

Ethiopia

Participatory Small-scale Irrigation Development Programme II **Supervision Report**

Mission Dates: 16/05/2022 to 07/06/2022

Document Date: 19/07/2022

Project No. 2000001134

Report No. 6166-ET

East and Southern Africa Division
Programme Management Department

Abbreviations and Acronyms

ADP	Agricultural Development Plan
AGRA	Alliance for a Green Revolution in Africa
ASAP	Adaptation for Smallholder Agriculture Programme
AWPB	Annual Work Plan and Budget
BoA	Bureau of Agriculture
BoARD	Bureau of Agriculture and Rural Development
CA	Conservation Agriculture
DA	Development Agent
DBE	Development Bank of Ethiopia
ECD	Environment and Climate Division
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plans
ESS	Environment and Social Safeguards
FPCMU	Federal Programme Coordination and Management Unit
FPIC	Free prior and informed consent
FRG	Farmers' Research Group
FSP	Financial service provider
FTC	Farmers training centres
FY	Financial Year
GIS	Geo Information System
GoE	Government of Ethiopia
GPS	Global Positioning System
ICBA	International Centre for Bio-saline Agriculture
ICRISAT	International Crops Research Institute for the Semi-Arid Tropics
ICRAF	International Centre for Research AgroForestry
IFAD	International Fund for Agriculture
IWMI	International Water Management Institute
IWUA	Irrigation Water Users Association
KGDP	Kobo Grana Development Project
KML	Knowledge Management and Learning
MAA	Market Access Alliance
MFIs	Micro-Finance Institutions
MIS	Management Information System
MoA	Ministry of Agricultural
MTR	Mid-Term Review
NRM	Natural Resources Management
O&M	Operations and maintenance
PASIDP	Participatory Small-Scale Irrigation Development Programme
PCMU	Programme Coordination and Management Unit
PDR	Programme Design Report
PIM	Project Implementation Manual
PP	Procurement Plan
RPCMU	Regional Programme Coordination and Management Unit
RPSF	Rural Poor Stimulus Facility
RUFIP	Rural Financial Intermediation Programme
RUSACCOS	Rural Savings and Credit Cooperative
SECAP	Social, Environmental and Climate Assessment Procedures

SDR	Special Drawing Rights
SHA	Self Help Africa
SMIS	Small & Micro Irrigation Support
SMS	Subject Matter Specialists
SNNPR	Southern Nations, Nationalities and Peoples Region
SSI	Small scale irrigation
SSTC	South-South Triangular Cooperation
TA	Technical Assistance
TNS	Technoserve
TOR	Term of Reference
ToT	Training of Trainers
USD	United States Dollar
VAT	Value Added Tax

A. Project Overview

Region: East and Southern Africa Division Project at Risk Status: Not at risk
 Country: Ethiopia Environmental and Social Category: High
 Project Name: Participatory Small-scale Irrigation Development Programme II Climate Risk Classification: High
 Project ID: 2000001134 Executing Institution: Ministry of Agriculture and Natural Resources
 Project Type: Irrigation
 CPM: Mawira Chitima Implementing Institutions: not available yet
 Project Director: Mr. Nuredin Asaro
 Project Area: Oromia Region, Amhara Region, SNNP Region and Tigray Region

Approval Date: 22/09/2016 Last audit receipt: 30/12/2021
 Signing Date: 31/10/2016 Date of Last SIS Mission: 07/06/2022
 Entry into Force Date: 13/02/2017 Number of SIS Missions: 10
 Available for Disbursement Date: 24/03/2017 Number of extensions: 0
 First Disbursement Date: 19/04/2017 Effectiveness lag: 5 months
 MTR Date: 15/10/2019
 Original Completion Date: 31/03/2024
 Current Completion Date: 31/03/2024
 Financial Closure: not available yet

Project total financing

IFAD Financing breakdown	IFAD	\$102,000,000
	ASAP Trust Fund	\$11,000,000
	East and Southern Africa Division	\$1,500,000
Domestic Financing breakdown	National Government	\$18,722,000
	Beneficiaries	\$12,073,000
Co-financing breakdown,	Rural Poor Stimulus Facility	\$1,230,141
	Alliance for a Green Revolution In Africa	\$989,688
	South South Triangular Cooperation	\$499,905
	Rural Poor Stimulus Facility	\$1,010,545
Project total financing:		\$149,025,279

Current Mission

Mission Dates: 16/05/2022 to 07/06/2022
 Days in the field: 3 days
 Mission composition: Mr. Joseph Nganga, Programme Officer, ESA
 Mr. Sami Ouechtati, Irrigation/infrastructure specialist,
 Mr. Addisu Gebremedhin, Environment and Climate specialist
 Mr. Paulos Desalegn, Agribusiness and Rural Finance specialist,
 Ms. Grace Nakanjakko, M & E/ KM specialist,
 Mr. Robert Waiganjo, Procurement specialist,
 Ms. Lucie Vergari, Gender and Social Inclusion Specialist,
 Mr. Richard Batamanye, Financial Management Specialist, Consultant
 Ms. Siele Wondifraw, Country Programme Assistant

 Field sites visited: Amhara, Oromia & SNNRP regions

B. Overall Assessment

Key SIS Indicator #1	∅	Rating	Key SIS Indicator #2	∅	Rating
Likelihood of Achieving the Development Objective		4.58	Assessment of the Overall Implementation Performance		4.42

Effectiveness and Developmental Focus		5	Project Management		5
Effectiveness		4	Quality of Project Management		5
Targeting and Outreach		5	Knowledge Management		5
Gender equality & women's participation		4	Value for Money		5
Agricultural Productivity		4	Coherence between AWPB and Implementation		4
Nutrition		5	Performance of M&E System		5
Adaptation to Climate Change		5	Social, Environment, and Climate Standards requirements		5

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

Relevance		5
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C. Mission Objectives and Key Conclusions

Background and Main Objective of the Mission

1. The Participatory Small-scale Irrigation Development Programme II (PASDIP II) became effective on 13/02/2017. The project has a completion date of 31/03/2024, and a financial closing of 30/09/2024. Total cost of the programme is USD 153,098,001 million including IFAD contribution of USD 114,500,000 million and USD 30,795,000 million from the Government of Ethiopia (GoE) and domestic private sector. The project's overall goal is to 'increase prosperity and improve resilience to shocks in food insecure areas of Ethiopia'. The development objective is to 'improve income and food security for rural households on a sustainable basis'. The project achieves its goal and objective through the implementation of three components: (A) Investment in Small-scale Irrigation Infrastructure, (B) Investment in Capacity for Sustainable Agriculture, and (C) Programme Management, Monitoring and Evaluation, and Knowledge Management.
2. The IFAD Supervision Mission for PASDIP II was undertaken in partnership with GoE from May 16th to June 1st, 2022. The mission objectives were to: (a) assess the progress made against the 2021/22 AWPB; (b) assess progress against agreed actions of the previous mission; and (c) identify challenges to project implementation and agree on actions that should enhance effectiveness, efficiency and sustainability of the project implementation. Specifically, the mission reviewed:
 - Status of implementation against expected outputs since last mission and against the overall Programme Development Objective;
 - Performance on targeting, safeguard and cross-cutting issues, including gender and youth, climate change, and nutrition;
 - Progress made on the RPSF and the SSTC grants;
 - Financial and procurement management; and
 - Effectiveness of Project Coordination and Management.
3. This physical mission took place while Ethiopia was recovering from multiple shocks including the COVID-19 pandemic, the Ukraine conflict, severe drought in parts of the country and the political conflict in northern Ethiopia, affecting Tigray, and the neighbouring regions of Amhara and Afar. In this context, IFAD had not been able to conduct field visits since the end of 2019. This joint mission with the support of GoE and implementing partners (IPs) effectively undertook field visits, interacted with project beneficiaries and assessed implementation progress after a long spell. The mission interacted with the ministry of agriculture officials, the PCMU and implementing partner (ICRISAT). The mission was glad to visit the regional bureaus of SNNPR, Amhara, and Oromia who not only gave updates on the implementation progress but also organised project site visits in the field where the mission had opportunity to engage and appreciate beneficiary participation.
4. A pre-wrap up meeting was held with PCMU and stakeholders on 07 June 2022. A final wrap-up under the chairmanship HE, Professor Eyasu Elias the State Minister ministry of agriculture (MoA) was also held where the findings of the supervision mission and agreed actions were endorsed.
5. The IFAD mission would like to express its appreciation to the GoE, the PCMU implementing staff and partners for the courtesies, hospitality, collaboration, logistic support and contributions extended during this Mission.

Key Mission Agreements and Conclusions

6. PASIDP II is in its fifth year of implementation. Despite being negatively affected by multiple shocks (e.g., Covid-19, recurring drought, the internal conflict and repercussions of the on-going war in Ukraine), the project continues on the right trajectory and momentum to achieve its development objectives. Under the overall oversight of the MoA and experienced PCMU, the components are operational and delivering the intended development targets.
7. The mission noted that the conflict in the northern parts of Ethiopia continued to negatively affect the project beneficiaries while still little information was forthcoming on current status. The project has however responded by repurposing some activities of the 2021/22 AWPB in order to focus on input provision with a view to enhancing recovery. A total of 51 million birr was provided to irrigation schemes within 12 watersheds. Already 12,170 beneficiaries were provided with various inputs which included seeds and fertiliser. Annual implementation progress and likelihood of achieving development targets are rated satisfactory respectively. A summary of implementation progress is highlighted below:
 - (i) **Component A:** To date, the programme has completed the construction of 73 schemes with a total command area of 12,506 ha (68% of the programme target) benefitting 29,967 households (65%) while the construction works of the remaining 43 irrigation schemes is in progress of which 1,042 ha would be using alternative water sources benefitting 3,992 households. Additionally, the feasibility studies and detailed designs of four (4) pilot gravity fed piped irrigation schemes introducing low-head sprinkler and drip irrigation systems, in addition to four (4) rainwater harvesting systems, all financed by the China - IFAD SSTC facility, have all been accomplished during the reporting period. Construction of three of these sites have already been completed
 - (ii) **Component B1:** The project continued to strengthen farming as a business approach and improve farmers' access to inputs, extension, financial services, and markets. A total of 50 farmer RUSACCOs have been supported, and mobilised a total capital of ETB 7,066,807. To increase the loan access to RUSACCOs, the expected link with RUFIP III is not observed in the ground. More attention and support is required to match the service available and capacity enhancement to RUSACCOs to become qualified clients of the fund. By April 2022, a total of 65 cooperatives had also been supported to enhance their capacity of mobilising members, increasing their capital, and delivering input and output marketing service to their members. The subcomponent has cumulatively strengthened 185 Market Access Alliances (MAA). To make the MAAs functional, training has been provided to 132 woreda and 162 regional experts (53 percent of the plan) while a forum to access inputs was organised at regional level with 330 participants (88 percent of the plan). However, the engagement of the private sector in MAA is limited and few market linkages have been established. Focused support in creating sustainable market linkages for the main value chains is required in the remaining period of the project.
 - (iii) **Component B2:** In this sub-component capacity development activities have been conducted during the reporting period to

improve agronomic practice and seed availability. In this line, 202 government extension workers have been trained on irrigation agronomy (107 percent of target), training was delivered to 870 farmers' research groups on participatory research (49 percent of target), and 439 farmers on seed systems (82 percent of target). For coordinated actions in the schemes, 40 agricultural development plans were prepared. Overall, farmers are actively engaged in the irrigation schemes. As a result, the programme contributed to the production of 386,460 quintals from 6,517 ha of land (82% of the target) of cereals, pulses, vegetables, fruits, and sugarcane during the reporting period.

(iv) **Component B3:** In the reporting period, the project promoted different practices of climate-smart agriculture (CSA) such as agroforestry, integrated soil fertility management (ISFM), conservation agriculture and forage development as well as construction of alternative water sources totalling 1,136 ha. Specifically; agroforestry and fruit development activities are implemented on 526 ha, improved forage on 255 ha, conservation agriculture on 167 ha, ISFM on 119 ha, including the production of 5,548 quintals of vermicompost. Given escalating prices of chemical fertilisers, the production and application of vermicompost should be encouraged and promoted in all target areas. Furthermore, the project has managed to prepare Land Use and Land Cover (LULC) maps of 9 schemes, organise a study tour for 21 Woredas and kebele watershed teams, rehabilitation of 5583 ha of land with biophysical SWC measures and stabilisation of 3,901 ha of land with 15,928,724 multipurpose forest, fruit and forage seedlings

(v) **Social inclusion:** Programme's outreach against end targets is strong. The project has reached 88.6 percent of households and 89.4 percent of the targeted jobless youths. The number of female-headed households (FHH) reached has exceeded the end-project target (107.1 percent). Comprehensive activities are implemented to contribute to gender and nutrition outcomes and effective social safeguard mechanisms are in place to ensure quality of beneficiary engagement. The project is putting more emphasis on assessing the impact of the piloted interventions, in view of scaling them up in the next phase of the project. Additionally, the PCMU is working with experts from the MoA Job creation directorate to update PASIDP II Job creation strategy with a stronger focus on sustainability.

(vi) **Social, Environmental and Climate Assessment Procedure (SECAP):** Compliance monitoring against the Environmental and Social management Plans have been undertaken in 70 irrigation schemes by Woreda experts. Training on Integrated Pest Management (IPM) has been delivered to Woreda experts, Kebele Development Agents (DAs) as well as Irrigation and Water Users Association (IWUA) leaders. 215 Personal Protective Equipment (PPE) have been provided to IWUAs. Regarding the Grievance Redress Mechanism (GRM), the project has managed to resolve most of them. The PCMU should provide a log book to all GRM committees to record any grievances. Consultations with beneficiaries and IWUA fees/contributions are very encouraging. The project should keep consulting IWUAs and watershed committees, as well as ensuring the IWUAs fee is fair and transparent for all members.

(vii) **Management:** PASIDP II management is well integrated in the relevant government institutions at the federal, regional and locally decentralised levels (woreda and kebeles). This is key to ensure ownership, continuity and sustainability of the project. The MoA is the lead executing agency, assuming the overall oversight and management responsibility while supporting the PCMU with an enabling environment to oversee project implementation efficiently and effectively. The PCMU has exhibited pro-activeness and agility in responding to emerging challenges such as drought, internal conflicts and the consequences of the ongoing war in Ukraine through provision of inputs such as seeds and fertilisers to farmers. The project has to stay alert in managing and mitigating adverse negative effects of these events in order to keep the project on track for achieving its development objectives.

(viii) **Disbursement progress.** At its fifth year of implementation, PASIDP II disbursement rate is at 83.62 percent, having had no extension. By April 30th 2022, the IFAD loan has been disbursed at 83.96 percent while the IFAD grant has been disbursed at 61.07 percent. The other grants on the financing are disbursed as follows: ASAP grant 70.37 percent, SSTC grant 79.77 percent, RPSF grant phase I 99.93 percent and RPSF grant phase II 99.98 percent. While the RPSF grant has a completion and closure date of 30 June 2022 and 31 December 2022 respectively, the SSTC grant completed on 25 May 2022 but has a closure date of 25 November 2022.

8. **Main agreements.** Following this supervision mission and in order to further strengthen PASIDP II implementation and sustainability, the programme management will pay special attention to the following actions:
9. (i) Ensure close and appropriate oversight of project implementation under the current multiple shocks (e.g., Covid-19, drought, internal conflict and Ukraine war) by providing proactive response to project beneficiaries by way of providing inputs such as seeds and fertilisers.
10. (ii) Follow up and resolve pending contract management issues identified during the audit of the last financial period.
11. (iii) Intensify field supervisions to accelerate implementation and ensure that the irrigation schemes construction is accomplished on time and in quality.
12. (iv) Follow up closely with Contractors to ensure that irrigation schemes defects are fixed by the end of the defect's liability period and with the IWUAs to ensure that routine maintenance is adequately planned and undertaken periodically.
13. (v) Finalise the programme exit strategy with concrete and realistic actions and operationalise the strategy to ensure the sustainability of the project after handover to government structures.
14. (vi) Conduct assessments of impact and process of key cross-cutting interventions (biofortified crops, gender model family, and farmer's field school model) to inform the design of the next phase of the project.
15. (vii) Prepare and submit a statement of expenditure/report for the SSTC grant to justify the authorised allocation.
16. (viii) Recover ETB 634,528 pre-financed VAT from SNNPR Regional Government.
17. (ix) Make arrangements with the regional government of SNNPR to recover ETB 52,405 by liquidating the advance bank guarantee of Endet construction Association and ETB 501,806 held by Woreda Demba Goffa. These two are potentially ineligible for IFAD financing if not justified.
18. (x) Ensure the 2022/23 AWPB gets the PSC approval to facilitate IFADs No objection consideration by 30 June 2022.

D. Overview and Project Progress

Component A. Investment in Small-scale Irrigation Infrastructure:

19. The expected outcome of Component A is “farmers have access to sustainable irrigation schemes “. PASIDP II aims to develop 18,400 ha of small-scale irrigation schemes which would benefit 46,250 households. The implementation progress of this component is somewhat satisfactory considering the challenges imposed by local and international circumstances.

Sub Component A1: Irrigation Scheme Participatory Planning and Preparation

20. To date, and while 23,214 ha (target: 22,260 ha) have already been identified by the programme, feasibility studies of 140 schemes and detailed engineering designs for the development of 97 schemes have been completed (around 80 percent and 69 percent of the programme targets, respectively). Similarly, the feasibility studies and detailed designs of four (4) pilot gravity fed piped irrigation schemes introducing low-head sprinkler and drip irrigation systems, in addition to four (4) rainwater harvesting systems, all financed by the China - IFAD SSTC facility, have all been accomplished during the reporting period.
21. In terms of quality assurance, 170 feasibility and design studies have been reviewed up to date (around 70 percent of the project target). Notwithstanding, the mission had the opportunity to review a sample of feasibility and design studies. The design quality was limited and some aspects were analysed but at an inadequate scale, mainly topography and water resources assessment. In one of the sites visited, the mission observed that the irrigation main canal section was underestimated by the study and was not able to satisfy all crop water requirements at an adequate frequency, especially during the dry season. This issue would be more relevant in the future why farmers would introduce more water demanding crops. Another indicator of the medium-low design quality of the schemes consists in the high number of contract variations due to design issues (24 variations; 12 in Amhara, 10 in Oromia and 2 in SNNP).

Sub Component A2: Small-scale Irrigation Infrastructure Development

22. The target of this sub component is to construct 150 schemes with a command area of 18,400 ha benefitting 46,250 households. To date, the programme counts 116 irrigation schemes (17,332 ha) at different construction stages. The programme has completed the construction of 73 schemes with a total command area of 12,506 ha (68 percent of the target) benefitting 29,967 households (65 percent of the target). 66 percent of these schemes are located in Amhara and Oromia regions (28 and 20 schemes respectively). Additionally, the construction of the remaining 43 irrigation schemes is in progress. The status of schemes in the Tigray region and Northern Amhara is unknown due to security issues. The remaining 30 schemes are found to be at different construction status, from 15 percent to 94 percent, with 20 schemes (67%) overrunning their contract period.
23. Regarding the sites supported by the SSTC facility and considering the short duration of the grant (6 months), the programme has successfully accelerated the implementation process. As a result, the overall physical progress is now around 92.5 percent. Construction works for three (3) sites (Keskash in Amhara, Melka in Oromia and Awoye Nemicha in Sidama) are completed, while Menisa scheme (in SNNPR) is still under construction. As for the rain water harvesting systems, construction works are completed in Amhara and SNNPR sites, while the other two sites are still under construction and are expected to be achieved on schedule. The remaining activities consist in: i) preparing operation and maintenance manual; ii) testing the system with the client and, iii) handing over the schemes to the beneficiaries. It is too early for the mission to appraise this pilot experience, and to what extent farmers would adopt, operate and maintain sprinkler or drip irrigation systems, which will surely contribute to enhancing irrigation water efficiency and promote water saving.
24. The programme continues to support the communities living upstream and around irrigation schemes' head works who are not able to benefit from gravity irrigation due to topographic constraints. They are provided with alternative water sources and simple technologies in order to supplement the existing rainfed farming and consequently enhance the productivity of their farming systems. In the last three quarters, 62 schemes have been targeted including group ponds, household ponds, shallow wells, and manual tubes with the potential to irrigate 87 ha and benefit 197 households. The achievements of the current AWPB are around 40 percent of the target. The programme has completed 3 group ponds, 3 household ponds and 12 solar water pumps integrated with manual tubes irrigating 35 ha and benefitting 79 households. The overall achievement of the programme so far consists in more than 1,030 water harvesting structures constructed which irrigate 1,042 ha and benefit 3,992 households.
25. In terms of irrigation management, the programme has supported the establishment and strengthening of 115 Irrigation Water Users Associations (IWUAs) against the 150 planned up to date. For this reporting period, the programme has delivered a training on Integrated Pest Management (IPM) to 107 Woreda experts and DAs as well as 564 IWUA leaders. For the schemes selected for localised irrigation, a training was delivered to 63 IWUA leaders and focused on IWUA internal bylaws, roles and responsibilities, annual work plan preparation, irrigation scheme operation, maintenance fee collection and financial management.
26. During the field visit, the mission noted that IWUAs were well aware of their duties, however they could be more proactive in planning irrigation schemes' routine maintenance. For instance, in one of the visited sites, there was vegetation growing along the earthen banks of a barely shaped main canal which was supposed to be cleared by the IWUA. Additionally, the mission noted that IWUAs bylaws differed from one site to another, which was acceptable provided that equity in water distribution and fee payment was ensured. In fact, there are several approaches to calculate irrigation service fees (ISF), one of which consists in assuming ISF a linear function of the cropped area or a function of the crop water demand. However, in any case, the fee should not be symbolically equal for all farmers, independently of their farm size or management, as it would entail potential conflicts.
27. The mission noted that substantial delays are affecting several irrigation schemes' construction contracts. To date, and in addition to the unknown status of the schemes in Tigray region and northern Amhara, 8 schemes observe a delay of less than 60 days, 10 schemes have a delay of 60-120 days and 2 schemes with a delay of 120-200 days. Farmers are not satisfied with the situation. In addition to security issues, these delays are mainly due to (i) low contractors' capacity (in terms of machinery, staff

number and experience, number of concurrent contracts); (ii) Shortage of construction material and high price escalation, especially for cement and fuel. For instance, cement prices jumped from 400 ETB/qt, 2 to 3 years ago, to 1,050 ETB/qt currently (+160%), while the fuel prices are continually increasing due to the international markets disrupted by the war in Ukraine; consequently (iii) Contractors are no longer interested nor motivated to resume working under the same contract terms and conditions. In this regard, and if deemed the unique solution, the programme could explore the possibility to prioritise and vary the most relevant contracts, e.g. those conducted by private sector and that would most likely not benefit from any privileged or discounted price of construction material. Additionally, the mission recommends to intensify consultation meetings and joint field supervisions involving all relevant parties, i.e., client, contractors, community/IWUAs and consultants, to accelerate the work, cope with design deficiencies and provide timely advice and corrections in order to deliver the schemes on time and in quality.

Actions	Responsibility	Deadline	Status
Irrigation Schemes Work delays and variations Prioritise and vary the most relevant contracts to cope with construction material and fuel prices increase.	PCMU	30 June 2022	Agreed
Irrigation Schemes works supervision Intensify consultation meetings and joint field supervisions to accelerate the work, cope with design deficiencies and provide timely advice and corrections to contractors in order to deliver the schemes on time and in quality.	PCMU	30 September 2022	Agreed
Irrigation Schemes Maintenance and sustainability Follow up closely with Contractors to ensure that irrigation schemes defects are fixed by the end of the defect's liability period and with the IWUAs to ensure that routine maintenance is adequately planned and undertaken periodically.	PCMU	30 September 2022	Agreed
Capacity Building Conduct training needs assessment in terms of construction contracts' administration, and, depending on the findings, ensure adequate provisions and planning to deliver a training session.	PCMU	30 September 2022	Agreed
Alternative water sources Accelerate the construction of alternative water sources	PCMU	30 November 2022	Agreed

Component B - Investment in Capacity for Sustainable Agriculture

28. This component of the programme is expected to contribute to farmers' increased market-oriented skills and capacity for sustainable agriculture. There are three main subcomponents in this outcome, aiming to (B1) strengthen farmers' cooperatives, agribusiness linkages and financial services, (B2) improve crop husbandry practices, and (B3) improve watershed management over 73,600 ha. The programme has shown commendable achievements in the last reporting period despite the complex environment.

Sub Component B1: Agribusiness linkages and market access

29. **Establishment and Strengthening of Cooperatives:** to facilitate input and output marketing activities, 20 new cooperatives were established (71% of the target) and all the planned (24) existing cooperatives were strengthened during the reporting period. Training on cooperative leadership was delivered to 555 cooperative leaders and 3,262 members (97% of the target plan). A regional level exposure visit was organised for 191 irrigation cooperative members (227% of the plan) to improve farmers' practices. To facilitate financial services to farmers, 50 RUSACCOs have been supported by the programme with a total mobilised capital of ETB 7,066,807 by the members.
30. **Market Access Alliances:** this is planned to strengthen 50 MAA in the programme and to date 38 MAA have been Strengthened/established (76% of the plan). To make established MAA functional, training was provided to 132 woreda and 162 regional experts (53% of the target). As part of MAA activity, a forum on access to input sources was organised at a regional level, and 330 individuals participated in the event (88% of the plan). As a result of the input access support, 19 cooperatives had started supplying inputs to 1,259 beneficiaries (302 of them female). Thanks to market linkages created, eight primary cooperatives in the irrigation areas sold 25,471 quintals of different types of commodities (maize, wheat, groundnut, pepper, and honey) to cooperative union and generated a revenue of ETB 79,414,171, which benefited 3,760 farmers (including 1,021 women).

Sub Component B2: Capacity building and empowerment of smallholder farmers

31. **Agronomic support and seed availability:** Capacity development activities have been conducted during the reporting period. 202 government extension workers have been trained on irrigation agronomy (107 percent of target), training was delivered to 870 farmers research groups on participatory research (49 percent of target), and to 439 farmers on seed systems (82 percent of target). For coordinated actions in the schemes, 40 agricultural development plans were prepared during the reporting period. Additionally, 215 sets of PPE kits were distributed to IWUAs for demonstration purposes. Overall, farmers are actively engaged in the irrigation schemes. During the dry season it was intended to irrigate 61 schemes, but the actual achievement was 48 schemes due to security issues and delays of scheme completion. Therefore, the total irrigated area covered was 4,663 hectares (72 percent of the target plan), which benefited 10,797 households, including 1,562 female-headed households (FHHs). In the second round of irrigation, 1,721 hectares were irrigated (67 percent of target), benefiting 3,751 individuals (136 FHHs). In the wet season crop production (July 2021 to October 2021), supplementary irrigation was used in 42 schemes over 6,517 ha, benefiting 13,555 (1,782 FHHs) households. As a result, the programme contributed to the production of 386,460 quintals (82% of the target) of cereals, pulses, vegetables, fruits and
32. **Areas of Improvement:**
33. (i) The programme team should support market linkages, financial services facilitation and other services along the main value chains.
34. (ii) The absence of an agribusiness expert at Federal level (role vacant for almost a year) and the completion of service providers' contracts (Technoserve, Self Help Africa) contributed to limited efforts in market linkage creation over the last year. Recruiting an agribusiness expert and facilitating agribusiness team learning and reflection will enhance market linkage support activities and draw lessons for the next phase of PASIDP II.
35. (iii) The programme implementation manual recommends a two-year extension package support then to handover to Woreda and other government structures. The support provided in the two years' time in one area was expected to establish a reasonable basis for farmers to develop their agribusiness and create business linkages. However, given the limited maturity of the value chains to organise themselves and the challenging security situation, it might be difficult to establish sustainable market linkages in less than two years. The programme should monitor adoption of promoted practices and achievement of key outcomes in the handed over schemes.

Actions	Responsibility	Deadline	Status
Hire and engage the agribusiness expert at the federal level to better coordinate and guide activities of component B	FPCMU	31 August 2022	Agreed

36. **Sub Component B3: Watershed management**

37. The expected output is "improved and sustainable watershed management". The most important activities that have been undertaken in the reporting period are:
1. Initial Land Use & Land Cover (LULC) mapping: In the last ten months, spatial data for 10 schemes have been collected and LULC maps prepared for 9 schemes. Totally, 81 initial LULC Maps for 81 schemes have been prepared.
 2. Training and Study Tour: 1,196 experts and farmers (86 percent of target) have been trained on agroforestry, basics of participatory watershed planning, CSA, ISFM, practical application and challenges of CA. Furthermore, study tours to share experiences on integrated soil fertility packages, agroforestry, forage development and conservation agriculture have been conducted for 21 woreda and kebele watershed teams (47 percent of target).
 3. iii. Biophysical Soil and Water Conservation (SWC) Measures: In the reporting period, the project has undertaken various soil and water conservation measures to rehabilitate and stabilise degraded land, while safeguarding irrigation schemes. To this effect, 5,583 ha (70.3 percent of the target) ha of land have been rehabilitated with biophysical SWC measures, and 3,901 ha of land stabilised with 15,928,724 multipurpose forest, fruit and forage seedlings.
 4. Climate Smart Agriculture Practice (CSA): In the reporting period, different practices of CSA such as agroforestry, integrated soil fertility, conservation agriculture and forage development and construction of alternative water sources were promoted and scaled to 1,136 ha within adjacent micro watersheds. Specifically; agroforestry and fruit development activities are implemented on 526 ha, improved forage on 255 ha, conservation agriculture on 167 ha, ISFM on 119 ha, including the production of 5,544 quintals of vermicompost. Furthermore, more than 9,380 kg of different multipurpose forest and fruit seeds and 3,350 kg of polyethylene tube have been provided to 46 nurseries.
 5. Job Creation: The project has planned to create 5500 jobs and the achievement is 3,681 jobs for youths, including 606 young women making the performance 67 % of the ten-month plan. The most important jobs are construction of schemes as daily labour, sand and stone collection, sub-contracting of scheme construction, irrigation agronomy development, but also more sustainable income generating activities such as fattening of sheep and goat.

