procurement management. As suggested in previous missions, while the volume at present does not justify full time input from the procurement officer, the latter is expected to dedicate more time for an equivalent of at least two days per week in the office to follow on possible delays at different levels of the procurement process (including requirement finalization and contract implementation possible constraints). **Prior/Post review requirement:** Frequently, the Prior/Post requirements set in the Plan did not respect the Letter to the Borrower requirements. This non-compliance with the LTB requirements was not cleared with IFAD. IFAD's Prior Review is to be sought at least for Goods and Works at bid evaluation stage and for Consultants at the level of TORs, proposals evaluation and negotiated Contracts. It was agreed during the mission to review the thresholds set in the letter to the borrower as follows: - The Prior Review for the solicitation and award for works is set at USD 500,000 equivalent or more; for the solicitation and award for consulting firms is set for USD 300,000 equivalent or more. RFP will be nationally advertised for contracts valued up to and including USD 200,000 or equivalent. Subsequent revision is to be done for the International RFP threshold. **Procurement Processes, documentation and record keeping:** Following the review of the Procurement files, it was revealed that the files were complete summarizing all the required Procurement stages and documents, including TORs, Technical Specifications, bidding Documents, evaluation report, and acceptance reports. However, it is to be noted that although the evaluation data (tables, technical notes, etc.) is available, in some cases a summary evaluation report compiling this data was missing. The record keeping was done properly. Also, in some cases the evaluation report was not properly signed by all evaluation members. **Contract register and contract management:** Contracts are being closely supervised. Amendments are being issued on time whenever needed. The mission ascertains that the format in use for the contract register is in conformity with IFAD's requirements and that the contracts signed by the project are properly recorded. The contractual terms and provisions are correctly applied. Payments made are consistent with the physical and financial progress and meet the payment terms stipulated in the contract.

Agreed Action	Responsibility	Agreed Date
<p>Minimize the use of Selection Based on Consultant's Qualifications (CQS) method</p> <p>The Selection Based on Consultant's Qualifications (CQS) method should be used only with very small assignments (Exceptional cases might be discussed with IFAD on a case by case basis)</p>	Procurement Officer and Project Manager	08/2017
<p>The dates and value in the Procurement Plan should be very clear</p> <p>The term "TBD" should be avoided in the Procurement plan since it defeats the purpose of the plan. Instead, clear dates and values should appear in the plan.</p>	Procurement Officer and Project Manager	08/2017
<p>Seeking IFAD's No Objection for all Prior Review Contract's</p> <p>IFAD's Prior Review is to be sought at least for Goods and Works at bid evaluation stage and for Consultants at the level of TORs, proposals evaluation and negotiated Contracts.</p>	Project Manager and Procurement Officer	08/2017
<p>Signature of the Evaluation report by all the evaluation committee members</p> <p>The evaluation report should be duly signed by all the evaluation committee members</p>	Procurement Officer	08/2017
<p>Seeking IFAD's No Objection for upgrades/ revisions done to the Procurement Plan</p> <p>Any revision of the Procurement Plan including (i) the addition of new packages, (ii) the change in budget for certain packages and \ or (iii) the change of selection method, should be cleared with IFAD before such changes are implemented In some cases, IFAD's No Objection was not sought at the level of Contract award for some Prior Review Contracts.</p>	Procurement Officer and Project Manager	08/2017
<p>Amending some thresholds set in letter to the Borrower</p> <p>It was agreed during the mission to review the thresholds set in the letter to the borrower as follows: -The Prior Review for the solicitation and award for works is set at USD 500,000 equivalent or more. -The Prior Review for the solicitation and award for consulting firms is set for USD 300,000 equivalent or more. - RFP will be nationally advertised for contracts valued up to and including USD 200,000 or equivalent. - Subsequent revision is to be done for the International RFP threshold</p>	IFAD	09/2017
<p>The evaluation process should be documented in a detailed evaluation</p> <p>All evaluation data (tables, technical notes, etc..) should be compiled in a very detailed evaluation report</p>	Procurement Officer	08/2018

F. Relevance

Relevance

Rating:

G. Project Modifications

Responsibility	Modification Type	Description
IFAD and PMU	Reallocation	Revise the project cost tables to reflect the changes in the budgets allocated for different activities and also reflect the overall costs after adding DANIDA funding.
IFAD and M&E Officer	Logical Framework	Update the logical framework to include indicators related to DANIDA funded activities to be integrated and harmonized within AMMAR project. Additionally, adding the new core indicators of the ORMS to replace the old RIMS indicators

H. Lessons Learned

Success Story: Irrigation Scheme Rehabilitation – Improved life condition for farmers

Dzevera-Shertuli Irrigation Canal is located in Gori Municipality of Shida Kartli Region and serves three villages of Dzevera, Shertuli and Karaleti. The service area of the Canal is 2,654ha and includes 1,720 households. In 2005, under the previous IFAD funded project (ASP) the headworks and the main canal were rehabilitated. However, water delivery to the farms was impeded due to the deteriorated on-farm network. AMMAR Project worked to address this issue and started the on-farm network rehabilitation in September 2016.