Agreed Action	Responsibility	Agreed Date
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<p>Handover of Completed Schemes</p> <p>Completed schemes handed over to IWUAs for PASIDP II, and agreed action plans with Woredas for handover process for PASIDP I schemes</p>	PCMU/RPCMU & Regional Govts	06/2019
<p>Scheme Operation and Maintenance Payments</p> <p>IWUAs agree to required O&M payments for sustainability and this is accurately monitored June 2019 and continuous</p>	PCMU/RPCMU & Regional Govts	06/2019
<p>Financing Watershed IGAs</p> <p>Link potential watershed IGA operators to FIs Continuous</p>	PASIDP, Technoserve	06/2019
<p>Fully Participatory Feasibility Studies</p> <p>Effective engagement between farmers & scheme designers July 2019 and continuous</p>	FPCMU/RPCMU Technoserve to assist	07/2019
<p>Design of schemes</p> <p>Apply water use efficiency and water saving techniques July 2019 and continuous</p>	Programme team	07/2019
<p>Construction of schemes</p> <p>PCMU to direct consultants to supervise the contractors and provide timely corrections in scheme completion</p>	Programme team along with the client	07/2019
<p>Commercial Activities in Watersheds</p> <p>Agribusiness teams enable MAAs engagement to provide market support for all watershed producers All watershed management teams to be MAA members July 2019 and continuous Majority private sector members of MAAs</p>	PCMU Agribusiness Teams, Technoserve & MAAs,	07/2019
<p>Provision of Presentation Equipment</p> <p>Portable electronic projection equipment for each region</p>	PCMU	08/2019
<p>Financial Institutions Assessment</p> <p>Rate the capacities of FIs to serve irrigation farmers at each site</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	09/2019
<p>Exchange Visit for Conservation Agriculture</p> <p>Arrange exchange visit to Kenya for CA techniques exposure</p>	PCMU, IFAD	09/2019
<p>Scheme performance improvement</p> <p>Improve the performance of at least four schemes with siltation, land levelling, structural defects, and absence of cut off drains to enable the schemes function to their full potential and benefit the smallholder farmers</p>	FPCMU/RPCMU	01/2020
<p>Construction of about four new Category A schemes.</p> <p>Finalize design of four new Category A schemes and submit for review to IFAD</p>	FPCMU/RPCMU	01/2020

<p>Market Support for CA and WM farmers</p> <p>Provide access to markets for CA and WM products, and business planning approach to be added to assist with decision-making on crops and production options.</p>	FPCMU & RPCMU Agribusiness Team	02/2020
<p>Farmer Cooperative Business Planning Workshops</p> <p>Ensure that all business management workshops with cooperatives lead to bankable and simple business plans, written by the cooperative members, in consultation with all involved farmers.</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	03/2020
<p>Promote sales and price information through Ethiopia Commodity Exchange (ECX)</p> <p>(i) Train the cooperatives and MAAs about ECX trading system and warehouse network; (ii) promote use of ECX live price information as reference point for price negotiation.</p>	FPCMU & RPCMU Agribusiness Team	03/2020
<p>Engage Financial Institutions</p> <p>In coordination with RUFIP: (i) Finalize the FI assessment, (ii) Engage FCA and AEMFI to train RUSACCOs and smallholders in financial literacy, (iii) provide agribusiness investment opportunities TA to MFIs and commercial banks, (iv) Encourage DBE to lend to the FIs.</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	03/2020
<p>Promotion of Pressurized Irrigation</p> <p>Design and install pressurized irrigation on 4 schemes to use the limited water resources in more productive way and increase productivity per unit use of water and land</p>	RPCMU/ Woreda Experts	05/2020
<p>Financial Inclusion for Farmers</p> <p>Motivate each irrigation farmer to open a savings account, later to apply for an input loan Enable Primary Cooperatives to act as farmer's interface with financial institutions, including Regional MFIs & RUSACCOs</p>	PASIDP,	06/2020
<p>Co-financing of the Business Plans</p> <p>Select the best business plans for competitive project co-financing, developed in the workshops. Farmers at irrigation and watershed areas will have access to the co-financing.</p>	FPCMU & RPCMU Agribusiness Team	06/2020
<p>Establishment of 4C</p> <p>Amend PIM of the programme to ensure full community participation, with a TOR defining their roles and responsibilities in the 4C (Client- Consultant, - Contractor - community)</p>	FPCMU	09/2020
<p>Access to improved seeds and high quality inputs</p> <p>An assessment of the situation and opportunities for policy and improved delivery mechanisms to be prepared</p>	IFAD, FPCMU & Technoserve	09/2020
<p>FREG Support for CA</p> <p>Strengthen FREG support to CA, especially improved productivity measures, including appropriate use of machinery, chemicals, fertilisers and hybrid seed</p>	FPCMU & RPCMU Research partners	11/2020
<p>Financing FIs.</p> <p>Encourage DBE to lend to FIs serving PASIDP clients and agree a monitoring framework to track access to credit</p>	PCMU, IFAD	12/2020

<p>Complete mapping of actual command area for all schemes</p> <p>Finalize an investigation into the actual command area of PASIDP II schemes and document geo-referenced command areas.</p>	FPCMU & RPCMUs	12/2020
<p>Prepare plans for accelerated implementation of programme activities in areas affected by insecurity once the risks have been mitigated</p>	FPCMU	12/2020
<p>Category A schemes</p> <p>Submit the design and relevant SECAP documents (ESIA, ESMP, RAP) of Category A micro dams with IFAD for prior review</p>	FPCMU & RPCMUs	12/2020
<p>Share completed mapping of actual command area for schemes</p> <p>Share the actual command area of PASIDP II schemes and geo-referenced command areas with IFAD to create clarity on the exact command areas of PASIDP II schemes as well as plan for the production system.</p>	FPCMU & RPCMUs	12/2020
<p>Disaggregate and report data by age</p>	FPCMU	12/2020
<p>actions for improved supply of high performing crop seeds</p> <p>Engage with MOA and Seed Producers/Dealers to take actions for improved supply of high performing crop seeds. This should include local multiplication of certified improved seeds under license from owners of plant breeders rights. This to include multiplication by suitable PASIDP farmers.</p>	FPCMU & MOA	01/2021
<p>action plan to enable MFIs and RUSACCOs access DBE's line of Credit in good time to meet liquidity requirements</p> <p>Engage with RUFIP III PCMU at DBE: In close collaboration with the programme's implementation agencies (AEMFI and FCA) develop action plan to enable MFIs and RUSACCOs in PASDIP II intervention areas access DBE's line of Credit in good time to meet liquidity requirements of farmers, cooperatives and value chain actors.</p>	FPCMUs from both RUFIP and PASIDP	01/2021
<p>Develop strategic key action between PASDIP and RUFIP III PCMUs:</p> <p>i. Identify Financial Institutions (FI) serving PASDIP II schemes (MFIs and RUSACCOs and their Unions); ii. Request respective FIs to provide funding requirements to DBE taking into account funding needs of PASDIP schemes iii. Capacitate respective FIs in preparing RUFIP III Loan applications with clear information on timing of funds disbursement from DBE</p>	PCMUs (PASDIP Agri-business Specialist and RUFIP III Linkage Officer)	01/2021
<p>Ensure coordination and consistency between ICRISAT, SHA and Agribusiness/TNS support in business and market linkages</p>	FPCMU & RPCMUs	01/2021
<p>Develop a communication plan and share with IFAD for information</p>	FPCMU	01/2021
<p>Develop template and guideline for qualitative methodology & reporting</p>	FPCMU	01/2021
<p>RPSF indicators</p> <p>Report on the agreed output and outreach RPSF indicators disaggregated by sex and age.</p>	FPCMU	01/2021
<p>Prepare standardized reporting template and mapping of compliance monitoring activities and share with IFAD for no objection</p>	PCMU	01/2021
<p>Inclusion of important construction phase mitigation actions in the tender document</p>	PCMU	01/2021

<p>“roll-out” of successful MAA and Business linkages</p> <p>Continue “roll-out” of successful MAA and Business linkages from initial areas supported by TNS and Agribusiness Team. This would include completion of 30 scheme-based business plans.</p>	FPCMU Agribusiness	02/2021
<p>Identify and confirm financing for further engagement of TNS until the end of PASIDP implementation</p>	GoE/MoA/FPCMU & IFAD	02/2021
<p>Finalize the KM plan and share with IFAD for information</p>	FPCMU	02/2021
<p>Training on climate risk analysis</p>	IFAD	03/2021
<p>Strengthen relation (identify areas of collaboration) with the Climate Resilient Green Economy (CRGE) directorate</p>	PCMU	03/2021
<p>payment for ecosystem services</p> <p>In collaboration with the Environment, Forest and Climate Change Commission, identify options to approach payment for ecosystem services under PASIDP II.</p>	PCMU	03/2021
<p>Explore feasibility to pilot Gender Action Learning System in some sites.</p>	PCMU	03/2021
<p>Link the good results and findings of the partner grants with the development of the projects AWPB for scaling up.</p>	PCMU	03/2021
<p>Document case studies on youth participation in agriculture as demonstrated by TNS for knowledge sharing and learning.</p>	PCMU	03/2021
<p>Allocate budget to provide food demonstration equipment to all Farmer Training Centres in 31 schemes.</p>	PCMU	03/2021
<p>Scheme performance improvement:</p> <p>Conduct detail technical and economic feasibility study for schemes with a problem of uneven water distribution and irrigation water management to identify viable option among land levelling, introduction of reservoir, water saving technologies to improve the performance of schemes</p>	FPCMU	06/2021
<p>Scale Gender Model Family to other households in the same communities, gather quantitative results and slowly scale up to other geographical areas.</p>	PCMUs	06/2021
<p>Nutrition Profile Tracking</p> <p>Finalise the remaining Nutrition Profile Tracking, roll out findings to the other parts of the project areas and train project staff at all levels on Nutrition sensitive agriculture.</p>	FPCU, RPCU with ICRISAT	06/2021
<p>Prepare 2-pager adoption report on Quality Protein Maize and Orange Flesh Sweet Potatoes trials:</p> <ul style="list-style-type: none"> • Implementation scale • Adoption (% farmers who planted, yield performance, acceptability) • Scale up plan and recommendations for increased adoption 	RPCU, FPCU	06/2021
<p>Design SBCC strategy per region based on partners’ experience:</p> <ul style="list-style-type: none"> • Identify barriers to dietary diversity (understand cultural and social norms) • Identify target audience, key messages and communication channels (including mass media like Farm Radio international and in-person interventions like food demonstrations and Gender Model Family) • Roll out plan in line with AWPB components 	FPCU, RPCU	06/2021

<p>Cooperative Business Plan Co-financing</p> <p>As per MTR agreement, select best Cooperative Business Plans for further refinement and PASDIP II co-financing. To establish the BP co-finance scheme, IFAD will support PMU to identify and mobilize technical assistance with BP co-finance experience in other IFAD projects.</p>	PMU/IFAD	06/2022
<p>Include sustainability aspects</p> <p>(e.g., income generating activities among watershed upstream households) in the existing Job Creation strategy</p>	FPCMU/RPCMU	06/2022
<p>Measure environmental benefits of the watershed management activities</p>	FPCMU/RPCMU	06/2022
<p>Put in place controlling mechanism not to increase command area</p> <p>In response to the increasing demand for irrigation water, the water balance should be considered and put in place controlling mechanism not to increase command without to introduce water saving technologies to increase the water use efficiency on PASIDP II schemes - ongoing</p>	FPCMU & RPCMUs	
<p>Price Setting Modalities</p> <p>Appropriate modalities for price setting for produce are effectively demonstrated and employed within PASIDP schemes - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve & MAAs	
<p>Cooperative Jurisdictional Disputes</p> <p>Mediation and mentoring for cooperatives at scheme level to ensure cooperation and clarity of roles - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve	
<p>Rainfed Farmers participation in commercial activities</p> <p>Provision of training and mentoring to enable rainfed farmers to participate in commercial input and outputs markets - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve & MAAs	
<p>Financing for Storage and Value Addition Facilities</p> <p>Preparation of business plans and engagement with financial institutions to secure financing - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve & MAAs	
<p>Quantification of benefits from watershed schemes</p> <p>Measurement of outputs of Watershed management activities including land use and cover changes using GIS application and other benefits such as productivity enhancement - ongoing</p>	FPCMU/RPCMU	
<p>China – IFAD SSTC facility</p> <p>Prepare and submit monthly implementation progress report on China – IFAD SSTC facility activities and hold monthly problem-solving session with IFAD.</p>	PCMU	
<p>Seed production</p> <p>The programme should scale up the seed production model introduced by ICRISAT to current groups of farmers involved in seed demonstrations by linking them to research to supply seed for multiplication which will be produced as certified seed and sold to scheme members or to cooperatives (seed business model). PCMU with support from ICRISAT, NARI to provide more capacity building on quality seed production</p>	PCMU/ICRISAT	

<p>Assess capacities of Woredas</p> <p>To continue providing support before handing over (extend support where there are gaps) and continue to monitor and report on the performance of schemes that are no longer supported by the programme.</p>	PCMU	
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E. Project implementation

a. Development Effectiveness

Effectiveness and Developmental Focus

Effectiveness	Rating: 4	Previous rating: 5
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Justification of rating

38. PASIDP has effectively reached 96,391 (89% of target and 24% women) beneficiaries through its interventions. From field visits conducted by this mission, it is evident that the project is on track to reach the development outcomes in relation to improved incomes, food security, reduced water shortage, improved access to land, forests and water for production, increased number of on-farm and off-farm full time equivalent jobs and increased production and productivity. The extent to which many of these outcomes are being reached is not fully documented and needs to be more frequently captured and reported on through the M & E system besides the AOS.

Log-Frame Analysis & Main Issues of Effectiveness

39. Since the last mission, PASIDP has reached out to more beneficiaries through its interventions. The project currently has reached 96,391 beneficiaries so far (89% of the end target) with respective female and youth beneficiary ratios of 24% and 24%. Over the 10-month period of implementation of the 2021/2022 AWPB, PASIDP has reached 6,749 (56% of annual target, 16% women ratio and 36% youth ratio) beneficiaries. At the goal level, the project has to-date supported 89,776 households (89% of end target) to cope with the effects of climate change. Household incomes from sale of agricultural produce are reported to have improved, while 13,415 beneficiaries (89% of end target) are gainfully employed in several on-farm and off-farm jobs.
40. The mission also noted from reports and from field visits that PASIDP has increased the number of households having access to irrigation schemes to 29,967 (65% of end target), through increase in the irrigable area which is currently 12,506 ha (68% of end target). The project has also built capacity for production through the strengthening of 174 producer organisations (116% of target) benefiting 21,487 farmers (46% of target and a female beneficiary ratio of 17%). Capacity for savings and credit culture has also been built through training for 40,263 beneficiaries (81% of target) as well as for income generation through training of 5 097 (34% of target) beneficiaries. PASIDP also continues to build the resilience of beneficiaries through support to watershed management benefiting a total of 74,813 (89% of target) beneficiaries as well as provision of improved production inputs and technologies to 10,482 (74% of target) beneficiaries.
41. **Assessment of Outcomes.** The mission noted that Annual Outcome Surveys (AOS) were carried out in 2019 and 2020 to quantify outcomes accruing from project interventions. The draft 2020 AOS is yet to be finalised, while the 2019 survey was finalised. The 2019 survey was carried out on 1,236 respondents from 39 schemes selected from four project regions. Results from the 2019 survey showed that the high-value crops mostly grown and marketed over the three seasons were Onions (25%), Maize (20%), Cabbage (18%) and Tomatoes (15%). Farmers also reported to have realised improved yields and productivity per hectare as well as incomes from the sale of commodities. The mission commends the project for assessing outcomes on an annual basis, but notes that while data collected is in some cases disaggregated by crop enterprise, the analysis of findings is aggregated and cannot adequately be used to support objective assessment of performance of some key. The project plans to carry out another annual outcome survey in the 2022/23 financial year. The mission urges the project to ensure that the 2022/23 AOS incorporates additional questions (e.g., access to water and land, area cultivated, inputs accessed and used by the household, quantity of produce and production per hectare of key crop enterprises, knowledge, attitude and practises by farmers including adoption of promoted technologies, environmental sustainability and climate resilience, participation in nutrition mainstreaming activities, intake of micronutrients, feeding practices and complementary feeding) in the tools that facilitate a detailed analysis of immediate outcome parameters on key crop enterprises produced in the project area as well as indicators of beneficiaries' dietary quality. The project management team is also urged to make reference to the IFAD guideline for COI surveys.

Agreed Action	Responsibility	Agreed Date
FREG success rollout Consider extending duration of FREG support and budget accordingly	FPCMU	10/2019
Nutrition Objective Promote production of nutrition rich (protein rich) crops at least in all home gardens and promote home consumption so as to support a realization of nutritional target of the programme	FPCMU	10/2019
Revise the log frame so that there is one agreed up on log frame in ORMS and in the hands of the project.	FPCMU	12/2021
Capture and Document intermediate Project Outcomes Regularly capture and document through the project M & E system, intermediate project outcomes on adoption of technologies, increase in production and productivity of key crop enterprises	PCMU	08/2022
Annual Outcome Survey Update that the tool for carrying out the 2022/23 AOS to incorporate questions that facilitate a detailed analysis of data by crop enterprise. Ensure that reference is made to the IFAD guidelines for COI surveys	PCMU	11/2022

Development Focus

Targeting and Outreach

Rating: 5

Previous rating: 5

Justification of rating

42. PASIDP II is delivering on its targeting objectives: 88.6 percent of households have been reached so far, as well as 107.1 percent of female-headed households (FHH) and 89.4 percent of jobless youths. Complementary targeting mechanisms are used to reach and support these target groups. The project is implemented in food insecure areas and activities directly address households' needs. Special packages are delivered and taken up by FHHs and youth groups (e.g., cookstoves, biofortified crops). Targeting performance is well monitored by the PCMU since sex and age-disaggregated data is collected and reported on a quarterly basis. Moving forward, the project needs to focus on the sustainability of the support provided to the target groups.

Main issues

43. **The project has a strong outreach.** 96,391 persons have received services promoted or supported by PASIDP II so far, which is 88.6 percent of the end target. The number of female-headed households supported has already exceeded the end target and 89.4 percent of young men and women targeted have been provided with job opportunities.
44. **A set of targeting mechanisms have been used during implementation** to reach and address the needs of the project's target groups. Geographically, the project is implemented in food insecure districts. In terms of interventions, the use of the irrigation infrastructure, the adoption of watershed management practices and the participation of farmers in the capacity building activities show their relevance for the beneficiary farmers (self-targeting). Additionally, special packages have been provided to female-headed households and youth (e.g., cookstoves, orange-flesh sweet potatoes) as a direct targeting strategy.
45. PASIDP II has put a lot of emphasis on job creation for youth so far with direct support to youth-groups to develop tree nurseries and capacity building initiatives on agronomic practices and business management. Since the last mission, the FPCU has been working with experts from the MoA Job Creation Directorate to update PASIDP II Job creation strategy with a stronger focus on sustainability. They identified four focus areas: (i) diversification of income generating activities on- and off-farm, (ii) awareness creation among youths on the benefit of medium-term investments in the agricultural sector, (iii) access to finance (e.g., revolving fund, strengthened Rusaccos), (iv) additional mentoring and advisory services on business development; (v) market linkages for youth-led initiatives. The project can continue its effort and put emphasis on linking up PASIDP II Rusaccos with IFAD-funded RUFIP III programmes, as well as supporting youth-led nurseries to obtain their legalisation and product certification to access formal markets (about 102 remaining). Additionally, to better understand the challenges faced by beneficiaries and prioritise interventions, the mission recommends to assess the experience from schemes already handed over whose farmers receive extension support from the government structures only.
46. In terms of Monitoring, Evaluation and Learning, PASIDP II has put in place reliable systems to measure the performance of the project. Sex and age-disaggregated data is collected and reported on a quarterly basis at grassroot level and aggregated by the Federal PCMU. The mission praises the effort of the project to improve qualitative reporting on direct targeting interventions. The PCMU developed and disseminated reader-friendly brochures with a description of interventions, success stories and illustrations.

Agreed Action	Responsibility	Agreed Date
Enhanced targeting of irrigation users Set clear criteria for the allocation of irrigable land among the irrigation users, to ensure equitable ownership in the command area, to be used during feasibility assessments and detailed designs.	FPCMU & RPCMU	10/2018
Develop a job creation strategy Develop a strategy to achieve the job creation target of the programme.	FPCMU	10/2018
Develop a database for the programme clients Develop a data base for the programme clients, which clearly indicates the list of clients/households that benefited from the programme, indicating the type of service provided to them.	FPCMU	10/2018
Ensure full inclusion of youth and women in programme activities Ensure at least 30% of leadership position in IWUAs and Watershed Management Team occupied by women Ensure at least 50% of leadership position in IWUAs and Watershed Management Team occupied by youth	FPCMU & RCPMU	05/2020
Ensure full inclusion of watershed upstream smallholders into component B activities Extend agriculture technology trainings, business planning workshops and co-financing of productive infrastructure to smallholder at both irrigated and watershed areas.	FPCMU & RPCMU Agribusiness Team & Technoserve	06/2020
Access to lines of credit PASIDP II and RUFIP III to meet on enabling Rusaccos supported by PASIDP II to access RUFIP III lines of credit	PCMU	12/2022
Longer term job creation Ensure linkages to job creation through the market linkages for cooperatives and their operations - ongoing	FPCMU/ RPCMU	

Gender equality & women's participation

Rating: 4

Previous rating: 4

Justification of rating

47. The project has made commendable progress since the last mission, especially regarding the Gender Model Family (GMF) intervention. The outreach of the household methodology almost doubled and the project is working with CIFOR Gender experts to assess the impact of the GMF. Additionally, the project has been providing relevant support to female-headed households. However, the meaningful participation of women in farmers' organisations, project consultations and training, is still limited. Quotas in female membership and gender mainstreaming have shown to be effective but more attention should be given to women mobilisation and capacity building. In terms of M&E, all data is disaggregated by gender and the project has developed knowledge products on gender interventions

Main issues

48. PASIDP II addresses the three pillars of the gender strategic priorities: economic empowerment, leadership and decision making.
49. **Women's participation in farmer's organisations (FO) leadership is close to target.** The overall proportion of women in FO leadership committees is 28 percent (below the 30 percent target). There has been some improvement since the last mission since the percentage of women representation in the cooperative leadership committees increased from 19 percent to 26 percent. The quotas and the gender mainstreaming training for the committee members have shown to be effective. In Amhara for instance, cooperatives which received the gender mainstreaming training count on average 32 percent of women in their leadership committee compared to 21 percent for the cooperatives which have not received the training yet. The project will therefore continue its efforts and foster experience sharing between the regional teams to apply best practices.
50. **Women's participation in training sessions on agronomy and agribusiness remain low,** with 13 percent and 34 percent respectively. PASIDP II has been promoting couple training whereby both husband and wife were actively invited to participate in the training. As the project noted in their progress update report, more efforts have to be made in mobilising women in capacity

building activities by understanding and addressing the main barriers (e.g.s, venue, time poverty, social norms).

51. **Gender mainstreaming training for woreda experts is on track** For this reporting period, 83 percent of woreda experts have been trained on gender mainstreaming. Increased awareness on the importance of gender equality will also contribute to increasing the project's performance in terms of women's participation in activities and FO leadership.
52. **Special support has been provided to 350 Female Headed Households (FHHs).** 86 percent of the FHHs targeted have been involved in demonstration of home garden development and 97 percent received inputs and small tailored equipment (water cans, spade, and shovel). This intervention had been cancelled in the Amhara region due to the conflict. Additionally, 96 percent of the nutrient-rich crops inputs planned (tomato, carrots, cabbage, beetroot) and 753 (beyond target) energy saving stoves have been distributed to the FHHs.
53. **Gender transformative mechanisms pilot is being expanded and assessed for scale up** The Gender Model Family (GMF) intervention has been implemented among 1,672 households across 42 schemes, which is a significant increase since the last mission (almost doubled). The FPCU Gender and Nutrition officer has been working with CIFOR (in the context of the IFAD Grant "Women' land and resource's right initiative") to develop a study design aiming to measure the impact of the GMF at household and community levels. The study will also explore the opportunities and challenges for GMF scale-up in the next phase of PASIDP II and propose a standard process to ensure project's ownership in impact assessment. The study should be conducted by the end of 2022.

Agreed Action	Responsibility	Agreed Date
Adapt the gender strategy developed by MoALR Adapt the gender strategy developed by MoALR to reflect PASIDP II's gender targets.	FPCMU	09/2018
Develop a gender-disaggregated plan for all interventions Plan all interventions using gender-disaggregated data and follow up on the achievement accordingly.	FPCMU and RPCMU	12/2018
Enhance women participation Increase the number of women in the different committees established by the programme, including their role in decision making.	FPCMU and RPCMU	12/2018
Gender Officers Recruit Federal level gender and nutrition officer to ensure guidelines are followed	FPCMU	08/2019
Household Methodologies Conduct ToT for HHM and develop roll-out plan	FPCMU/RPCMU	12/2019
Labour saving technologies Promote improved cook stoves in schemes where these have been included in the watershed management plans	FPCMU/RPCMU/ Woreda & Kebele teams	12/2019
Youth participation data Capture data on youth participation at all levels while building their capacities to enhance more of their participation in project activities	PCMU	08/2020
Women participation Enhance and promote women participation in key leadership committee positions to empower their decision-making capabilities.	PCMU	09/2020
Lessons learnt Capture and document the successes achieved and lessons through implementation of the Gender Model Family as case studies that can inform replication and scaling- up	PCMUs	12/2020

Household Methodologies /Gender Model Family Conduct assessment on effectiveness of GMF, address gaps and suggest improvements, then scale up.	FPCMU	12/2021
Develop a technical proposal As GMF is being scaled up, develop a technical proposal to measure GMF and women empowerment results generated by the programme, with quantitative and qualitative research methodologies.	FPMU	04/2022
Achieve 30% target of women participation in farmers organisation leadership and agribusiness activities by strengthening awareness creation (e.g., gender mainstreaming training for RUSACCOs), quotas and incentives.	Federal and Regional PCMUs	05/2022
GMF impact assessment Conduct GMF impact assessment and draw recommendations for scale-up in the next phase of PASIDP II in collaboration with CIFOR.	PCMU	12/2022
Women participation in farmer's organisation leadership and agribusiness activities Achieve 30% target of women participation in farmer's organisation leadership and agribusiness activities; by strengthening awareness creation, quotas and incentives.	PCMU	

Agricultural Productivity

Rating: 4

Previous rating: 4

Justification of rating

54. Farmers have started using irrigation schemes and alternative water sources, and adopting promoted agronomic practices to improve their productivity and income. For example, in the first round dry season production period, 10,797 HHs (1562 women) used the schemes developed and farmers are now able to produce at least two seasons in a year, diversifying and shifting to high-value and nutrition-sensitive crops. The schemes visited showed that the productivity of vegetables like onion, tomato, cereals like wheat, and maize was higher than the national average yields reported under rain-fed practice. The mission noted however that efforts of input and output marketing require further enhancement.

Main issues

55. The cooperatives organised and supported by the programme are considered as a strong entry point for the market linkage creation. In addition to previously organised ones, 20 new cooperatives have been established in the reporting period (71% of the plan). Up to date, 131 cooperatives have been organised (87 percent of target). During the reporting period, 65 cooperatives were supported to enhance their capacity to mobilise members, increase their capital, and deliver input and output marketing services to their members. Fourteen cooperatives have started output aggregation for different commodities (maize, wheat, groundnut, pepper, and honey) with a sales value of ETB 79,414,171 that benefited 3,760 farmers (including 1,021 women).
56. More support is required to make the cooperatives more business-oriented, increase their financial capital, enhance their leadership capacity, and create sustainable market linkages. The financial capital and aggregation capacity of cooperatives is still limited and needs further enhancement. The 50 Market Access Alliances organised by the programme also require further support to become more active by engaging the private sector in respective value chains for market linkage development.
57. To facilitate financial services to farmers, to 12,211 individuals (5,062 women). The financial services provided in terms of amount and outreach is low as compared to the demand and amount of investment required to produce in the irrigation facility. The observed experiences of linking RUSACCOs with marketing cooperatives in the project areas need to be enhanced. Additionally, the envisioned link between RUSACCOs and RUFIP III to increase the RUSACCOs loan provision capacity have not yet been observed on the ground. The programme needs to raise awareness about RUFIP III among the RUSACCOs committees as well as the implementers in the ground.
58. Improved husbandry practice and technologies promoted through farmer research groups, demonstrations and training delivered showed good results in terms of increased water use efficiency, improved pre- and post-harvest practices, and increased overall productivity of irrigated crops. These improved practices observed in the farmer research groups and pilots need to be scaled in the different schemes and other farmers in the command and water shade communities.

Agreed Action	Responsibility	Agreed Date
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<p>Implement Market Access Alliances (MAA) approach as per the PIM</p> <p>Systematic implementation of the MAA approach, commencing with MAA fora for each region prior to 2018 dry season irrigation planning.</p>	FPCMU and RPCMU	07/2018
<p>Enhance access to credit</p> <p>Commence actions to enable farmers to access credit, through joint agreements between them, credit suppliers, inputs suppliers and market entities.</p>	FPCMU and RPCMU	07/2018
<p>Strengthen business plans</p> <p>Strengthen cooperatives' business plans and communicate aggregated need for credit to Rural Financial Institutions and DBE to ensure sufficient liquidity.</p>	FPCMU, RPCMU, DBE (RUFIP)	09/2018
<p>Experience sharing</p> <p>Exchange visit within East or Southern Africa for key stakeholders to observe and learn from viable commercial smallholder value chain operations and viable irrigation systems using advanced technology.</p>	FPCMU & IFAD	09/2018
<p>Strengthen FRGs</p> <p>FRGs should add demonstrations of improved irrigation application techniques and conduct an analysis of financial outcomes. Farmers should participate directly in FRG activity planning. FRGs should also be strengthened regarding rain fed agriculture development in the watersheds.</p>	FPCMU and RPCMU	10/2018
<p>Application of Agronomic and Crop protection Techniques</p> <p>Use improved techniques in trials for high value crops Apply improved techniques watershed crops Organise trials for improved equipment for high value crops Provision of advice on accurate irrigation improved techniques in trials for high value crops</p>	RPCMUs/Woreda Experts	06/2019
<p>Improved Inputs Supply</p> <p>Conduct feasibility study for establishing Farmers' Service Centres for PASIDP schemes</p>	FPCMU/Agribusiness	09/2019
<p>Improved Inputs Supply</p> <p>Advice to MOA State Minister for inputs and outputs market sector on PASIDP farmers' input needs</p>	FPCMU	09/2019
<p>Improved Inputs Supply</p> <p>Encourage leading PASIDP Farmers to produce improved seed as a business</p>	FPCMU/Agribusiness	09/2019
<p>CA and WM Development</p> <p>Continue roll-out of support for CA and WM, and involve these in value chains with MAA support</p>	RPCMU/ Woreda Experts	12/2019
<p>Improved Inputs Supply</p> <p>Develop demand collection system</p>	FPCMU/Agribusiness	02/2020
<p>Support FRG</p> <p>Design system to monitor adoption rate of FRG best practices</p>	FPCMU	05/2020

<p>Organise learning and reflection event to enhance agribusiness team capacity</p> <p>Arrange agribusiness team reflection, experience sharing and practice refinement learning event to take forward good practices observed in the pilot schemes and provide focused support for main value chains across the schemes in the remaining project period</p>	PCMU	09/2022
<p>Document productivity performance of technologies promoted through FREG and incomes from rain-fed production</p>	PMU	12/2022
<p>Enhance the market linkage support provided by the agribusiness team</p> <p>Enhance the support provided to cooperatives and other value chain actors (MAA) to create sustainable market linkages for main value chains in the command areas</p>	PCMU	12/2022
<p>Include extension support to rain-fed farmers in the AWPB detailing activities and targets to improve productivity.</p>	PMU	
<p>Capacitate RUSACO for better service provision to their members</p> <p>Give focused support to RUSACO to increase their membership, capital, linkage, and lending capacity - as of December 2022</p>	PCMU	

Nutrition

Rating: 5

Previous rating: 4

Justification of rating

59. The project has implemented most of the nutrition activities as per the AWPB. Despite not being nutrition-sensitive at design, the project addresses critical nutrition pathways including market-oriented food production with irrigation support (60% of production nutrient-rich), nutrition awareness through extension and food demonstrations, women empowerment and targeted interventions for Female-Headed Households including home gardens packages. To date, 14,767 people have been provided with targeted support to improve their nutrition (93 percent of the annual target). The mission encourages the project to leverage ICRISAT expertise to assess the impact and scalability of the piloted interventions.

Main issues

60. **The nutrition-sensitive interventions have been implemented as planned**, except in the some parts of the Amhara region affected by the conflict until January 2022. The main nutrition pathways addressed by the PASIDP II include (i) increased and diversified market-oriented food production throughout the year with irrigation support and seed multiplication, (ii) improved homestead food production with kitchen gardens for targeted households and (iii) increased knowledge and awareness through training.
61. The project has largely contributed to increasing food production throughout the year, for markets and home consumption. In fact, during the first round of irrigation production, 60 percent of the produce in volume was nutrition-sensitive (driven by tomatoes and cabbage). The project should continue to strengthen marketability of nutrient-rich crops, especially in post-conflict areas.
62. PASIDP II has put more emphasis on nutrient-dense and drought tolerant seed production over the last year with ICRISAT support. The project produced chickpea, mung beans, wheat and orange flesh sweet potato seeds and cuttings on 63 ha. This is a really relevant strategy to increase farmers' access to quality seeds and strengthen the resilience of domestic food production.
63. On command areas and adjacent watersheds, **86 percent of the targeted female-headed households have received support for home garden development** with provision of inputs and farm tool sets, water cans and advisory services. The mission visited model households who had set up a kitchen garden in their backyard, growing diverse dark leafy greens, tomatoes, cabbages and fruit trees. They had given seedlings to their neighbours to help them start their own kitchen garden.
64. **The implementation of nutrition education and awareness interventions is on track.** The project has provided training on nutrition-sensitive agriculture to 242 woreda experts, DAs and Health Extension Workers. This is an 85 percent achievement compared to the plan, the remaining activities should be implemented in the next two months. Additionally, 34 food demonstrations were conducted (97 percent achievement) to raise awareness and improve practices related to healthy diets.
65. In 2021, **ICRISAT conducted a detailed assessment of nutrient gaps ("nutrition profile tracking") and introduced orange-flesh sweet potatoes** in five schemes. During the field visit, the mission observed the promising production of OFSP (60 MT/ha) and the recipes that have been used to promote the consumption of this new sweet potato variety in the communities. ICRISAT also worked with PASIDP II to introduce quality protein maize, mango and avocado trees in 12 schemes, supporting farmers to multiply and sell the seeds. ICRISAT is conducting an assessment on the adoption of the newly introduced crops and the subsequent changes in households' diets.