To assess the impact achieved AMMAR Team analysed the following aspects:

How has the situation changed in terms of planting new orchards since the irrigation season of 2015-2016 when the rehabilitated headworks and the main canal functioned properly?

What changes have happened in the cultivated land area and in the production quantities?

How did the prospects of the on-farm network rehabilitation change the farmers' approach to their farming activities?

Statistics received from the Agricultural Projects Management Agency (APMA) and the Ministry of Agriculture (MOA) as well as the data furnished by focus groups guided the analysis.

In 2016-2017, additional 104.28 ha of apple, peach, plum, walnut, sweet cherry orchards and raspberry plantations were established in the target area under the "Plant the Future" Program alone. According to the data received from the local authorities new orchards have been planted on 600-800ha along the canal in the last three years.

In addition to increasing the farmers' incomes, new plantations in the target area are also important as they: i) increase the employment of the local population help to reduce the migration; ii) motivated farmers to learning new agricultural practices and cultivation methods; and (iii) increase farmers' attention towards climate-smart varieties.

The information received from MOA also shows the importance of Dzevera-Shertuli Canal rehabilitation for the three villages in its service area. The data of 2017 is not yet available. However, the yields of the previous two years clearly show an improvement. The harvest increased compared to 2015 and 2016. There is also a noticeable increase in the production of vegetables, drupes (stone fruit), nuts and berries that has a higher commercial values (e.g. versus grain crops). The area of cultivated lands also increased with a positive effect on the local residents' incomes.

According to the data provided by the Village Head (Gamagebeli), about 100ha of land was uncultivated and used as pastures in Dzevera Village alone. "At present all of these lands are cultivated. We, farmers, have water now and all we have to do is to work hard, learn new technologies and produce more," Farmer Giorgi Khokhashvili said.

The repairs to the on-farm network will be completed in 2018 and one of the most important irrigation schemes in the region will function properly. IFAD investment has already generated positive results, which will even more noticeable in the forthcoming years.

The meeting with the focus groups also showed us the following significant results:

First and foremost, is the end of violence disputes about the irrigation water;

"This is a matter tremendous importance for the village population. It restored peace and hope for the future," said the head of village Dzevera.

Secondly, an equally important result is the increase in the land price from USD 300 two years ago to USD 3000;

In spring 2017, the temperature fell to 6 degrees below zero and fruit tree blossoms were damaged by the frost. Thanks to the canal, small farmers managed to grow vegetables. Although their incomes from vegetables were much lower than from fruit, but "the canal and vegetables really saved us", said the farmers.

Success Story: Nona Zhvania – Daring step in successful future

Samegrelo is one of the target regions of AMMAR project. The main sources of income of the local population are the production of crops, nuts and vegetables. AMMAR helps smallholder farmers to increase their production and incomes through the development of greenhouses.

Nona Zhvania is one of AMMAR's grant beneficiaries. She is 54 and has four children. Her village, Tsaishi Village in the Samegrelo Region, is well known for its thermal springs. Nona bought 2,500 m² of land in the village with the intention to establish a greenhouse, produce vegetables and have her own income.

Thanks to AMMAR co-financing, Nona could install a heating system in the greenhouse, purchase water tanks and pipes. An investment that has substantially improved her business.

Nona became a model for her village. She showed self-confidence, good planning and strategic visioning. In Georgia, family property is usually registered in a man's name. Thanks to her resolution Nona got the support of her husband and she could make the difference for her family.

Before the grant (i.e. before the installation of the heating system), Nona produced 7 tons of vegetables. After the installation of the heating system, her harvest doubled. Now Nona can grow her vegetables also in winter months (December, January and February) and March. The greenhouse maintains the optimal temperature (+20 oC), while without the heating system the temperature in the greenhouse hardly reached +8oC.

At present, Nona's family business employs up to 20 people in the peak seasons, including 12 internally displaced women. Nona points out that women's labor is necessary for her business as women take better care of vegetables and pick them more carefully. Nona also employs a local agronomist and pays him a monthly salary.

Nona believes that her employees need additional trainings in the production of vegetables, modern methods of pest and disease control, and helped them to access AMMAR's trainings. "We, farmers, are willing and happy to accept any initiative from AMMAR, which will contribute to our welfare," Nona says shyly.

At present, Nona sells her products in Georgia. Buyers come to her farm and take the products. Nona plans to manufacture 10-kilo boxes with her logotype. She will pack her products in these boxes and sell them to big supermarkets in the capital. Nona is sure that her high-quality vegetables can easily compete with the imported ones. Nona's tomatoes and cucumbers are well known in the region. In the future, Nona plans to export her produce to Russia.

Nona also intends to take an agricultural credit and expand her business. She wants to build a cold storage facility, employ more people and perhaps start cattle breeding and bee keeping.

"Why do we need to import cucumbers and tomatoes from Iran and Turkey when we can grow more of them and meet the market demand with the high-quality Georgian vegetables," says Nona enjoying the fruits of her labor.