66. In terms of **implementation capacity**, PASIDP II has put a lot of emphasis on nutrition and mainstreaming themes. At Federal level, a Nutrition specialist dedicated to the project is in charge of the overall supervision of the nutrition interventions. At regional level, nutrition officers ensure the implementation of the activities in the field in collaboration with woreda experts and kebele Development Agents (DAs). The IFAD core output indicator 1.1.8 is regularly updated in the logframe. To date, 14,767 people have been provided with targeted support to improve their nutrition (67 percent of the end target). The project will not conduct an Annual Outcome Survey in 2022 so the Minimum Dietary Diversity for Women (MDD-W) indicator is planned to be measured in 2023.
67. The mission also recognises the project effort to **engage in partnerships and initiatives advancing the food system and nutrition agenda**. PASIDP II piloted IFAD nutrition scorecard prototype to improve project performance tracking on nutrition-sensitive aspects. The project has also facilitated the piloting of an application developed by McGill and Hawassa universities ('Diet DQ') to improve measurement of diet quality among beneficiaries. Finally, PASIDP II Gender and Nutrition officer also participated in a virtual visit on the Nutrition-sensitive agriculture governance structure in Brazil to prepare the physical visit of the Minister of Agriculture in July.

Agreed Action	Responsibility	Agreed Date
Provide equipment for FTCs Provide the necessary equipment for FTCs to deliver food demonstration training.	RPCMuS	09/2018
Water harvesting Conduct demonstrations of rainwater harvesting for households.	RPCMU	05/2019
Nutrition mainstreaming study Designate team member to follow-up on recommendations pending recruitment of the Federal Gender and Nutrition Officer	FPCMU/RPCMU	06/2019
Potable water supply Demonstrate technologies for supply of potable water for communities	FPCMU/RPCMU	12/2019
Monitoring improved nutrition Establish linkages with health and education officers to develop effective monitoring tool	FPCMU/RPCMU/ Kebele teams	12/2019
Capacity building Continue undertaking capacity building to the whole household (men/women) to ensure nutrition is not just looked at as a woman's responsibility only.	PCMU	08/2020
Capacity building Federal and regional project staff to identify dietary gaps and acceptable nutrient-rich foods. Training of beneficiaries in nutrition sensitive agriculture to be done at FTC nutrition demonstration corners Training on knowledge of what is a balanced nutritious diet	FPCMU/RPCMU	12/2020
Include MDD-W in the M&E plan Include MDD-W in the M&E plan (end-line) and relevant intermediate indicators (e.g., food consumption questions) in the next Annual Outcome Survey	FPMU	05/2022
Scale-up successful nutrition interventions piloted with ICRISAT based on a relevant plan	FPMU	08/2022
Assessment of Nutrition sensitive activities Finalise quantitative and qualitative assessment of nutrition sensitive activities supported by ICRISAT	PCMU	11/2022
Increase production and market access linkages of nutrient-rich crops Increase production and market access linkages of nutrient-rich crops - as of December 2022	PCMU	

Adaptation to Climate Change

Rating: 5

Previous rating: 4

Justification of rating

68. The project has managed to undertake activities that could enhance adaptive capacities and resilience of communities and ecosystems. Most importantly climate-smart agriculture (CSA) practices such as agroforestry, ISFM, CA and forage development and construction of alternative water sources have been promoted and scaled up. Agroforestry and fruit development practices have contributed to sustainability of the watershed and diversification of farmer's income through increased production and productivity of crop, livestock and pasture. Furthermore, fuel saving stoves and small solar lanterns have been distributed to FHHs. Rating is increased because most of planned interventions for the reporting period and some agreed actions are completed.

Main issues

69. **Climate Smart Agriculture Practice:** In the reporting period, the project has managed to undertake different CSA practices on 1136 Ha of land, which is 102% of the plan, to benefit 2,995 small holder farmers out of which 644 were female farmers. The mission has witnessed that smallholder farmers from the IWUAs and upper stream watersheds have been implementing a number of CSA practices such as agroforestry, forage production, composting and intercropping.
70. **Agroforestry and fruit development:** The main aim of this intervention is to ensure sustainability of watersheds and diversification of farmers' income. In the reporting period, the plan was to develop 355 ha of land and the achievement is 526 ha (148%). In here, 2,248 small holder farmers (356 female) have been benefited.
71. **Improved Forage Development:** Sustainable availability of nutrient rich animal forage through the production of improved climate smart forage grass species, fodder tree species and grazing land management activities were the main aim of this intervention. In the reporting period, the plan was to develop 141 ha of land and the achievement is 255 ha making the performance 180% and 1,435 (F=412) small holder farmers have been benefited.
72. **Conservation Agriculture (CA):** conservation agricultural practices protect soil and increase water infiltration enabling the land to produce more. In the reporting period, the plan was to undertake CA practices in 223 ha of land and the achievement was 167 ha making the performance 74.8% and 1,177 small holder farmers (260 Female) have been benefited from these practices. In the reporting period, some activities to identify CA challenges have been done. Thus, a report on the main challenges of CA and their respective solution should be prepared. The report excludes the achievements of CA in the Oromia region.
73. **Integrated Soil Fertility Management (ISFM):** production and use of vermicompost and conventional compost as well as application of lime have been the main ISFM practices. In the reporting period, the project planned to apply lime and compost on 47.5 ha of land and the achievement is 119 ha (251%) and 1510 (302) small holder farmers have been benefited. The demand of Vermicompost has been increased because of the ever-increasing price of inorganic fertilisers and in the reporting period farmers have produced 5,543 quintals of Vermicompost.
74. **Development of Alternative Water Sources:** Alternative sources of water are constructed to benefit the upper stream communities and some HHs living adjacent to the irrigation schemes. The alternative source of water will enhance agricultural productivity of farmers and avoid conflicts between upper stream communities and IWUAs. In the reporting period, it was planned to access 62 schemes and 3 groups, 3 HH ponds and 12 solar water pumps integrated with manual tubes (total= 18) have been completed. There are 49 HH ponds and 12 solar water pumps with manual tubes under construction at select sites. Besides, there are 34 solar power water pumps and 5 HH ponds geo-membrane procured to supply & construct at implementing sites.
75. **Promotion of fuel saving stoves and small solar lanterns for FHH:** In this reporting period it has been planned to distribute 460 fuel saving stoves and the achievement is 753 stoves to 753 Female headed HHs.
76. Observation from field visit to SNNPR: IWUAs and watershed communities have been practising CSA and NRM activities such as composting, agroforestry, terracing using Vetiver grasses which have contributed to the stabilisation of the land with promising results in terms of enhancing their income and productivity through reductions in soil erosion, pest infestation and use of inorganic fertiliser

Agreed Action	Responsibility	Agreed Date
Experience sharing Conduct a field trip for key PCMU staff to selected participatory watershed development sites supported by the CGIAR Climate Change, Agriculture and Food Security Project in Ethiopia.	FPCMU	08/2018
Develop guidelines on resilient construction standards as well as guidelines for climate-smart water resources management The RPCMUs and staff at lower administrative levels should be trained on the guidelines and their application at the community and households levels.	FPCMU	03/2019
Climate Smart Agriculture Manual Include further options for climate change adaptation particularly in the watershed areas (e.g. perennial crops, non-timber forest products)	FPCMU	09/2019
Improved varieties Promote drought tolerant crop varieties in watershed areas	RPCMU/Woreda teams	12/2019

<p>Training of trainers for Climate Risk Management</p> <p>Provide more training at the federal level for Environmental safeguard specialist, Climate Change and Watershed Specialist, Agronomists and Engineers. Explore opportunities for south-south collaborations.</p>	IFAD/FPCMU	03/2020
<p>Weather information</p> <p>Link with Farm Radio International and National Research institute and national meteorology agency for near- and medium-term weather information</p>	FPCMU/RPCMU	04/2020
<p>Conservation agriculture</p> <p>Scale up appropriate CA techniques in all watershed areas</p>	FPCMU/RPCMU/ Woreda teams	05/2020
<p>Biomass production</p> <p>Improve forage production and ensure the crop residues are not burned.</p>	FPCMU/RPCMU	05/2020
<p>Climate Risk Analysis</p> <p>Carry out assessment on climate change risk management and provide contingency planning</p>	FPCMU/RPCMU	06/2020
<p>Initiate guideline on climate resilient infrastructure</p> <p>Develop Terms of Reference for necessary studies and analysis in consultation with IWMI and submit to IFAD for review.</p>	FPCMU	09/2020
<p>GHG emissions</p> <p>Implement with the MoA, CoEFCC (Environment and Climate Change directorate) an assessment of GHG emissions at the watershed level</p>	FPCMU/RPCMU	12/2020
<p>Energy saving technologies</p> <p>Introduction of solar powered pumps for irrigation schemes/water storage and household electrification Support to roll out promotion of energy saving stoves</p>	FPCMU/RPCMU	12/2020
<p>Integration of climate change risk analysis in irrigation schemes</p> <p>Provide training for teams to conduct scheme level climate change risk analysis and identify adaptation options including improved water use efficiency</p>	FPCMU/RPCMU/IFAD	03/2021
<p>Optimising benefits from adaptation measures</p> <p>Identify measures to increase adoption rates of climate change adaptation technologies and establish a system to quantify benefits</p>	FPCMU/RPCMU	03/2021
<p>Conservation Agriculture</p> <p>Assess the challenges in the implementation/adoption of CA techniques and scale up the techniques in the remaining watershed areas</p>	FPCMU/RPCMU	06/2022
<p>Quantify and consolidate report on CA, ISMF practices</p>	FPCMU/RPCMU	06/2022
<p>Train the FPCMU on Climate Risk Analysis</p>	FPCMU	06/2022
<p>Watershed Management</p> <p>Identify best practices and lessons learnt on Watershed management and incorporate in the 2022/23 AWP&B</p>	PCMU	07/2022

Finalise the assessment on CA challenges and propose solutions	PCMU	09/2022
Finalise the assessment on CA challenges and propose solutions		

b. Sustainability and Scaling up

Institutions and Policy Engagement	Rating: 5	Previous rating: 5
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Justification of rating

77. Local community institutions have been established and enhanced by the programme. IWUAs will play a key role to sustain the irrigation service. Therefore, 114 IWUAs have been certified and started managing water use arrangements, and collecting operations and maintenance fees. The capacity of the watershed committees was also enhanced. 131 marketing cooperatives were established and started providing services. RUSACOOs have also started services to irrigation beneficiaries. The community institutions need further capacity development for effective delivery of services at scale. As one of the flagship programmes in the country, relevant government institutions were engaged and many lessons were picked for policy and other programmes formulation.

Main issues

78. In PASDIP II the community institutions have been engaged in the different dimensions of the programme. IWUAs have been engaged starting from the design of schemes and continue to play a key role to sustain the irrigation service in a sustainable way that is on good track as observed in different schemes. There are 114 certified IWUAs. IWUAs have started managing water use arrangements in their respective scheme, collecting operation and maintenance fees, and providing other services indicated in their bylaws. The fee rate determination and follow-up activities in water use among the downstream and upstream members is an important area that needs enhancement by sharing better practices. IWUAs are better placed to ensure the sustainability of irrigation schemes and the implementation of IWUAs-related proclamations, guidelines, and bylaws should be assessed and monitored. The Watershed Committee was established by the government with a mandate to cover areas that may fall beyond the programme area. The watershed committee is coordinating community micro watershed activities. The watershed committees need further support to build functional leadership capacities.
79. New input and output marketing cooperatives were established (131 up to date) and existing ones were supported to improve their capacity. The cooperatives recruited most members in the command areas and started the provision of initial service in a short period of time. The input and output marketing cooperative's service is expected to enhance high-value crop input access and establish sustainable market linkage. There are RUSACOs in the command areas that are organised at Kebele level in most areas before the programme commencement, with the support provided they have started to deliver financial services to irrigation beneficiaries and others. In general, the community institutions are in place and started their respective operation that needs further enhancement in the remaining period of the programme for effective delivery of the expected service.
80. All the relevant government sector offices fully engaged in the important step of implementation and very well owned the activities in the different components of the programme. Other government programs and initiatives are building on PASDIP II investments like the Biogas programme of the country, and new technology promotion in the irrigation scheme command areas. As one of the flagship programmes in the country, many lessons are picked in formulation of programs and relevant policy crafting. There are many lessons that need to be documented and packed for easy adoption in other programmes and interventions. Regional and Woreda level government agencies have been engaged in the compliance monitoring of schemes to ensure compliance with the Environmental and Social Management Plans (ESMPs).

Agreed Action	Responsibility	Agreed Date
SSTC Design a system to start implementation of pressurized irrigation system with the support of SSTC grant to generate evidences and influence policy	PCMU	09/2020
Horticulture seed supply model Analysis of the current horticulture seed supply model and development of a vibrant and engaging horticulture seed supply model for the programme	FPCMU/IFAD	12/2020
Conduct study on water pricing Conduct study on water pricing	FPCMU/IFAD	03/2021
Conduct study on land redistribution impact on HH income Conduct study on land redistribution impact on HH income	FPCMU/IFAD	04/2021

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

81. The programme is meeting expectations in terms of potential partnerships and areas of collaboration. The programme has developed and is implementing a clear strategy for leveraging those partnerships towards its goals and objectives. For instance: i) ICRISAT is working closely with PASIDP II and with the established Farmers Research Groups FRGs on irrigation agronomy, drought tolerant and high yielding and nutrient-rich crop varieties; ii) KGDP (Kobo Grana Development Project) has been supporting produce marketing. The programme had previously developed partnership with AGRA that provided technical assistance for market linkage through Technoserve in addition to Self Help Africa, Agrimech and other private service providers which supported the programme in terms of conservation agriculture and soil fertility technologies

Main issues

82. Despite the appreciated efforts provided by some partners, particularly ICRISAT, in terms of on farm management and irrigation agronomy, the mission observed that several farmers are just cropping whatever is suitable or familiar for them without sometimes taking into consideration long term sustainable farming practices like crop rotation and introduction of nitrogen fixing crops like legumes. Aligning of value chain selection from a broad development perspective and farmers' financial profitability and overall value chain development should be reflected in the remaining period and in the programme lessons.

Agreed Action	Responsibility	Agreed Date
Establish linkages with other programmes and private sector PCMU to work with other on-going programmes to share experience and lessons.	PCMU	08/2018
Resume the quarterly steering committee and technical committees Resume the quarterly steering committee and technical committees to enhance the communication between PASIDP II team and partners.	PCMU	12/2021
ICRISAT should document the uptake of the new technologies that they promote.	ICRISAT	06/2022
Facilitation of Progress review meetings Facilitate regular implementation progress review meetings with all partners working with the programme. Quarterly	FPCMU/RPCMU	
Scaling up system Develop a system to capture the lessons from best practices of partner's implementation modalities as well as interventions in to scale it up on the entire PASIDP sites where feasible - ongoing	FPCMU/RPCMUs	
Sustainability of farming systems Ensure that principles of sustainable farming practices and cropping systems, including soil & water management and crop rotation are well conveyed to, and adopted by beneficiary farmers - as of 31 October 2022	PCMU	

Human and Social Capital and Empowerment

Rating: 5

Previous rating: 5

Justification of rating

83. PASIDP II has been implementing a comprehensive package of activities aiming to develop the capacities of poor women and men, including youths (e.g., agronomic, agribusiness, climate-smart agriculture, financial literacy, nutrition sensitive agriculture). Interventions building the capacities and ownership of farmers to manage their farm (establishment and empowerment of Farmers Organisations), improve their livelihoods and contribute to agricultural institutional knowledge such as the Farmers Field Schools for Integrated Pest Management have been instrumental to empower the project's beneficiaries. Additionally, the project has been scaling up the Gender Model Family, a household methodology aiming at empowering women at households and community levels.

Main issues

84. The implementation of Component B related to farmers' capacity building and empowerment is on track. So far, 29,967 households have received access to irrigation schemes, which is 65 percent of the end target and 11 percent increase since the last mission.
85. Farmers have been supported to develop their Agricultural Development Plan (ADP), identifying the priority crops for the

irrigation scheme, how to organise production in clusters, cropping calendar, quantifying inputs needs, and identifying markets. 40 ADP (83 percent of target) have been developed this year. Additionally, cooperative members have been supported in business and financial management (47% of end target, 26% increase since last mission) and beneficiaries have been trained in financial literacy (80% of end target, 19% increase since last quarter)

86. 363 women, members of farmers' organisations' committees, have been trained on leadership (104% achievement). Additionally, the Gender Model Family has been expanded, with a double outreach since the last mission (more details in the Gender section above).
87. PASIDP II also leverages farmers' expertise and network. Farmers Extension and Research Groups (FREG) have been established in all regions in collaboration with the regional research centre. Farmers have been trained on participatory farm research to trial new technologies on irrigation agronomy, seed production and post-harvest handling. During the reporting period, 870 FREG members have been trained on participatory research (49% achievement), 532 farmers trained on seed system (84%) and 1,851 on post-harvest handling (93%). ICRISAT has also been supporting PASIDP II with seed multiplication, in terms of farmers' training but also cooperatives' certification to be able to sell the produced seeds. The mission encourages the project to strengthen seed multiplication initiatives that are crucial to improve food security, resilience and income.
88. In Amhara, the mission visited a **Farmers Field School for Integrated Pest Management (IPM)**. In this approach, model farmers volunteered to be trained by the regional Plant Health Clinic to develop, produce and trial bio-pesticides made of locally available plants. After two years of trials, the FFS will be soon ready to commercialise the bio-pesticides to the farmers in the community. The mission encourages the project to provide the key support the FFS will need to legalise its products and develop a sound business plan. It would be also useful to document and disseminate this experience, highlighting the efficacy of the biopesticide and the process of empowering farmers to produce their own inputs and provide advisory services to fellow farmers.
89. **PASIDP II has been empowering model farmers.** Smallholder farmers whose farm was performing well were selected to receive special support and showcase promoted technologies. For instance, the programme has been supporting model farmers to start producing and applying vermi-compost in their farm. The return on investment seemed promising; the model farmer can sell organic fertiliser and worms to his neighbours for around \$250/year and improve his crops yield (25% tomato yield increase with 10 quintal of vermi-compost per hectare).

Agreed Action	Responsibility	Agreed Date
Knowledge product Develop a knowledge product on the Farmer Field School on Integrated Pest Management	PCMU	10/2022

Quality of Project Target Group Engagement and Feedback

Rating: 5

Previous rating: 5

Justification of rating

90. The project has strong systems in place for community consultations throughout the project lifecycle, through the intermediary of farmer's organisations, in particular the IWUAs. IWUAs members are closely involved in the irrigation scheme feasibility study, design and construction phases. Additionally, a solid Grievance Redress Mechanism has been established from the irrigation schemes to the Federal level. Grievances are systematically recorded and addressed, mostly at kebele (lowest administrative unit) level. Finally, in-kind contributions have been systematically collected and recorded.

Main issues

91. PASIDP II is an irrigation infrastructure development project that requires regular and meaningful engagement from the target beneficiaries to ensure the construction and operationalisation of the schemes do no harm. To this end, the project has developed and used different modalities throughout the project lifecycle:
92. To ensure the irrigation scheme design is driven by the needs and interests of the farmers, the project systematically conducts a series of consultations with the beneficiaries throughout the project lifecycle. Before the start of the intervention, communities are informed about the project, they provide inputs and give their consent to proceed. After the irrigation scheme design is developed, PASIDP conducts additional consultations with the farmers, as primary stakeholders and funders of the project, in order to provide additional information and close the feedback loop. During the reporting period, the project has conducted consultations with 8,236 beneficiaries (86 percent of target).
93. Specific consultations are conducted with women and youths. However, the mission encourages the project to put more emphasis on ensuring equitable female representation in the community consultations (only 12% so far) by adopting a couple mobilisation approach or adapting the timing or venue of the meeting to allow women to attend.
94. **Monitoring activities with communities' feedback.** The IWUAs are directly involved in the irrigation scheme construction. During the field mission, IWUA members explained that they meet with the contractor on a monthly basis to follow up on the construction. They also had returned construction inputs such as sand because quality was not at expectation. This demonstrates a strong ownership of PASIDP II beneficiaries and the efficacy of feedback mechanisms regarding the construction of the irrigation schemes.
95. **Express concerns and voice complaints.** An efficient and transparent feedback, grievance and redress mechanism is in place, in line with Ethiopian law. A recording and reporting system has been established from the kebele (lowest administrative unit) to

the federal level. Additionally, a 'conflict resolution committee' has been established in each IWUA to discuss and manage grievances at grassroots level. Overall, the GRM is easily accessible to all target groups and most of the grievances are addressed at kebele level. During the field visit, the mission observed that farmers were aware of the GRM, but mostly related to land, construction and water distribution issues in the schemes. In fact, the social safeguard specialist confirmed that the number of grievances had significantly decreased since most of the schemes had been completed. This indicates that the GRM is not used and not expected to be used for other types of grievances that could occur after the completion of the scheme. Similarly, the farmers did not seem to be totally aware of the kind of grievances they could raise to the project and via which channel. This can be an issue, especially for vulnerable groups such as young women who might struggle to voice their feedback on serious issues.

96. **In-kind contributions.** During the reporting period, the project has started data collection on in-kind contribution from the beneficiaries at regional level. In the reporting period, 732,978 beneficiaries (including 30% of women) have contributed to the watershed management activities of up to ETB 37,187,248.

Agreed Action	Responsibility	Agreed Date
Document and report on the role of IWUA and beneficiaries in decision making.	FPCMU/RPCMU	06/2022
Beneficiaries awareness Increase beneficiaries' awareness on their right to raise any feedback regarding the project even beyond the construction of the scheme	PCMU	10/2022

Responsiveness of Service Providers

Rating: 4

Previous rating: 4

Justification of rating

97. The mission noted continued engagement of service providers by the programme particularly in design and supervision of irrigation works. These service providers include: parastatal enterprises and private contractors for the design, construction supervision of irrigation schemes, distribution of farm inputs through voucher systems; CG centres to provide assistance for improved IWM, introducing LDSF and developing hydro-sediment monitoring systems, and private sector to establish improved seed system as well as regional research centres in demonstrating irrigated agriculture farming. TechnoServe was also working with the programme agribusiness team to develop market linkages. ICRISAT is also working with PASIDP II to introduce quality protein maize, mango and avocado trees in 12 schemes, supporting farmers to multiply and sell the seeds. ICRISAT is conducting an assessment on the adoption of the newly introduced crops and the subsequent changes in households' diets. There were notable instances whereby changes in design of construction schemes resulted in contract variations, thus putting to question the completeness of scheme designs before project contracting and commencement.

Main issues

98. The Programme works with private firms and consultants as well as with parastatal enterprises for design, construction, and construction supervision of irrigation schemes. Currently, there were 43 schemes under implementation, all of which had surpassed their initial completion date and were being supervised by different service providers in the regions.
99. The service providers that were engaged in agribusiness and productivity support, i.e. AGRA-Techoserve and Self Help Africa, were no longer active in the assessment period. ICRISAT engagement as observed in their respective areas has been appreciated and their responsiveness was good

Agreed Action	Responsibility	Agreed Date
Develop a monitoring system to ensure systematic follow-up on all service provider contracts continuous	FPCMU	06/2019
Training for site design process and construction Train the infrastructure design and construction service providers in correct procedures, quality requirements of pressurized irrigation, and consultation mechanism.	FPCMU	03/2020
Consideration of contract transition The project has to enforce the transition provisions in the contract agreement for contracts that overrun their contract periods.	PCMU	06/2022
Construction Contract Transition The government needs to consider transition provisions in the contract agreements for those that are overrun.	PCMU	06/2022
Irrigation Schemes' works supervision Intensify consultation meetings and joint field supervisions to accelerate the work, cope with design deficiencies and provide timely advice and corrections to contractors in order to deliver the schemes on time and in quality.	PCMU	06/2022

Environment and Natural Resource Management

Rating: 5

Previous rating: 5

Justification of rating

100. The project has continued to invest on natural resource management interventions, the most important being biophysical soil and water conservation activities such as rehabilitation of hillside, communal land gully and farm land as well as area closure. Nurseries have been strengthened and produced multipurpose forest and fruit seedlings for the biological soil and water conservation activities. Training has also been given to Woreda, Kebele and community watershed teams. Conflict has been a challenge to perform biophysical soil and water conservation activities in some areas in Amhara and Oromia regions.

Main issues

101. **Physical Soil and Water Conservation Measures:** the reporting period, the plan was to undertake physical soil and water conservation activities such as: hillside communal land treatment, area closure, gully and riverbank rehabilitation and farmland treatment in 7874.54 ha and the achievement is 5583 ha making the performance 70.8%. The community contribution is estimated at 732,978 Person Days (221,980 female) which is equivalent to ETB 37,187,248 (\$ 723,080.30).

102. **Biological Soil and Water Conservation Measures:** In the reporting period, the plan was to stabilise 5,099 ha of land by planting 23,558,230 multipurpose tree, fruits and other seedlings and the project has managed to stabilise 3,901 ha by 15,928,724 seedlings and 158,187 (37,277 women) Watershed beneficiaries have been participated. Specifically, hillside communal plantation in 584 ha, enrichment plantation on area closure in 322 ha, gully & river bank plantation in 104 ha, plantation on farmlands in 2,187 ha, promoting agroforestry and fruit in 526 ha and climate smart forage production in 255 ha have been implemented. Furthermore, the project has planned to train 1393 Woreda, Kebele and watershed teams and the performance was 1196 (86%).

103. In line with the biological SWC measures, it was planned to strengthen 38 nurseries and the project has managed to provide 9380 kg of multipurpose forest and fruit seeds and 3350 kg of polyethylene tube to 46 nurseries. As part of the green legacy of the government of Ethiopia, these nurseries have produced more than 8,209,000 and are prepared for the coming rainy season.

104. The mission has observed that vetiver grasses have been planted in both sides of the irrigation canals and at borderlines of farm lands. The PCMU should encourage all small holder farmers from IWUA and watershed communities to promote this practice.

105. In line to the green legacy initiative and to support the plantation campaigns in the upcoming rainy season, the project should encourage nurseries to produce adequate amount of multipurpose seedlings

Agreed Action	Responsibility	Agreed Date
Provide implementation support mission to watershed component of PASIDP-II The mission should focus on reviewing the scope of potential income generation opportunities within micro-watersheds; and providing guidance on the identification and promotion of climate smart agricultural practices.	FPCMU	12/2018
Watershed Management Techniques Prioritise biological options including vetiver grasses to ensure sustainability of measures	FPCMU/RPCMU	12/2019
Soil fertility enhancement Include more soil fertility enhancement and pest control trees in the agro-forestry packages	FPCMU/RPCMU	12/2019
Upstream/downstream relationships Establish platform to strengthen the relationships among the watershed and IWUA committees and that redress mechanisms are enforced.	FPCMU/RPCMU	06/2020
Payments for Environmental Services Investigate and assess the potential of developing a PES scheme.	FPCMU/RPCMU	12/2020
Payments for Ecosystem Services (PES) Investigate and assess the potential of developing a PES scheme in pilot irrigation sites.	FPCMU/RPCMU	12/2020
Training activities amid existing crises Use of different methods to deliver training for the remaining regions, e.g. Virtual means		12/2020
Investigate and assess the potential of developing a PES scheme in pilot irrigation sites	FPCMU	06/2022
Sustainability strategy for the watersheds Further strengthen the relationships among the watershed and IWUA committees to elaborate common developmental plans, implementation and monitoring - ongoing	FPCMU/RPCMU & Coops	

Exit Strategy

Rating: 4

Previous rating: 4

Justification of rating

106. The project has completed 73 irrigation schemes so far, which will be supported for two years with a high-touch extension package before being handed over to the government. The package includes a set of capacity building activities for farmers in the scheme and in the watershed to sustain the canals and the landscape. The package also includes the institutionalisation of farmers' organisations to sustain the services they provide to their members. So far, about 59 percent of the schemes have been handed over. The programme is working on consolidating the programme exit strategy to improve the sustainability of its interventions.

Main issues

107. **Different parts of the programme contain elements of sustainability.** For instance, PASIDP II provides capacity building to IWUAs to ensure efficient and equitable water distribution, relevant linkages with cooperatives for inputs and marketing services, as well as collection of maintenance fees from the members to sustain the scheme. Capacity building of farmers in the watershed on landscape and resources management (terracing, conservation agriculture) also contributes to increasing the sustainability of the programme's impact.

108. **The project has been working with the local government authorities to agree on the handover process** of support to the irrigation schemes and watersheds after the 2-year extension package has been completed. Woreda and Kebele experts should

continue to provide advisory services to farmers and infrastructure should be properly maintained.

109. Now that about 59 percent of PASIDP II have been handed over, it would be interesting for the **programme to assess challenges and best practices across the different woredas**. Those lessons learnt could be used to identify success factors of a sustainable handover (e.g. stakeholder's roles, tools and manuals, budget, access to finance).

110. The **programme should update and finalise the programme exit strategy**, in collaboration with key stakeholders. The programme has been working on this assignment since the last mission, the Job creation strategy has already been updated with relevant elements. The mission encourages the programme to focus on the exit strategy to consolidate this key document by the end of the financial year (July 2022).

Agreed Action	Responsibility	Agreed Date
Develop a consolidated exit strategy Develop a consolidated exit strategy document to ensure ownership of beneficiaries and get commitment from the government to sustain the benefits of the programme	PCMU	06/2022
Exit strategy document Finalise a consolidated exit strategy document to ensure ownership of beneficiaries and get commitment from the government to sustain the benefits of the programme	PCMU	07/2022

Potential for Scaling-up **Rating: 5** **Previous rating: 5**

Justification of rating

111. The programme continues to demonstrate approaches to small-scale irrigation, watershed management, and climate smart agriculture which are suited for widespread scaling up in other programmes, not only in Ethiopia, but also in other countries with similar agro-ecological conditions, social and institutional framework and constraints. Additionally, support for conservation agriculture, Farmers' Research Groups FRG approach and use of demonstration for dissemination represent key sources of best practice models for scaling up.

Main issues

112. The programme continues to demonstrate approaches to small-scale irrigation, watershed management, and climate smart agriculture which are suited for widespread scaling up in other programmes, not only in Ethiopia. The project started gathering and documenting evidence to support scaling up that needs to be continued.

113. The irrigation investment may be expensive for many projects to easily replicate or farmers to crowding-in with their own investment. Part of the interventions are relevant in rain-fed agriculture too. Refinement and packaging of the interventions with a market systems outlook may be required for other contexts and country-level changes at scale.

114. The integrated Soil Fertility Management model (ISFM) including Vermicompost, green manure and lime application in case of acidic soils, has equally performed well in improving soil fertility and it also has great potential for scaling up in other areas.

Agreed Action	Responsibility	Agreed Date
Future reports should document any activities that have been scaled up, through other government/organisations initiatives	PCMU	12/2021
lessons learnt Consolidate lessons learnt on interventions with potential for scaling up and link with the upcoming PACT design for integration.	PCMU	08/2022

c. Project Management

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

Justification of rating

115. The mission observed that PASIDP management was well integrated in the relevant government institutions and structures both at the federal and at the regional decentralised structures (woreda and kebeles), which enhances ownership, continuity and sustainability. The Ministry of Agriculture (MoA) continued to play its role as the lead executing agency, assuming the overall oversight and management responsibility while supporting the PCMU with an enabling environment to oversee project implementation efficiently and effectively. The mission was also appreciative of the decreasing negative effects of the previously experienced multiple shocks that included Covid-19, drought and conflict providing hope that with this trajectory, the project might soon operate optimally and regain its previous implementation momentum.