Success Story: Leri Tsitsagi – Always open and ready for challenges

Leri Tsitsagi, age 59 is one of the owners of a demonstration plot funded by AMMAR/IFAD in the Shida Kartli Region. This region was severely affected by the war in 2008 and many people, including Leri, had to leave their houses, lands and villages behind. Their pastures, main income-generating activity for Shida Karli population, got lost in the occupied territories and other sources of living had to be identified.

After graduating from Tbilisi State University, Leri Tsitsagi worked in the city for a while. Then he decided to go back to his region and to the land of his ancestors. Since then, agriculture became Leri's main business.

Thanks to his passion and commitment, Leri immediately got good results. He has been growing vegetables for several years and tomato seedlings. Last year, Leri grew 1,000 seedlings and placed them in open ground. He took great care of them but, one day, the hail came and ruined all. He failed to cover the seedlings with plastic and lost them. "I learn from my mistakes" Leri always says. So he did. He didn't give up. Learning from his failures, he decided to scout for some help and possible solutions.

In that difficult period of his life, Leri discovered AMMAR and participated in the competition for a demonstration plot. Leri's land plot was selected, he got trainings and a modern greenhouse of 100m² was established in his yard. Leri opened his house to other farms and soon became a model for his neighbours. 4 trainings have been organized in 2017 on climate-smart practices and 104 farmers participated.

After the training sessions, and with the regular support of AMMAR technical specialists, Leri enthusiastically continued to support many farmers in his area and the visits to his plot increased month by month. Residents of the nearby villages visited Leri to learn more about some new agricultural practices that he was used to apply in his field, e.g. pruning of tomato plants.

He teaches others what he learned. "His door is always open", said some farmers. Leri also gave them seedlings and explains the advantages of new varieties. For example, he found out that Japanese tomato varieties are more profitable. They have better transportability and are in high demand at the market.

The whole village now looks forward to this year's harvest so take stock of the lessons learned and to replicate the drivers of Leri's success.

"The Project gave me knowledge and opportunity to increase production and my income. It is the chance of a lifetime. I am very lucky," says Leri Tsitsagi.

Access to credit and financial services

Analysing the target group's challenges in access to credit and financial services helps to ensure that matching grants are effective. The greater the contribution of recipients, the larger the risk for exclusion of poor investors. In this case specific savings schemes could be designed to encourage poor people to save and/or collaborations should be established with MFIs to facilitate access to credit by the most vulnerable like (e.g. young people, smallholder farmers without collaterals). Supporting asset creation among groups of people, instead of individuals, to reach the necessary contribution may lead to some risks associated with group enterprises and compromise sustainability (e.g. for the unclear ownership, management, accountability).

Gender-sensitive Value Chain Analysis

Analysing the value chain in a gender-sensitive manner is an important first step towards making women's participation in the value chain adequate, visible and profitable. Their role, workload and decision making power should be taken into consideration and inequalities addressed properly. The use of participatory and inclusive approaches is highly recommended to ensure that the voices of the diverse stakeholders (including rural people, women, youth and poor small holder farmers) are heard equally and taken into consideration.

Gender and Targeting Awareness

The introduction of Gender and Targeting sessions at start-up phase or the organization of a dedicated implementation support is key to guide and orient new PMU staff, implementing partner staff and key ministry personnel on the issues related to targeting mechanisms and gender mainstreaming as well as the tools for monitoring and reporting the effectiveness of the programme in this regard. In addition, the engagement of service providers from the beginning is key to guarantee impact orientation and full integration between components. This requires a strategic planning at early implementation with clear targeting strategies and implementation methodologies.

Value Chain Selection

Whenever a project involves a value chain approach, the initial selection of the value chains (if not determined at design stage) must be done in a truly participatory manner that implies first and foremost the involvement of the target group, taking into account the specific context of each value chain. Directly deriving from the above, we must acknowledge that this is not a quick process, and projects must anticipate that a full year will be needed to properly select the first batch of VCs. This will obviously hamper the work plan of infrastructure sites (not supposed to be selected before VCs are identified), that cannot realistically start before the second year at best, and more realistically in the third year if the whole pipeline has to be developed starting from CBA analysis. It is therefore obvious than no VC project can be implemented within only 4 years, especially when it involve lengthy infrastructure works. The case of AMMAR is a very good illustration of such problem.

I. Agreed Actions

Agreed Action	Responsibility	Agreed Date
<p>The dates and value in the Procurement Plan should be very clear</p> <p>The term "TBD" should be avoided in the Procurement plan since it defeats the purpose of the plan. Instead, clear dates and values should appear in the plan.</p>	Procurement Officer and Project Manager	08/2017