Main issues

116. The PCMU has continued to also demonstrate proactivity in guiding and facilitating the regions and grassroots institutions in aspects of not only capacity building but also ensuring flow of resources to support AWPB execution. While making presentations, the regions attested to the support received from the federal PCMU in terms of not only playing its oversight role but also ensuring that resources were made available for activity implementation in spite of the prevailing Covid pandemic and the internal conflict. Critical to the efforts made by the PCMU was use of power BI in reporting and decision making. The project has made great strides in this development and is congratulated by the mission for this achievement.
117. The mission observed good response by the PCMU in addressing the recommendations of the previous mission. This is commendable and worth noting that the project has sustained its implementation momentum. While the previous mission had observed a lack of holding PSC meetings as required, this mission was pleased to note that these meetings are now being held while its technical committees had undertaken a quarterly field visit which had resulted in valuable advisory actions to the implementing teams.
118. The mission observed the project's pro-activeness and agility in responding to the current and emerging issues that continue to affect the project beneficiaries. These are effects of drought, Conflict and the ongoing Ukraine war. Under the drought response, the project has placed focus in Oromia which has been greatly affected. To address their plight, the project is already undertaking an assessment of the number of beneficiaries affected and the quantity of inputs required. This will determine the budget amounts which will be financed from the 2022/23 AWPB.
119. On the conflict in the northern parts of Ethiopia, the project has responded by repurposing some activities of the 2021/22 AWPB in order to focus on input provision with a view to enhancing recovery. A total of 51 million birr was provided to irrigation schemes within 12 watersheds. Already 12,170 beneficiaries were provided with various inputs which included seeds and fertiliser. In the Oromia drought affected programme areas, PASIDP II has responded by planning to support with input provision for 21,173 beneficiaries (including 3,013 female headed households), which represents ETB 50 million.
120. In regard to the on-going Ukraine war, the government through the PASIDP project is finalising a concept note totalling US\$ 3 million from an IFAD grant in order to support a total of 77,328 households of which 16706 are female headed and 1392 comprising youth. This support will be in form of:
- 1,600 Metric Tons(MT) of urea and 1,556MT of NPS fertiliser
 - Supply 1320 MT of agricultural lime to help treat 660,000 ha of acidic soils; and
 - Supply of vermi-compost to treat 5000 ha
121. PASIDP in support of this response will co-finance the grant with the operational management and awareness creation costs estimated at US\$ 200,000 which is commendable.
122. The mission however observes the need to get a current update on the resources that had been identified at risk by the previous mission which together with assets had been estimated at around US\$ 1,136,054. An assessment has been conducted in the Amhara region that shows the resources at risk as at 30 May, 2022 stand at a value of ETB 16,726,148.95 (US\$ 413,501.83). This includes ETB 4,246,658.05 in respect of receivables and ETB 12,479,490.90 in respect of fixed assets. This report has not been independently verified. The project also confirmed that the RPCMU account in Tigray had not been used over the last year. It has been confirmed that ETB 6,748,052.34 (US\$ 190,462.97) has been held on the account since February 2021 and was still on the account as at 06 June, 2022. Considering the bank balance of US\$ 190,462.97 available as at 30 April, 2022, the assets at risk are now at US\$ 945,591.03.
123. This update should be complemented with a list of financial and non-financial assets as well as mitigation measures in place to reduce further exposure.
124. In regard to the 2022/23 AWPB, the mission appreciated receiving a draft for review. The mission however alerted the PCMU on the need to hasten approval of the same by the PSC so that they can seek a no objection by IFAD as soon as possible.

Agreed Action	Responsibility	Agreed Date
Engagement of woreda focal persons and DAs Make a follow up with the reforms going on in MoA and implement the reform as soon as endorsed	Steering Committee and FPCMU	07/2019
Engagement of woreda focal persons and DAs Assign full time staff at woreda level to make a close follow up of the programme implementation at woreda level as most of the schemes are getting into production which require intensive support	Steering Committee and FPCMU	12/2019
Potential project resources at risk due to the ongoing conflict a. FPCMU to request immediate transfer of cash balances held in conflict areas, specifically Tigray and the related project woredas, and affected project woredas in Amhara region, to the project operational account at the FPCMU. b. As recommended in the disbursement rate section above, the project should liaise with the regional teams to identify ways of safeguarding project resources, e.g., by scanning and submitting transaction documents to FPCMU. c. Cognisant of the ongoing conflict, the project is encouraged to liaise with the project team in Tigray region to identify feasible alternatives to secure project assets and documents for purposes of post-conflict continuity.	a. & b. Finance Manager Project Steering Committee and National Program Coordinator	12/2021
Assessment of drought affected beneficiaries Finalise the assessment on beneficiaries affected by drought to establish budget and amount of support required	PCMU	06/2022
Update on current resources Update on the current resources and assets at risk in all the conflict areas	PCMU	06/2022
AWPB Ensure the 2022/23 AWPB gets the PSC approval to facilitate IFADs No objection consideration.	PCMU	06/2022
Hold quarterly meetings with implementing partners to review the partners' contracts and commitments to evaluate the progress	PCMU	
Recovery response from multiple shocks a) Submit the recovery response plan which will be financed under the 2021-2022 AWP&B to IFAD b) Undertake a needs gap analysis for seeds and fertilizer required in the project target areas; c) Agree with IFAD and government how much of the gap can be financed by the project; d) Procure and distribute the required seeds and fertiliser	FPCMU	

Knowledge Management

Rating: 5

Previous rating: 5

Justification of rating

125. The project has a comprehensive knowledge management strategy in place, adequate budget and capacities necessary to implement the plan. A web-based knowledge management portal is in place to ensure easy and reliable access to project information. Staff at all levels have been capacitated to capture and document project activities and promote visibility of the project in respective areas. Knowledge products have been prepared and shared through various dissemination channels. Knowledge management within the programme could be improved by ensuring an improved linkage of KM to the M & E system that enables enhanced focus on generation of evidence-based lessons learned and knowledge products that enhance project impact as well as influence policy.

Main issues

126. PASIDP has a comprehensive knowledge management and communication strategy that guides generation of knowledge and communication of the knowledge products within the project. Annual knowledge management activities are planned and budgeted for within the AWPB and adequate staffing capacities are available at all stages of implementation.
127. During the year 2021/2022, programme implementation reviews were held at all levels, during which key issues affecting implementation were identified and possible remedies mapped out. Other activities undertaken by the programme to enhance information management and sharing included training of staff on Microsoft Power BI software and Graphics design, Finalising the development of the MIS as well as distribution of electronic equipment (computers, printers, cameras) to staff at field level, to enhance information communication within the programme areas. In addition, success stories focusing on the last five years of implementation of the programme will be documented in partnership with WALTA Media and Communications incorporation and will be shared in the form of video documentaries. Data collection was completed in April 2022. The project also makes use of other communication channels to enhance communication among project staff across the regions including use of Telegram, Facebook page and the website.
128. Knowledge Management in PASIDP could be improved with an increased focus on results and evidence-based knowledge generation including a strong linkage to the results from the M & E system. Emphasis should also be made on generation of knowledge products for policy advocacy.

Agreed Action	Responsibility	Agreed Date
<p>Develop a “Learning & Knowledge Management Strategy”</p> <p>The PCMU should proceed contracting an international consultant to develop the strategy. The strategy should include aggregated impact- level measurement of programme activities to allow the programme to start measuring its effectiveness.</p>	FPCMU	12/2018
<p>Capacitate KM staff</p> <p>Arrange specialized trainings by international specialist for KM assigned staff both at Federal and regional level on the basics of KM</p>	FPCMU and RPCMU	08/2019
<p>MIS</p> <p>Work closely with PPD of MoA to develop national MIS that could serve the program and has an interface with the regions</p>	FPCMU	12/2019
<p>Best Practices</p> <p>Design a system on how to capture, document and share best practices of the programme</p>	FPCMU	01/2020
<p>KM strategy</p> <p>Prepare national KM strategy to systematically guide the KM activities going on across the regions and facilitated cross leanings</p>	FPCMU	08/2020
<p>Validation and implementation of KM strategy</p> <p>Update draft of KM strategy with regional M&E staff to reflect inputs and comments. Develop a timeline with practical steps and a communication plan to ensure a smooth implementation of the KM strategy</p>	FPCMU	08/2020
<p>Improvement of data library</p> <p>Improve knowledge storage and sharing between regions and implementing partners, by having a quality-checked common repository, in order to facilitate the identification of lessons with scaling up potential</p>	FPCMU/regions	09/2020
<p>KM and Communications Capacity building</p> <p>Continue KM training for KM focal points at Woreda and regional level, focusing on practical guidance to ensure clear and well-targeted communication products,</p>	FPCMU &IFAD	11/2020
<p>Operationalise the MIS</p> <p>Develop the MIS system and make it operational at the federal and regional level</p>	FPCMU/regions	12/2020
<p>Improvement of media platforms</p> <p>Identify clear target audiences by platform and start developing more systematic content, showcasing valuable lessons and success stories across regions and publishing blogs/posts/photos/videos with a set periodicity.</p>	FPCMU/regions	12/2020
<p>Knowledge product</p> <p>Publish and use evidence-based knowledge products for policy advocacy and enhance project impact.</p>	FPCMU	10/2022
<p>Document and Share Success Stories and Case Studies</p>	PCMU M&E and KM team	

Value for Money

Rating: 5

Previous rating: 5

Justification of rating

The PASIDP interventions at all levels have produced positive impacts to the livelihoods of the project beneficiaries. There has

129. been irrigation water provision which has evidence of having increased incomes at the household level. This has led to better nutritional dietary intakes, more children going to school and better housing to mention but a few. The procurement implementation arrangements cascade down to the Woreda level. This results in timely and responsive actions in implementation of activities towards project investments. However, the VfM proposition will require improvement of the procurement processes to reduce occasional delays.

Agreed Action	Responsibility	Agreed Date
Closely monitor schemes to ensure profit worth of investments. Crop selection, appropriate input application, market alliance activities and scheme structure sustainability activities, etc. need to be carried out at all scheme sites to ensure profitability of investments	FPCMU/RPCMU/Woreda focal person	12/2020
Collect data on production and income Actual monetary returns received by clients need to be continuously monitored using an appropriate tool to properly optimize value for money of the investment. To this end, data on production and income for all cycle of production both from irrigation users and rain-fed agriculture farmers need to be collected.	IFAD/FPCMU/RPCMU/	12/2020

Coherence between AWPB and Implementation

Rating: 4

Previous rating: 5

Justification of rating

130. PASIDP follows a participatory planning and budgeting process that involves all stakeholders at all levels to review performance of the previous year's AWPB and inform the development of the plan and budget for the following year. average financial progress of the 2021/2022 AWPB is currently 58.7% while the average physical progress of the activities identified in the 2021/2022 AWPB is 71% with only 24% of planned activities fully implemented and others still ongoing at different stages of implementation. Delays were experienced in implementation study tours, construction of alternative water sources and irrigation infrastructures, and some training activities, mainly due to the conflict in parts of the project area (Amhara, Tigray, some parts of Oromia and some pockets of project woredas in the SNNR Region) and shortage of construction materials

AWPB Inputs and Outputs Review and Implementation Progress

131. The average Implementation progress for activities identified under component 1 during financial year 2021/2022 is 58% with 33% of activities fully implemented and others ongoing, while that of component 2 activities is 73% and 24% of the activities are fully implemented. Completed activities under component 1 mainly relate to the development of irrigation schemes and training of Irrigation water management associations. Under component 2, completed activities relate mainly to capacity building of beneficiaries through training of cooperative members, IWUA members and members of watershed management committees. Other activities fully implemented include establishment of tree nurseries, improved forage production as well as promotion of energy saving stoves, all of which are aimed at enhanced watershed management. Annual activities related to conducting study tours, training on postharvest management, construction of alternative water sources, promotion of conservation Agriculture and soil fertility management, and mapping of project interventions were below 50% implementation over the 10months period.

Agreed Action	Responsibility	Agreed Date
Prepare a revised annual work plan and budget for the period July 2018 to June 2019 Revise targets as the current AWPB targets may have been ambitious.	PCMU	07/2018
Expedite activities planned under component B and C Particularly agribusiness linkages under component B and program management, monitoring and evaluation, and knowledge management and learning under component C.	FPCMU & RPCMU	06/2019
Budget reallocation Revise the available budget and prioritize the activities with maximum impact and reallocate budget accordingly	FPCMU	11/2019
Expedite activities planned under component B and C Develop a clear plan on how to speed up implementation of activities under component B & C and submit to IFAD for review	FPCMU & RPCMUs FPCMU	12/2019
AWPB % of physical progress of activities Include the % of physical progress measured against the AWPB target per component and sub-component for the coming AWPBs	FPCMU	08/2020
Develop a process action plan Develop a process action plan for all pending activities with clear actions on how to accelerate implementation of targets that have lagged behind due to the challenges of conflict and shortage of materials.	PCMU	06/2022
Develop a process action plan Develop a process action plan for all pending activities with clear actions on how to accelerate implementation of targets that have lagged behind due to the challenges of conflict and shortage of materials.	PCMU	06/2022
Develop a process action plan Develop a process action plan for all pending activities with clear actions on how to accelerate implementation of targets that have lagged behind due to the challenges of conflict and shortage of materials.	PCMU	06/2022

Performance of M&E System

Rating: 5

Previous rating: 5

Justification of rating

132. PASIDP has a comprehensive M&E plan that guides M&E processes in the project. Adequate capacities for data collection, aggregation and reporting are in place at all levels of project implementation. The project relies on existing Federal and decentralised structures for all M & E activities at these levels. Through these structures, reports are timely prepared and shared by all relevant stakeholders. The PCMU carries out outcome assessments on an annual basis using the Kobo tool data collection software. An MIS has been developed to enhance data management in the project, in addition to use of Microsoft Power BI software used for enhanced data visualisation. The successful integration of all these data management tools would enhance the performance of M & E within the project.

M&E System Review

133. **MIS:** The project has developed an MIS which will be integrated with an overall Ministry of Agriculture MIS. Design of the MIS has been completed and training of the field staff is expected to be undertaken before complete roll-out of the system during the next financial year. The MIS, once operationalised, will go a long way in improving management of large volumes of data generated from the project area.

134. **Kobo Tool:** The project uses the KOBO TOOL for data collection on key project outcomes on an annual basis. The software uses tablets for data collection at field level, and transmission to the regional and federal levels for consolidation and analysis. Data collection is carried out by the field officers at woreda levels upon receiving training from the PCMU. The operational efficiency and effectiveness of this tool continues to be hampered by the high staff turnover at field level arising from re-

assignment and or transfer of the officers to other areas within the existing government structures. The project thus faces the challenge of loss of institutional memory as well as ensuring continuous capacity building whenever new field officers come on board.

135. **Microsoft Power BI tool:** Staff from the FPCMU and RPCMUs were introduced and trained to the use of Microsoft Power BI software to enable them carry out data manipulation and analysis for enhanced data visualisation. The use of this tool has enabled the project team to produce well analysed reports that adequately support project management decisions. The quality and use of reports produced from this platform could be enhanced by ensuring comparison of results to planned targets and providing some detailed statistics to support the graphical representations of the reported data.
136. **Integration of data management tools:** PASIDP needs to integrate all three data management platforms to ensure timely data collection, analysis and reporting on project activities, outputs and outcomes
137. **Annual Outcome Surveys:** The project has carried out annual outcome surveys for 2019 and 2020 production seasons, to be able to assess and quantify project outcomes. The quality of the AOS could benefit from detailed and disaggregated analysis of data by key crop enterprises as opposed to the current aggregated analysis along thematic categories. This would provide adequate information to facilitate objective assessment of the extent to which project outcomes are being reached. The AOS tool could also be enriched with some additional questions extracted from the IFAD COI survey tools.

Agreed Action	Responsibility	Agreed Date
<p>Amend the logical framework indicators to make these more measurable, specific and relevant</p> <p>Activities in the AWPB should directly follow from the outputs and outcomes specified in the logical framework.</p>	Federal and regional PCMU	09/2018
<p>Prepare detailed data templates for M&E on outputs and outcomes</p> <p>The templates should specify relevant output and outcome indicators.</p>	M&E specialists at FPCMU and RPCMU	09/2018
<p>Prepare an elaborated M&E plan</p> <p>M&E plan should specify the output and outcome indicators, and in particular outcome indicators which are currently missing.</p>	M&E specialists at FPCMU and RPCMU	10/2018
<p>Expedite the establishment of an MIS system for M&E</p> <p>The programme's MIS should be developed considering the MIS established in Amhara region, scaling it up to manage the programme's spatial and non-spatial data.</p>	FPCMU and RPCMU	12/2018
<p>Annual outcome assessment</p> <p>Execute data collection for outcome assessment per agreed schedule with significant technical support from Ethiopian Statistics Association</p>	FPCMU	07/2019
<p>M&E Personnel Exchange Visit</p> <p>Exchange tour to Indonesia to be arranged</p>	FPCMU and IFAD	07/2019
<p>Revision logical framework and outcome indicators list</p> <p>Include the baseline survey data and annual outcome assessment in the LF. Where agreed, alter the 'pathways of change'.</p>	FPCMU & IFAD	11/2019
<p>Completion Outcome Assessment</p> <p>Finalising the first outcome assessment including baseline and qualitative data. Data collected through the annual outcome assessment has to be inserted in the LF.</p>	FPCMU	12/2019
<p>Technical training qualitative methods</p> <p>Training is required to assist the federal M&E staff in how to capture best practices and lessons learnt and the analysis of the qualitative data</p>	FPCMU & IFAD	03/2020

<p>ASAP indicator</p> <p>After conducting the climate risk analysis the target must be revised of the ASAP infrastructure indicator.</p>	FPCMU/IFAD ECG	08/2020
<p>Improve FGDs data collection and analysis</p> <p>Training is required to assist the federal and regional M&E staff with conducting the FGDs and analyse the data. FPCMU needs to develop a format for the regions before the next annual outcome survey & FGDs.</p>	FPCMU	09/2020
<p>Final report of the second phase (46 schemes) of the baseline study</p>	FPCMU	12/2020
<p>Interlinkage M&E and KM</p> <p>Results need to be communicated more systematically and linkage with KM needs to be more actively applied. FPCMU must seek opportunities to systematically capture learning across projects and countries, through technical guidance and demand-driven thematic meetings</p>	FPCMU & IFAD	12/2020
<p>SECAP training</p> <p>Provide more training on RAPs, climate change risk assessment, water quality, health impacts, environmental flow requirements, aquatic ecology, invasive species and biodiversity so that ESIA and ESMPs can be rigorously appraised. Provide training on compliance monitoring and auditing to ensure that monitoring is more systematic and scientific.</p>	FPCMU/RPCMU/ IFAD	12/2020
<p>Performance of Cooperative</p> <p>The business management practice/ developmental stage of cooperatives should be measured</p>	PCMU	05/2022
<p>capacity building</p> <p>Allocate adequate resources for continuous capacity building of new field officers to enable them efficiently and effectively carry out M & E assignments</p>	PCMU	06/2022
<p>Capacity building</p> <p>Allocate adequate resources for continuous capacity building of new field officers to enable them efficiently and effectively carry out M & E assignments</p>	PCMU	06/2022
<p>Capacity building</p> <p>Allocate adequate resources for continuous capacity building of new field officers to enable them efficiently and effectively carry out M & E assignments</p>	PCMU	06/2022
<p>MIS operationalisation:</p> <p>Expedite roll out and operationalisation of the MIS, including training of field staff on its use.</p>	PCMU/GIS	08/2022
<p>MIS operationalisation:</p> <p>Expedite roll out and operationalisation of the MIS, including training of field staff on its use.</p>	PCMU/GIS	08/2022
<p>Carry out the 2022 Annual Outcome Survey:</p> <p>Ensure that the 2022/23 AOS analysis is detailed and based on key crop enterprises as opposed to aggregated themes to facilitate objective assessment of project outcomes</p>	PCMU	12/2022

Performance Monitoring Integrate Power BI, KOBO TOOL and MIS for enhanced performance monitoring of the project	PCMU	12/2022
Carry out the 2022 Annual Outcome Survey: Ensure that the 2022/23 AOS analysis is detailed and based on key crop enterprises as opposed to aggregated themes to facilitate objective assessment of project outcomes	PCMU	12/2022
Performance Monitoring Integrate Power BI, KOBO TOOL and MIS for enhanced performance monitoring of the project	PCMU	12/2022
ESIAs for Category A schemes and Resettlement Action Plans Ensure that all schemes with a command area of more than 100ha and/or a dam height of more than 15m have an ESIA and ESMP and all schemes that involve resettlement or loss of livelihoods must have a RAP prepared prior to the commencement of construction - ongoing	FPCMU/ RPCMU	
Include ESMPs in tender documents The ESMPs for each scheme must be included in the tender documents issued to contractors so that they can price for the ESMP requirements. The E&S Safeguard Specialists must be included in the tender adjudication teams to assess the quality of the contractors' responses - ongoing	FPCMU/RPCMU	
Integrate kobo toolbox with Power BI Integrated tablet base reporting with Power BI to enable real time reporting.	PCMU	

Social, Environment, and Climate Standards requirements

Rating: 5

Previous rating: 5

Justification of rating

138. Regional and Woreda experts have conducted field level compliance monitoring and evaluation of environmental and social issues, as indicated in the ESMPs, of small-scale irrigation scheme construction and agricultural development. The project has continued to consult communities and beneficiaries during construction and operation of SSI. Most of the grievances reached to GRM committees have been resolved. Furthermore, Woreda experts, Kebele Development agents and IWUA have been trained on Integrated Pest Management to enable them control pests and diseases and minimise the impact of the chemical application on the environment and the community. The mission has received some complaints in one of the PASIDP sites in SNNPR which should be settled as soon as possible.

SECAP Review

139. **Supervision and support of safeguard issue:** In the last 10 months, compliance monitoring on the implementation of mitigation measures identified in the ESMPs have been undertaken in 70 schemes that are under construction and operation. Monitoring findings have been discussed with contractors, Woreda steering and technical committee. The project is also working with IWUAs to ensure sustainability of the schemes. In the reporting period, 92 IWUAs have contributed 2,801,200 Ethiopian Birr (\$54,320) for maintenance and operations.

140. **Consultations:** public consultations are essential to engage communities in project planning, design and implementation and ensure smooth implementation of scheme construction works In the reporting period, the plan was to consult/engage 9631 beneficiaries and the achievement was 8236 (985 female) to make the performance 85.5%.

141. **Grievance Redress Mechanism (GRM):** Grievance may emerge during the construction and operation of irrigation scheme development and the key thing here is to establish/strengthen the GRM system. The grievances reported in the reporting time include; compensation, quality of construction, water storage and land acquisitions and most of these have been settled. During the physical mission to the field, the mission has observed that: (i) GRM committees are available to resolve complaints by IWUA as well as watershed communities. However, it is important to strengthen the GRM by providing log books to register complaints and (ii) some upstream communities in Gombolozosite, SNNP regional state, have complaints in relation to water availability and the PCMU should resolve it as soon as possible. The mission has discussed with Woreda agriculture Bureau and other government representatives and they promised to settle the issue (ii) Some IWUA member from the downstream have some issues with water distribution.

142. **Training on Integrated Pest management (IPM):** the project has been implementing IPM to control pests and diseases and

minimise the impact of the chemical application on the environment and the community. To this effect, in the reporting period it was planned to train 107 Woreda experts and Kebele Das and 675 IWUA leaders and training on IPM has been delivered to 107 (7 Female) Woreda experts and Kebele Das as well as 654 (52 Female) IWUAs leaders.

143. **Supply of Personal Protective (PPE) Equipment for IWUAs:** In the reporting period, the project has planned to provide 225 full sets of PPE for 45 new operational schemes and the achievement to date is 215 PPE. This stimulated farmers to buy PPE by themselves and it has been reported that 177 farmers in Amhara region have bought PPE to use it during pest control activities.

Agreed Action	Responsibility	Agreed Date
Strengthen the available reporting and communication structure Strengthen the available reporting and communication structure (Federal-Region-Zone- Woreda- Kebele and IUWA) and ensure the use generic template to report Environmental and Social Safeguard activities	FPCMU/RPCMU	01/2022
Strengthen the engagement of stakeholders from regional and Woreda sectors as well as IWUA in the supervision mission	FPCMU/RPCMU	01/2022
Grievance Redress Mechanism 1. Strengthen GRM system by providing log book to all GRM committees at IWUA/Community level and ensure the registration of all grievances 2. Follow the status unresolved Grievances in SNNPR	FPCMU/RPCMU FPCMU	06/2022
Safeguard Specialist Train regional safeguard specialist on reporting using the generic template	PCMU	09/2022

d. Financial Management & Execution

Acceptable Disbursement Rate **Rating: 4.0** **Previous rating: 4**

Justification of rating

144. Automated rating based on IFAD disbursement data

Main issues

145. The project is in its 5th year of implementation and its disbursement rate is 83.62%. There has been no extension. The IFAD loan is disbursed at 83.96% while the IFAD grant is disbursed at 61.07%. The other grants on the financing are disbursed as follows: ASAP grant 70.37%, SSTC grant 79.77%, RPSF grant phase I 99.93% and RPSF grant phase II 99.98%.

146. As at 30 April 2022, the IFAD loan and grant are disbursed as summarised below.

147. Project main financing (SDR)

Financing product	Allocation	Disbursement	Balance	% disbursed
IFAD loan	72,950,000.00	61,247,296.56	11,702,703.44	83.96%
IFAD grant	1,080,000.00	659,540.00	420,459.65	61.07%
ASAP grant	7,870,000.00	5,538,406.98	2,331,593.02	70.37%
Total	81,900,000.00	67,445,243.54	14,454,756.46	82.35%

148. The combined total disbursement on the main financing amount as at 30 April, 2022 amount to SDR 67.44 million equivalents of USD 94.11million of SDR 81.90 million allocated, representing 82.35% of the main financing. The balance available to be accessed from IFAD is SDR 14.45 million equivalents of USD 19.36 million as shown in the table above. Disbursement on

additional financing to the project amount to USD 2.64 million of the USD 2.74 million allocated representing 96.35% of the allocated. SSTC has disbursed 0.40 million of the USD 0.50 million allocated, while RPSF I and RPSF II have fully disbursed the allocation of USD 1.01 million and USD 1.23 million respectively.

149. The SSTC grant completion date was 25 May, 2022 and closing date will be 25 November, 2022. As of 25 May, 2022 the grant had disbursed a total of USD 398,758.64; including USD 200,000 authorized allocation with USD 101,146.36 remaining undisbursed. The authorized allocation of USD 200,000 has not been justified. As the grant has completed, PASIDP II should make grant closure arrangements and ensure that the authorized allocation on the grant is fully justified. The undisbursed amount will be cancelled and any amount that remains unjustified will be refundable to IFAD. PCMU was reminded that only activities completed by grant completion date (goods delivered, services rendered and works completed) will be eligible for financing from the grant, except for winding up activities that are eligible between completion date and financing closing date.
150. The two RPSF grants have a completion date of 30 June, 2022 and will be closing on 31 December, 2022. Both grants were fully disbursed, the first grant disbursing USD 1,009,805 and the second USD 1,229,930. As of 30 April, 2022 PASIDP II had not justified a total of USD 1,400,000 (USD 700,000 on each of the grants) advance/authorised allocation on the grants.
151. The mission noted that a statement of expenditure for the first RPSF grant has been prepared with ETB 37,458,388.60 (equivalents of USD 927,187.84) representing 94.18% of the grant amount disbursed (USD 1,009,805.29) reported as expenditure. The report has unspent balance of ETB 2,313,304.00 (USD 57,260); of which ETB 256,309.24 (USD 6,344.28) is held at FPCMU, ETB 2,054,160.00 (USD 50,845.54) is being held in advances by Tigray RPCMU and cash balance ETB 2,834.76 (USD 70.17) is a cash balance held by Amhara, Oromia and SNNPR PCMUs. The advance to Tigray PCMU could not be confirmed as spent or still being held in cash owing to lack of communication between the RPCMU and FPCMU following the outbreak of war. Statement of expenditure for the second RPSF grant has not been updated. The mission, however, noted that activities on the grant are still ongoing. Arrangements to complete and justify the authorised allocation on the grants should be put in place.
152. The mission observed that there is SDR 560,000 (equivalents of US\$ 750,400) unallocated funds being SDR 500,000 (US\$ 670,000) and SDR 60,000 (US\$ 80,400) on the IFAD loan and ASAP grant respectively. After the finalization of the AWPB and the related procurement plan, a cash forecast should be done to establish the cash requirements with a view of facilitating the programme to initiate a reallocation request to decide the critical categories that will have been drawn down and will require more funds for the remaining implementation period.

Agreed Action	Responsibility	Agreed Date
<p>Risk of slow implementation due to ongoing conflict</p> <p>The project should closely monitor implementation of project activities and quantify (and periodically update) the project resources which may be at risk of loss due to the ongoing conflict. The project should liaise with the regional teams to identify ways of safeguarding the project resources, e.g. by scanning and submitting transaction documents to FPCMU.</p> <p>Update during May 2022 ISM. No status report provided during the mission</p>	National Program Coordinator	11/2021
<p>Requirement for quarterly cashflow projections</p> <p>Using the template provided by IFAD, the project should prepare quarterly projections of the cashflow requirements, taking into account any changes to implementation arrangements of project activities in the annual work plan and budget, e.g. activities that may be cancelled or pushed to a subsequent period.</p> <p>Update on 23 Dec. 2021: Updated csh flow forecast template shared with the project finance manager which will be used to prepare cashflow forecast for the period 1 Jan - 30 Jun 2022. Template updated following engagements with the finance manager after the November 2021 mission.</p> <p>Update during May 2022 ISM Project still struggling to prepare IFR - more support to be provided. Submissions should be on a quarterly rather than semi annual basis</p>	Finance Manager with support of all component heads	07/2022
<p>Generate a cash forecast to determine cash requirements per category and initiate a reallocation request for unallocated funds to critical categories that will have been drawn down.</p>	Programme Coordinator/Finance Manager	07/2022
<p>Disbursement of SSTC and RPSF 2 grant funds</p> <p>The project should undertake the following tasks:</p> <ol style="list-style-type: none"> 1. Expedite implementation of SSTC grant to avoid being time barred or risking incurring ineligible expenditure in case of activities implemented beyond the project completion date (31 March 2022). 2. Prepare and submit to IFAD an annual work plan and budget for the second RPSF grant to facilitate disbursement of the initial allocation advance. <p>Update during 2022 ISM SSTC grant has completed while RPSF grants will complete on 30/06/2022. What is required is to justify the authorized allocation and prepare and submit project completion report</p>	National Program Coordinator	09/2022
<p>SSTC grant</p> <p>Prepare and submit statement of expenditure/report for the SSTC grant to justify/recover the authorised allocation.</p>	Finance Manager	09/2022
<p>RPSF grants</p> <p>Prepare and submit statement of expenditure/report for the RPSF grant to justify/recover the authorised allocation on the two grants.</p>	Finance Manager	09/2022

Fiduciary aspects

Quality of Financial Management

Rating: 4

Previous rating: 4

Justification of rating

153. Quality of financial management remains at 4 as with the previous mission. Project accounting is done under QuickBooks, which has been implemented at FPCMU and RPCMUs. The accounting software is capable of generating reports in each of the three dimensions, although it is necessary for minimal additional analysis to ensure reports are in the IFAD format. The project has been submitting AWBPs late with negative impact on budget performance at year end. There are delays in reporting by the RPCMUs and there are significant amounts of long outstanding advances in respect of civil works.

Main issues

154. **Accounting system.** Project accounting is done under QuickBooks, which has been implemented at FPCMU and RPCMUs. The accounting software capable of generating reports in each of the three dimensions, although it is necessary for minimal additional analysis to ensure reports are in the IFAD format. However, all the data required for IFAD financial reporting is available in QuickBooks. Withdrawal applications are prepared on the standard form provided by IFAD, including the detailed SOE template. The template is provided to all the project regions and is prepared and submitted to FPCMU quarterly. Segregation of duties with regard to input versus approval of transactions is sufficient. At the FPCMU, the Accountant prepares all the paperwork, which is reviewed by the Finance Manager. Once cleared, the Finance Manager posts transactions into the accounting software. This enables segregation of duties between approval and data input in the accounting software.

155. **AWPB.** Budget performance for the year 2021/22 is at 47% as at 30 April, 2022 having spent ETB 409.76 million of the ETB 867.33 million approved budget. Budget performance by component for 2021/22 is broken down as follows: Investment in Small-scale Irrigation Infrastructure (51%); Investment for Capacity Building in Sustainable Agriculture (38%); and Programme Management (51%). The mission noted the 2022/23 AWPB and the related procurement plan have not been finalised for submission to IFAD for No Objection. Further delays in finalisation of the AWPB will affect implementation of activities with a risk of low budget performance experienced in the previous and current year will be perpetuated. The AWPB should have been submitted to IFAD with request for No Objection on 7th May, 2022, 60 days before the beginning of the financial year.

156. **Management of advances.** Reported advances as at 30 April, 2022 amount to ETB 268.84 million (equivalents of US\$ 5.16 million) excluding ETB 46.41 million (equivalents of US\$ 0.89 million) reported under Tigray region distributed as follows:

Region/HQ	Total receivables (ETB)	More than 12 months/Less than 24 months (ETB)	6 to 12 months (ETB)	Less than 6 months (ETB)
Amhara	100,461,378.08	9,207,527.13	5,562,777.80	85,631,073.15
Oromia	98,470,399.64	57,173,299.68	39,418,606.37	1,878,493.59
SNNPR	62,283,382.05	40,705,333.15	10,888,208.57	10,689,840.33
SIDAMA	5,433,089.11	0.00	5,326,199.88	106,889.23
FPCMU	2,246,862.77	389,056.04	1,173,290.39	684,516.34
Total	268,835,111.65	107,475,216.00	62,369,083.01	98,990,812.64
USD equivalents	5,153,675.83	2,060,650.53	1,195,521.05	1,897,504.25

157. The mission noted that of the reported receivables, ETB 107.48 million (approximately US\$2.06 million at the time of the mission) outstanding for more than twelve months. Of the ETB 107.48 million, Oromia RPCMU account for 53% (ETB 57.17 million) while SNNPR RPCMU account for 38% (ETB 40.71 million). In SNNPR, ETB 39.96 million (USD 0.77 million) relate to civil works advances with ETB 39.91 million being held by South WWCE (State Agency) and ETB 52,405.27 held by a private company who abandoned site and is court with the Regional government. There was also ETB 634,527.64 receivable from SNNPR regional government in respect of VAT that was pre-financed from the programme resources.