<p>Seeking IFAD's No Objection for all Prior Review Contract's</p> <p>IFAD's Prior Review is to be sought at least for Goods and Works at bid evaluation stage and for Consultants at the level of TORs, proposals evaluation and negotiated Contracts.</p>	Project Manager and Procurement Officer	08/2017
<p>Minimize the use of Selection Based on Consultant's Qualifications (CQS) method</p> <p>The Selection Based on Consultant's Qualifications (CQS) method should be used only with very small assignments (Exceptional cases might be discussed with IFAD on a case by case basis)</p>	Procurement Officer and Project Manager	08/2017
<p>Signature of the Evaluation report by all the evaluation committee members</p> <p>The evaluation report should be duly signed by all the evaluation committee members</p>	Procurement Officer	08/2017
<p>Seeking IFAD's No Objection for upgrades/ revisions done to the Procurement Plan</p> <p>Any revision of the Procurement Plan including (i) the addition of new packages, (ii) the change in budget for certain packages and \ or (iii) the change of selection method, should be cleared with IFAD before such changes are implemented In some cases, IFAD's No Objection was not sought at the level of Contract award for some Prior Review Contracts.</p>	Procurement Officer and Project Manager	08/2017
<p>Open walnut, persimmon and bay leaf VCs to start-ups</p> <p>Make start-ups eligible to W2 grants in the walnut, persimmon and bay leaf value chains, update APMA website accordingly and advertise widely</p>	PM, VC Coordinator, APMA	09/2017
<p>Operation and Maintenance</p> <p>There is no maintenance being done for the rehabilitated unlined canals. Some of the canals visited are already covered in grasses and weeds, before the construction works are completed. Obtain commitment from GA for maintenance of newly rehabilitated schemes. Initiate mobilisation of farmers for each rehabilitated hydraulic unit for improved canal maintenance in close collaboration with the GILMD efforts</p>	Engineers, GA	09/2017
<p>Ascertain interest to introduce floriculture (women targeted)</p> <p>Based on floriculture market appraisal, if VC is assessed by AMMAR team as eligible, request NO from IFAD, then include floriculture VC in APMA website, and advertise countrywide with supporting documents</p>	VC Coordinator, Marketing Specialist, APMA	09/2017
<p>Feasibility studies</p> <p>The FS are engineering focused, with little attention to required investments in agronomic and market access improvement for irrigation schemes. Improve content of Feasibility Studies (FS) to include requirements for improved agronomic practices, environmental considerations and marketing arrangements. Also check on assumptions made in the FS.</p>	VC Coordinator & Engineers	09/2017
<p>Engagement with other development agencies</p> <p>Ensure that AMMAR team is fully aware of all other (relevant) donor's interventions (updated list), duly represented in major events, and seizes identified opportunities to complement other's activities (including exchange visits)</p>	VC Coordinator, VC Specialist	09/2017
<p>Social Mobilizer in youth targeting, grant applicant mobilization, etc.</p> <p>Develop ToRs for additional SP (Social Mobilizer) to improve applications and access to grants by the poor small holder farmers that have limited access to credit (including youth)</p>	IFAD	09/2017

<p>Amending some thresholds set in letter to the Borrower</p> <p>It was agreed during the mission to review the thresholds set in the letter to the borrower as follows: - The Prior Review for the solicitation and award for works is set at USD 500,000 equivalent or more. - The Prior Review for the solicitation and award for consulting firms is set for USD 300,000 equivalent or more. - RFP will be nationally advertised for contracts valued up to and including USD 200,000 or equivalent. - Subsequent revision is to be done for the International RFP threshold</p>	IFAD	09/2017
<p>AMMAR 'Command Unit'</p> <p>Set up a 'command unit' that will meet at least on a monthly basis with the aim to 'connect the dots', i.e. update progress, identify and qualify beneficiaries, analyze data collected through M&E and Regional Coordinators, and most importantly develop action plan for forthcoming month with key targets (e.g. number of irrigation beneficiaries who receive training, apply for matching grants; number of farmers who already received training and go for a second round in line with their needs; number of beneficiaries who are connected to new market opportunities, number of new women involved in AMMAR interventions, etc.) One of the tools that this unit must use on a systematic basis is the AWPB, that should be disaggregated per quarter (not only for execution, but also for planning)</p>	VC Coordinator, Engineer, M&E Specialist, with inputs from all AMMAR team members	09/2017
<p>Personnel</p> <p>With the ever-increasing amount of payment processing, record-keeping and testing of budgeting module within the accounting software, the 2017 MTR recommends AMMAR team to consider adding a new junior role to the FM function. Resolve FM manpower, office space and equipment limitations</p>	PMU FM team	09/2017
<p>Rehabilitation Masterplan</p> <p>Prepare a comprehensive rehabilitation masterplan (with overall assessment of feasibility) for each large irrigation schemes, with clearly identified rehabilitation phasing. The total scheme costs and area shall be used to define the investment cost per ha to determine efficiency.</p>	VC Coordinator and Engineers	09/2017
<p>Enhanced Training Curricula</p> <p>Enhance the training curricula to (i) make the training sessions as one continuous and coherent training such that the participants are expected to attend all sessions and (ii) include in the training curriculum a simple financial and economic analysis of the technologies as well as special topics of interest to the farmers (climate change, niche markets, etc.);</p>	ELKANA, VC Coordinator, Marketing Specialist	09/2017
<p>Service Providers for DANIDA grants</p> <p>Finalize the TORs for business development service providers, and explore the possibility to shorten procurement process by hiring a first batch of SPs that have already been approved and used by other international agencies in similar assignments</p>	PM, VC Coordinator Procurement Officer	09/2017
<p>Drop Kiwi VC</p> <p>Stop further interventions in Kiwi VCs</p>	APMA, VC Coordinator	09/2017
<p>Data collection on trainees</p> <p>Further expand the data collection on trainees by using pre- and post-training evaluation forms to be completed by farmers (content details in the technical report) to inform project on farmers' attitude towards technology adoption and the possible use of the matching grants. Immediate and regular analysis of collected data should be done to enhance the training, targeting and project outreach for grants.</p>	M&E officer, ELKANA, Regional Coordinators, Social	09/2017

<p>Amendment of Marketing Specialist Contract</p> <p>Amend MS contract to reflect additional tasks and related budget, and prepare AWPB 2018 budget accordingly. Description of tasks:</p> <ul style="list-style-type: none"> - draft additional training module on specific VC markets (esp. niche market), advantages of proper branding and labelling, - identify precisely potential pilot group(s) that could benefit from PDO - facilitate market linkages, ensure volumes and quality match the demand, trace sales increases - assist M&E specialist and VC Coordinator in capturing business relationship between W2 beneficiaries and their suppliers (e.g. number, volumes, profiles, price trends, quality requirements, etc.) - assist AMMAR team in preparing forthcoming participation to Agro-exhibition (e.g. establish participant list, liaise with fair organizers, accompany farmers during event) 	<p>PM, VC Coordinator, Procurement Officer, Financial</p>	<p>09/2017</p>
<p>Irrigation rehabilitation</p> <p>The rehabilitation of schemes includes the lining of some secondary canals and opening and cleaning of quaternary and tertiary canals. Include low maintenance technologies option analysis for quaternary and tertiary level water systems in the feasibility study and detailed designs. Consideration of life cycle costing should be considered in options analysis during feasibility assessment. E.g. if a canal is to be rehabilitated, options analysis should include the full life cycle costs of developing, managing and maintaining. This analysis may reveal that lining and or pipes may be lower cost than open channels (as has been the case in other countries and may be with the WB project you are managing where piped conveyance has been included)</p>	<p>VC Coordinator and Engineers</p>	<p>09/2017</p>
<p>Preparation of Maps</p> <p>Maps of each scheme clearly showing the canal system after rehabilitation are not shared with IFAD. The project has been using google earth based maps. The completion of rehabilitation should be an opportunity for the preparation Prepare and share with IFAD, as built drawings and maps for all rehabilitated irrigation schemes and small infrastructure</p>	<p>Engineers</p>	<p>09/2017</p>
<p>Allow MoA co-financing for greenhouses in Adjara region, subject to conditions described below</p> <p>Provided grant procedures between MoA Adjara and APMA, allow co-financing from MoA Adjara up to 80% total grant for green-houses up to 500 sq. m. max, and advertise widely through Adjara regional coordinator and media channels</p>	<p>PM, VC Coordinator, APMA, MoA Adjara</p>	<p>09/2017</p>
<p>Introduce citrus VC for Adjara region (subject to conditions described below)</p> <p>(i) APMA to coordinate with MoA of Adjara to fully ensure the understanding of AMMAR grant facility and rules. If grant procedures from both sides are deemed compatible, then:</p> <p>(ii) include citrus VC in AMMAR VCs for Adjara and advertise widely through Adjara coordinator and media channels</p> <p>(iii) Allow for the complementarity of AMMAR's grants (40%) with the budget of MoA Adjara (30%) to reach 70% support in improved seedlings and farming equipment so as to be in line with usual Adjara grant lines, and expand MoA Adjara outreach</p> <p>(iv) Make use of existing MoA citrus orchards as demo plots for training: MoA to dedicate 0.5 ha demo to AMMAR training</p> <p>(v) MoA Adjara provides comprehensive list of persons to be trained as ToT (including extensionists from Agro-Service centers, university students -in final year of studies, private sector agronomists) (deadline 15/11/2017)</p> <p>(vi) identified ToT staff are sent to Turkey for specific training module (deadline 31/01/2018) (vii) citrus training is rolled out (continuous starting February 2018)</p>	<p>PM, VC Coordinator, APMA, MoA Adjara</p>	<p>09/2017</p>