158. **Interim Financial Reports (IFRs).** The programme Interim Financial Report (IFR) for the quarter ending 31st March, 2022 was due on 30 April, 2022. The submission to IFAD was late, and there were gaps in the report for which guidance has been provided during the mission. Cash flow projection for the quarter July to September 2022 has not been done owing to delays in finalising the AWPB for the year 2022/23. The IFR for the quarter ending 30 June, 2022 will be due on 31 July, 2022. As IFR will constitute a financial report as well as a basis for disbursement, it is important that submissions meet the requirement and are done on a timely basis. RPCMUs will also have to submit quarterly reports to FPCMU not later than 15th of the month following end of quarter.

159. **Expenditure review.** The mission reviewed expenditure support documents in respect of expenditure claimed under WA 37. The reviewed expenditure was properly recorded, supported and the related documents were properly filed. No cases of ineligible expenditure under the withdrawal application were noted.

160. **Assets at risk due to Tigray conflict.** The mission however observes the need to get a current update on the resources that had been identified at risk by the previous mission which together with fixed assets had been estimated at around US\$ 1,136,054. An assessment has been conducted in the Amhara region that shows the resources at risk as at 30 May, 2022 stand at a value of ETB 16,726,148.95 (US\$ 413,501.83). This includes ETB 4,246,658.05 in respect of receivables and ETB 12,479,490.90 in respect of fixed assets. This report has not been independently verified. The project also confirmed that the RPCMU account in

Tigray had not been used over the last year. It has been confirmed that ETB 6,748,052.34 (US\$ 190,462.97) has been held on the account since February 2021 and was still on the account as at 06 June, 2022. Considering the bank balance of US\$ 190,462.97 available as at 30 April, 2022, the assets at risk are now at US\$ 945,591.03.

Agreed Action	Responsibility	Agreed Date
<p>Supporting documentation for training activities</p> <p>Ensure that the following documents are retained in the finance file as supporting documents for expenditure related to training activities:</p> <ul style="list-style-type: none"> • Payment Vouchers • Training report / back to office report • Training curricula (for major trainings) and training schedule • List of participants with signatures / acceptance of per diem and travel refund • Evidence of payment for venue and refreshment • Selection (procurement) of venue. <p>March 2022: to be implemented at woreda level; supervisions should pre-identify vouchers to be checked, to be sent to regional office in advance of missions</p>	Finance Manager and Financial Controllers at RPCMUs	12/2021
<p>AWPB for the year 2022/23</p> <p>Submit the AWPB for the FY 2022/23 to IFAD for No Objection</p>	M and E Specialist/Finance Manager	06/2022
<p>Potential project resources at risk due to the ongoing conflict</p> <p>a. The project should liaise with the regional teams to identify ways of safeguarding project resources, e.g. by scanning and submitting transaction documents to FPCMU.</p> <p>b. Cognisant of the ongoing conflict, the project is encouraged to liaise with the project team in Tigray region to identify feasible alternatives to secure project assets and documents for purposes of post-conflict continuity.</p> <p>Update during May, 2022 ISM No action was taken and information is not available. Programme to update IFAD soon as information becomes available</p>	b. Project Steering Committee and National Program Coordinator	06/2022
<p>Monitoring advances to regions</p> <p>46% of all advances to regions amounting to ETB 172.9m (equivalent to USD 3.8m) as at 30 September 2021 was outstanding for more than 12 months. The project should follow-up long outstanding advances with regions to ensure supporting documentation is provided. .</p> <p>Update during May, 2022 ISM The situation with advances remains unchanged. Programme to update IFAD at FYE</p>	Finance Manager	06/2022
<p>IFRs</p> <p>Submit the quarterly IFRs in the recommended format and content by the respective due dates, with one for 4th quarter due on 31 July, 2022</p>	Finance Manager	07/2022
<p>Unrecoverable advances</p> <p>Make arrangements with the Regional government to recover ETB 52,405.27 by liquidating advance bank guarantee of the contractor and ETB 501,806.43 from SNNPR regional government. These two are potentially ineligible for IFAD financing</p>	Programme Coordinator/Finance Manager	09/2022
<p>Follow up on assets at risk due to internal conflict</p> <p>Progressively update the status of assets at risk as the security situation improves to facilitate an assessment</p>	Programme Coordinator	09/2022

Quality and Timeliness of Audit

Rating: 4

Previous rating: 4

Justification of rating

161. Audit report and management letter received on time, meeting IFAD's requirements.

Main issues

162. The audited financial statements and the management letter were received on time and are acceptable to IFAD. The audit was performed in accordance with ISA and the audit opinion on the financial statements is unqualified. The management letter details the auditors' recommendations, and some of these, but not all, include a response from management. A follow-up on previous years' recommendations was not provided and the fixed asset register was not included in the audited financial statements.

Agreed Action	Responsibility	Agreed Date
<p>1.3 Clear long outstanding advance accounts</p> <p>Included in the staff debtors is Birr 153,612 that has been outstanding for more than a year. The outstanding balance should be cleared as soon as possible. Management should also strengthen the internal control system to insure timely settlement of advances in the future.</p>		
<p>1.4 Clear the difference between recorded and paid payables</p>		
<p>2.3 Vouchers and supporting documents did not bear the "PAID" stamp.</p> <p>All vouchers and supporting documents should be stamped by the "PAID" stamp to prevent double payment claims risk in the future.</p>		
<p>2.4 Ensure that all expenditures reports contain complete information in the future.</p> <p>During our audit of expenditure report we noted that dates, reference numbers and the places where the works were done are not stated.</p>		
<p>2.5 Address outstanding advance payments</p> <p>Advance payments for the purchase of design equipment and other materials from Oromia Irrigation Development Authority and staff advances of Birr 1,484,028.72 and Birr 39,648 respectively are more than one year old.</p>		
<p>3.1 Strengthen project implementation monitoring system to ensure timely completion of projects</p> <p>During our review of implementation status of projects we noted that projects started in 2018 on Guder river, Gombora river and Gombolosa river; namely Gochi SSI, Denbela SSI, Worza SSI, Lintala SSI, Gordena SSI, Gota SSI, KeleBweye SSI, Argena SSI, Baliya SSI, Mancha SSI and Sosa SSI have been delays by 21 to 36 months due to the lack of adequate monitoring and review of project implementation. Management should strengthen its project implementation monitoring system to ensure timely completion of projects.</p>		
<p>3.2 Clear outstanding staff debtors account</p> <p>Included in the staff debtors account is Birr 33,826 that has been outstanding for more than a year. The outstanding account should be cleared as soon as possible.</p>		
<p>4.1 Strengthen project monitoring and review system to ensure timely completion of projects within planned budget</p> <p>During our review of implementation status of projects on Ateba 1 river, Ateba 2 river, Tena diversion, Borkana terfo and, hota diversion we noted that projects were still not completed two years after their planned completion date due to lack of adequate monitoring and review of project implementation.</p>		
<p>Maintain a subsidiaries ledger</p> <p>There is no subsidiary ledger for advance payments to contractors and retention withheld from contractors.</p>		

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

163. The rating for counterpart funds has been maintained at 4 as rated by the previous mission. Government, both at Federal and Regional levels has cumulatively contributed 55% while beneficiary contributions are currently at 67%. The rating is based on the continued provision of government contribution as and when needed, especially in relation to taxes (mainly VAT) for ongoing construction works. The contributions do not include contributions for Tigray as the financial year 2021/22 has not been updated for the same due to insecurity in the region.

Main issues

164. As at 30 April 2022, cumulative counterpart contribution from GOE was ETB 405,292,097.30 (equivalent of USD 10.23 million) representing 55% of the target financing of USD 18.50 million provided for in the financing agreement for GoE as counterpart contribution.

165. The beneficiary contribution of ETB 321,565,943.61 (equivalent of USD 8.04 million) represent 67% of the design target of USD 12.07 million. The contribution from the government was mainly related to taxes for goods, services, and works provided to the project. Reported in-kind contributions relate to office space, having been the only aspect evaluated. During March, 2022, IFAD provided training to PASIDP II on quantification and reporting of in-kind contribution. As a way forward, it was agreed that the project would develop a manual detailing processes, timing and responsibility of capturing and reporting of in-kind contribution. By the time of the mission in May, this action was outstanding and no update has been provided to IFAD. The mission reiterates the agreed action as this is critical for counterpart ownership and accountability on project activities. For SNNPR RPCMU, ETB 634,527.64 is receivable from the Regional State government in respect of VAT pre-financed from the project resources.

Agreed Action	Responsibility	Agreed Date
<p>Counterpart contributions</p> <p>The project is tasked to undertake the following in relation to counterpart contributions:</p> <p>a. Identify the total office space used by the project (in square meters/feet) and compute the equivalent rent. This can either be done by a recognised government ministry or department (e.g. Ministry of Works) or use market rate established by recognised real estate bodies in the country.</p> <p>b. Engage the Project Steering Committee to estimate and approve thresholds for time spent by senior leadership team (minister, state ministers, directors, etc.) on project matters and compute the equivalent value based on equivalent salaries in the relevant civil service proclamation.</p> <p>c. Prepare and submit to IFAD a report on domestic in-kind contributions at the end of each quarter (as part of the interim financial reporting). The report should specify the types of contributions (e.g. taxes, labour, etc.) categorised by financier (GOE or beneficiary).</p> <p>d. Include report of in-kind contributions as part of the interim financial report for Quarter 4 (ending 31 December 2021).</p> <p>Update during May, 2022 ISM No action taken by steering committee</p>	Project Steering Committee, National Program Coordinator, and Finance Manager	12/2021
<p>Recovery of VAT from SNNPR.</p> <p>Recover ETB 634,527.64 pre-financed VAT from SNNPR Regional government</p>	Programme Coordinator/Finance Manager	06/2022

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

166. The Project is being implemented in compliance with the financing agreement except for timely submission of AWPB. The last mission downgraded the rating from 5 to 4 for the same reason, a rating that has been maintained

Agreed Action	Responsibility	Agreed Date
<p>AWPB</p> <p>Submit the 2018/19 AWPB to IFAD for review and No Objection.</p>	PCMU	07/2018

Procurement**Procurement****Rating: 4****Previous rating: 4****Justification of rating**

167. Overall, there has been progress in implementation of the procurement programme as per the PP version 4.2, which was an updated version of the one that received NO. However, up to 50% of the planned activities are pending commencement with less than 2 months left in the review period. The project has taken initiative to improve the quality of procurement records and contract management practices by undertaking periodic procurement post review exercises at the regional level and overseeing corrective actions for identified shortcomings. Contract management of Works is not optimal while quality of solicitations is good.

Procurement Review

168. **Structure of the Procurement Unit.** Procurement for the project is undertaken by a dedicated staff of one Senior Procurement Officer and four Regional Procurement Officers. The officers have requisite experience in Government procurement with each having over 10 years’ experience in procurement domain. The coordination with regions requires sustained improvement as was evidenced by missing entries for Actual timelines of milestones in the updated procurement plan for activities implemented at the community Woreda level.
169. **Procurement Planning.** Procurement Plan (PP) version 4.2 of the completed year 2021/22 was provided by the project team. The PP is aligned with the AWPB, follows the IFAD template and is prepared and updated consistently and accurately. It has a summary page with an AWPB reference column, methods and thresholds are entered correctly. All procurements carried out are in the PP, and consistent with the Financing Agreement and the Letter to the Borrower. There are pseudo packaging as lotted activities are conducted separately in different implementing regions and not as packaged in the PP. There are instances where the planned procurement method has not been put to use, contract awards higher than the planned budget and a procurement undertaken without having been provided for in the PP. The updated PP indicated that close to 50% of the planned activities had not commenced despite there being only 2 months left in the period under review.
170. **Procurement Process.** Processes and procedures applied during bidding exhibit minor shortcomings that have no impact on project implementation and performance. These are consistent and comply with national procurement regulations and laws, as well as with IFAD Procurement Guidelines and Handbook and only exhibit minor shortcomings. Processes and procedures for evaluation and contract award contained some shortcomings that included: (1) Negotiations not held for Direct Contracting; (2) No accompanying correspondence to show bidders were notified or accepted price corrections; (3) Insufficient reasons for elimination of bidders at preliminary stage. PCU had implemented post-procurement reviews for procurements undertaken at both Regional and community Woreda level.
171. **Contract Administration and CMT.** The CMT was in use and contracts were uploaded but yet to be updated as this is done on a quarterly basis. The project reported that the securities were maintained and filed securely in the relevant implementing agencies at Woreda and Regional level. However, there was no evidence of securities for contracts with state owned enterprises and could attribute to little, if any, consequence management. At the time of the Mission, it was observed that there were 43 Works activities under different stages of implementation. **The scarcity of cement and recent conflicts remain an impediment to implementation.** There is significant slippage of the stipulated time for performance of the said contracts. Implementation of these contracts should be closely monitored, and a revised work program prepared with projected dates for their completion and risk factors identified for ease of contract administration and management.
172. There were procurement related issues identified in the audit report for the year ended 7th July, 2021 whereby auditors observed outstanding advances made to contractors and projects not completed two years after their planned completion dates due to lack of adequate monitoring and review of project implementation.
173. **The procurement filing system.** Retrieval of documents and feedback to requests for clarification was satisfactory. Procurement records were presented in chronological order. There was a reported instance of procurement records lost due to conflict.

Agreed Action	Responsibility	Agreed Date
Refresher Training IFAD to organize a refresher training on procurement methods, evaluation for consulting services, and record keeping	IFAD, PCMU	11/2018
Training Procurement training to be conducted for federal and regional procurement experts	IFAD/FPCMU	06/2019
Contract Register Prepare a standalone contract register using IFAD Template	FPCMU	11/2019
Update Procurement Plan Update the latest Procurement plan to including details on the description and extract a one year plan that is coherent with the AWPB	FPCMU	11/2019

<p>Procurement Support to the Regions</p> <p>The Procurement Officer from the FPCMU should travel to the regions for capacity building and to do reviews on procurement documents kept at the regions</p>	FPCMU	01/2020
<p>Training</p> <p>Training on procurement planning, contract management, and approaches to complex International procurement to be organized.</p>	IFAD/FPCMU	02/2020
<p>2020/2021 Procurement Plan</p> <p>Submit a consolidated version of the 2020/2021 PP using the new IFAD template, providing an accurate description of activities, entering information on actual timelines, aligning it with the AWPB and listing procurement activities carried out by Regions</p>	FPCMU	08/2020
<p>System to keep procurement documents</p> <p>Finalise system at FPCMU to keep soft copies of procurement documents from Regions and Woredas, also labelling documents from Regions</p>	Federal PO	08/2020
<p>New IFAD Contract Monitoring Tool</p> <p>Start using the new CMT as an online contract register</p>	FPCMU and RPCMU POs	08/2020
<p>Procurement Training</p> <p>Invite Programme's Procurement Specialists to next virtual training</p>	IFAD	09/2020
<p>Procurement documents</p> <p>Ensure IFAD provisions are included in solicitation documents including adoption of IFAD standard procurement documents as applicable. Ensure signed contracts for shopping activities whenever the method is used for large and complex Goods and Works.</p>	FPCMU	11/2021
<p>Updating PIM</p> <p>Include the Post procurement reviews conducted by the Federal team every 6 months.</p>	FPCMU	12/2021
<p>Capacity building at Federal and Region level</p> <p>Training of Regional Procurement Officers, Engineers and Finance staff, other key project staff on contract management aspects and tools. Refreshing training on IFAD Procurement Handbook for Non-procurement staff.</p>	FPCMU	03/2022
<p>Institute Contract Implementation Plans</p> <p>These should be in place for all critical, high value and complex Works activities and those at risk from force majeure. To stipulate key milestones and key performance indicators, transition plans with clear allocation of roles and responsibilities to staff and form a basis for action as required to address any problems or delays - whether actual or anticipated, handover to beneficiaries.</p>	FPCMU	03/2022
<p>Registering of small acquisitions</p> <p>Track and report on woreda-level procurements, particularly those that are without contracts</p>	PCMU	09/2022

Training <ul style="list-style-type: none"> • Training of Regional Procurement Officers, Engineers and Finance staff, other key project staff on contract management aspects and tools • Training of procurement staff on digitising all small acquisitions records, (to include Power BI already in use at the project) 	PCMU	09/2022
Capacity building at regional and Woreda level Federal PO to train regional POs and assist them in training people responsible of procurement at Woreda level, with coordination of Programme Coordinator - continuous	PC and Federal PO	
Evaluation criteria For procurement of goods, evaluation criteria must be clearly specified to make bidders understand when and if evaluation is done by lots or single items in the lots - continuous	FPCMU and RPCMU POs	
Contract monitoring <ul style="list-style-type: none"> • Follow up and resolve pending contract management issues identified during the audit of the last financial period. • Prepare quarterly progress report of ongoing Works status to be shared with IFAD and highlighting the following: (1) The proposed mitigation and acceleration measures aimed at minimising potential risks and ensuring that the contracts are completed before the project closing date; (2) The status of extension of time where applicable and/or recovery of liquidated and ascertained damages for delayed completion. *Quarterly starting June 2022	PCMU	

e. Key SIS Indicators

Likelihood of Achieving the Development Objective	Rating: 4.58	Previous rating: 4.46
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Assessment of the Overall Implementation Performance	Rating: 4.42	Previous rating: 4.42
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F. Agreed Actions

<i>Agreed Action</i>	<i>Responsibility</i>	<i>Agreed Date</i>
Overview and Project Progress		
Handover of Completed Schemes Completed schemes handed over to IWUAs for PASIDP II, and agreed action plans with Woredas for handover process for PASIDP I schemes	PCMU/RPCMU & Regional Govts	06/2019
Scheme Operation and Maintenance Payments IWUAs agree to required O&M payments for sustainability and this is accurately monitored June 2019 and continuous	PCMU/RPCMU & Regional Govts	06/2019
Financing Watershed IGAs Link potential watershed IGA operators to FIs Continuous	PASIDP, Technoserve	06/2019
Fully Participatory Feasibility Studies Effective engagement between farmers & scheme designers July 2019 and continuous	FPCMU/RPCMU Technoserve to assist	07/2019

<p>Design of schemes</p> <p>Apply water use efficiency and water saving techniques July 2019 and continuous</p>	Programme team	07/2019
<p>Construction of schemes</p> <p>PCMU to direct consultants to supervise the contractors and provide timely corrections in scheme completion</p>	Programme team along with the client	07/2019
<p>Commercial Activities in Watersheds</p> <p>Agribusiness teams enable MAAs engagement to provide market support for all watershed producers All watershed management teams to be MAA members July 2019 and continuous Majority private sector members of MAAs</p>	PCMU Agribusiness Teams, Technoserve & MAAs,	07/2019
<p>Provision of Presentation Equipment</p> <p>Portable electronic projection equipment for each region</p>	PCMU	08/2019
<p>Financial Institutions Assessment</p> <p>Rate the capacities of FIs to serve irrigation farmers at each site</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	09/2019
<p>Exchange Visit for Conservation Agriculture</p> <p>Arrange exchange visit to Kenya for CA techniques exposure</p>	PCMU, IFAD	09/2019
<p>Scheme performance improvement</p> <p>Improve the performance of at least four schemes with siltation, land levelling, structural defects, and absence of cut off drains to enable the schemes function to their full potential and benefit the smallholder farmers</p>	FPCMU/RPCMU	01/2020
<p>Construction of about four new Category A schemes.</p> <p>Finalize design of four new Category A schemes and submit for review to IFAD</p>	FPCMU/RPCMU	01/2020
<p>Market Support for CA and WM farmers</p> <p>Provide access to markets for CA and WM products, and business planning approach to be added to assist with decision-making on crops and production options.</p>	FPCMU & RPCMU Agribusiness Team	02/2020
<p>Farmer Cooperative Business Planning Workshops</p> <p>Ensure that all business management workshops with cooperatives lead to bankable and simple business plans, written by the cooperative members, in consultation with all involved farmers.</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	03/2020
<p>Promote sales and price information through Ethiopia Commodity Exchange (ECX)</p> <p>(i) Train the cooperatives and MAAs about ECX trading system and warehouse network; (ii) promote use of ECX live price information as reference point for price negotiation.</p>	FPCMU & RPCMU Agribusiness Team	03/2020

<p>Engage Financial Institutions</p> <p>In coordination with RUFIP: (i) Finalize the FI assessment, (ii) Engage FCA and AEMFI to train RUSACCOs and smallholders in financial literacy, (iii) provide agribusiness investment opportunities TA to MFIs and commercial banks, (iv) Encourage DBE to lend to the FIs.</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	03/2020
<p>Promotion of Pressurized Irrigation</p> <p>Design and install pressurized irrigation on 4 schemes to use the limited water resources in more productive way and increase productivity per unit use of water and land</p>	RPCMU/ Woreda Experts	05/2020
<p>Financial Inclusion for Farmers</p> <p>Motivate each irrigation farmer to open a savings account, later to apply for an input loan Enable Primary Cooperatives to act as farmer's interface with financial institutions, including Regional MFIs & RUSACCOs</p>	PASIDP,	06/2020
<p>Co-financing of the Business Plans</p> <p>Select the best business plans for competitive project co-financing, developed in the workshops. Farmers at irrigation and watershed areas will have access to the co-financing.</p>	FPCMU & RPCMU Agribusiness Team	06/2020
<p>Establishment of 4C</p> <p>Amend PIM of the programme to ensure full community participation, with a TOR defining their roles and responsibilities in the 4C (Client- Consultant, - Contractor - community)</p>	FPCMU	09/2020
<p>Access to improved seeds and high quality inputs</p> <p>An assessment of the situation and opportunities for policy and improved delivery mechanisms to be prepared</p>	IFAD, FPCMU & Technoserve	09/2020
<p>FREG Support for CA</p> <p>Strengthen FREG support to CA, especially improved productivity measures, including appropriate use of machinery, chemicals, fertilisers and hybrid seed</p>	FPCMU & RPCMU Research partners	11/2020
<p>Financing FIs.</p> <p>Encourage DBE to lend to FIs serving PASIDP clients and agree a monitoring framework to track access to credit</p>	PCMU, IFAD	12/2020
<p>Complete mapping of actual command area for all schemes</p> <p>Finalize an investigation into the actual command area of PASIDP II schemes and document geo-referenced command areas.</p>	FPCMU & RPCMUs	12/2020
<p>Prepare plans for accelerated implementation of programme activities in areas affected by insecurity once the risks have been mitigated</p>	FPCMU	12/2020
<p>Category A schemes</p> <p>Submit the design and relevant SECAP documents (ESIA, ESMP, RAP) of Category A micro dams with IFAD for prior review</p>	FPCMU & RPCMUs	12/2020

<p>Share completed mapping of actual command area for schemes</p> <p>Share the actual command area of PASIDP II schemes and geo-referenced command areas with IFAD to create clarity on the exact command areas of PASIDP II schemes as well as plan for the production system.</p>	FPCMU & RPCMUs	12/2020
<p>Disaggregate and report data by age</p>	FPCMU	12/2020
<p>actions for improved supply of high performing crop seeds</p> <p>Engage with MOA and Seed Producers/Dealers to take actions for improved supply of high performing crop seeds. This should include local multiplication of certified improved seeds under license from owners of plant breeders rights. This to include multiplication by suitable PASIDP farmers.</p>	FPCMU & MOA	01/2021
<p>action plan to enable MFIs and RUSACCOs access DBE's line of Credit in good time to meet liquidity requirements</p> <p>Engage with RUFIP III PCMU at DBE: In close collaboration with the programme's implementation agencies (AEMFI and FCA) develop action plan to enable MFIs and RUSACCOs in PASDIP II intervention areas access DBE's line of Credit in good time to meet liquidity requirements of farmers, cooperatives and value chain actors.</p>	FPCMUs from both RUFIP and PASIDP	01/2021
<p>Develop strategic key action between PASDIP and RUFIP III PCMUs:</p> <p>i. Identify Financial Institutions (FI) serving PASDIP II schemes (MFIs and RUSACCOs and their Unions);</p> <p>ii. Request respective FIs to provide funding requirements to DBE taking into account funding needs of PASDIP schemes</p> <p>iii. Capacitate respective FIs in preparing RUFIP III Loan applications with clear information on timing of funds disbursement from DBE</p>	PCMUs (PASDIP Agri-business Specialist and RUFIP III Linkage Officer)	01/2021
<p>Ensure coordination and consistency between ICRISAT, SHA and Agribusiness/TNS support in business and market linkages</p>	FPCMU & RPCMUs	01/2021
<p>Develop a communication plan and share with IFAD for information</p>	FPCMU	01/2021
<p>Develop template and guideline for qualitative methodology & reporting</p>	FPCMU	01/2021
<p>RPSF indicators</p> <p>Report on the agreed output and outreach RPSF indicators disaggregated by sex and age.</p>	FPCMU	01/2021
<p>Prepare standardized reporting template and mapping of compliance monitoring activities and share with IFAD for no objection</p>	PCMU	01/2021
<p>Inclusion of important construction phase mitigation actions in the tender document</p>	PCMU	01/2021
<p>"roll-out" of successful MAA and Business linkages</p> <p>Continue "roll-out" of successful MAA and Business linkages from initial areas supported by TNS and Agribusiness Team. This would include completion of 30 scheme-based business plans.</p>	FPCMU Agribusiness	02/2021
<p>Identify and confirm financing for further engagement of TNS until the end of PASIDP implementation</p>	GoE/MoA/FPCMU & IFAD	02/2021
<p>Finalize the KM plan and share with IFAD for information</p>	FPCMU	02/2021

Training on climate risk analysis	IFAD	03/2021
Strengthen relation (identify areas of collaboration) with the Climate Resilient Green Economy (CRGE) directorate	PCMU	03/2021
payment for ecosystem services In collaboration with the Environment, Forest and Climate Change Commission, identify options to approach payment for ecosystem services under PASIDP II.	PCMU	03/2021
Explore feasibility to pilot Gender Action Learning System in some sites.	PCMU	03/2021
Link the good results and findings of the partner grants with the development of the projects AWPB for scaling up.	PCMU	03/2021
Document case studies on youth participation in agriculture as demonstrated by TNS for knowledge sharing and learning.	PCMU	03/2021
Allocate budget to provide food demonstration equipment to all Farmer Training Centres in 31 schemes.	PCMU	03/2021
Scheme performance improvement: Conduct detail technical and economic feasibility study for schemes with a problem of uneven water distribution and irrigation water management to identify viable option among land levelling, introduction of reservoir, water saving technologies to improve the performance of schemes	FPCMU	06/2021
Scale Gender Model Family to other households in the same communities, gather quantitative results and slowly scale up to other geographical areas.	PCMUs	06/2021
Nutrition Profile Tracking Finalise the remaining Nutrition Profile Tracking, roll out findings to the other parts of the project areas and train project staff at all levels on Nutrition sensitive agriculture.	FPCU, RPCU with ICRISAT	06/2021
Prepare 2-pager adoption report on Quality Protein Maize and Orange Flesh Sweet Potatoes trials: <ul style="list-style-type: none">• Implementation scale• Adoption (% farmers who planted, yield performance, acceptability)• Scale up plan and recommendations for increased adoption	RPCU, FPCU	06/2021
Design SBCC strategy per region based on partners' experience: <ul style="list-style-type: none">• Identify barriers to dietary diversity (understand cultural and social norms)• Identify target audience, key messages and communication channels (including mass media like Farm Radio international and in-person interventions like food demonstrations and Gender Model Family)• Roll out plan in line with AWPB components	FPCU, RPCU	06/2021
Cooperative Business Plan Co-financing As per MTR agreement, select best Cooperative Business Plans for further refinement and PASDIP II co-financing. To establish the BP co-finance scheme, IFAD will support PMU to identify and mobilize technical assistance with BP co-finance experience in other IFAD projects.	PMU/IFAD	06/2022

<p>Include sustainability aspects</p> <p>(e.g., income generating activities among watershed upstream households) in the existing Job Creation strategy</p>	FPCMU/RPCMU	06/2022
<p>Measure environmental benefits of the watershed management activities</p>	FPCMU/RPCMU	06/2022
<p>Put in place controlling mechanism not to increase command area</p> <p>In response to the increasing demand for irrigation water, the water balance should be considered and put in place controlling mechanism not to increase command without to introduce water saving technologies to increase the water use efficiency on PASIDP II schemes - ongoing</p>	FPCMU & RPCMUs	
<p>Price Setting Modalities</p> <p>Appropriate modalities for price setting for produce are effectively demonstrated and employed within PASIDP schemes - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve & MAAs	
<p>Cooperative Jurisdictional Disputes</p> <p>Mediation and mentoring for cooperatives at scheme level to ensure cooperation and clarity of roles - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve	
<p>Rainfed Farmers participation in commercial activities</p> <p>Provision of training and mentoring to enable rainfed farmers to participate in commercial input and outputs markets - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve & MAAs	
<p>Financing for Storage and Value Addition Facilities</p> <p>Preparation of business plans and engagement with financial institutions to secure financing - immediate and ongoing</p>	FPCMU & RPCMUs & Technoserve & MAAs	
<p>Quantification of benefits from watershed schemes</p> <p>Measurement of outputs of Watershed management activities including land use and cover changes using GIS application and other benefits such as productivity enhancement - ongoing</p>	FPCMU/RPCMU	
<p>China – IFAD SSTC facility</p> <p>Prepare and submit monthly implementation progress report on China – IFAD SSTC facility activities and hold monthly problem-solving session with IFAD.</p>	PCMU	
<p>Seed production</p> <p>The programme should scale up the seed production model introduced by ICRISAT to current groups of farmers involved in seed demonstrations by linking them to research to supply seed for multiplication which will be produced as certified seed and sold to scheme members or to cooperatives (seed business model). PCMU with support from ICRISAT, NARI to provide more capacity building on quality seed production</p>	PCMU/ICRISAT	
<p>Assess capacities of Woredas</p> <p>To continue providing support before handing over (extend support where there are gaps) and continue to monitor and report on the performance of schemes that are no longer supported by the programme.</p>	PCMU	
Development Effectiveness		

<p>Implement Market Access Alliances (MAA) approach as per the PIM</p> <p>Systematic implementation of the MAA approach, commencing with MAA fora for each region prior to 2018 dry season irrigation planning.</p>	FPCMU and RPCMU	07/2018
<p>Enhance access to credit</p> <p>Commence actions to enable farmers to access credit, through joint agreements between them, credit suppliers, inputs suppliers and market entities.</p>	FPCMU and RPCMU	07/2018
<p>Experience sharing</p> <p>Conduct a field trip for key PCMU staff to selected participatory watershed development sites supported by the CGIAR Climate Change, Agriculture and Food Security Project in Ethiopia.</p>	FPCMU	08/2018
<p>Strengthen business plans</p> <p>Strengthen cooperatives' business plans and communicate aggregated need for credit to Rural Financial Institutions and DBE to ensure sufficient liquidity.</p>	FPCMU, RPCMU, DBE (RUFIP)	09/2018
<p>Experience sharing</p> <p>Exchange visit within East or Southern Africa for key stakeholders to observe and learn from viable commercial smallholder value chain operations and viable irrigation systems using advanced technology.</p>	FPCMU & IFAD	09/2018
<p>Adapt the gender strategy developed by MoALR</p> <p>Adapt the gender strategy developed by MoALR to reflect PASIDP II's gender targets.</p>	FPCMU	09/2018
<p>Provide equipment for FTCs</p> <p>Provide the necessary equipment for FTCs to deliver food demonstration training.</p>	RPCMUs	09/2018
<p>Enhanced targeting of irrigation users</p> <p>Set clear criteria for the allocation of irrigable land among the irrigation users, to ensure equitable ownership in the command area, to be used during feasibility assessments and detailed designs.</p>	FPCMU & RPCMU	10/2018
<p>Develop a job creation strategy</p> <p>Develop a strategy to achieve the job creation target of the programme.</p>	FPCMU	10/2018
<p>Develop a database for the programme clients</p> <p>Develop a data base for the programme clients, which clearly indicates the list of clients/households that benefited from the programme, indicating the type of service provided to them.</p>	FPCMU	10/2018
<p>Strengthen FRGs</p> <p>FRGs should add demonstrations of improved irrigation application techniques and conduct an analysis of financial outcomes. Farmers should participate directly in FRG activity planning. FRGs should also be strengthened regarding rain fed agriculture development in the watersheds.</p>	FPCMU and RPCMU	10/2018

<p>Develop a gender-disaggregated plan for all interventions</p> <p>Plan all interventions using gender-disaggregated data and follow up on the achievement accordingly.</p>	FPCMU and RPCMU	12/2018
<p>Enhance women participation</p> <p>Increase the number of women in the different committees established by the programme, including their role in decision making.</p>	FPCMU and RPCMU	12/2018
<p>Develop guidelines on resilient construction standards as well as guidelines for climate-smart water resources management</p> <p>The RPCMUs and staff at lower administrative levels should be trained on the guidelines and their application at the community and households levels.</p>	FPCMU	03/2019
<p>Water harvesting</p> <p>Conduct demonstrations of rainwater harvesting for households.</p>	RPCMU	05/2019
<p>Application of Agronomic and Crop protection Techniques</p> <p>Use improved techniques in trials for high value crops Apply improved techniques watershed crops Organise trials for improved equipment for high value crops Provision of advice on accurate irrigation improved techniques in trials for high value crops</p>	RPCMUs/Woreda Experts	06/2019
<p>Nutrition mainstreaming study</p> <p>Designate team member to follow-up on recommendations pending recruitment of the Federal Gender and Nutrition Officer</p>	FPCMU/RCMU	06/2019
<p>Gender Officers</p> <p>Recruit Federal level gender and nutrition officer to ensure guidelines are followed</p>	FPCMU	08/2019
<p>Improved Inputs Supply</p> <p>Conduct feasibility study for establishing Farmers' Service Centres for PASIDP schemes</p>	FPCMU/Agribusiness	09/2019
<p>Improved Inputs Supply</p> <p>Advice to MOA State Minister for inputs and outputs market sector on PASIDP farmers' input needs</p>	FPCMU	09/2019
<p>Improved Inputs Supply</p> <p>Encourage leading PASIDP Farmers to produce improved seed as a business</p>	FPCMU/Agribusiness	09/2019
<p>Climate Smart Agriculture Manual</p> <p>Include further options for climate change adaptation particularly in the watershed areas (e.g. perennial crops, non-timber forest products)</p>	FPCMU	09/2019
<p>FREG success rollout</p> <p>Consider extending duration of FREG support and budget accordingly</p>	FPCMU	10/2019

<p>Nutrition Objective</p> <p>Promote production of nutrition rich (protein rich) crops at least in all home gardens and promote home consumption so as to support a realization of nutritional target of the programme</p>	FPCMU	10/2019
<p>Household Methodologies</p> <p>Conduct ToT for HHM and develop roll-out plan</p>	FPCMU/RPCMU	12/2019
<p>Labour saving technologies</p> <p>Promote improved cook stoves in schemes where these have been included in the watershed management plans</p>	FPCMU/RPCMU/ Woreda & Kebele teams	12/2019
<p>Potable water supply</p> <p>Demonstrate technologies for supply of potable water for communities</p>	FPCMU/RPCMU	12/2019
<p>Monitoring improved nutrition</p> <p>Establish linkages with health and education officers to develop effective monitoring tool</p>	FPCMU/RPCMU/ Kebele teams	12/2019
<p>Improved varieties</p> <p>Promote drought tolerant crop varieties in watershed areas</p>	RPCMU/Woreda teams	12/2019
<p>CA and WM Development</p> <p>Continue roll-out of support for CA and WM, and involve these in value chains with MAA support</p>	RPCMU/ Woreda Experts	12/2019
<p>Improved Inputs Supply</p> <p>Develop demand collection system</p>	FPCMU/Agribusiness	02/2020
<p>Training of trainers for Climate Risk Management</p> <p>Provide more training at the federal level for Environmental safeguard specialist, Climate Change and Watershed Specialist, Agronomists and Engineers. Explore opportunities for south-south collaborations.</p>	IFAD/FPCMU	03/2020
<p>Weather information</p> <p>Link with Farm Radio International and National Research institute and national meteorology agency for near- and medium-term weather information</p>	FPCMU/RPCMU	04/2020
<p>Conservation agriculture</p> <p>Scale up appropriate CA techniques in all watershed areas</p>	FPCMU/RPCMU/ Woreda teams	05/2020
<p>Ensure full inclusion of youth and women in programme activities</p> <p>Ensure at least 30% of leadership position in IWUAs and Watershed Management Team occupied by women Ensure at least 50% of leadership position in IWUAs and Watershed Management Team occupied by youth</p>	FPCMU & RCPMU	05/2020
<p>Support FRG</p> <p>Design system to monitor adoption rate of FRG best practices</p>	FPCMU	05/2020

<p>Biomass production</p> <p>Improve forage production and ensure the crop residues are not burned.</p>	FPCMU/RPCMU	05/2020
<p>Ensure full inclusion of watershed upstream smallholders into component B activities</p> <p>Extend agriculture technology trainings, business planning workshops and co-financing of productive infrastructure to smallholder at both irrigated and watershed areas.</p>	FPCMU & RPCMU Agribusiness Team & Technoserve	06/2020
<p>Climate Risk Analysis</p> <p>Carry out assessment on climate change risk management and provide contingency planning</p>	FPCMU/RPCMU	06/2020
<p>Youth participation data</p> <p>Capture data on youth participation at all levels while building their capacities to enhance more of their participation in project activities</p>	PCMU	08/2020
<p>Capacity building</p> <p>Continue undertaking capacity building to the whole household (men/women) to ensure nutrition is not just looked at as a woman's responsibility only.</p>	PCMU	08/2020
<p>Women participation</p> <p>Enhance and promote women participation in key leadership committee positions to empower their decision-making capabilities.</p>	PCMU	09/2020
<p>Initiate guideline on climate resilient infrastructure</p> <p>Develop Terms of Reference for necessary studies and analysis in consultation with IWMI and submit to IFAD for review.</p>	FPCMU	09/2020
<p>Capacity building</p> <p>Federal and regional project staff to identify dietary gaps and acceptable nutrient-rich foods. Training of beneficiaries in nutrition sensitive agriculture to be done at FTC nutrition demonstration corners Training on knowledge of what is a balanced nutritious diet</p>	FPCMU/RPCMU	12/2020
<p>GHG emissions</p> <p>Implement with the MoA, CoEFCC (Environment and Climate Change directorate) an assessment of GHG emissions at the watershed level</p>	FPCMU/RPCMU	12/2020
<p>Energy saving technologies</p> <p>Introduction of solar powered pumps for irrigation schemes/water storage and household electrification Support to roll out promotion of energy saving stoves</p>	FPCMU/RPCMU	12/2020
<p>Lessons learnt</p> <p>Capture and document the successes achieved and lessons through implementation of the Gender Model Family as case studies that can inform replication and scaling- up</p>	PCMUs	12/2020

<p>Integration of climate change risk analysis in irrigation schemes</p> <p>Provide training for teams to conduct scheme level climate change risk analysis and identify adaptation options including improved water use efficiency</p>	FPCMU/RPCMU/IFAD	03/2021
<p>Optimising benefits from adaptation measures</p> <p>Identify measures to increase adoption rates of climate change adaptation technologies and establish a system to quantify benefits</p>	FPCMU/RPCMU	03/2021
<p>Household Methodologies /Gender Model Family</p> <p>Conduct assessment on effectiveness of GMF, address gaps and suggest improvements, then scale up.</p>	FPCMU	12/2021
<p>Revise the log frame so that there is one agreed up on log frame in ORMS and in the hands of the project.</p>	FPCMU	12/2021
<p>Develop a technical proposal</p> <p>As GMF is being scaled up, develop a technical proposal to measure GMF and women empowerment results generated by the programme, with quantitative and qualitative research methodologies.</p>	FPMU	04/2022
<p>Achieve 30% target of women participation in farmers organisation leadership and agribusiness activities</p> <p>by strengthening awareness creation (e.g., gender mainstreaming training for RUSACCOs), quotas and incentives.</p>	Federal and Regional PCMUs	05/2022
<p>Include MDD-W in the M&E plan</p> <p>Include MDD-W in the M&E plan (end-line) and relevant intermediate indicators (e.g., food consumption questions) in the next Annual Outcome Survey</p>	FPMU	05/2022
<p>Conservation Agriculture</p> <p>Assess the challenges in the implementation/adoption of CA techniques and scale up the techniques in the remaining watershed areas</p>	FPCMU/RPCMU	06/2022
<p>Quantify and consolidate report on CA, ISMF practices</p>	FPCMU/RPCMU	06/2022
<p>Train the FPCMU on Climate Risk Analysis</p>	FPCMU	06/2022
<p>Watershed Management</p> <p>Identify best practices and lessons learnt on Watershed management and incorporate in the 2022/23 AWP&B</p>	PCMU	07/2022
<p>Scale-up successful nutrition interventions piloted with ICRISAT based on a relevant plan</p>	FPMU	08/2022
<p>Capture and Document intermediate Project Outcomes</p> <p>Regularly capture and document through the project M & E system, intermediate project outcomes on adoption of technologies, increase in production and productivity of key crop enterprises</p>	PCMU	08/2022

<p>Organise learning and reflection event to enhance agribusiness team capacity</p> <p>Arrange agribusiness team reflection, experience sharing and practice refinement learning event to take forward good practices observed in the pilot schemes and provide focused support for main value chains across the schemes in the remaining project period</p>	PCMU	09/2022
<p>Finalise the assessment on CA challenges and propose solutions</p> <p>Finalise the assessment on CA challenges and propose solutions</p>	PCMU	09/2022
<p>Annual Outcome Survey</p> <p>Update that the tool for carrying out the 2022/23 AOS to incorporate questions that facilitate a detailed analysis of data by crop enterprise. Ensure that reference is made to the IFAD guidelines for COI surveys</p>	PCMU	11/2022
<p>Assessment of Nutrition sensitive activities</p> <p>Finalise quantitative and qualitative assessment of nutrition sensitive activities supported by ICRISAT</p>	PCMU	11/2022
<p>Document productivity performance of technologies promoted through FREG and incomes from rain-fed production</p>	PMU	12/2022
<p>Access to lines of credit</p> <p>PASIDP II and RUFIP III to meet on enabling Rusaccos supported by PASIDP II to access RUFIP III lines of credit</p>	PCMU	12/2022
<p>GMF impact assessment</p> <p>Conduct GMF impact assessment and draw recommendations for scale-up in the next phase of PASIDP II in collaboration with CIFOR.</p>	PCMU	12/2022
<p>Enhance the market linkage support provided by the agribusiness team</p> <p>Enhance the support provided to cooperatives and other value chain actors (MAA) to create sustainable market linkages for main value chains in the command areas</p>	PCMU	12/2022
<p>Longer term job creation</p> <p>Ensure linkages to job creation through the market linkages for cooperatives and their operations - ongoing</p>	FPCMU/ RPCMU	
<p>Include extension support to rain-fed farmers in the AWPB detailing activities and targets to improve productivity.</p>	PMU	
<p>Women participation in farmer's organisation leadership and agribusiness activities</p> <p>Achieve 30% target of women participation in farmer's organisation leadership and agribusiness activities; by strengthening awareness creation, quotas and incentives.</p>	PCMU	
<p>Capacitate RUSSACO for better service provision to their members</p> <p>Give focused support to RUSACO to increase their membership, capital, linkage, and lending capacity - as of December 2022</p>	PCMU	

<p>Increase production and market access linkages of nutrient-rich crops</p> <p>Increase production and market access linkages of nutrient-rich crops - as of December 2022</p>	PCMU	
Sustainability and Scaling up		
<p>Strengthening of Participatory Processes</p> <p>Include a dedicated budget line in the AWPB to enable Regional ESS Specialists to actively oversee participation processes, equity issues, following up on grievances, social documentation including FPIC, and E&S safeguards issues for scheme sustainability.</p>	FPCMU, RPCMU	07/2018
<p>Establish linkages with other programmes and private sector</p> <p>PCMU to work with other on-going programmes to share experience and lessons.</p>	PCMU	08/2018
<p>Develop a capacity building program for the IWUAs that can be used by the different RPCMUs.</p> <p>The program will have training of the trainers (ToT) package for the staff at the zones and woredas that will be involved in IWUA capacity building. The capacity building to designed as a continuous program that comprehensively covers the organisational and management skills that the IWUAs require to sustainably operate and maintain the irrigation infrastructure.</p>	FPCMU and RPCMU	12/2018
<p>Provide implementation support mission to watershed component of PASIDP-II</p> <p>The mission should focus on reviewing the scope of potential income generation opportunities within micro-watersheds; and providing guidance on the identification and promotion of climate smart agricultural practices.</p>	FPCMU	12/2018
<p>Strengthening Participation Guidelines</p> <p>Develop guidelines at regional level to ensure full participation by the farmers and communities for all programme activities from design, agribusiness, research, watershed management, and M&E.</p>	RPCMU	03/2019
<p>Strengthening of Grievance Redress Mechanisms</p> <p>The existing grievance redress processes should be followed and documented so that grievances can be followed up and complainants receive feedback in a transparent and timely manner.</p>	RPCMU	03/2019
<p>Strengthening of Grievance Redress Mechanisms</p> <p>Develop guidelines at regional level to ensure full participation by the farmers and communities for all programme activities from design, agribusiness, research, watershed management, and M&E.</p>	RPCMU	03/2019
<p>Develop a monitoring system to ensure systematic follow-up on all service provider contracts</p> <p>continuous</p>	FPCMU	06/2019
<p>Watershed Management Techniques</p> <p>Prioritise biological options including vetiver grasses to ensure sustainability of measures</p>	FPCMU/RPCMU	12/2019

<p>Soil fertility enhancement</p> <p>Include more soil fertility enhancement and pest control trees in the agro-forestry packages</p>	FPCMU/RPCMU	12/2019
<p>Training for site design process and construction</p> <p>Train the infrastructure design and construction service providers in correct procedures, quality requirements of pressurized irrigation, and consultation mechanism.</p>	FPCMU	03/2020
<p>Upstream/downstream relationships</p> <p>Establish platform to strengthen the relationships among the watershed and IWUA committees and that redress mechanisms are enforced.</p>	FPCMU/RPCMU	06/2020
<p>SSTC</p> <p>Design a system to start implementation of pressurized irrigation system with the support of SSTC grant to generate evidences and influence policy</p>	PCMU	09/2020
<p>Payments for Environmental Services</p> <p>Investigate and assess the potential of developing a PES scheme.</p>	FPCMU/RPCMU	12/2020
<p>Horticulture seed supply model</p> <p>Analysis of the current horticulture seed supply model and development of a vibrant and engaging horticulture seed supply model for the programme</p>	FPCMU/IFAD	12/2020
<p>Payments for Ecosystem Services (PES)</p> <p>Investigate and assess the potential of developing a PES scheme in pilot irrigation sites.</p>	FPCMU/RPCMU	12/2020
<p>Training activities amid existing crises</p> <p>Use of different methods to deliver training for the remaining regions, e.g. Virtual means</p>		12/2020
<p>Conduct study on water pricing</p> <p>Conduct study on water pricing</p>	FPCMU/IFAD	03/2021
<p>Conduct study on land redistribution impact on HH income</p> <p>Conduct study on land redistribution impact on HH income</p>	FPCMU/IFAD	04/2021
<p>Resume the quarterly steering committee and technical committees</p> <p>Resume the quarterly steering committee and technical committees to enhance the communication between PASIDP II team and partners.</p>	PCMU	12/2021
<p>Future reports should document any activities that have been scaled up, through other government/organisations initiatives</p>	PCMU	12/2021
<p>ICRISAT should document the uptake of the new technologies that they promote.</p>	ICRISAT	06/2022
<p>Document and report on the role of IWUA and beneficiaries in decision making.</p>	FPCMU/RPCMU	06/2022

<p>Consideration of contract transition</p> <p>The project has to enforce the transition provisions in the contract agreement for contracts that overrun their contract periods.</p>	PCMU	06/2022
<p>Construction Contract Transition</p> <p>The government needs to consider transition provisions in the contract agreements for those that are overrun.</p>	PCMU	06/2022
<p>Investigate and assess the potential of developing a PES scheme in pilot irrigation sites</p>	FPCMU	06/2022
<p>Develop a consolidated exit strategy</p> <p>Develop a consolidated exit strategy document to ensure ownership of beneficiaries and get commitment from the government to sustain the benefits of the programme</p>	PCMU	06/2022
<p>Irrigation Schemes' works supervision</p> <p>Intensify consultation meetings and joint field supervisions to accelerate the work, cope with design deficiencies and provide timely advice and corrections to contractors in order to deliver the schemes on time and in quality.</p>	PCMU	06/2022
<p>Exit strategy document</p> <p>Finalise a consolidated exit strategy document to ensure ownership of beneficiaries and get commitment from the government to sustain the benefits of the programme</p>	PCMU	07/2022
<p>lessons learnt</p> <p>Consolidate lessons learnt on interventions with potential for scaling up and link with the upcoming PACT design for integration.</p>	PCMU	08/2022
<p>Knowledge product</p> <p>Develop a knowledge product on the Farmer Field School on Integrated Pest Management</p>	PCMU	10/2022
<p>Beneficiaries awareness</p> <p>Increase beneficiaries' awareness on their right to raise any feedback regarding the project even beyond the construction of the scheme</p>	PCMU	10/2022
<p>Facilitation of Progress review meetings</p> <p>Facilitate regular implementation progress review meetings with all partners working with the programme. Quarterly</p>	FPCMU/RPCMU	
<p>Scaling up system</p> <p>Develop a system to capture the lessons from best practices of partner's implementation modalities as well as interventions in to scale it up on the entire PASIDP sites where feasible - ongoing</p>	FPCMU/RPCMUs	
<p>Sustainability strategy for the watersheds</p> <p>Further strengthen the relationships among the watershed and and IWUA committees to elaborate common developmental plans, implementation and monitoring - ongoing</p>	FPCMU/RPCMU & Coops	

<p>Sustainability of farming systems</p> <p>Ensure that principles of sustainable farming practices and cropping systems, including soil & water management and crop rotation are well conveyed to, and adopted by beneficiary farmers - as of 31 October 2022</p>	PCMU	
Project Management		
<p>Prepare a revised annual work plan and budget for the period July 2018 to June 2019</p> <p>Revise targets as the current AWPB targets may have been ambitious.</p>	PCMU	07/2018
<p>Budget Allocation for Environmental and Social Monitoring and Management</p> <p>Dedicate an appropriate budget for environmental and social monitoring and management during construction and scheme operation, as well as other programme activities.</p>	FPCMU and RPCMU	07/2018
<p>Amend the logical framework indicators to make these more measurable, specific and relevant</p> <p>Activities in the AWPB should directly follow from the outputs and outcomes specified in the logical framework.</p>	Federal and regional PCMU	09/2018
<p>Prepare detailed data templates for M&E on outputs and outcomes</p> <p>The templates should specify relevant output and outcome indicators.</p>	M&E specialists at FPCMU and RPCMU	09/2018
<p>Maintaining Documentation</p> <p>Compile all documentation (including copies of originals kept at woreda level) related to stakeholder consultations and file it at the Regional Offices. Submit summary consultation logs to the FPCMU for recording purposes.</p>	FPCMU and RPCMU	09/2018
<p>Prepare an elaborated M&E plan</p> <p>M&E plan should specify the output and outcome indicators, and in particular outcome indicators which are currently missing.</p>	M&E specialists at FPCMU and RPCMU	10/2018
<p>Training in determining environmental flow</p> <p>Technical assistance to train FPCMU and RPCMU ESS Specialists and Engineers, consultants, Members of the Bureau of Water, EPLAUA in the concepts and establishment of environmental flow.</p>	FPCMU	10/2018
<p>Develop a “Learning & Knowledge Management Strategy”</p> <p>The PCMU should proceed contracting an international consultant to develop the strategy. The strategy should include aggregated impact- level measurement of programme activities to allow the programme to start measuring its effectiveness.</p>	FPCMU	12/2018
<p>Expedite the establishment of an MIS system for M&E</p> <p>The programme’s MIS should be developed considering the MIS established in Amhara region, scaling it up to manage the programme’s spatial and non-spatial data.</p>	FPCMU and RPCMU	12/2018
<p>Expedite activities planned under component B and C</p> <p>Particularly agribusiness linkages under component B and program management, monitoring and evaluation, and knowledge management and learning under component C.</p>	FPCMU & RPCMU	06/2019

<p>Engagement of woreda focal persons and DAs</p> <p>Make a follow up with the reforms going on in MoA and implement the reform as soon as endorsed</p>	Steering Committee and FPCMU	07/2019
<p>Annual outcome assessment</p> <p>Execute data collection for outcome assessment per agreed schedule with significant technical support from Ethiopian Statistics Association</p>	FPCMU	07/2019
<p>M&E Personnel Exchange Visit</p> <p>Exchange tour to Indonesia to be arranged</p>	FPCMU and IFAD	07/2019
<p>Capacitate KM staff</p> <p>Arrange specialized trainings by international specialist for KM assigned staff both at Federal and regional level on the basics of KM</p>	FPCMU and RPCMU	08/2019
<p>Capacity building for technical teams</p> <p>Conduct training in impact rating and environmental flow assessment</p>	IFAD/FPCMU	10/2019
<p>Budget reallocation</p> <p>Revise the available budget and prioritize the activities with maximum impact and reallocate budget accordingly</p>	FPCMU	11/2019
<p>Revision logical framework and outcome indicators list</p> <p>Include the baseline survey data and annual outcome assessment in the LF. Where agreed, alter the 'pathways of change'.</p>	FPCMU & IFAD	11/2019
<p>Environment and Social Management Plans</p> <p>Ensure participatory implementation of ESMPs and coherence with the watershed management plans and coherence with the watershed management plans</p>	RPCMU/Woreda and Kebele teams	12/2019
<p>Engagement of woreda focal persons and DAs</p> <p>Assign full time staff at woreda level to make a close follow up of the programme implementation at woreda level as most of the schemes are getting into production which require intensive support</p>	Steering Committee and FPCMU	12/2019
<p>MIS</p> <p>Work closely with PPD of MoA to develop national MIS that could serve the program and has an interface with the regions</p>	FPCMU	12/2019
<p>Expedite activities planned under component B and C</p> <p>Develop a clear plan on how to speed up implementation of activities under component B & C and submit to IFAD for review</p>	FPCMU & RPCMUs FPCMU	12/2019
<p>Completion Outcome Assessment</p> <p>Finalising the first outcome assessment including baseline and qualitative data. Data collected through the annual outcome assessment has to be inserted in the LF.</p>	FPCMU	12/2019
<p>Best Practices</p> <p>Design a system on how to capture, document and share best practices of the programme</p>	FPCMU	01/2020

<p>Capacity building for Federal and Regional E&S teams</p> <p>Provide detailed training on critical aspects to be addressed for Category A projects e.g. ESMPs, FPIC, RAP</p>	IFAD/FPCMU	02/2020
<p>Technical training qualitative methods</p> <p>Training is required to assist the federal M&E staff in how to capture best practices and lessons learnt and the analysis of the qualitative data</p>	FPCMU & IFAD	03/2020
<p>Climate risk analysis</p> <p>Include trends analysis with communities in the scheme level risk analyses</p>	RPCMU/Woreda and Kebele teams	05/2020
<p>Integrated Pest Management</p> <p>Modification of MOA Agrochemical guidelines to adopt to PASIDP, and dissemination</p>	FPCMU	05/2020
<p>KM strategy</p> <p>Prepare national KM strategy to systematically guide the KM activities going on across the regions and facilitated cross leanings</p>	FPCMU	08/2020
<p>Validation and implementation of KM strategy</p> <p>Update draft of KM strategy with regional M&E staff to reflect inputs and comments. Develop a timeline with practical steps and a communication plan to ensure a smooth implementation of the KM strategy</p>	FPCMU	08/2020
<p>AWPB % of physical progress of activities</p> <p>Include the % of physical progress measured against the AWPB target per component and sub-component for the coming AWPBs</p>	FPCMU	08/2020
<p>ASAP indicator</p> <p>After conducting the climate risk analysis the target must be revised of the ASAP infrastructure indicator.</p>	FPCMU/IFAD ECG	08/2020
<p>Improvement of data library</p> <p>Improve knowledge storage and sharing between regions and implementing partners, by having a quality-checked common repository, in order to facilitate the identification of lessons with scaling up potential</p>	FPCMU/regions	09/2020
<p>Improve FGDs data collection and analysis</p> <p>Training is required to assist the federal and regional M&E staff with conducting the FGDs and analyse the data. FPCMU needs to develop a format for the regions before the next annual outcome survey & FGDs.</p>	FPCMU	09/2020
<p>KM and Communications Capacity building</p> <p>Continue KM training for KM focal points at Woreda and regional level, focusing on practical guidance to ensure clear and well-targeted communication products,</p>	FPCMU & IFAD	11/2020
<p>Final report of the second phase (46 schemes) of the baseline study</p>	FPCMU	12/2020
<p>Operationalise the MIS</p> <p>Develop the MIS system and make it operational at the federal and regional level</p>	FPCMU/regions	12/2020

<p>Improvement of media platforms</p> <p>Identify clear target audiences by platform and start developing more systematic content, showcasing valuable lessons and success stories across regions and publishing blogs/posts/photos/videos with a set periodicity.</p>	FPCMU/regions	12/2020
<p>Closely monitor schemes to ensure profit worth of investments.</p> <p>Crop selection, appropriate input application, market alliance activities and scheme structure sustainability activities, etc. need to be carried out at all scheme sites to ensure profitability of investments</p>	FPCMU/RPCMU/Woreda focal person	12/2020
<p>Collect data on production and income</p> <p>Actual monetary returns received by clients need to be continuously monitored using an appropriate tool to properly optimize value for money of the investment. To this end, data on production and income for all cycle of production both from irrigation users and rain-fed agriculture farmers need to be collected.</p>	IFAD/FPCMU/RPCMU/	12/2020
<p>Interlinkage M&E and KM</p> <p>Results need to be communicated more systematically and linkage with KM needs to be more actively applied. FPCMU must seek opportunities to systematically capture learning across projects and countries, through technical guidance and demand-driven thematic meetings</p>	FPCMU & IFAD	12/2020
<p>SECAP training</p> <p>Provide more training on RAPs, climate change risk assessment, water quality, health impacts, environmental flow requirements, aquatic ecology, invasive species and biodiversity so that ESIA and ESMPs can be rigorously appraised. Provide training on compliance monitoring and auditing to ensure that monitoring is more systematic and scientific.</p>	FPCMU/RPCMU/ IFAD	12/2020
<p>Potential project resources at risk due to the ongoing conflict</p> <p>a. FPCMU to request immediate transfer of cash balances held in conflict areas, specifically Tigray and the related project woredas, and affected project woredas in Amhara region, to the project operational account at the FPCMU.</p> <p>b. As recommended in the disbursement rate section above, the project should liaise with the regional teams to identify ways of safeguarding project resources, e.g., by scanning and submitting transaction documents to FPCMU.</p> <p>c. Cognisant of the ongoing conflict, the project is encouraged to liaise with the project team in Tigray region to identify feasible alternatives to secure project assets and documents for purposes of post-conflict continuity.</p>	a. & b. Finance Manager Project Steering Committee and National Program Coordinator	12/2021
<p>Strengthen the available reporting and communication structure</p> <p>Strengthen the available reporting and communication structure (Federal-Region- Zone- Woreda- Kebele and IUWA) and ensure the use generic template to report Environmental and Social Safeguard activities</p>	FPCMU/RPCMU	01/2022
<p>Strengthen the engagement of stakeholders from regional and Woreda sectors as well as IWUA in the supervision mission</p>	FPCMU/RPCMU	01/2022
<p>Performance of Cooperative</p> <p>The business management practice/ developmental stage of cooperatives should be measured</p>	PCMU	05/2022

Grievance Redress Mechanism 1. Strengthen GRM system by providing log book to all GRM committees at IWUA/Community level and ensure the registration of all grievances 2. Follow the status unresolved Grievances in SNNPR	FPCMU/RPCMU FPCMU	06/2022
Assessment of drought affected beneficiaries Finalise the assessment on beneficiaries affected by drought to establish budget and amount of support required	PCMU	06/2022
Update on current resources Update on the current resources and assets at risk in all the conflict areas	PCMU	06/2022
AWPB Ensure the 2022/23 AWPB gets the PSC approval to facilitate IFADs No objection consideration.	PCMU	06/2022
Develop a process action plan Develop a process action plan for all pending activities with clear actions on how to accelerate implementation of targets that have lagged behind due to the challenges of conflict and shortage of materials.	PCMU	06/2022
capacity building Allocate adequate resources for continuous capacity building of new field officers to enable them efficiently and effectively carry out M & E assignments	PCMU	06/2022
Develop a process action plan Develop a process action plan for all pending activities with clear actions on how to accelerate implementation of targets that have lagged behind due to the challenges of conflict and shortage of materials.	PCMU	06/2022
Capacity building Allocate adequate resources for continuous capacity building of new field officers to enable them efficiently and effectively carry out M & E assignments	PCMU	06/2022
Develop a process action plan Develop a process action plan for all pending activities with clear actions on how to accelerate implementation of targets that have lagged behind due to the challenges of conflict and shortage of materials.	PCMU	06/2022
Capacity building Allocate adequate resources for continuous capacity building of new field officers to enable them efficiently and effectively carry out M & E assignments	PCMU	06/2022
MIS operationalisation: Expedite roll out and operationalisation of the MIS, including training of field staff on its use.	PCMU/GIS	08/2022
MIS operationalisation: Expedite roll out and operationalisation of the MIS, including training of field staff on its use.	PCMU/GIS	08/2022

Safeguard Specialist Train regional safeguard specialist on reporting using the generic template	PCMU	09/2022
Knowledge product Publish and use evidence-based knowledge products for policy advocacy and enhance project impact.	FPCMU	10/2022
Carry out the 2022 Annual Outcome Survey: Ensure that the 2022/23 AOS analysis is detailed and based on key crop enterprises as opposed to aggregated themes to facilitate objective assessment of project outcomes	PCMU	12/2022
Performance Monitoring Integrate Power BI, KOBO TOOL and MIS for enhanced performance monitoring of the project	PCMU	12/2022
Carry out the 2022 Annual Outcome Survey: Ensure that the 2022/23 AOS analysis is detailed and based on key crop enterprises as opposed to aggregated themes to facilitate objective assessment of project outcomes	PCMU	12/2022
Performance Monitoring Integrate Power BI, KOBO TOOL and MIS for enhanced performance monitoring of the project	PCMU	12/2022
ESIAs for Category A schemes and Resettlement Action Plans Ensure that all schemes with a command area of more than 100ha and/or a dam height of more than 15m have an ESIA and ESMP and all schemes that involve resettlement or loss of livelihoods must have a RAP prepared prior to the commencement of construction - ongoing	FPCMU/ RPCMU	
Include ESMPs in tender documents The ESMPs for each scheme must be included in the tender documents issued to contractors so that they can price for the ESMP requirements. The E&S Safeguard Specialists must be included in the tender adjudication teams to assess the quality of the contractors' responses - ongoing	FPCMU/RPCMU	
Hold quarterly meetings with implementing partners to review the partners' contracts and commitments to evaluate the progress	PCMU	
Recovery response from multiple shocks a) Submit the recovery response plan which will be financed under the 2021-2022 AWP&B to IFAD b) Undertake a needs gap analysis for seeds and fertilizer required in the project target areas; c) Agree with IFAD and government how much of the gap can be financed by the project; d) Procure and distribute the required seeds and fertilise	FPCMU	
Document and Share Success Stories and Case Studies	PCMU M&E and KM team	
Integrate kobo toolbox with Power BI Integrated tablet base reporting with Power BI to enable real time reporting.	PCMU	
Financial Management & Execution		