<p>Amendment of Marketing Specialist Contract</p> <p>Amend MS contract to reflect additional tasks and related budget, and prepare AWPB 2018 budget accordingly. Description of tasks:</p> <ul style="list-style-type: none"> - draft additional training module on specific VC markets (esp. niche market), advantages of proper branding and labelling, - identify precisely potential pilot group(s) that could benefit from PDO - facilitate market linkages, ensure volumes and quality match the demand, trace sales increases - assist M&E specialist and VC Coordinator in capturing business relationship between W2 beneficiaries and their suppliers (e.g. number, volumes, profiles, price trends, quality requirements, etc.) - assist AMMAR team in preparing forthcoming participation to Agro-exhibition (e.g. establish participant list, liaise with fair organizers, accompany farmers during event) 	<p>PM, VC Coordinator, Procurement Officer, Financial</p>	<p>09/2017</p>
<p>Align AWPB with state budget</p> <p>Sustained from IFAD 2016 recommendations</p>	<p>PMU FM team</p>	<p>10/2017</p>
<p>Budget Preparation</p> <p>Integrate a new module in COPPER accounting system to enable PMU FM team to generate quarterly disbursement projections based on 'non- default' payment terms from existing and potential service supplier contracts</p>	<p>PMU FM team</p>	<p>10/2017</p>
<p>Planning for W1 and W2 grants</p> <p>In view of progress made in the last quarter of 2017FY, taking into account actions agreed to improve grant mobilization (introduction of new value chains, opening up to start-ups for certain VCs, etc.), make realistic assessment of potential for W1 and W2 grants, and plan 2018 budget accordingly</p>	<p>PM, VC Coordinator, FM Specialist</p>	<p>10/2017</p>
<p>Budget monitoring</p> <p>Automate AWPB quarterly budget monitoring process (Expected to be fully resolved once the new project budgeting module is coded up in COPPER)</p>	<p>PMU FM team</p>	<p>10/2017</p>
<p>Increase women's participation in project-related activities</p> <p>(i) Undertake an analysis of the women's role in each VC, including workload, decision making and inequalities. Identify market potential and training needs and (ii) Design gender-sensitive trainings, meetings and exchange visits in collaboration with the service provider and enable mechanisms to ensure identification and participation of rural women, especially the most vulnerable and marginalized. Adjust curricula as needed (food safety and nutrition awareness can also be considered for inclusion)</p>	<p>VC Coordinator/Gender, Focal Point, Marketing specialist, ELKANA</p>	<p>11/2017</p>
<p>Action Plan for market linkages with W2 grant beneficiaries</p> <p>Develop a 6 months action plan with the vision of:</p> <ol style="list-style-type: none"> a) Identifying at least 3 potential buyers of selected VC with commitments to buy from AMMAR to be supported through W2 grants (with binding or non-binding contracts to beneficiaries): the number of beneficiaries to be discussed with the team based on their work plan b) Providing the needed support to the beneficiaries, suppliers of products to the buyers, to provide the needed quantity and quality requested by the buyer (targeted training and grants if needed) c) Putting a system in place to trace the increase in sales by AMMAR beneficiaries to those identified buyers (through records the buyers and/or the beneficiaries) 	<p>VC Coordinator, M&E Specialist, Marketing</p>	<p>11/2017</p>
<p>Alternatives to expensive technologies</p> <p>Promote the discussion with farmer groups during the trainings on possible affordable and effective alternatives to the highly expensive technological options (fully automated, very long duration material, etc) where possible and promote them as options for possible business ideas for use with grants.</p>	<p>ELKANA, Agronomist and external consultants where needed supported by APMA</p>	<p>11/2017</p>

<p>Synergies with NGOs and government programmes involved in women empowerment</p> <p>Description of Action: Foster women's mobilization, empowerment and capacity development via NGOs and government programmes involved in women empowerment. Explore synergies, define entry points (e.g. their self-help groups, cooperatives and training centres) and elaborate a plan for collaboration</p>	Gender Focal Point, VC Coordinator, Regional Coordinators	11/2017
<p>Pilot Value Chain Platform (Apple)</p> <p>Initiate Pilot Apple VC platform in Shida-Kartli regions, centered around apple producers benefiting from training and irrigation schemes, and including input suppliers, processors, fresh buyers, nurseries, labs, ICC staff, GA, other donors, heads of municipalities, etc</p>	VC Coordinator, Marketing Specialist, Engineer	11/2017
<p>Targeting Strategy</p> <p>Develop a gender and targeting strategy that includes a detailed action plan with associated costs, which must be reflected in the next AWPB. Ensure that gender and targeting objectives are translated into activities, inputs, outputs and outcomes, and physical and financial planning</p>	Gender Focal Point, VC Coordinator, Regional Coordinators	11/2017
<p>STA from Rural Finance Consultant</p> <p>Hire a rural finance consultant (or provided by IFAD) to assess the local situation thoroughly and provide concrete actions needed to enhance the engagement of MFIs in AMMAR or future IFAD projects and other agricultural development projects in Georgia. (IFAD has several good and successful experiences in the region that could be shared with AMMAR). ToRs to be developed by end of October 2017</p>	PMU supported by IFAD	11/2017
<p>Training on facilitation skills</p> <p>Provide a special training by a national or international consultant or service provider in facilitation skills for working with farmers and farmer groups. The training would cover all those closely working with farmers, including public and NGO extension staff, AMMAR and ELKANA team where needed, and selected lead farmers who express interest in follow-up actions with fellow farmers. ToRs to be developed by mid-October 2017</p>	IFAD team to provide ToRs for the consultant/SP and suggest potential candidates	11/2017
<p>Guide targeting approaches</p> <p>Improve the engagement of youth and women in project activities; ensure more-active participation and inclusion of poor smallholder farmers</p>	Social Mobilizer, Gender Focal Point	11/2017
<p>AWPB modification</p> <p>Include tables on expected targets for different indicators under the M&E system</p>	M&E officer / VC and GEF Coordinators / Engineers	11/2017
<p>Planning for Civil Works</p>	Engineers	12/2017
<p>Training plan for ICC extension agents</p> <p>Prepare and implement a training plan on cooperation with the MoA for the ICC extension agents who have been trained by AMMAR to follow-up with the farmers who have been trained by ELKANA in their respective areas</p>	VC coordinator, ELKANA and MoA	12/2017
<p>Promotion of live fences, natural hedges</p> <p>Promote the use of plant hedges within demo plots as natural fences that support ecosystem services (bees and natural enemies) and as sources of income (bay leaf, etc.).</p> <p>1) screen and identify potential indigenous woody plants to be that could be promoted as hedges around the vegetable and berry crops which have multiple use (protection as barrier, promotion of ecosystem services and potential income generation);</p> <p>2) promote those woody plants within the demonstration plots (even the ones already established), and within W1 grants (as part of the vegetable, berry, floriculture VC or in support to bees and pollination in fruit tree grants)</p>	VC Coordinator, Agronomist, ELKANA	12/2017