AWPB Submit the 2018/19 AWPB to IFAD for review and No Objection.	PCMU	07/2018
Refresher Training IFAD to organize a refresher training on procurement methods, evaluation for consulting services, and record keeping	IFAD, PCMU	11/2018
Training Procurement training to be conducted for federal and regional procurement experts	IFAD/FPCMU	06/2019
Contract Register Prepare a standalone contract register using IFAD Template	FPCMU	11/2019
Update Procurement Plan Update the latest Procurement plan to including details on the description and extract a one year plan that is coherent with the AWPB	FPCMU	11/2019
Procurement Support to the Regions The Procurement Officer from the FPCMU should travel to the regions for capacity building and to do reviews on procurement documents kept at the regions	FPCMU	01/2020
Training Training on procurement planning, contract management, and approaches to complex International procurement to be organized.	IFAD/FPCMU	02/2020
2020/2021 Procurement Plan Submit a consolidated version of the 2020/2021 PP using the new IFAD template, providing an accurate description of activities, entering information on actual timelines, aligning it with the AWPB and listing procurement activities carried out by Regions	FPCMU	08/2020
System to keep procurement documents Finalise system at FPCMU to keep soft copies of procurement documents from Regions and Woredas, also labelling documents from Regions	Federal PO	08/2020
New IFAD Contract Monitoring Tool Start using the new CMT as an online contract register	FPCMU and RPCMU POs	08/2020
Procurement Training Invite Programme's Procurement Specialists to next virtual training	IFAD	09/2020
Procurement documents Ensure IFAD provisions are included in solicitation documents including adoption of IFAD standard procurement documents as applicable. Ensure signed contracts for shopping activities whenever the method is used for large and complex Goods and Works.	FPCMU	11/2021

<p>Risk of slow implementation due to ongoing conflict</p> <p>The project should closely monitor implementation of project activities and quantify (and periodically update) the project resources which may be at risk of loss due to the ongoing conflict. The project should liaise with the regional teams to identify ways of safeguarding the project resources, e.g. by scanning and submitting transaction documents to FPCMU.</p> <p>Update during May 2022 ISM. No status report provided during the mission</p>	National Program Coordinator	11/2021
<p>Updating PIM</p> <p>Include the Post procurement reviews conducted by the Federal team every 6 months.</p>	FPCMU	12/2021
<p>Supporting documentation for training activities</p> <p>Ensure that the following documents are retained in the finance file as supporting documents for expenditure related to training activities:</p> <ul style="list-style-type: none"> • Payment Vouchers • Training report / back to office report • Training curricula (for major trainings) and training schedule • List of participants with signatures / acceptance of per diem and travel refund • Evidence of payment for venue and refreshment • Selection (procurement) of venue. <p>March 2022: to be implemented at woreda level; supervisions should pre-identify vouchers to be checked, to be sent to regional office in advance of missions</p>	Finance Manager and Financial Controllers at RPCMUs	12/2021
<p>Counterpart contributions</p> <p>The project is tasked to undertake the following in relation to counterpart contributions:</p> <ol style="list-style-type: none"> a. Identify the total office space used by the project (in square meters/feet) and compute the equivalent rent. This can either be done by a recognised government ministry or department (e.g. Ministry of Works) or use market rate established by recognised real estate bodies in the country. b. Engage the Project Steering Committee to estimate and approve thresholds for time spent by senior leadership team (minister, state ministers, directors, etc.) on project matters and compute the equivalent value based on equivalent salaries in the relevant civil service proclamation. c. Prepare and submit to IFAD a report on domestic in-kind contributions at the end of each quarter (as part of the interim financial reporting). The report should specify the types of contributions (e.g. taxes, labour, etc.) categorised by financier (GOE or beneficiary). d. Include report of in-kind contributions as part of the interim financial report for Quarter 4 (ending 31 December 2021). <p>Update during May, 2022 ISM No action taken by steering committee</p>	Project Steering Committee, National Program Coordinator, and Finance Manager	12/2021
<p>Capacity building at Federal and Region level</p> <p>Training of Regional Procurement Officers, Engineers and Finance staff, other key project staff on contract management aspects and tools. Refreshing training on IFAD Procurement Handbook for Non-procurement staff.</p>	FPCMU	03/2022

<p>Institute Contract Implementation Plans</p> <p>These should be in place for all critical, high value and complex Works activities and those at risk from force majeure. To stipulate key milestones and key performance indicators, transition plans with clear allocation of roles and responsibilities to staff and form a basis for action as required to address any problems or delays - whether actual or anticipated, handover to beneficiaries.</p>	FPCMU	03/2022
<p>AWPB for the year 2022/23</p> <p>Submit the AWPB for the FY 2022/23 to IFAD for No Objection</p>	M and E Specialist/Finance Manager	06/2022
<p>Potential project resources at risk due to the ongoing conflict</p> <p>a. The project should liaise with the regional teams to identify ways of safeguarding project resources, e.g. by scanning and submitting transaction documents to FPCMU. b. Cognisant of the ongoing conflict, the project is encouraged to liaise with the project team in Tigray region to identify feasible alternatives to secure project assets and documents for purposes of post-conflict continuity.</p> <p>Update during May, 2022 ISM No action was taken and information is not available. Programme to update IFAD soon as information becomes available</p>	b. Project Steering Committee and National Program Coordinator	06/2022
<p>Monitoring advances to regions</p> <p>46% of all advances to regions amounting to ETB 172.9m (equivalent to USD 3.8m) as at 30 September 2021 was outstanding for more than 12 months. The project should follow-up long outstanding advances with regions to ensure supporting documentation is provided. . Update during May, 2022 ISM The situation with advances remains unchanged. Programme to update IFAD at FYE</p>	Finance Manager	06/2022
<p>Recovery of VAT from SNNPR.</p> <p>Recover ETB 634,527.64 pre-financed VAT from SNNPR Regional government</p>	Programme Coordinator/Finance Manager	06/2022
<p>Requirement for quarterly cashflow projections</p> <p>Using the template provided by IFAD, the project should prepare quarterly projections of the cashflow requirements, taking into account any changes to implementation arrangements of project activities in the annual work plan and budget, e.g. activities that may be cancelled or pushed to a subsequent period.</p> <p>Update on 23 Dec. 2021: Updated csh flow forecast template shared with the project finance manager which will be used to prepare cashflow forecast for the period 1 Jan - 30 Jun 2022. Template updated following engagements with the finance manager after the November 2021 mission. Update during May 2022 ISM Project still struggling to prapare IFR - more support to be provided. Submissions should be on a quarterly rather than semi annual basis</p>	Finance Manager with support of all component heads	07/2022
<p>Generate a cash forecast to determine cash requirements per category and initiate a reallocation request for unallocated funds to critical categories that will have been drawn down.</p>	Programme Coordinator/Finance Manager	07/2022
<p>IFRs</p> <p>Submit the quarterly IFRs in the recommended format and content by the respective due dates, with one for 4th quarter due on 31 July, 2022</p>	Finance Manager	07/2022

<p>Registering of small acquisitions</p> <p>Track and report on woreda-level procurements, particularly those that are without contracts</p>	PCMU	09/2022
<p>Training</p> <ul style="list-style-type: none"> • Training of Regional Procurement Officers, Engineers and Finance staff, other key project staff on contract management aspects and tools • Training of procurement staff on digitising all small acquisitions records, (to include Power BI already in use at the project) 	PCMU	09/2022
<p>Disbursement of SSTC and RPSF 2 grant funds</p> <p>The project should undertake the following tasks:</p> <ol style="list-style-type: none"> 1. Expedite implementation of SSTC grant to avoid being time barred or risking incurring ineligible expenditure in case of activities implemented beyond the project completion date (31 March 2022). 2. Prepare and submit to IFAD an annual work plan and budget for the second RPSF grant to facilitate disbursement of the initial allocation advance. <p>Update during 2022 ISM SSTC grant has completed while RPSF grants will complete on 30/06/2022. What is required is to justify the authorized allocation and prepare and submit project completion report</p>	National Program Coordinator	09/2022
<p>SSTC grant</p> <p>Prepare and submit statement of expenditure/report for the SSTC grant to justify/recover the authorised allocation.</p>	Finance Manager	09/2022
<p>RPSF grants</p> <p>Prepare and submit statement of expenditure/report for the RPSF grant to justify/recover the authorised allocation on the two grants.</p>	Finance Manager	09/2022
<p>Unrecoverable advances</p> <p>Make arrangements with the Regional government to recover ETB 52,405.27 by liquidating advance bank guarantee of the contractor and ETB 501,806.43 from SNNPR regional government. These two are potentially ineligible for IFAD financing</p>	Programme Coordinator/Finance Manager	09/2022
<p>Follow up on assets at risk due to internal conflict</p> <p>Progressively update the status of assets at risk as the security situation improves to facilitate an assessment</p>	Programme Coordinator	09/2022
<p>Capacity building at regional and Woreda level</p> <p>Federal PO to train regional POs and assist them in training people responsible of procurement at Woreda level, with coordination of Programme Coordinator - continuous</p>	PC and Federal PO	
<p>Evaluation criteria</p> <p>For procurement of goods, evaluation criteria must be clearly specified to make bidders understand when and if evaluation is done by lots or single items in the lots - continuous</p>	FPCMU and RPCMU POs	

<p>1.3 Clear long outstanding advance accounts</p> <p>Included in the staff debtors is Birr 153,612 that has been outstanding for more than a year. The outstanding balance should be cleared as soon as possible. Management should also strengthen the internal control system to insure timely settlement of advances in the future.</p>		
<p>1.4 Clear the difference between recorded and paid payables</p>		
<p>2.3 Vouchers and supporting documents did not bear the "PAID" stamp.</p> <p>All vouchers and supporting documents should be stamped by the "PAID" stamp to prevent double payment claims risk in the future.</p>		
<p>2.4 Ensure that all expenditures reports contain complete information in the future.</p> <p>During our audit of expenditure report we noted that dates, reference numbers and the places where the works were done are not stated.</p>		
<p>2.5 Address outstanding advance payments</p> <p>Advance payments for the purchase of design equipment and other materials from Oromia Irrigation Development Authority and staff advances of Birr 1,484,028.72 and Birr 39,648 respectively are more than one year old.</p>		
<p>3.1 Strengthen project implementation monitoring system to ensure timely completion of projects</p> <p>During our review of implementation status of projects we noted that projects started in 2018 on Guder river, Gombora river and Gombolosa river; namely Gochi SSI, Denbela SSI, Worza SSI, Lintala SSI, Gordena SSI, Gota SSI, KeleBweye SSI, Argena SSI, Baliya SSI, Mancha SSI and Sosa SSI have been delays by 21 to 36 months due to the lack of adequate monitoring and review of project implementation. Management should strengthen its project implementation monitoring system to ensure timely completion of projects.</p>		
<p>3.2 Clear outstanding staff debtors account</p> <p>Included in the staff debtors account is Birr 33,826 that has been outstanding for more than a year. The outstanding account should be cleared as soon as possible.</p>		
<p>4.1 Strengthen project monitoring and review system to ensure timely completion of projects within planned budget</p> <p>During our review of implementation status of projects on Ateba 1 river, Ateba 2 river, Tena diversion, Borkana terfo and, hota diversion we noted that projects were still not completed two years after their planned completion date due to lack of adequate monitoring and review of project implementation.</p>		
<p>Maintain a subsidiaries ledger</p> <p>There is no subsidiary ledger for advance payments to contractors and retention withheld from contractors.</p>		

Contract monitoring

- Follow up and resolve pending contract management issues identified during the audit of the last financial period.
 - Prepare quarterly progress report of ongoing Works status to be shared with IFAD and highlighting the following: (1) The proposed mitigation and acceleration measures aimed at minimising potential risks and ensuring that the contracts are completed before the project closing date; (2) The status of extension of time where applicable and/or recovery of liquidated and ascertained damages for delayed completion.
- *Quarterly starting June 2022

PCMU

Ethiopia

Participatory Small-scale Irrigation Development Programme II

Supervision Report

Logical Framework

Mission Dates: 16/05/2022 to 07/06/2022

Document Date: 19/07/2022

Project No. 2000001134

Report No. 6166-ET

East and Southern Africa Division
Programme Management Department

Participatory Small-scale Irrigation Development Programme II

Logical Framework

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility
Outreach	1.b Estimated corresponding total number of households members									Assumptions for target values: 1) 5 members on average in one HH, 2) All 5 members of the HHs reached by the project are assumed to receive the project support. This is because it is difficult to distinguish the irrigation and watershed beneficiaries by gender. 3) 20% HHs that receive project support are female headed, 4) 51% of persons receiving project support are women, 5) 58 % of persons receiving project support are the youth (51% of them women). The youth is defined as persons aged between 15 and 35 (inclusive).	
	Household members	0	316 752	652 500		578 346	88.635				
	1.a Corresponding number of households reached						Progress reports	Annual	FPCMU, consulting firm		
	Women-headed households	0	10 558	21 750		23 293					107.1
	Non-women-headed households	0	42 234	87 000		73 098					84
	Households	0	52 792	108 750		96 391					88.6
	1 Persons receiving services promoted or supported by the project										
	Males	0	31 675	65 250		73 098					112
	Females	0	21 117	43 500		23 293					53.5
	Young	0	10 558	21 750		22 771					104.7
	Total number of persons receiving services	0	52 792	108 750		96 391					88.6

Results Hierarchy	Indicators						Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	
Project Goal Increased prosperity and improved resilience to shocks in food insecure areas of Ethiopia	# of HH participating in the Programme graduated above the poverty line 3/4 years after schemes are operational						Reference surveys	PY1, PY7	FPCMU, consulting firm	Assumptions for baseline values:1) The number of HHs considered to be poor are both in command and watershed areas 2) HH's value of asset is the sum of HH's average value of durable and productive assets 3) The % of stunted children reported as baseline refers to the % of children who fall below minus three standard deviations from the reference population median. This refers to the % of severely malnourished children. Note that the data was obtained from the Demographic and Health Survey (DHD) conducted by the CSA in 2016 4) 51% of HH members supported in coping with climate change are females 5) 58% of HH members supported with climate change are young (51% of them women)
	Total Households below poverty line	97.83		77.83						
	Male headed households									
	Women headed households									
	% increase in value of assets of participating households						Reference surveys	PY1, PY7	FPCMU, consulting firm	
	Value of Asset per HH (ETB)	77.3		115.95						
	% reduction in prevalence of child malnutrition						Reference surveys	PY1, PY7	FPCMU, consulting firm	
	% of stunted children under 5	38		28						
	Poor smallholder household members supported in coping with the effects of climate change						Reference surveys	PY1, PY3, PY7	FPCMU, consulting firm	
	Females	0	87 101	201 000						
Males	0	130 651	301 500							
Total household members	0	217 752	502 500							

Results Hierarchy	Indicators						Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	
Development Objective Improved income and food security for rural households on a sustainable basis	Increase in household income from project support						Reference surveys	PY1, PY3, PY7	FPCMU, consulting firm	Effective agribusiness linkages Efficient start-up (A)
	Farm model A – 1 ha (ETB)	5 210		18 772						
	Farm model B – 1 ha (ETB)	7 833		29 072						
	Farm model C – 1 ha (ETB)	5 499		19 583						
	Farm model D – 1 ha (ETB)	6 298		29 840						
	Farm model E – 1 ha (ETB)	5 295		9 674						
	Farm model F – 1 ha (ETB)	9 108		14 973						
Outcome Outcome 1 Farmers have sustainable access to irrigation schemes	# of households that have access to irrigation schemes						Surveys and specialized studies	PY1, PY3, PY7	RPCMU, implementers	Ownership of beneficiaries in irrigation schemes (A) No elite capture. Assumptions about targets: 1)20% of HHs that have access to irrigation schemes are women Access to financial services (A) Sufficient capacity of public services (A) Climate change measures adopted (A). Additional assumptions: 20% of HHs reporting reduced water shortages are women-headed
	Total Households	0	20 020	46 250						
	Women headed households	0	4 004	9 250						
	Male headed households	0	16 016	37 000						
	1.2.3 Households reporting reduced water shortage vis-à-vis production needs						Survey	PY1, PY3, PY7	PCMU, Implementers	
	Households									
	Households									
	Total number of household members	0	42 770	83 750						
	Women-headed households	0	8 554	16 750						
	1.2.1 Households reporting improved access to land, forests, water or water bodies for production purposes						Outcome survey	Annually	FPCMU, RCPMU	
	Households reporting improved access to water	0								
	Size of households reporting improved access to water	0								
	Women-headed households	0	8 554	16 750						

Results Hierarchy	Indicators							Means of Verification			Assumptions
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency	Responsibility	
	Total no. of households reporting improved access to water	0	42 770	83 750							
Output Output 1.1 Selection of irrigation schemes for investment	# of feasibility studies approved							Progress report	Quarterly	RPCMU, implementers	Ownership of beneficiaries in irrigation schemes (A) No elite capture (R)
	Hectares of land	0	16 295	22 260							
	Number of IWUAs established							Progress Report	Quarterly	RPCMU, Implementers	
	IWUAs established	0	65	150							
Output Output 1.2 Irrigation schemes developed or upgraded on 18,400 ha	New or existing rural infrastructure protected from climate events (US\$' 000/Km)							Progress Report	Annual	FPCMU	Ownership of beneficiaries in irrigation schemes (A) No elite capture (R)
	Value			33 000							
	1.1.2 Farmland under water-related infrastructure constructed/rehabilitated							Survey	PY1, PY3, PY7	RPCMU, Implementers	
	Hectares of land	0	7 995	18 400		12 506	68				
Outcome Outcome 2: Farmers have increased market-oriented skills and capacity for sustainable agriculture.	Percentage of households reporting an increase in production (MT/ha_area)							Surveys and specialized studies	PY1, PY3, PY7	FPCMU and consulting firm	Access to financial services (A) Sufficient capacity of public services (A) Climate change measures adopted (A)
	Pulses MT/ha	1.9		2.57							
	Vegetables MT/ha	11.2		28							
	Cereals MT/ha	2.5		5							
	Oil crops MT/ha	1		1.5							
Output Output 2.1 Improved access to appropriate inputs, access to agricultural and financial services for smallholder producers	Number on- and off-farm full time equivalent jobs created							Progress Report	Quarterly	RPCMU, Implementer	Access to financial services (A) Sufficient capacity of public services (A) Climate change measures adopted (A). For the target values, it is assumed that 1) 20% of POs are assumed to be women headed 2) A total of 50,000 HHHs are expected to receive a financial literacy support and
	Females	0	2 600	6 000							
	Males	0	3 900	9 000							
	Young Male	0	1 625	3 750							
	Not Young	0	3 250	7 500							
	Young Female	0	1 625	3 750							
	Total jobs created	0	6 500	15 000							
	2.1.2 Persons trained in income-generating activities or business management							Progress Report	Quarterly	RPCMU Watershed Management	
	Males	0	3 900	9 000		3 495	38.8				

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility
	Females	0	2 600	6 000		1 602	26.7				1 person per HH is expected to receive this support, 3) 51% of persons receiving financial support are women, 4) 58% of persons receiving financial support are the youth (51% of them women) 5) From the Number of persons with in and off farm employment 51% are women and 58% are the youth (51% of these are women) For the target values, it is assumed that 1)51% of persons trained in income generating activities are assumed to be women 2) 58% of persons trained in income-generating activities are the youth (51% of them women) For the target values, it is assumed that 1)51% of rural producers accessing production inputs are women 2)58% of rural producers accessing production inputs are the youth (51% of them women) Functional cooperatives 20% of POs are assumed to be women headed. Additional assumptions: access to financial services, sufficient capacity of
	Young	0	1 300	3 000		1 019	34				
	Persons trained in IGAs or BM (total)	0	6 500	15 000		5 097	34				
	1.1.7 Persons in rural areas trained in financial literacy and/or use of financial products and services						Progress Report	Quarterly	RPCMU, Implementers		
	Males		13 007	30 000		24 157				80.5	
	Females		8 671	20 000		16 106				80.5	
	Young		4 336	10 000		8 053				80.5	
	Persons in rural areas trained in FL and/or use of FProd and Services (total)		21 678	50 000		40 263				80.5	
	1.1.3 Rural producers accessing production inputs and/or technological packages						Progress Report & MTR	Quarterly & Mid of project life	RPCMU, Implementers		
	Males	0	3 705	8 550		5 767				67.5	
	Females	0	2 470	5 700		4 715				82.7	
	Young	0	1 235	2 850		2 097				73.6	
	Total rural producers	0	6 175	14 250		10 482				73.6	
	2.1.3 Rural producers' organizations supported						Progress Report	Quarterly	RPCMU, Implementers		
	Total size of POs		20 042	46 250		21 487				46.5	
	Rural POs supported		65	150		174				116	
	Functional cooperatives that provide input and output services to clients						Progress report	quarterly	FPCMU and agribusiness expert		
	Total Members	0	15 400	30 833							
	female headed	0	3 080	6 167							
	male headed	0	12 320	24 666							
Number of cooperatives	0	50	100								
1.1.8 Households provided with targeted support to improve their nutrition						M&E reports	Annual	PMU			

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility
	Total persons participating			22 103		15 190	68.7				public services climate change measures adopted
	Males			8 841		7 432	84.1				
	Females			13 262		7 758	58.5				
	Households			22 103		12 533	56.7				
	Household members benefitted			132 618		75 800	57.2				
	Young										
Output Output 2.2 Improved productivity in intervention areas	Individuals engaged in NRM and climate risk management activities						Progress report	Quarterly	RPCMU, implementers	Access to financial services (A) Sufficient capacity of public services (A) Climate change measures adopted (A)For the target values it is assumed that 1) 20% of individuals engaged in NRM are women 2) 58% of individuals engaged in NRM are the youth (51% of them women) HH supported with increased water availability/efficiency: The HH are both irrigation and watershed beneficiaires. 20% of HH supported with increased water availability or efficiency are women headed	
	Males	0	21 762	50 250							
	Total	0	36 270	83 750							
	Females	0	14 508	33 500							
	Households supported with increased water availability or efficiency						Progress report, handover report	Quarterly	FPCMU, RPCMU, program engineers, watershed expert		
	Households	0	36 270	46 250							

Results Hierarchy	Indicators						Means of Verification			Assumptions	
	Name	Baseline	Mid-Term	End Target	Annual Result (2022)	Cumulative Result (2022)	Cumulative Result % (2022)	Source	Frequency		Responsibility
Output Output 2.3 Improved and sustainable watershed management	Extent of land with rehabilitated or restored ecosystem services							LDSF	PY1, PY3, PY7	RPCMU, implementers	Access to financial services (A) Sufficient capacity of public services (A) Climate change measures adopted (A)
	Extent of land			40							
	Crop yield stability over seasons						Survey	PY1, PY3, PY7	RPCMU, implementers		
	micro-watershed development plans	0	65	150							
	Land under climate-resilient practices						Progress report	Quartely	RPCMU, implementers		
	Land area	0	27 552	73 600		70 727				96.1	
Outcome											

Ethiopia

Participatory Small-scale Irrigation Development Programme II

Supervision Report

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

Mission Dates: 16/05/2022 to 07/06/2022

Document Date: 19/07/2022

Project No. 2000001134

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East and Southern Africa Division
Programme Management Department

Appendix 1: Financial: Actual financial performance by financier; by component and disbursements by category**Table 1A: Financial performance by financier as at 30 April, 2022**

Financier	Appraisal (USD '000)	Disbursements (USD '000)	Per cent disbursed
IFAD loan	102,000	85,469	84%
IFAD grant	1,500	912	61%
ASAP grant	11,000	7,733	70%
SSTC grant	500	399	80%
RPSF grant I	1,010	1,010	100%
RPSF grant II	1,230	1,230	100%
Government	18,722	10,230	55%
Beneficiaries	12,072	8,040	67%
Total	148,034	115,023	78%

Table 1B: Financial Performance by Financier by Component as at 30 April, 2022(USD'000)**

Component	IFAD loan and grant			ASAP grant			Government			Beneficiaries			Total		
	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%	Appraisal	Actual	%
1. Investment in Small-Scale Irrigation Infrastructure	83,226	61,109	73%	1,288	1,191	92%	15,523	12,655	82%	4,452	3,075	69%	104,489	78,030	75%
2. Investment for Capacity in Sustainable Agriculture	11,571	10,002	86%	8,516	5,864	69%	2,108	448	21%	7,621	8,849	116%	29,815	25,163	84%
3. Programme Management	8,703	8,828	101%	1,196	865	72%	1,091	873	80%	-	-	-	10,990	10,566	96%
TOTAL	103,500	79,939	77%	11,000	7,920	72%	18,722	13,976	75%	12,072	11,924	99%	145,294	113,759	78%

** Actual expenditure in table 2A differs from expenditure in table 2B. This is because 5A represents funds made available while 5B represents funds that have actually been spent.

SSTC grant of USD 500,000 and RPSF grants of USD 2,240,000 are not included in table 1B. It has disbursed the authorised allocation of USD 200,000.

Table 1C: Disbursement by category

IFAD grant disbursements (SDR, as at 30 April, 2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200008	Consultancies	970,000.00	1,080,000.00	586,272.23	0.00	626,333.62	54.28%
270001	Authorised allocation	0.00	0.00	73,268.12	0.00	(73,268.12)	0.00%
290001	Unallocated	110,000.00	0.00	0.00	0.00	0.00	0.00%
Total		1,080,000.00	1,080,000.00	659,540.35	0.00	420,459.65	61.07%

IFAD loan disbursements (SDR, as at 30 April, 2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200003	Works	50,600,000.00	54,721,552.00	40,722,023.09	0.00	13,999,528.78	74.42%
200008	Consultancies	2,550,000.00	2,930,595.00	2,782,909.76	0.00	147,685.24	94.96%
200013	Goods, Services and Inputs	6,050,000.00	6,908,132.00	3,795,597.97	0.00	3,112,534.03	54.94%
200016	Operating Costs	1,550,000.00	1,750,000.00	1,659,291.93	0.00	90,708.07	94.82%
200018	Salaries and allowances	2,300,000.00	3,339,721.00	2,897,258.36	0.00	442,462.64	86.75%
200019	Training	2,700,000.00	2,800,000.00	2,796,084.10	0.00	3,915.90	99.86%
270001	Authorised allocation	0.00	0.00	6,594,131.22	0.00	6,594,131.22	0.00%
290001	Unallocated	7,200,000.00	500,000.00	0.00	0.00	500,000.00	0.00%
Total		72,950,000.00	72,950,000.00	61,247,296.43	0.00	11,702,703.44	83.96%

ASAP grant disbursements (SDR, as at 30 April, 2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200003	Works	650,000.00	865,354.00	560,740.54	0.00	304,613.46	64.80%
200008	Consultancies	1,280,000.00	1,280,000.00	1,045,497.68	0.00	234,502.32	81.68%
200013	Goods, Services and Inputs	710,000.00	984,967.00	754,590.19	0.00	230,376.81	76.61%
200018	Salaries and allowances	290,000.00	320,695.00	250,251.74	0.00	70,443.26	78.03%
200019	Training	4,170,000.00	4,358,984.00	2,267,913.71	0.00	2,091,070.29	52.03%
270001	Authorised allocation	0.00	0.00	659,413.12	0.00	659,413.12	0.00%
290001	Unallocated	770,000.00	60,000.00	0.00	0.00	60,000.00	0.00%
Total		7,870,000.00	7,870,000.00	5,538,406.98	0.00	2,331,593.02	70.37%

Figure 1: IFAD loan disbursement, comparisons between original and revised allocations and actual disbursement as at 30 April, 2022

RPSF grant I disbursements (USD, as at 30 April, 2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200013	Goods, Services and Inputs	902,000.00	902,000.00	309,805.29	0.00	592,194.71	34.35%
200019	Training	108,545.00	108,545.00	0.00	0.00	108,545.00	0.00%
270001	Authorised allocation	0.00	0.00	700,000.00	0.00	(700,000.00)	0.00%
	Total	1,010,545.00	1,010,545.00	1,009,805.29	0.00	739.71	99.93%

RPSF grant II disbursements (USD, as at 30 April, 2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200013	Goods, Services and Inputs	1,098,021.00	1,098,021.00	529,930.46	0.00	568,090.54	48.26%
200019	Training	132,120.00	132,120.00	0.00	0.00	132,120.00	0.00
270001	Authorised allocation	0.00	0.00	700,000.00	0.00	(700,000.00)	0.00
	Total	1,230,141.00	1,230,141.00	1,229,930.46	0.00	210.54	98.98

SSTC grant disbursements (USD, as at 30 April, 2022)

Category	Category description	Original Allocation	Revised Allocation	Disbursement	W/A pending	Balance	Per cent disbursed
200003	Works	370,000.00	370,000.00	165,957.89	0.00	204,042.11	44.85%
200008	Consultancies	50,000.00	50,000.00	12,735.28	0.00	37,264.72	25.47%
200019	Training	60,000.00	60,000.00	20,065.47	0.00	39,934.52	33.44%
270001	Authorised allocation	0.00	0.00	200,000.00	0.00	(200,000.00)	0.00%
290001	Unallocated	19,905.00	19,905.00	0.00	0.00	19,905.00	0.00%
	Total	499,905.00	499,905.00	398,758.64	0.00	101,146.36	79.77%

Ethiopia

Participatory Small-scale Irrigation Development Programme II Supervision Report

Appendix 2: Physical progress measured against AWP&B

Mission Dates: 16/05/2022 to 07/06/2022

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East and Southern Africa Division
Programme Management Department

Appendix 1: Physical progress measured against AWP&B

Ref. Code	Activities	Unit	Physical Plan	Physical Achievement	% Performance against 2021/2022 AWPB
A11	Retroactive financing				
A12	Identification of schemes and pre- feasibility studies				
A121	Feasibility studies				
A12102	Pump irrigation (Ground /Surface)	# schemes	1	1	100%
A13	Feasibility and Detailed engineering design of schemes				
A1302	Pump irrigation (Ground /Surface)	# schemes	4	4	100%
A14	Community mobilization and participation				

A15	Formation and strengthening of Irrigation Water Users Associations (IWUA)				
A1504	Training of IWUA leaders	# IWUA leaders	60	63	105%
A22	Irrigation infrastructure development				
A221	Community Irrigation Infrastructure Development				
A22102	Diversion	# of schemes	73	43	59%
A22103	Pump irrigation (Ground /Surface)	# of schemes	7	8	114%
A22104	Spring development	# of schemes	5	2	40%
A222	Development of alternative water sources (Climate change resilience of schemes (ASAP))				
A22201	Group ponds (1.285 Ha)	# of group pond	16	3	19%

A22202	Shallow well (2 Ha)	# of well	11		0%
A22203	Household Ponds (0.4 Ha)	# of HH pond	24	3	13%
A22205	Manual Tube(2Ha)	# of wells	31	12	39%
A23	Institutional support for irrigation development			-	
A2302	Technical training for irrigation engineers	# of trainees	24	21	88%
A24	Community mobilization and participation			-	
A2401	Consultation and participation of farmers on new construction schemes	# of participants	10,662	8,236	77%
A25	Institutional support for irrigation development				
A2501	Supervision and follow up missions /a (Person-Day)	PD	9,996	-	0%

B	Investment in Capacity for Sustainable Agriculture				58%
B1	Agribusiness Linkages and Market Access				
B11	Strengthening of Farmers Organizations and Cooperatives				
B1101	Establishment of the farmers cooperatives	# of coop	28	20	71%
B1102	Strengthening of the farmers cooperatives	# of coop	24	24	100%
B1103	Training for cooperative leaders	# of coop leaders	810	555	69%
B1104	Training for cooperative members	# of coop members	3,216	3,262	101%
B1105	Learning visits for producer groups/irrigation cooperatives (region level)	# of visit participants	84	191	227%

B1106	Learning visits for Producer groups/irrigation cooperatives (federal level)	# of visit participants	71	-	0%
B1107	forum on access to input sources for farmers' cooperative at regional level	# of forum participants	376	330	88%
B12	Support to cooperatives		-	-	
B1203	Farm gate Storage Facilities for harvested crops- (for example for potato- traditional aerated shelf Shealer, Plastic bags, Cassa etc)	set	22	17	77%
B13	Market Access Alliances				
B1304	Establishment and strengthening MAAs at Woreda level	# of MAAs	50	38	76%
B1305	Training for MAA at regional level	# of trainees	412	162	39%
B1306	Training on market chain development for woreda experts	# of trainees	141	132	94%

B1307	Conducting private public dialogue (PPD) on output market at federal	# of PPD participants	68	-	0%
B1308	Conducting private public dialogue (PPD) on output market at regional	# of PPD participants	310		0%
B1309	Learning visits for experts regional level	# of participants	76	63	83%
B14	Access to financial services		-	-	
B1404	Conducting financial linkage dialogue work shop at federal level	# of participants	55		0%
B22	Capacity building for farmers				
B2202	Training for Kebele D.A and woreda BoA expertise /a	# of trainees	188	202	107%
B2203	Preparation of agricultural development plans	# of plans	48	40	83%

B2204	Training for Farmers Research Groups	# of trainees	1,790	870	49%
B2205	Training of farmers on seed system	# of trainees	532	439	83%
B2206	Provision of inputs for demonstration of seed system	Qt	159	130	82%
B2207	Supply of PPE as a demonstration kits to IWUAs	set	226	215	95%
B23	Capacity building for climate smart agriculture			-	
B2302	Acquisition and distribution of improved resilient crop genetic material and Input support to FRG Members on climate-smart agriculture	Qt	164	117	72%
B2306	Nursery established	# of nursery	5	2	40%
B2308	Research support and visits	# of FRGs	97	60	62%