<p>Adoption study</p> <p>Conduct an adoption study for the completed demonstrations</p>	<p>M&E officer / ELKANA</p>	<p>02/2018</p>
<p>Value Chain Infrastructure</p> <p>Identify and (if found) prepare feasibility studies for small infrastructure, other than roads and bridges, as may be necessary for each VC, that may attract private sector investments. The project will be demand driven but the project may undertake feasibility assessments for such infrastructure to create demand from the respective municipalities and entrepreneurs.</p>	<p>VC Coordinator and Engineers</p>	<p>06/2018</p>
<p>Training plan for new farmer communities</p> <p>Expand the training plan to cover the new farmer communities benefiting from the now completed irrigation and infrastructure schemes. Prepare and implement a training plan for these beneficiaries using on-site training, establishment of new demonstration plots or through field visits to other regions. This would require a modification of the ToRs and corresponding budget for ELKANA</p>	<p>ELKANA, Regional Coordinators, Agronomist, Engineers and VC coordinator</p>	<p>06/2018</p>
<p>Update TORs of the Value Chain Specialist (who acts as Gender Focal Person for the project)</p> <p>TORs of the VC Specialist to reflect gender and youth mainstreaming activities and targeting interventions, to ensure accountability and appropriate allocation of time. It should also be ensured that the Gender Focal Point supervises all the activities linked to gender, youth and women's empowerment and coordinates the service providers as needed</p>	<p>Gender Focal Point/ Project Manager</p>	<p>08/2018</p>
<p>The evaluation process should be documented in a detailed evaluation</p> <p>All evaluation data (tables, technical notes, etc..) should be compiled in a very detailed evaluation report</p>	<p>Procurement Officer</p>	<p>08/2018</p>

Agriculture Modernization, Market Access and Resilience Project

Logical Framework

Results Hierarchy	Indicators							Means of verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result	Cumulative Result	Cumulative Result %	Source	Frequency	Responsibility	
Outreach	1.b Estimated corresponding total number of households members										
	Household members										
	1.a Corresponding number of households reached										
	Households			10000	790 (2016)	790 (2016)	7.9% (2016)				
	1 Persons receiving services promoted or supported by the project										
	Males			19200	1517 (2016)	1517 (2016)	7.9% (2016)				
	Females			20800	1643 (2016)	1643 (2016)	7.9% (2016)				
Goal Sustainably increase incomes and reduce poverty for women and men in rural Georgia	Households with improved asset ownership index							Baseline survey & Impact Assessment; Project completion	Baseline and completion	AMMAR Team	"Continued political stability (A); Macro-economic conditions remain stable or improve to promote investment(A); Global prices for agricultural commodities and food do not decline significantly; Fluctuating exchange rate (R)"
	HHs with improved asset ownership index	0	0	10							

Objective Stimulate private investment in climate smart agricultural value chains to increase incomes and strengthen resilience of smallholder farmers in selected project areas	% of supported households with real net household farm income increased by average of 20%.						Baseline survey and impact assessment; Project completion	Baseline and completion	AMMAR Team	"Policies and programmes for agricultural development and rural finance allow to operate efficiently (A) Sufficient numbers of farmers are willing to be involved in value chain development activities (A)" "Policies and programmes for agricultural development and rural finance allow to operate efficiently (A) Sufficient numbers of farmers are willing to be involved in value chain development activities (A)" "Policies and programmes for agricultural development and rural finance allow to operate efficiently (A) Sufficient numbers of farmers are willing to be involved in value chain development activities (A)"
	Percentage	0		80						
	% of trained smallholder farmers adopting Climate smart agricultural production practices						Baseline survey and impact assessment; Project completion	Baseline and completion	AMMAR Team	
	Percentage	0		50						
	Number of Climate Smart Agriculture Value Chain fully operational and maintaining sustainability.						Baseline survey and impact assessment; Project completion	Baseline and completion	AMMAR Team	
	CSAVC	0	2	4						
(Empty row)										