B2309	consultancy services For enhancing efficiency of small scale irrigation in Amhara and Tigray region state through capacity building and farmers innovation in 6 schemes	# of schemes	6	6	100%
	Sub total				
B24	Gender and nutrition				
B241	Gender mainstreaming				
B24101	Gender training of Woreda experts and DA /b	# of trainees	390	323	83%
B24102	Community consultation and social mobilization strategy /c(one session at least 70% of the beneficiaries)	# of participants	650	690	106%
B24105	Gender mainstreaming training for farmers' organization (IWUA, IIM cooperative and watershed management) Committee members	# of trainees	1,260	1,332	106%

B24106	Leadership Training For women in farmers' organization (IWUA, IIM cooperative and watershed management) Committee members	# of trainees	350	363	104%
B242	Nutrition activities				
B24203	Conduct Food demonstration	# of schemes	35	34	97%
B24204	Training on nutrition sensitive agriculture for kebele & woreda experts /f	# of trainees	283	242	86%
B24205	Nutrient Profile tracking along marketing chains /g	# of assessment	1	-	0%
B243	Home gardens /i			-	
B24301	Home garden demonstration	# of women	430	370	86%
B24302	Inputs (including nutrition sensitive seeds)	Qt	69	66	96%
B24303	Farm tools (set) access to FHH	# of women	350	340	97%

B24305	Postharvest training for woreda and D. A	# of trainees	156	182	117%
B24306	Postharvest training for farmers 25% of beneficiaries	# of trainees	1,981	1,851	93%
B24307	Woreda SMS technical support expenses for AD (Person-day)	PD	42,824	26,258	61%
B24309	Demonstration of post-harvest technologies	# of demo	11	-	0%
B3	Capacity Development in Watershed Management				
B31	Capacity development in watershed management				
B3104	Study Tours for Woreda experts and DA /a	# of participants	45	21	47%
B3105	Training of Woreda Watershed Management Teams (on integrated watershed management and climate risk management and CSA Practices)	# of trainees	194	197	102%

B3106	Training of Kebele Watershed Management Teams (on integrated watershed management and climate risk management and CSA Practices)	# of trainees	285	266	93%
B3107	Training of Community Watershed Management Teams	# of trainees	304	272	89%
B3108	Training for Farmers research and extension groups	# of trainees	100		0%
B3109	Input support to FRG Members on watershed management	# of farmers	100	-	0%
B3110	Training for watershed beneficiaries on IGA Activities	# of trainees	510	461	90%
B3114	Study tours for federal regional climate and watershed experts	# of participants	23	-	0%
B32	Climate change resilience in watershed management				
B3202	GPS based data collection on program interventions	# of schemes	49	10	20%

B3203	Land use & land cover change mapping	# of schemes	38	9	24%
B3211	Instrumentation for catchment water budgeting	set	1	-	0%
B3213	Delivery of technical assistance by CGIAR	set	1	-	0%
B33	Input Support for Watershed Management				
B3301-1	Physical SWC	ha	668	622	93%
B3301-2	Biological SWC	ha	735	584	79%
B3302-1	Physical SWC	ha	547	514	94%
B3302-2	Biological SWC	ha	314	322	102%
B3303-1	Physical SWC	ha	248	112	45%

B3303-2	Biological SWC	ha	70	104	148%
B3304-1	Physical SWC	ha	8,369	4,336	52%
B3304-2	Biological SWC	ha	3,411	2,187	64%
B3305	Promoting conservation agriculture	ha	354	167	47%
B3306	Promoting agroforestry and fruit	ha	428	526	123%
B3307	Promotion of improved forage production	ha	141	255	181%
B3308	Promote soil fertility management practices (Vermi composting)	ha	371	119	32%
B3309	Promote improved crop management at rain fed agriculture	ha	450	201	45%

B3310	Promotion of small-scale alternative energy source (Cooking Mirt Stove, Solar panel...)	# of farmers	460	753	164%
B3313	Strengthening of community nurseries	# of nurseries	38	46	121%

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Participatory Small-scale Irrigation Development Programme II

Supervision Report

Appendix 3: Compliance with legal covenants: status of implementation

Mission Dates: 16/05/2022 to 07/06/2022

Document Date: 19/07/2022

Project No. 2000001134

Report No. 6166-ET

East and Southern Africa Division
Programme Management Department

Appendix 3: Compliance with legal covenants: Status of implementation

Financing Agreement:	Covenant	Compliance target date	Remarks
Section E.2 (a)	The Programme Coordination and Management Unit at Federal and Regional level duly established and key positions filled with personnel acceptable to IFAD.	Prior to disbursement	Complied
Section E.2 (b)	The Borrower/Recipient shall have established a National Programme Steering Committee (NPSC).	Prior to disbursement	Complied
Section E.2 (c)	Draft PIM in the form and substance satisfactory to the Fund	Prior to disbursement	Complied
Schedule 3. Para 1, Gender	Develop gender mainstreaming guidelines for the programme	During implementation	Complied
Schedule 3 Para 2, SECAP	Ensure that the ESMF and RAF as required by IFAD's SECAP have been adopted	Throughout implementation	Complied/On going
Schedule 3 Para 3, Implementation	Programme will be implemented in accordance with IFAD policies, strategies and procedures	Throughout implementation	On going

Schedule 3 Para 4, Environmental audit	The development of measures to mitigate social and environment impacts and implementation will be reported upon annually and the report will be subject to an independent audit that will be submitted to IFAD and NPSC	Annually	On going
Schedule 3 Para 5, Accounting Software	Accounting software duly implemented in accordance with a comprehensive chart of accounts satisfactory to IFAD	First year of implementation	Complied
Schedule 3 Para 6, Programme Financial reporting	Programme financial reporting shall cover category of expenditure, components and financier and shall be prepared on modified cash basis		Complied
GC: Article 7. S7.01 (b) AWPB	The LPA shall draft Programme AWPB for each Programme based, to the extent appropriate.	30 April, each year	Not Complied for financial year 2021/22
GC: Article 7. S7.05. Procurement	Procurement of goods, works and services in accordance with the provisions of the GOE regulations, to the extent such are consistent with the IFAD Procurement Guidelines.	During implementation	On going
GC:S. 7.8 (a) Insurance	All goods and buildings used in the Programme against such risks.	During implementation	On going
GC: Article 7 S.7.11	Appoint National Programme Coordinator and all other key Programme personnel in the manner specified in the FA.	By Programme start up	Complied
GC: Article 8 S 8.3 (a)	Furnish to the Fund periodic progress reports in such form and substance as required		Complied /On- going
GC: Article 7 Section 8.3 (b) MTR	Jointly carry out a review of Programme implementation no later than the midpoint of the Programme Implementation	2020	MTR mission was conducted in October, 2019 – ahead of schedule

GC: Article 7Article IX Financial Reporting Section 9.2	Deliver to the Fund detailed financial statements of the operations, resources and expenditures related to the Programme for each Fiscal Year prepared in accordance with standards and procedures acceptable to the Fund	31 October, each year	Complied
GC: Article 7Section 9.03 Audit	Each Fiscal Year, have the accounts relating to the Programme audited in accordance with auditing standards acceptable to the Fund and the Fund's <i>Guidelines on Programme Audits (for Borrowers' Use)</i> by independent auditors acceptable to the Fund;	07 January, each year	Complied

The above sections/covenants are illustrative; if applicable to your project the contents of which are common to all Financing Agreements, ensure that the references to the Financing Agreement are correct. Covenants specific to your project should be added to this table.

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Participatory Small-scale Irrigation Development Programme II Supervision Report

Appendix 7: Integrated Project Risk Matrix (IPRM)

Mission Dates: 16/05/2022 to 07/06/2022

Document Date: 19/07/2022

Project No. 2000001134

Report No. 6166-ET

East and Southern Africa Division
Programme Management Department

Overall Summary

Risk Category / Subcategory	Inherent risk	Residual risk
Country Context	Substantial	Moderate
<i>Political Commitment</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Governance</i>	<i>Moderate</i>	<i>Low</i>
<i>Macroeconomic</i>	<i>High</i>	<i>Substantial</i>
<i>Fragility and Security</i>	<i>Substantial</i>	<i>Moderate</i>
Sector Strategies and Policies	Moderate	Moderate
<i>Policy alignment</i>	<i>Moderate</i>	<i>Low</i>
<i>Policy Development and Implementation</i>	<i>Moderate</i>	<i>Moderate</i>
Environment and Climate Context	Substantial	Moderate
<i>Project vulnerability to environmental conditions</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project vulnerability to climate change impacts</i>	<i>Substantial</i>	<i>Moderate</i>
Project Scope	Substantial	Moderate
<i>Project Relevance</i>	<i>Low</i>	<i>Low</i>
<i>Technical Soundness</i>	<i>High</i>	<i>Moderate</i>
Institutional Capacity for Implementation and Sustainability	Moderate	Moderate
<i>Implementation Arrangements</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Monitoring and Evaluation Arrangements</i>	<i>Moderate</i>	<i>Low</i>
Project Financial Management	Substantial	Substantial
<i>Project Organization and Staffing</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project Budgeting</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Project Funds Flow/Disbursement Arrangements</i>	<i>High</i>	<i>Substantial</i>
<i>Project Internal Controls</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project Accounting and Financial Reporting</i>	<i>Substantial</i>	<i>Substantial</i>
<i>Project External Audit</i>	<i>Moderate</i>	<i>Moderate</i>
Project Procurement	Moderate	Low
<i>Legal and Regulatory Framework</i>	<i>Moderate</i>	<i>Low</i>
<i>Accountability and Transparency</i>	<i>Moderate</i>	<i>Moderate</i>
<i>Capability in Public Procurement</i>	<i>Low</i>	<i>Low</i>
<i>Public Procurement Processes</i>	<i>Low</i>	<i>Low</i>
Environment, Social and Climate Impact	Moderate	Low
<i>Biodiversity Conservation</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Resource Efficiency and Pollution Prevention</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Cultural Heritage</i>	<i>Moderate</i>	<i>Low</i>
<i>Indigenous People</i>	<i>Moderate</i>	<i>Low</i>
<i>Labour and Working Conditions</i>	<i>Moderate</i>	<i>Low</i>
<i>Community Health and Safety</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Physical and Economic Resettlement</i>	<i>Substantial</i>	<i>Moderate</i>
<i>Greenhouse Gas Emissions</i>	<i>Low</i>	<i>Low</i>
<i>Vulnerability of target populations and ecosystems to climate variability and hazards</i>	<i>Low</i>	<i>Low</i>

Risk Category / Subcategory	Inherent risk	Residual risk
Stakeholders	Moderate	Low
<i>Stakeholder Engagement/Coordination</i>	<i>Low</i>	<i>Low</i>
<i>Stakeholder Grievances</i>	<i>Moderate</i>	<i>Low</i>
Overall	Moderate	Moderate

Country Context	Substantial	Moderate
Political Commitment	Moderate	Moderate
<p>Risk:</p> <p>General elections, which were planned for August 2020 and have been delayed due to the COVID-19 pandemic, could be held later in 2020 or further delayed, causing social unrest. Further deterioration in the economic environment with prolonged lockdowns and reduced economic activity may also cause social unrest. This may lead to government restrictions on movement and internet connectivity hindering programme implementation.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>Continuous communications between IFAD and GOE will ensure adaptive measures and planning to overcome these challenges. Programme institutions will be strengthened to be self-reliant.</p>		
Governance	Moderate	Low
<p>Risk:</p> <p>Governance structure at the regional levels does not provide incentives for the inclusion of women and youth in decision-making.</p> <p>Governance structures of government, community stakeholders, private sector and other stakeholders engaged in project activities may not equally benefit all segments of the community, resulting in elite capture.</p>	Moderate	Low
<p>Mitigations:</p> <p>PASIDP II will build on its previous phase experience and capacity created ensuring enhanced transparency, (downward) accountability, and citizen engagement in project-supported activities.</p> <p>The project will work at the local level providing capacity building to develop and reinforce institutions and governance structures (including government and community-level organizations) that provide secure and fair access to services, infrastructure and natural resources.</p> <p>PASIDP II will foster collaboration between government institutions, private sector players and farmers; supporting the development of mutually beneficial partnerships. Adequate planning, implementation and monitoring of activities will ensure stakeholders' engagement in the development of financially viable irrigation schemes and promoting farming as a business.</p> <p>Adherence to the PIM (a tool for transparency that provides, inter alia, the criteria and procedures for selecting the beneficiaries of the Project activities) through on-going implementation support and supervision, will ensure full inclusivity and good governance.</p>		
Macroeconomic	High	Substantial

<p>Risk:</p> <p>GDP growth will be impacted by the pandemic, with UNECA modelling forecasting a reduction between 1.2% - 4.5%. The pandemic is already having a negative impact on the agriculture sector's contribution to GDP and food security. Reduced exports are leading to lower forex income, and agricultural production might drop by 30% if producers revert to the extensive production system for cash crops. Ethiopia's agriculture sector is characterized by low agricultural productivity due to land degradation, poor water management, low input and technology usage, and an underdeveloped marketing system. The pandemic will thus place risks on an already fragile sector, including: limited access to agricultural inputs and labour due to travel and movement restrictions; feed supply limitations affecting livestock development; disruptions to income earning opportunities during important festivities through demand and supply side shocks; functioning of agro-industrial parks compromised by travel restrictions; limited access to production capital due to liquidity constraints of rural financing institutions; highly perishable horticulture value chains impacted by decreased domestic trade and consumption of vegetables; and physical access to food negatively impacted by the pandemic.</p>	High	Substantial
<p>Mitigations:</p> <p>PASIDP II supports the agriculture sector enhancing the resilience of agricultural productive systems developing irrigation infrastructure and developing the adjacent watersheds, adopting commercially oriented farming linking farmers to markets and services.</p> <p>The project is shifting operational funds to respond to the challenges posed by the pandemic, with a focus on livelihood support through the provision of inputs and basic assets for production and cash-for-work; and food supply chain support to facilitate access to markets supporting access to inputs, postharvest handling, and transportation, as well as access to production finance.</p>		
<p>Fragility and Security</p>	Substantial	Moderate
<p>Risk:</p> <p>Negative impact of emergencies on the economy and livelihoods - COVID-19 & Desert Locust.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>PASIDP II is shifting operational funds to respond to COVID-19 and to address the locust invasion in part of the project area. PASIDP II is reprogramming USD 4.4 million in response to COVID-19, which will be complemented with resources from IFAD's Rural Poor Stimulus Facility</p>		
<p>Sector Strategies and Policies</p>	Moderate	Moderate
<p>Policy alignment</p>	Moderate	Low
<p>Risk:</p> <p>Primarily, there is National Growth and Transformation Plan II (GTP II) guiding the overall country's plan for five years. Specifically, there is also National Smallholder Irrigation and Drainage Strategy to guide efforts and investments in smallholder focused irrigation and drainage during GTP II. However, the regulatory framework is not conducive to promote private sector although the recent government is conducting general economic reform including private sector engagement.</p>	Moderate	Low
<p>Mitigations:</p> <p>In order to address the risk associated with private sector engagement, the project will assist the Government in identifying systemic bottlenecks for private sector engagement and recommending revision of policies and strategies to create conducive environment for private sector.</p>		
<p>Policy Development and Implementation</p>	Moderate	Moderate

<p>Risk:</p> <p>The National Smallholder Irrigation and Drainage Strategy that is in place does not consider the commercialized irrigation sub sector which could create water use conflict between smallholder farmers and commercial farmers. The implementation of this strategy is also lagging behind the timeline.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>In order to mitigate the risk, the project will support the national government to develop commercialized irrigation strategy, which could be linked to smallholder irrigation strategy. The implementation of the current strategy will be supported by the project through its structure (national and regional).</p>		
Environment and Climate Context	Substantial	Moderate
<i>Project vulnerability to environmental conditions</i>	<i>Substantial</i>	<i>Moderate</i>
<p>Risk:</p> <p>The project is under implementation in the high lands that have challenges of land degradation such as soil erosion, deforestation, over grazing etc. The project sites have also long been experiencing frequent pest and disease incidents</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Communities will actively engage in watershed and natural resource management in the rain fed areas adjacent to the irrigation schemes as well as livelihood diversification practices, conservation agriculture, shifting to more disease tolerant crops and varieties and agro-forestry. Payment for ecosystem service (PES) will enhance environmental rehabilitation in the upper streams.</p>		
<i>Project vulnerability to climate change impacts</i>	<i>Substantial</i>	<i>Moderate</i>
<p>Risk:</p> <p>Drought and increased rainfall variability are the prominent risks of climate change. Recurrent drought may reduce water flows in irrigation schemes and aggravate water use conflict among different users. Drought and flood can also cause pest and disease infestation.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Irrigation will address the drought risk and the design and construction will be done in a climate resilient manner. The watershed management activities will improve the water moisture conservation in the rain-fed areas to address the rainfall variability. Conservation agriculture will also be promoted. Farmers will be encouraged to shift to drought tolerant crops and varieties.</p>		
Project Scope	Substantial	Moderate
<i>Project Relevance</i>	<i>Low</i>	<i>Low</i>
<p>Risk:</p> <p>Mid term review mission has been conducted in Oct 2019 and it was found that project is are well aligned with the national agricultural development polices and strategies as well as IFAD priorities and are sufficiently relevant or responsive to the needs and priorities of the rural community.</p>	Low	Low
<p>Mitigations:</p> <p>Make a close follow in case there will be any deviation from the PDOs and agreed interventions.</p>		
Technical Soundness	High	Moderate

<p>Risk:</p> <p>While the project is technically sound, one of the envisaged risks is that going forward the project will be implementing more of SECAP category A projects which requires rigorous process to appraise the project</p>	High	Moderate
<p>Mitigations:</p> <p>In order to mitigate this risk, during site identification and feasibility study, enough resources (time, technical specialists, financial) should be allocated to qualify the standard of SECAP procedures.</p>		
Institutional Capacity for Implementation and Sustainability	Moderate	Moderate
Implementation Arrangements	Moderate	Moderate
<p>Risk:</p> <p>Firstly, there may be weak technical capacity of county government personnel in policy development and livestock extension. Limited institutional capacity of lead implementing agency and other line IPs. Limited capacity for targeting women and youth.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>Conducting continuous capacity gap assessment and organization of continuous capacity building initiatives.</p>		
Monitoring and Evaluation Arrangements	Moderate	Low
<p>Risk:</p> <p>Weak M&E arrangements will not allow for the project's progress, results and impact to be accurately captured and measured – attribution challenge.</p>	Moderate	Low
<p>Mitigations:</p> <p>In order to mitigate this attribution challenge, PASIDP II & III will have a participatory Monitoring and Evaluation (M&E) system to be developed and managed by the FPMCU. A key element of the M&E system is the consultation and involvement of end-clients as active participants to provide inclusive assessments of results, and to reflect the perspectives and aspirations of those most directly affected by the projects interventions. The FPMCU will bear overall responsibility for the continuous M&E and regular reporting on progress and the achievement of project objectives, milestones and results. This is enhanced by conducting annual outcome surveys and focus groups discussions. Also, the use of geo-spatial data and a web-based Management Information System (MIS) will be developed by the FPCMU to facilitate data management and accessibility. From a macro perspective AVANTI, will enable the Ministry of Agriculture to draft an action plan which outlines key bottlenecks regarding SDG measurement & reporting. Also, the Addis hub will facilitate a dedicated M&E training, through the PRIME grant, for relevant program staff for all of our programs in Ethiopia, Eritrea and interested Hub staff.</p>		
Project Financial Management	Substantial	Substantial
Project Organization and Staffing	Substantial	Moderate
<p>Risk:</p> <p>The finance departments at federal PCMU and RPCMUs are adequately staffed in terms of numbers. The teams have several years of experience in implementation of IFAD projects. Except for the finance manager, the team was involved in PASIDP I. The mission considers the numbers of the finance team adequate. The capacity levels are still low and the status of staffing at Tigray RPCMU has not been reported</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Implementation support to facilitate improvement of staff capacities to continue.</p>		

Project Budgeting	Substantial	Moderate
<p>Risk:</p> <p>FY 2022/23 AWPB had not been completed by 25/05/2022 yet it was due on 30/04/2022, which could impact timely implementation of project activities. Tracking of budget performance appears limited to IFRs (generated in MS Excel) as budgets are not posted in the accounting software. The project has not indicated reasons for budget variances in the IFR</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Initiate the AWPB process early, ensuring that there is adequate follow-up of any feedback from IFAD to ensure timely approval of the AWPB. Indicate reasons for budget variances in IFRs and post budgets in the accounting software</p>		
Project Funds Flow/Disbursement Arrangements	High	Substantial
<p>Risk:</p> <p>The project has multiple financing sources including donor co-financiers and several levels of implementation which poses an inherent risk of mis- classification of expenditure during implementation. There is risk of non-absorption of funds and failure to refund underutilized related to SSTC and RPSF grants completing on 25 May and 30 June 2022 respectively. The risk of failure to justify/recover the AA on the SSTC grant outstanding at USD 200,000 and RPSF grants outstanding at USD 1,400,000.</p> <p>The risk of failure to absorb RPSF funds and justify the same on a timely basis. Risk of loss of project resources (funds and assets) due to the ongoing conflict in Tigray and Amhara regions.</p>	High	Substantial
<p>Mitigations:</p> <p>No further activities financed by SSTC and RPSF after completion date to mitigate against ineligible expenditure. Provide justifications for both the SSTC and RPSF grants to justify/recover the authorized allocation on the grants.</p>		
Project Internal Controls	Substantial	Substantial
<p>Risk:</p> <p>The internal control system is established facilitating clear segregation of duties and control of programme transactions at the national and regional levels. Long outstanding advances pose a risk of failure to complete planned activities, being mismanaged and potential ineligible expenditure. In SNNPR RPCMU, ETB 501,806.43 has been outstanding in Demba Goffa Woreda for more than 12 months and ETB 52,405.27 reported as part of advances is in respect of advance to a contractor (Endet Construction Association) who abandoned the works. Budget versus actual analysis is prepared only for inclusion into the interim financial reports and not as a management tool as budgets are not posted in the accounting software. The analysis does not include the reasons for variances and there is no evidence of input in the IFRs from the program team.</p>	Substantial	Substantial

<p>Mitigations:</p> <p>Advance monitoring and control, especially on construction/civil works to ensure that the works are completed on time.</p> <p>Follow up with the Regional government in SNNPR for recovery of ETB 501,806.43 from Demba Goffa</p> <p>Engage with the Commercial Bank of Ethiopia to liquidate an advance guarantee in respect of advance (ETB 52,405.27) for works abandoned by Endet Construction Association</p>		
<p>Project Accounting and Financial Reporting</p>	<p>Substantial</p>	<p>Substantial</p>
<p>Risk:</p> <p>There are is also no consolidation of the accounting records of the FPCMU and regions in QuickBooks, consolidation is done in MS Excel, which is prone to errors as well as potential for double-claiming expenditure from IFAD.</p> <p>There are delays in reporting by the regions that will negatively affect overall reporting and disbursements.</p> <p>The project has submitted its first IFR and the quality of the IFR is still low</p> <p>Reported advances to not include advances to Tigray RPCMU, yet these advances constitute project resources</p>	<p>Substantial</p>	<p>Substantial</p>
<p>Mitigations:</p> <p>Continue engaging the service provider to upgrade the accounting software to identify ways of automatically consolidating financial reports at FPCMU.</p> <p>Follow up advances on a timely basis to facilitate early reporting, especially the IFRS and regional levels.</p> <p>Improve the quality of IFRs following template provided by IFAD and guidance given during the May, 2022 ISM</p> <p>Report on the regular basis the status of finances at Tigray RPCMU, identifying changes from the previous report, if any</p>		
<p>Project External Audit</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Risk:</p> <p>The audited financial statements for the year ended 7 July 2021 was completed and submitted by the due date. The audit was conducted in accordance with ISA, disclosures were adequate and the audit quality and timeliness rated moderately satisfactory (4). No action plan to implement audit recommendations</p>	<p>Moderate</p>	<p>Moderate</p>
<p>Mitigations:</p> <p>Prepare for the audit of financial statements for the year 2021/22 in good time to ensure that the audit report and management letter are submitted on time.</p> <p>Prepare an action plan for implementation of audit recommendations</p> <p>Audit Terms of Reference should cover the scope, indicating field level activities up to Woreda level - planned to cover all regions for the remaining project period</p>		
<p>Project Procurement</p>	<p>Moderate</p>	<p>Low</p>
<p>Legal and Regulatory Framework</p>	<p>Moderate</p>	<p>Low</p>
<p>Risk:</p> <p>Procurement monitoring needs strengthening, as most of the central government institutions do not maintain databases or records for contracts including data on what has been procured, the value of procurement, and who has been awarded contracts. They prepare the performance report directly from the source document at the end; procurement information is not available for public access.</p>	<p>Moderate</p>	<p>Low</p>

<p>Mitigations:</p> <p>Through consultations with the Government, IFAD can encourage the development of a reliable database for monitoring procurement management, and to improve the completeness of procurement information available to the public through appropriate means (e.g. using the FPPA website). Use the IFAD Contract Monitoring Tool for all contracts including Partnership Agreements.</p>		
<p>Accountability and Transparency</p>	Moderate	Moderate
<p>Risk:</p> <p>Complaints review system is available and functional, but not independent; high country perception index score.</p>	Moderate	Moderate
<p>Mitigations:</p> <p>IFAD can strongly encourage Government to ensure PPA proclamation No. 649/2009 provisions on complaint system are applied, according to which an independent and functional system should be available; Programme and the Lead executing agency - the Ministry of Agriculture and Natural Resources - to ensure that any individuals, firms and Government stakeholders involved in the implementation of PASIDP II are well informed of the Revised IFAD's Policy on Preventing Fraud and anti-corruption in its activities and operations.</p>		
<p>Capability in Public Procurement</p>	Low	Low
<p>Risk:</p> <p>Not all staff members have enough experience in procurement; solicitation documents not customized to include IFAD provisions on prohibited practices.</p>	Low	Low
<p>Mitigations:</p> <p>Continuous support to be provided by the federal PO, with coordination from the PC. Sustained procurement reviews to the Woredas with corrective actions being monitored.</p>		
<p>Public Procurement Processes</p>	Low	Low
<p>Risk:</p> <p>Not all bidding documents are available for free; Significant delay in submission of PP for IFAD review; data on actual timelines in the PP is missing for activities at Woreda level and conflict affected areas; opening minutes are taken but not sent to bidders; not all contracts awarded are advertised; procedure for contract amendments does not establish thresholds; CMT entries have gaps; contract records from conflict affected regions are not accessible.</p>	Low	Low
<p>Mitigations:</p> <p>Programme to make bidding documents available for free whenever possible; submit PP on time for IFAD review; and update pricing details to inform the planning process; minutes to be sent to all bidders; ensure all contracts are captured in the CMT and can be reported on; Post Procurement reviews conducted at the Federal level to be regularized in the PIM and implementation of recommended actions to be followed up; finalise system to keep soft copies of all documents at federal level and ensure that all aspects of contract administration are properly logged on the procurement file. Design a digital tool and dashboard to centrally aggregate information on all small acquisitions in the whole programme that are without contracts.</p>		
<p>Environment, Social and Climate Impact</p>	Moderate	Low
<p>Biodiversity Conservation</p>	Substantial	Moderate

<p>Risk:</p> <p>Construction of irrigation infrastructures as well as use of agrochemicals may cause biodiversity loss and affect ecosystems and services gained from them.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Adherence to SECAP and National requirements: projects will be screened, categorized and project specific ESIA/ESMP will be prepared. Site selection for scheme development will be guided by the assessments and ESMPs. The ESMPs will include habitat restoration where any impact cannot be avoided.</p>		
<p>Resource Efficiency and Pollution Prevention</p>	Substantial	Moderate
<p>Risk:</p> <p>Construction of water infrastructures as well as use of agrochemicals will cause environmental pollution. Inefficient use of irrigation water by IWUAs.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Integrated pest management practices as well as use of organic fertilizers will help avoid/minimize pollutions. Ensure efficient resource use through awareness and monitoring. Approved chemicals will be used whenever necessary and capacity built in safe handling, use and disposal of agrochemicals. IWUAs will be trained in irrigation practices and crop planning.</p>		
<p>Cultural Heritage</p>	Moderate	Low
<p>Risk:</p> <p>Some construction activities may impact historical, religious or cultural resources.</p>	Moderate	Low
<p>Mitigations:</p> <p>Appropriate planning and site selection during irrigation scheme infrastructure development will avoid impact on cultural heritages. Public consultation and FPIC will also help to avoid construction in heritage areas. Delineation of cultural heritage sites in case construction is undertaken in the vicinity. Effective implementation and monitoring of the ESIA/ESMP will also help in ensuring that project activities are not harming cultural heritage sites.</p>		
<p>Indigenous People</p>	Moderate	Low
<p>Risk:</p> <p>All people in Ethiopia are considered indigenous. Vulnerable, disadvantaged people may be impacted by project activities.</p>	Moderate	Low
<p>Mitigations:</p> <p>Strictly follow IFAD's guidelines on targeting. The PASIDP II targeting strategy will ensure adequate number of vulnerable and disadvantage people have access to irrigation water. Geographical targeting, self and direct targeting will be applied in the project intervention areas.</p>		
<p>Labour and Working Conditions</p>	Moderate	Low
<p>Risk:</p> <p>Project activities may cause forced or child labour, gender based violence, discriminatory and unsafe/unhealthy working conditions.</p>	Moderate	Low

<p>Mitigations:</p> <p>Awareness creation and capacity development to ensure project activities are conducted in a safe working environment. Contractor contracts will include clauses to ensure adequate working conditions. Furthermore, GRM is in place so that affected people have access to address and resolve their complaints. Sensitisation will also be done in collaboration with relevant authorities to prevent GBV.</p>		
<p>Community Health and Safety</p>	Substantial	Moderate
<p>Risk:</p> <p>Construction activities and use of agrochemicals, may have negative impact on human health and safety. Furthermore, some project activities may cause outbreak of epidemic diseases. Nature of some project activities may also aggravate the prevalence of COVID-19</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Provision of PPE, Integrated Pest management practices and also deploying of COVID-19 preventing measures</p>		
<p>Physical and Economic Resettlement</p>	Substantial	Moderate
<p>Risk:</p> <p>Many irrigation scheme infrastructures are planned and these may cause physical, economic and involuntary resettlement and limit access to natural resources.</p>	Substantial	Moderate
<p>Mitigations:</p> <p>Adherence to SECAP and national laws entails screening of project activities and elaborating ESMPs for the infrastructure development. FPIC, preparation of RAP and compensation prior to commencement of any physical activities will be ensured and resettlement should be voluntary. GRM should be strengthened to ensure timely and satisfactory responses to complaints.</p>		
<p>Greenhouse Gas Emissions</p>	Low	Low
<p>Risk:</p> <p>Site clearance and other project activities may cause increase in GHG emissions</p>	Low	Low
<p>Mitigations:</p> <p>Agro-forestry and the watershed management activities will increase the carbon sink potential of the target areas. In addition the screening of sites will ensure limited clearing of vegetation.</p>		
<p>Vulnerability of target populations and ecosystems to climate variability and hazards</p>	Low	Low
<p>Risk:</p> <p>The project is not expected to increase vulnerability of targeted populations and ecosystems to climate hazard</p>	Low	Low
<p>Mitigations:</p> <p>The irrigation and watershed management investments will enable IWUAs and communities in rain-fed areas to produce adequate and diversified produce, all of which will enhance livelihood and ecosystem resilience. Awareness creation and project screening on activities leading to climate variability is important.</p>		
<p>Stakeholders</p>	Moderate	Low
<p>Stakeholder Engagement/Coordination</p>	Low	Low

<p>Risk:</p> <p>The governance structure for this project is well operational at different levels coordinating all implementing partners both at national and regional levels. There is very good community participation through its Irrigation Water Users' Associations and/or watershed development teams in planning and implementation of each intervention.</p>	Low	Low
<p>Mitigations:</p> <p>Encourage the project to pursue this trend and support the community to develop its own AWP and implement with a minimum external support.</p>		
<p>Stakeholder Grievances</p>	Moderate	Low
<p>Risk:</p> <p>The project has clear grievances redress mechanism, which beneficiaries, target groups and stakeholders can flag out their grievances. However public sensitization on this grievances redress mechanism may not be sufficient.</p>	Moderate	Low
<p>Mitigations:</p> <p>The project should design proper system through which beneficiaries, target groups and stakeholders grievances redress mechanism is communicated.</p>		