Outcome "Outcome n.1: Rural population agricultural livelihoods improved and their resilience to climate- change enhanced"	1.2.2 Households reporting adoption of new/improved inputs, technologies or practices										"Smallholders are willing to engage in value chain development activities (A) Farmers are willing to engage in efficient water/ land management techniques (A) Aging farming population (R) Climatic changes are in line with current predictions (A)"
	Households	0	30	50							
Output output 1.1: Productive infrastructure rehabilitated/constructed	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated							Infrastructure completion/ status reports	Quarterly	Engineer	
	Hectares of land	0	1985	4750	0 (2016)	0 (2016)	0.0% (2016)				
	Land under improved management practices							Infrastructure completion/ status reports	Quarterly		
	Hectares of land	0		2000	360 (2016)	360 (2016)	18.0% (2016)				
	Other productive infrastructure constructed/rehabilitated							Infrastructure completion/ status reports	Quarterly	"Engineer, VC coordinator"	
	Other VC	0	3	10	0 (2016)	0 (2016)	0.0% (2016)				
Output output 1.2: Management and operation arrangements for the rehabilitated infrastructure set-up	Small grants made to farmers							ELKANA reports, APMA reports	Quarterly	"GEF coordinator and VC coordinator"	"Lack of funding to operate and maintain productive public rural infrastructure (R) Agricultural products are competitive (A)" "Lack of funding to operate and maintain productive public rural infrastructure (R) Agricultural products are competitive (A)"
	Small grant	0	75	220							
	Proportion of small grants made to farmers to women and young farmers							ELKANA reports, APMA reports	Quarterly	"GEF coordinator and VC coordinator"	
	Percentage			30							
	Grants made to agribusinesses and processors in target value chains							ELKANA reports, APMA reports	Quarterly	"GEF coordinator and VC coordinator"	
	Grant	0	20	40							

Output output 1.3: Landscape restoration (LR) plans developed and implemented where needed for rehabilitated irrigation schemes.	Environmental management plans formulated						ELKANA reports, APMA reports	Quarterly	"GEF coordinator and VC coordinator"	
	Plan	0	6	8	3 (2016)	3 (2016)				
Outcome "Outcome n.2: Inclusive climate smart VC are expanded providing improved market opportunities for smallholders"	Value of private investment in inclusive value chain for farmers and agribusinesses						MTR evaluation; Project completion	Mid-term and completion	AMMAR TEAM, M&E specialist	"Market options foster profitable partnership between farmers and contractors (A) Different parties are willing to invest in VCs (A)" "Market options foster profitable partnership between farmers and contractors (A) Different parties are willing to invest in VCs (A)" "Market options foster profitable partnership between farmers and contractors (A) Different parties are willing to invest in VCs (A)"
	Value	0		9000						
	Producers linked to existing or new value chains						MTR evaluation; Project completion	MTR and completion	AMMAR TEAM, M&E specialist	
	Percentage	0		20						
	Matching grant beneficiaries who increase their income by an average of 8%						MTR evaluation; Project completion	MTR and completion	AMMAR TEAM, M&E specialist	
Percentage	0		50							
Output output 2.1: Climate smart value chain screening and prioritization conducted	Number of marketing assessment and operational strategies developed for Value Chains						ELKANA reports	Quarterly	GEF coordinator and VC coordinator	Lack of qualified service provider to act as intermediaries for the project (R) The quality of agriculture practices and output meet minimum GAP standards (A)."
	Assessment/strategy	0	4	6						
Output output 2.2: Strengthen commercial linkages facilitated between smallholders and agribusinesses.	Number of Value chain facilitation events held involving different value chain actors						ELKANA reports	Quarterly	GEF coordinator and VC coordinator	
	Events	0		25						
Output "output 2.3: Training programmes on CSA designed and delivered to farmers and farmer groups. "	1.1.4 Persons trained in production practices and/or technologies									
	Men trained in crop	0		700	79 (2016)	79 (2016)				

	Women trained in crop	0		300	24 (2016)	24 (2016)	8.0% (2016)				
Output output 2.4: On-farm demonstration sites set-up where efficient irrigation and CSA production systems are validated and promoted.	Government Officials and staff trained							ELKANA reports	Quarterly	GEF coordinator and VC coordinator	
	Females	0		15	16 (2016)	16 (2016)	106.7% (2016)				
	Males	0		35	53 (2016)	53 (2016)	151.4% (2016)				
Output output 2.5: Climate change adaptation	Number of nationals and international policy processes on climate issues to which the project is contributing										
	No. of policies	0		1	0 (2017)	0 (2017)	0.0% (2017)				
Output output 2.6: Access to financial services	2.1.1 Rural enterprises accessing business development services										
	Rural enterprises	0		260	0 (2016)	0 (2016)	0.0% (2016)				
	1.1.5 Persons in rural areas accessing financial services										
	Women in rural areas accessing financial services - credit										
	Men in rural areas accessing financial services - savings	0		700	500 (2016)	500 (2016)	71.4% (2016)				
	Men in rural areas accessing financial services - credit										
	Women in rural areas accessing financial services - savings	0		300	68 (2016)	68 (2016)	22.7% (2016)				